POLITICAL CRISIS

Why Deng may be the victim of his own purge attempt

by Gregory F. Buhyoff

Among our millions of party members and among the people as a whole, a relatively small number firmly believe that our country is definitely capable of producing order from chaos and prosperity from poverty... Most people hope for such a future but they have worries of various kinds... [There are] a relative few [who want] to overthrow the present system and leadership.

-The People's Daily, Feb. 11

The purge launched by Deng shortly following last December's meeting of the National People's Congress is by no means an indication of his faction's strength. It is a desperate pre-emptive move against the opposition which grows stronger by the day as China's economic and social fabric continues to unravel.

Contrary to the reams of newsprint fed the American public by his admirers in the pro-China-Card press, Deng Xiaoping has never been in complete control of affairs in China. Even the sacking of leading radicals at the fall 1980 Central Committee plenum and the subsequent trial of the Gang of Four could not have been accomplished without the help of powerful coalition partners with whom the Dengists are now at odds.

Up until recently, the Deng faction, which includes "readjustment" gurus Chen Yun and Zhao Ziyang as well as CCP chairman Hu Yaobang, managed to maintain preeminence in a tenuous factional alignment with conservative, heavy industry-oriented bureaucrats, military leaders, and moderate Maoists around vice-chairman Li Xiannian, Ye Jianying, and former party chairman Hua Guofeng. In fact, it was the latter group which made Deng's return to power possible in the first place. It was they who kept their vow to Chou En-lai to protect Deng from the wrath of the radicals immediately following Mao's death in 1976, they who arrested the Gang of Four, and they who eventually rehabilitated Deng at the July 1977 Central Committee Plenum.

But when Deng emerged on top at the December 1978 party plenum, the Dengists ignored objections from the conservatives and forged ahead with their "economic readjustment" deemphasizing heavy industry. More-

over, they stepped up attacks on major tenets of Maoist ideology as well as leading officials associated with the "oil faction," those in the bureaucracy who favor rapid industrialization using China's vast natural resources. These decisions led to the steady erosion of Deng's relationship with the conservative faction.

Although Deng achieved policy victories, at no time was his power unlimited. The delay of the 6th Central Committee plenum, the National People's Congress, and the yet-to-be held 12th Party Congress, betrayed the strong differences among the leaders over such issues as a new constitution, the question of Mao, and the new 5-year economic plan which was supposed to have been announced when the National People's Congress was finally held in December.

1981: Year of breakdown

Throughout 1981, the opposition was always able to make its voice heard in the official media. Though Deng succeeded in demoting Hua Guofeng from the party chairmanship at the July plenum, the victory was mitigated by Hua's retention as a vice-chairman, insisted upon by the conservatives, and by the fact that the overall compositional balance of the all-powerful politburo remained essentially the same.

As the year wore on and the economic and social consequences of the "readjustment" became manifest, Deng's marginal edge began to erode. In early summer, intense debate broke out in the provincial and specialized media revealing heated opposition to the regime's industry-wrecking austerity policies. By mid-August, following the release of alarming economic statistics amidst a nationwide crime wave, statements were made in the official media and by several senior officials suggesting that a compromise might be made on the economic question.

Any such speculation that the Deng faction was prepared to compromise or even rethink its economic policy was quashed at the December National People's Congress, where Premier Zhao Ziyang boldly declared that the current policy is sound and correct. And as if to anticipate large scale opposition to a continuation of

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the program, Zhao announced that a major "streamlining" of the bureaucracy would take place soon—the first signal that Deng was gearing up for a purge. That such opposition was already considerable was evident in the fact that neither a draft for a new constitution nor a new five-year economic plan, two documents the Dengists boasted would be on the table before year's end, could even be presented because of disagreements at the politburo level. With the opposition closing in, Deng counter-attacked with the purge.

Chinese students and scholars in the United States who are acutely aware of the potential for mass upheaval in China over the coming period were struck with fear by the waves of rumor and conjecture flowing out of Hong Kong and the region since mid-January. Official reports that Deng has already "retired to the second line" and assumed an advisory role sparked speculation that he had been deposed in a "bloodless coup" while rumors spoke of a Politburo meeting at which several erstwhile Deng loyalists defected, tipping the balance of power in favor of the opposition. Though such reports appear premature at this point, they underscore the widespread doubt among observers that Deng can succeed with the purge.

The day after a mid-February London Times article suggested that Deng may have been toppled, the Chinese embassy and consular offices in the United States were deluged by calls from frantic Chinese expatriates demanding the latest news on the situation in their homeland. Chinese officials are obliged to meet with groups of students in an effort to quell the panic, but have been unable to satisfactorily answer the students' questions. Many students are expressing fear about returning to China.

Millions on the chopping block

An estimated two to three million heads are scheduled to roll within the Communist Party, a figure that could increase dramatically as resistance to the purge intensifies. Resumed attacks on "helicopter promotions," referring to the millions of cadre who were admitted to or promoted in the party during the Cultural Revolution, are a strong indication that this will be the case. An estimated half of the party's 38 million members entered during that period.

The sheer numbers of the Maoist cadre poses a big problem for Deng. Unless he is able to purge a substantial number of them before the projected 12th Party Congress this year, it is by no means certain he will be able to control the new Central Committee to be elected at the Congress.

Deng's successful maneuvering at the top of the party leadership, however, has done little to affect the factional situation at the middle and lower levels of the party and government where policy is actually carried out. If anything, the demotion of Mao's chosen succes-

sor Hua Guofeng stirred up the beehive of Maoist elements who continue to brazenly countermand the dictates of the party leadership and even organize criminal activities to destabilize the regime. The Central Discipline Inspection Commission (CDIC), which monitors cadre behavior and has been assigned the task of determining who is to be purged, has encountered defiant resistance from cadre who team up to disrupt investigations in order to shield one another from attack. So large is the problem that in its last two issues, the CCP theoretical journal *Red Flag* has been forced to discount popular fears that the Gang of Four may rise again, a prospect that cannot be ruled out in the unpredictable days ahead.

The purge was kicked off by Deng himself during a mid-January trip to Guangdong province where he personally gave the boot to a leading official accused of directing a smuggling ring.

Deng has reportedly assigned top priority to those regions most infected with radicalism and corruption, Hebei province and Shanghai municipality, the latter formerly the base of operations for the Gang of Four and a tinderbox of high unemployment and a burgeoning crime problem. In Hebei, where a former provincial party leader has been the object of repeated propaganda attacks on Maoists precursing the purge, 50,000 teachers were declared "incompetent" and dismissed in one fell swoop in early February. According to the Hong Kong-affiliated New York Chinatown press, a special purge apparatus consisting of small CDIC cells has been set up in Shanghai to deal with the special problems there.

Resistance from industry faction, army

The heavy-industry faction, which has substantial support from the armed forces, is a major obstacle to Deng's economic program. This faction is led by party vice-chairman Li Xiannian, a former finance minister; Ye Jianying, the titular head of state whose base is in the military, and Hua Guofeng, who continues to enjoy the allegiance of heavy industry proponents and moderate Maoists alike. Yu Qiuli, a Politburo member and head of the State Energy Commission, was identified by EIR in 1980 as a member of the "oil faction" favoring rapid industrial exploitation of China's natural resources.

The assault on pro-heavy industry bureaucrats is being conducted under the pretext of "streamlining" the bureaucracy and "retiring" elderly cadre. Admittedly, China's bureaucracy is severely redundant with many incompetent officials throughout the ranks, but the nature of the housecleaning makes it clear that Deng has specifically targeted those individuals and institutions that are bastions of sentiment in favor of heavy industry. The four State Council Commissions in charge of capital construction, energy, agriculture, and ma-

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chine-building are reportedly earmarked for dissolution, their duties, relegated in status under the auspices of other institutions.

Already six vice-ministers of the coal industry have been "retired." Two hundred and seventy-six officials of the 3rd Ministry of Machine Building followed seven of their leading officials, including two vice-ministers, in retiring from active duty. In Xinjiang, Heilongjiang, Guangdong, and Sichuan provinces, 1,000 top officials and low level military officers have been put out to pasture while the national newspaper Worker's Daily glorified a state-run enterprise that axed 8,000 of its 65,000 workers while allegedly raising efficiency 50 percent. The numbers continue to mount.

The military leaders' general disaffection with Deng stems from the current regime's decision to axe the military budget, its neglect of heavy industry which is seen as a prerequisite to modernization, and Deng's perceived irreverence for Mao. In some cases, sentiment against Deng has been exacerbated by personal grievances. Xu Shiyou, the general who saved Deng from the Gang of Four in 1976, is reportedly miffed that he was passed over for the job of defense minister, which was given for the first time to a civilian, Geng Biao, as part of Deng's efforts to depoliticize the army. In his move against the military, Deng has already demobilized some 800,000 troops or approximately 20 percent of the armed forces. But this total has been mostly peasant conscripts at the infantry level, and Deng has yet to go after the officer corps in a big way, a dangerous but necessary task if he is to gain control

over the military.

Deng is meanwhile merging and consolidating those commissions and ministries dealing with foreign investment of the kind associated with his "Special Economic Zone" (SEZ) experiments along the Chinese coast (see EIR Sept. 22, 1981). Modeled on Hong Kong, the SEZ experiments have become havens for foreign interests, mostly dope trade-connected Overseas Chinese who are making a killing exploiting the cheap coolie labor Deng has made available in the zones. The SEZ strategy, is slated for expansion into the old colonial bailiwicks of Shanghai and Tianjin, in keeping with Deng's plan to allow marginal development of the coast while letting the interior rot. Peking is even considering bids for resorts from Club Mediterranean, whose contribution to China's "Four Modernizations" will no doubt be questioned by Deng's opponents.

Since no one leaves his post in China without putting up a fight, resistance to the purge will definitely heighten as its victims increase. Though at one time the heavy industry types sided with Deng against the Gang of Four, politics can make strange bedfellows among differing factions when they are under assault from the same force.

Notwithstanding Deng's pledge to protect China from the kind of tumult experienced during the Cultural Revolution, he has now launched a political offensive that could hurl China into yet another fratricidal conflagration. Given the current economic crisis, such a political upheaval could result in genocide that dwarfs previous cataclysms in China.



Li Xiannian

76, Communist Party Vice-Chairman. Most important of anti-Deng triumvirate.... The economic expert, he was Finance Minister sporadically from late 1950s to early 1970s...joined Politburo in 1956 and one of few top officials never purged...part of Chou En-lai's bureaucratic faction since 1960s... sponsor of heavy-industry policy and military buildup... opposed Deng's close ties to United States.... does not share Mao Tse-tung's and Deng's intense anti-Sovietism.



Marshal Ye Jianying

84, Communist Party Vice-Chairman. Venerated leader of army faction which sees modern industry as base for military buildup . . . close to late Premier Chou En-lai since he served as latter's deputy in 1940s . . . no history of significant working relations with Soviets . . . under Chou En-lai's direction preserved life of Deng Xiaoping during Gang of Four pre-eminence . . . after 1976 death of Mao Tse-tung architect of arrest of Gang of Four and naming of Hua Guofeng as party chairman.



Hua Guofeng

62, Communist Party Chairman 1976-81. Demoted to Vice-Chairman, August 1981. Most ideological of anti-Deng triumvirate... more symbol than powerful leader in own right... owes meteoric rise to attachment to Mao's security apparatus in 1972... named Acting Premier three months after Chou En-lai's death in 1976 at behest of Gang of Four, but agreed to their arrest in October 1976... ran ambitious but poorly managed heavy-industry policy during height of power in 1977-79.

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