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NEW MANAGEMENT SYSTEM; NEW LEADERSHIP METHODS

- COMMUNIST CHINA -

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NEW MANAGEMENT SYSTEM; NEW LEADERSHIP METHODS
- COMMUNIST CHINA -

[The following is a translation of an editorial in Kung-jen Jih-pao, Peiping, 5 July 1960, page 1.]

In 1958 the Ch'ing-hua Tool Factory had the two participations one reform experience and after that the Ch'ang-ch'uan Automobile Factory had the three combinations experience. Combined, these two experiences have now become a system in the enterprises. Now, in the Ch'ing-hua Tool Factory this system, along with rapid development of the movement for technological reforms and technological revolution, has attained a new stage of development. The Heilungkiang Provincial Committee of the Communist Party in due time convened an on-the-spot conference for discussion of the matter. The conference may exert a great accelerating influence on the raising of management's standards and the consolidation of the new customs in production.

The two participations, one reform, and three combinations experiences is a revolution in the management system and leadership methods. Practice proves that this system perfectly suits the nature of socialist enterprise, and is in a position to reveal fully its superiority. For this reason it has already become basic experience and a basic system for our Party's management and leadership of socialist enterprises.

As soon as we have a system of responsible factory leaders acting under the guidance of the Party Committee, a system of meetings with the representatives of the workers, and a prime emphasis on politics and mass movements to which the system of the two participations one reform and three combinations has been added, we can completely change the system of exclusive management.

That system relied solely on administrative orders from superiors to inferiors with purely material incentives, and was a generally cold and indifferent way of

management of enterprises. The two participations one reform and three combinations has paved many wide roads enabling the development to the utmost extent of the activities of wide masses of working people. It has also carried out the Party's general line on socialist construction and led to the permanent development of socialist productive forces.

The appearance of the two participations one reform experiences is also a revolution on the political and ideological fronts. Some of the administrative cadre were divided on such questions as: Is the Party guidance necessary? Is prime emphasis on politics necessary? Are the two lines in raising a mass movement necessary? In the struggle of these two methods, these two ways, this revolution has developed and strengthened. It was further developed during the repetitious educational work directed at ideas which persisted among some workers, that is: Are the workers willing to participate in management? Do they dare or do they not? Can they or can they not?

We know that in a socialist society after all problems of the system have been solved, under the conditions of basic harmony between the system and the requirements, certain contradictions will still exist between the relationship of production and productive forces and between the economic superstructure and economic basis. These contradictions in due time will also require settlement. The emergence and permanent development of the two participations one reform experience applied concretely within the limits of enterprise management will lead the people consciously and on their own initiative to regulate the above mentioned contradictions, and stimulate permanent growth of production and progress of society.

The most important manifestations of the new development in the two participations one reform system as shown in the Ch'ing-hua Tool Factory, are the following: The number of workers participating in management increased. Administrative order became widespread. The standards of management were greatly raised. The system of daily check ups and weekly analyses, planning in the beginning of the month and summing up at the end has been achieved. Teams have not only taken care of production but also of ideology studies and ways of life. A production team has actually become a strong administrative organization, and the participation of the workers in team management a basis for management

of enterprises. Not only are they willing to participate, but they dare to and can participate. The further they go, the more detailed, complete, and perfect their participation becomes.

Thus, in cooperation with cadre, workers attained planned, systematic, and regular character of work. Taking part in production they guided it and offered points of view on labor and production. Moreover, they have already created a new system of work, which combines work, labor, and study and have mastered the methods of carrying on economic work through political work methods and management work through mass movement methods. In this way they have greatly improved leadership and work methods.

With regard to a reformed system of rules, they have mastered a combination of the reformed system of management with a reformed means of management, and a combination of a reformed exclusive type of management with a reformed management through masses. They have broken the old and set up the principle of mutual combination.

Movements of technical innovations and technical revolution, which grouped around the "four transformations," brought to life many new problems. These have been intensively and nearly completely settled by the reforms in the spirit of a combination of the theory of permanent revolution and the theory of the stage development of revolution. From this time on, development of a technical revolution has been promoted and production has been strengthened. Application of the three combinations method did not stop with the settlement of technical problems in production. It has expanded to the solution of all problems of enterprise management, combining politics with economics, leaders with masses, theory with practice. It has also led to a close combination of the systems of exclusive management and management in cooperation with masses which forms a net of management with close ties in all directions. Due to the steady strengthening and development of the system of the two participation one reform and three combinations, management of this factory entered into a new stage.

This new development of the two participations one reform and three combinations system has a double meaning. Viewed from the standpoint of current questions: It has offered a solution to numerous problems in enterprise management brought about by the instantaneous

development of technical revolution; and set an example for an overall raising of the standards of enterprise management. Viewed from the standpoint of the future, its significance has far surpassed the limits of enterprise management. It has created excellent conditions for a better development of the social productive forces, by raising the political consciousness of the working masses, and by raising their scientific and cultural standards. At the same time, it has opened a wide, fast, and good way to the creation of industrial and agricultural masses armed with knowledge, and intellectuals familiar with physical labor. It has diminished the gap between mental and physical labor. We should be well aware of the importance of the party committee of different standings, and in conformity with the peculiar nature and working base of each enterprise. We should concentrate on the technical revolution and enterprise management, so that the revolution of management work in enterprises and the technical revolution of production will coincide. We should raise, strengthen, and develop mass movements in the technical revolution and make it progress hand in hand with strengthening, raising, and developing mass movements in the two participation one reform and three combinations system. We should make the relations and superstructure of production permanently fit with the development of requirements of productive forces and economic bases. We should promote a consolidation of the customs which keep growing in the existing production and further a complete and rapid progress of the socialist construction.

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