

China's military demands industrial backup as it gains political strength

by Gregory F. Buhyoff

On June 6 the Sixth National People's Congress (NPC), China's nominal parliament, will hold its first plenary session. It will convene the first newly elected NPC since the rise of the Deng Xiaoping faction and the resurgence of the army and heavy industry coalition often opposed to Dengist policies. This is an NPC almost entirely stripped of diehard Maoists, and with a sharply reduced contingent of even the more moderate leftist ideologues.

The job of the 2,978 new delegates is to implement the constitutional revisions approved at the final session of the Fifth NPC last November. They will fill the newly restored post of chairman of the People's Republic and seats on the new State Military Commission; they will also discuss comprehensive plans for China's economy, with the intense debate over emphasis on heavy industry versus light industry certain to resume. Premier Zhao and Vice-Premier Yao Yilin, who also heads the State Planning Commission, will submit reports on the current state of the economy and the plan China's leaders will follow for the coming period.

The composition of the NPC reflects a "purge" in the ranks of both party and bureaucracy carried out under the slogans of "streamlining" the central apparatus, and creating a younger, better educated, less "leftist," corps of government and party cadre. The Communist Party's Discipline Inspection Commission (DIC) has been carrying out investigations of party members throughout the country; if everything proceeds according to schedule—and political resistance may prevent that—it will be decided during June which members will stay and which will go. Newspapers are filled with stories of elderly cadres studying how to reform their politics and raise their educational level to the new standards set for cadres of various grades.

Dismissals and changes have been applied throughout China's 29 provinces, municipalities, and autonomous regions. "New leading bodies" at these levels were chosen by "democratic recommendation" and delegates elected to the June NPC, all under the scrutiny of the State Council and the DIC to ensure the promotion of cadres loyal to the current policy consensus. The report on Hunan, for example, stressed that 36.2 percent of the provincial party leaders are now

college-educated, compared to 18.2 percent before the reshuffle.

The army resurgence

The "streamlining," "youth-izing," and "professionalizing" have in part been used by the faction around Deng Xiaoping, with the sometimes begrudging acquiescence of the army-industry faction, to remove large numbers of Maoists entrenched throughout the ranks of the party and government.

However, contrary to the usual Western reports, this purge is not an unqualified march to power by Deng and friends. The new NPC takes place amid a drive by the People's Liberation Army (PLA) and allied government bureaucrats to reassert influence over economic decision-making, an influence that had waned during the 1979-81 period of Dengist "re-adjustment" austerity.

The PLA tendency that is emerging, unlike the dismissed Maoists, is keenly attuned, even more so than Deng, to the realities of modern warfighting and the economic prerequisites for building an armed forces capable of functioning according to these realities. They are determined to create the modern army, navy, and air force demanded by China's ambitions as a world power. While the army-industry faction thus has a common interest with the Dengist in certain political and economic reforms, as well as the purge of diehard Maoists, they have made it clear they are placing specific conditions on their continued support for such reforms and purges. This has already been reflected in recent shifts in foreign policy orientation away from the United States, as well as in Deng's partial retreat in his assault on heavy industry.

The army tendency is best represented by the rise to prominence of PLA Gen. Zhang Aiping, who has become an outspoken polemicist not only on military modernization but also on economic policy, and who, at the insistence of the army, was made defense minister last fall shortly after the 12th Party Congress.

Before becoming defense minister, General Zhang spent a lengthy tenure as head of the PLA Science and Technology Commission, overseeing, among other important break-

throughs, the development of China's sea-based nuclear deterrent. Zhang's predecessor Geng Biao, who became China's first civilian defense minister in early 1981 against the wishes of the PLA, had reduced the defense ministry to little more than a rubber stamp for cuts in the defense budget and in the heavy industrial and energy sectors, areas deemed vital to the army's modernization prospects. Zhang has transformed the defense ministry into a much more dynamic institution. Hardly a week passed between October and April without assertive statements from him on defense modernization and related aspects of economic policy.

Unlike Deng's 1979-82 austerity regime, when defense was in "competition" with other sectors of the economy, Zhang's emphasis is now on the interdependence of defense modernization and the economy as a whole.

Though the Dengists and the military both speak of "modernization," their respective notions of this are quite different. Consistent with his "America Card" policy, Deng combined overall cuts in defense procurement at home with planned purchases of sophisticated weaponry from abroad, a process of military "modernization" that would not require a strong heavy industrial base. The military, however, skeptical about the American Card gambit and conscious of the United States' waning relative position as a superpower, argued that China must be self-reliant, with an industrial and technological base adequate to the task of military modernization. This line of thinking has its allies within the pro-industry "oil faction" of the government bureaucracy. Interestingly, the former head of the State Energy Commission and associate of the "oil faction," Yu Qiuli, was appointed director of the PLA Political Department last fall.

The PLA's view

Shortly after his appointment, Zhang issued a statement declaring that restrictions and even some cuts in the defense budget were acceptable *provided* that adequate attention is given to basic industry, science and technology, and energy, the sectors hardest hit by the Dengist "re-adjustment." Indeed, while military personnel were cut by approximately one-quarter, and overall defense budget cuts were made, the amount of money available for equipment procurement seems to have risen significantly. Premier Zhao Ziyang's economic report at last December's NPC, several weeks after Zhang's appointment, was toned down considerably on the question of austerity.

An article by Zhang in the March issue of the party's theoretical journal, *Red Flag*, provides insight into the Chinese military's views on both domestic modernization and the international strategic situation. The article, highlighting Peking's current policy of opposition to "both superpowers," gives added credence to the view that army was influential in steering China away from Deng's American Card policy.

While paying lip service to the Maoist "People's War" concept, Zhang makes it clear that this is now obsolete. He upholds the superiority of science and technology, a view

reinforced by the lessons of the Malvinas War, which the Chinese have closely studied. It is this view that is determining the streamlining of the four-million-member PLA and introduction of a highly educated, regularized officer corps. Emphasis on self-reliance in the acquisition of science and technology and military weaponry is highlighted in Zhang's speech, with important implications for Chinese foreign and economic policy:

The 'streamlining' process is not an unqualified march to power by Deng. The army and its friends in the government apparatus are reasserting influence, in order to create a modern armed forces. Defense Minister Zhang wants a self-reliant industrial base, mistrusting the 'American Card' strategy and past reliance on a massive infantry without specialized capabilities.

We do not believe that weapons alone decide the outcome of war, but weapons are an important factor and play an important role in war. Therefore, all parties in a war strive to use the most sophisticated weapons to arm their own armies. Modern science and technology change with each passing day, and the substitution cycle of modern military equipment has increasingly shortened. At present the armaments race between the superpowers is, in essence, a competition of science and technology. It is foretold that war in the future will be a confrontation between countries in terms not only of their resources in manpower, materials, and funds but also of their science and technology.

Zhang emphasizes the need for China to build up a self-reliant economic base for military technology, in contrast to unnamed people who seemingly propose to purchase such technology from the West:

Under such grim conditions it appears to be even more important and imperative for us to fulfill the task of defense modernization through self-reliance. . . . In order to achieve modernization of our national de-

fense, our first task is to develop and produce sophisticated military equipment. This work demands the comprehensive application of all modern science and technology and involves very complicated systems engineering. . . .

Our country is a big country, and it is not realistic or possible for us to buy national defense modernization from abroad. We must soberly see that what can be bought from foreign countries will at most be things which are second rate. This cannot help us attain the goal of national defense modernization, nor will it help us shake off the passive state of being controlled by others. At the outset it is necessary to obtain some technology that can be imported and model some weaponry on that of others. However, if we are content with copying, we will only be crawling behind others and still be unable to attain our anticipated goal.

While in the past maintenance of a massive infantry was emphasized to consume the enemy in a "people's war," Chinese military leaders are now seeking specialized capabilities to project Chinese military might in a variety of areas of immediate strategic concern. High on the list is the defense of offshore oil deposits, many of which are located in disputed territories beyond the reach of China's present naval capabilities. The Canadian defense minister, on a recent trip to Peking, reportedly discussed the sale of weaponry to China, including maritime patrol aircraft. Peking continues to entertain ideas about buying French Mirage jets and has already ordered a fleet of advanced helicopters from France. Another unconfirmed report is that China is trying to acquire Exocet missiles through "third parties."

Last October, China carried out a successful firing of a rocket from a submerged, conventionally powered submarine specially modified to test a newly developed firing mechanism. China has two nuclear-powered attack submarines and unconfirmed reports say that another was launched in April 1981, equipped with 12 missile tubes. According to intelligence reports, however, the Chinese have yet to equip these nuclear-powered attack submarines with the firing mechanism that was successfully tested in October. Some military experts say this could be accomplished by the fall of this year.

Other military observers warn, however, that past performance shows China has had difficulty carrying out some of its military equipment programs, both for reasons of technical competence and the economic burden. They note that the year before the successful missile firing, a similar attempt blew up the submarine. A U.S. official attending a recent briefing in Peking on China's military plans found it almost word for word the same briefing he had gotten four years earlier.

Heavy industry and the NPC

Self-reliance in pursuit of military modernization as de-

finied by Zhang will necessitate a change in economic policy:

Undoubtedly modernization of our national defense must be based on our national economic construction. At the same time we should not fail to see that development of our national defense modernization will vigorously promote the development of all other sectors of the economy. Successes in developing strategic weapons and satellites were accompanied by development and breakthroughs related to new materials, technology, techniques and equipment. New achievements in the scientific and technological field of national defense are naturally used, first of all, in the war industry, but once they are transplanted into civil industry, many new products will emerge, one after another. This will spur the emergence of new sectors of industry and of learning. Thus we will make the war industry an important force in promoting the development of economic construction and science and technology.

The pressure on the Dengists

Opposition to Deng from China's "military industrial complex" existed even before the Zhang appointment. Though many of its proponents had been discredited after the badly mismanaged heavy industrial focus under Premier Hua Guofeng during 1977-79, these forces regrouped when it became evident during 1981 that China's heavy industrial base was crumbling under Deng's readjustment. The disastrous 5 percent drop in heavy industrial production for 1981 announced by Premier Zhao provoked enough concern to effect certain changes. Peking recently released figures alleging a miraculous recovery of heavy industry in 1982, a *claimed* increase of 9.3 percent over 1981 with a *claimed* 24 percent increase in fixed-asset investment. The extent to which these figures were faked for political reasons, as is often the case in China, would simply underscore the point that the Dengists had to concede that a resurgence of heavy industry and capital investment—and not their shutdown under "re-adjustment" slogans—was the proper goal.

The pressure to revive an industrial base capable of supporting a military buildup, if not civilian modernization, is reflected in the revival of previously cancelled large projects and the initiation of others. Stages one and two of the Baoshan steel complex, which had been respectively suspended and cancelled, have been restarted. Nuclear power stations that had been ruled out for this decade by some Chinese economists are now planned in several locations; at least one will be built entirely by the Chinese.

The contents and tone of the reports delivered by Premier Zhao and Vice-Premier Yao, as well as the appointments to the newly established posts will provide a barometer to gauge the tide of the debate. However, nothing conclusive is expected to emerge from the NPC, and China's leaders can be expected to continue to haggle over how best to achieve the ambitious goals they have set for themselves.