

# Political disintegration and new economic chaos sweep China

by Richard Katz and Gregory F. Buhyoff

Contrary to the myths that Deng Xiaoping, the "pragmatist" leader in China is "in control," radio reports from China indicate that growing anarchy, and factional strife are sweeping the country. A massive crime wave, including murders, gang rapes, and terrorism conducted by armed gangs supplied with machine guns and explosives by Communist Party members has erupted. In response, the government is organizing rallies where up to 100,000 people gather to watch the executions of condemned murderers. And in the worst drought in decades, students are fighting over food at some universities, while peasants are stripping vegetation that should be used for food to burn as fuel.

One knowledgeable source, a Japanese businessman, predicted, "Within six months of Den Xiaoping's death, there could be military insurrections all over China." "You know Deng has a drinking problem, and his liver is beginning to go."

Contrary to the design of Alexander Haig, China is anything but a reliable ally.

Even now, Deng does not have control over the country. The official Communist press which Deng thought he had under control now runs articles blatantly condemning him, side by side with articles defending him. Deng is under attack for his "pro-Westernization" stance. The issues range from economic cooperation, such as joint ventures and foreign loans, to allying with the United States against the U.S.S.R., to harsh attacks on Deng's American friends for their continued dealings with Taiwan. Often the sayings of Mao Tse-tung, whose quotations are once again adorning the walls of Peking, are used against Deng.

In time-honored Chinese fashion, what cannot be said openly of one's opponents is often said in the form of allegorical attacks on well-known historical figures. Everyone knows, however, who is the target of an attack

on "pro-Western bureaucrats who procure and copy arms from foreign countries," or bureaucrats who "admired foreign things and wanted to jointly run businesses with the West."

That such growing social turmoil and factional attacks on Deng could occur on the eve of the Central Committee plenum, proves that China is still wracked by severe divisions. Yet the same people who lionized the "China market" until February's multibillion-dollar cancellations of foreign contracts are now trying to sell the line that "pro-Western pragmatist" Deng Xiaoping emerged in supreme control of China as a result of the plenum.

## A divided plenum

The one-week plenum ending July 1 resolved nothing in regard to either personnel or policy. Far from purging his opponents wholesale, as Deng had managed to do at the December 1978 plenum, or the September 1980 National Peoples Congress, Deng achieved few factional gains. Not a single change was made in the membership of either the 26-member Politburo or the 7-member Politburo Standing Committee. The latter remains balanced with four Dengists and three anti-Dengists. Only the ranking has been changed. Deng failed to shunt respected opponents Marshal Ye Jianying and pro-heavy industry elder Li Xiannian onto a ceremonial "advisory committee"; they kept their Standing Committee posts.

Deng merely succeeded in replacing party Chairman Hua Guofeng, a Maoist, with his own protégé Hu Yao Bang. However, against Deng's wishes, Hua remained on the Standing Committee and received a vice-chairmanship. Deng also succeeded, but not without a fight, in making his protégé Xi Zhongun the equivalent of party secretary-general. These were the sole personnel

successes achieved by Deng.

The plenum equally failed to resolve major policy disputes. On economics, Deng's opponents point out that his anti-heavy industry austerity policies are producing strikes and protests while undermining the industrial base of the military. On foreign policy, Deng wants to continue a close, albeit temporary, alliance with the U.S., both to play off against the U.S.S.R. and to sucker U.S. Secretary of State Haig into giving China hegemony in Southeast Asia.

Many of Deng's opponents want to back off from too close an attachment to either superpower and instead "stand on the mountain and watch the tigers fight," hoping to pick up the pieces following a U.S.-Soviet conflagration.

The most basic unresolved issue was how to ensure the continued rule over China by the Communist Party in the face of growing popular cynicism. The party's "Resolution on Historical Questions" (i.e. its final verdict on the issue of Mao) frankly warns, "Without the Communist Party . . . our country, for a variety of reasons, both internal and external, would inexorably fall apart."

Thus, the conference was filled with cries for "unity" and "strict discipline" by new Chairman Hu and by Hu's demand that party members "*must not feign compliance while actually violating or resisting instructions from the higher level.*" However, there is a very serious question of whether Deng, even had he captured many high posts for his faction, could impose his will on the party's 38 million members, half of whom joined during the Cultural Revolution. The Dengist-led Discipline Inspection Committee, charged with rooting out those who obstruct Deng's orders, complained recently in a Peking radio broadcast that "other comrades, who shelter persons in question support them in boycotting the inspection. Some other comrades employ fraud and trickery to deceive, or even *conduct counter-investigations to oppose* and frame the inspection personnel. . . . Such behavior has . . . *exerted bad influence among the masses of people*" [emphasis added].

### **Mao lives**

How to impose party rule in the face of such defiance was at the heart of the debate on Mao Tse-tung. Deng argued for relative de-Maoization. In the broad sense, Deng, like all Chinese Communists, is a Maoist, as he himself boasts. That is, he believes in maintaining China as a peasant, rather than urban, "communist" society. However, he argues that China needs now a period of Confucian-like "calm and rationality." Peasants and workers demand relief from the oppression of such Maoist insanities as the 1958 Great Leap Forward, in which 20 million people died, and of the Cultural Revolution in which millions more died

and a generation of youth was virtually lost. Deng's opponents retort that some ideology is necessary to hold society together and there is no alternative to Maoism.

But no resolution of the dispute was reached. Instead, a 35,000-word document was issued which simply regretted the Great Leap Forward, the Cultural Revolution and Mao's arrogance in his old age, but all in much milder terms than Deng wanted. Its one paragraph on the genocidal Great Leap Forward merely notes: "Its shortcoming was that it overlooked the objective economic laws." (It does not mention Deng's own support for the Great Leap.) Mao is treated more harshly for the Cultural Revolution, but he is held "chiefly" responsible along with the entire Central Committee, rather than solely responsible.

The document ends up reaffirming Mao, and even more importantly *Maoism* as the party's guiding ideology: "Comrade Mao Tse-tung's contributions to the Chinese Revolution far outweigh his mistakes. His merits are primary and his mistakes secondary. . . . It is wrong to try to negate the scientific value of Mao Tse-tung thought and deny its guiding role in our revolution and construction, just because Comrade Mao Tse-tung made some mistakes in his later years. . . ." Wherever the resolution says Mao erred, e.g. the Cultural Revolution, it is because he was not following his own "Thought."

For the first time in years, Mao's works are being studied throughout China, on party orders. The walls of the Peking opera are once again adorned with Mao quotations and a Jiang Qing (Mao's widow) opera is being performed again for the first time since her 1976 arrest.

No wonder the managers and cadre are afraid to stick their necks out following Deng's line lest they be chopped off in a new Cultural Revolution.

### **The social breakdown**

On June 17, days before the plenum opened, baton-wielding policemen were hurled at a Shanghai demonstration of several thousand unemployed, in the latest in a series of nationwide protests by some of the 20 million made jobless by decades of Maoism combined with Deng's current anti-heavy industry drive. Deng's factory closings could add up to another 10 million jobless. The consequences of Deng's economics are beginning to be felt.

In 1980, Deng claimed an overall 8.4 percent growth in industrial production based on a claimed 18.4 percent growth in light industry (bicycles, apparel, etc.) and 1.7 percent growth in heavy industry (chemicals, steel, construction). Even accepting China's highly unreliable statistics, that growth has already disappeared. For the January-June period of this year, Peking is claiming

only a "slight" increase over the same period of 1980, based on a claimed 11.6 percent growth in light industry and an absolute drop in heavy industry of more than 10 percent. This includes a 66 percent drop in capital construction, which, if true, will propel the entire economy downward as existing shortages in materials, energy, and transport infrastructure become exacerbated.

On top of this, 150-200 million people are afflicted by China's worst drought and floods in decades. In Peking, one-fourth of the wells have gone dry and grain output in surrounding farmlands is down 25 percent from 1980. Students in Shandong (Province) University are reportedly fighting at lunch there over insufficient food. Total grain output fell 5 percent in 1980. It is impossible to assess the 1981 results, since the land in many areas is still too hard for sowing. Yet, on fiscal grounds, Deng is cutting back on irrigation and flood control projects. Food protests have been added to unemployment demonstrations.

In the midst of this economic crisis, a crime wave is sweeping China, much of it organized, and a great deal of it led, *by party cadre*. Newspaper articles and radio broadcasts throughout the country are reporting the same pattern of violent crimes and brigandage. They describe the formation of gangs armed with machine guns and explosives who blow up markets, sabotage railroad trains, and carry out murders, robberies, and gang rapes in broad daylight, with rape victims going to the authorities only to be raped by policemen. Smuggling, drug-peddling and black-marketeering are rampant. It has gone beyond crime to almost a social breakdown; it is not simply hungry peasants stealing some food.

The situation has gotten so bad that in several provinces the government has built for rallies of 50,000 to 100,000 people to watch murderers sentenced to death be executed.

But how can the situation be controlled from Peking or provincial capitals when so much of the crime is led by party cadre? The machine guns and explosives are provided to the gangs by members of the 10-million-person armed militia—and now the airwaves throughout China resound with appeals for people to turn in their weapons. In one province, party officials provided weapons for rival clans to engage in violent fights. In another, a party-appointed leader of a work team led a gang of brigands to steal materials from a construction site. A Guangzhou radio broadcast declared, "We must severely and quickly punish officials who have committed heinous crimes." On May 28 the national Discipline Inspection Committee vowed it would "strictly deal with those leading cadre who have taken the lead in committing larceny.

What does it matter if Deng gains a few top posts when party cadre are instigating social disorder?

## Protests against 'blind westernization'

*What the Chinese are saying about the "Westernization" policies under Deng Xiaoping:*

Westernization means affairs dealing with barbarians, that is, all matters dealing with foreign countries. . . . The [late 19th-century] Westernization movement . . . *advocated procuring and copying foreign arms and ammunition* . . . it was the malicious product of the Chinese feudal forces who colluded with the foreign invaders to suppress the Chinese people's revolution [emphasis added].

—*People's Daily*, April 30

The Westernization movement pursued the political line on foreign affairs of compromise with and capitulation to the foreign aggressors; the Westernization movement played a reactionary and negative part in Chinese modernization and that is its essential aspect.

—*People's Daily*, May 15

At that time [1894 it was] advocated that China should purchase warships by asking for loans from Britain and Russia and form alliances with them. In this way, there appeared the rather cherished illusion of checking Japan by adopting the tactic of "using foreigners to check foreigners." Those who advocated this failed to see the nature of the aggressors. . . .

Zhang Zhidong, who always believed in foreign things, had hoped to jointly run the iron works with foreign businessmen. . . .

[O]fficials of the Westernization movement blindly placed orders to purchase machines with funds from [foreign] loans at a high rate of interest without first examining the machines being purchased. As a result the products manufactured were not suitable and could not be sold.

When the imperialists adopt comparatively moderate forms for suppression such as politics, economics and culture instead of resorting to war, the ruling class of the semicolonial country will capitulate to the imperialists and the two parties will form an alliance to suppress the masses jointly. The case of Zhang Zhidong was somewhat similar to this.

—*Peking Jingji Yanjiu*, May 20