1950	Meetings

Dates of Meeting:
August 1950
Type of Meeting:
Committee of Financial and Economic Affairs held a planning meeting
Place of Meeting:
Beijing
Attendance:

Major Agenda Items:
The primary focus was the formulation of the 1951 annual plan and the objectives for a three-year development period.
Speeches/Reports:
Chen Yun: after the United States' invasion of Korea, the meeting believed that the country still faces the arduous task of striving for a fundamental improvement in the financial situation. Due to limitations in financial, material, and human resources, the need to strengthen national defense, and the fact that the influence of the semi-colony of industry itself has not been completely eliminated, large-scale economic construction is impossible within two or three years. The main task is to properly adjust and restore the economy and prepare for large-scale economic construction in the future. The adjustment and recovery of industry must be based on the existing foundation and should not be blind. To recover from the adjustment, we must strive to do the following: organize the production of raw materials that used to rely on foreign supplies, such as matches, papermaking, and chemical raw materials needed for military industry; change the unreasonable phenomenon of excessive concentration of industrial production in coastal areas and appropriately relocate some factories to areas close to raw materials and markets; according to the principle of production and sales balance, Reasonable arrangements should be made for production in all sectors of industry; unreasonable mergers should be made of factories of similar size; advanced production arrangements should be encouraged, while backward ones should be eliminated; and adjustments should be made nationwide to technical personnel and workers to adapt to the needs of industrial construction. Within three years, new industrial construction should focus on strengthening national defense forces; new construction must be investigated, surveyed, designed, and organized according to construction plans. The planning of the meeting was based on the current situation and deeply combined with the spirit of the Third Plenary Session of the Seventh Central Committee of the Communist Party of China. The focus was not only on responding to the war, reflecting the strategic characteristics of closely combining medium-term goals with short-term tasks.
Other Decisions and/or Actions:
the main tasks for the economic sector over the next two to three years would be to carry out necessary economic adjustments and recovery, while simultaneously undertaking essential construction projects.
Remarks:
The proposed measures included:

- Developing domestic production of raw materials previously obtained from abroad, including materials for matches, paper and military chemical products.
- Reducing the excessive geographical concentration of industry along the eastern coast.
- Relocating certain factories closer to their sources of raw materials and markets.
- Coordinating production with actual market demand.
- Merging inefficient factories producing similar goods.
- Encouraging technically advanced enterprises while eliminating backward production facilities.
- Redistributing technical personnel and industrial workers throughout the country.
- Another important subject was the formulation of a three-year development programme.
- The objective was to establish the economic foundations necessary for subsequent industrialisation. This required consideration of:
- Industrial production and investment.
- Agricultural production.
- Transportation and infrastructure.
- Financial resources.
- The availability of labour and technical personnel.
- The relationship between production, consumption and national market demand.
- The conference also considered the general direction of economic development in the years following 1951.