CHINA'S LONG WINTER

by ANITA CHAN

In the beginning there was surprise, for a short while elation, then shock, disgust, and finally grief. Intense emotions once again gripped Westerners as they watched the unfolding of events in China—above all, disbelief. The prevailing Western image, propagated by journalists, foreign diplomats, and the Chinese government alike, had been of a popular, dynamic, liberalized leadership that was successfully opening up China economically, politically, and socially. In ways that seemed gratifying, the Chinese were becoming more and more like us—Westernized and modern, dancing to rock-'n'-roll music, drinking Coca-Cola, and eating McDonald’s hamburgers.

The troubled reality that underpinned the mass demonstrations of this past spring—the reality behind the Cokes—is that China’s economic reforms have been encountering serious difficulties over the past several years: inflation, recurrent shortages, electricity blackouts, transport bottlenecks, waste, and inefficiencies, culminating in runs on banks and panic buying after the push for price reforms in 1988. GNP continued to climb, but the Chinese economy was lurching out of control, and this past year China’s leading economists openly admitted they were baffled as to how to set it back on course.

Social discontent was mounting apace. China’s own opin-

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ion polls (a post-Mao phenomenon) showed that the reform program was turning sour in people’s minds by about 1985. It was then that the new economic policies had begun to take root in the cities and that the new patterns of social stratification took more visible shape.

Academics conducting interviews in China confirmed the opinion polls, and noted a profound sense of loss and frustration among people of all walks of life to an extent that the opinion polls did not dare express. Rampant corruption and profiteering, sharply widening disparities in income, erosion of the welfare system, threats of unemployment, all of these ills were deemed by Chinese interviewees to be part and parcel of the economic reforms, and they had been sapping people’s trust in government policies. When I last conducted interviews in China in 1988, there was even talk of a collapse of China as a nation, of a bureaucracy more corrupt than the Kuomintang’s of the 1940s, of degeneration into social anarchy. I even privately heard laments that only another “revolution” could save China.

This sense of disillusionment and frustration deepened as the economy veered further off course. To stanch a galloping inflation, the government sharply tightened up on bank loans. The pinch has been felt most painfully in the country-town enterprises that have mushroomed this past decade, thriving on cheap peasant labor. Cut off from bank credit, they very quickly experienced cash-flow problems and went under by the thousands, deliberately sacrificed by the government as a means to brake a runaway economy. The millions of former peasants who have been thrown out of work saw no point in returning to the land, where increases in labor input could no longer squeeze out higher yields. Roaming the country in search of a living, they joined the armies of unemployed laid off by the urban construction industry, the other sector hardest hit by economic retrenchments. This “blindly floating population,” as it has come to be called, has reached tens of millions. In February 1989, during the few days of the Chinese New Year alone, a crowd of 2.5 million desperate job seekers swarmed into the relatively rich province of Guandong, near Hong
Kong. These hordes of migrants have strained China’s already overloaded transport system and contributed to a rapidly climbing crime rate.

In the weeks immediately following the Beijing massacre, the government publicly condemned to death a number of these unemployed itinerant workers, in an effort to portray the violence in Beijing as the workings of an out-of-control lumpen proletariat. Hour after hour Chinese television also deliberately portrayed the swollen, bruised faces of detainees identified with other dangerous groups: in particular blue-collar workers who had attempted to establish independent trade unions and student activists. Arrest warrants were circulated for dozens of dissident intellectuals who fled into hiding. These are the groups whose separate grievances, building over recent years, had come together in the popular anti-Party upsurge of the past spring. These are the groups who were to be warned that all further dissent would be smashed in a campaign of state-sponsored terror.

The Party has always feared worker unrest more than student movements, and has been far less tolerant of any efforts by workers to organize actions independent of Party control. The anxiety at the top had been growing throughout the past year, as signs of worker discontent infected Chinese industry. Without releasing statistics, official reports admitted that after 1987 the incidence of strikes in factories throughout the country rose dramatically. The reasons were clear: inflation has been biting into the incomes of that part of the workforce that is on fixed wages, and these anxieties were compounded by the fact that the economic reform program is spelling an end to job security and fringe benefits. Even the “labor aristocracy” in the state sector is not being spared in these respects. To the workers, the reforms had begun to mean tighter control over work schedules, rising work quotas, monetary penalties for shoddy work, and even unemployment. The new system of contracting out enterprises to individuals, which has been spreading across the country, has brought labor reductions in its wake. While a law permitting bankruptcies among state-owned enterprises continued to be debated heatedly within the
national leadership, the jobs of many workers in state and collective enterprises have already been put on the line. Economic streamlining in the next few years will, according to the government’s own estimates, render 10 to 20 million workers redundant.

Simultaneously, the Party leadership had reason to fear a rising tide of discontent in large parts of the countryside. In recent years, the prices of agricultural inputs have tended to rise faster than the prices for the peasants’ produce, canceling out many of the gains that the peasants had made earlier through relaxations of the free market. Worse even than this price squeeze, necessary agricultural inputs have been all but unavailable; and what is particularly galling to peasants is the fact that corrupt officials have been creating artificial chemical-fertilizer shortages during the planting seasons in order to jack up prices. In response, in one recent year, according to China’s own press, several million peasants took the law into their own hands in 100,000 separate incidents, looting fertilizer plants and desperately waylaying trucks bearing fertilizer. Across much of China the army had to be called upon to guard supplies, and unknown numbers of peasants were killed. Yet the government did little to clamp down on the profiteering of the officials. Earlier this year, Chinese newspapers were publishing the same charges, and the same stories of desperate peasants. The press even began reporting that officials out for a quick buck have been knowingly selling dead seed-grain to peasants, who subsequently were reduced to hunger when their crops did not germinate. This corruption, and the ensuing incidents of rural violence as peasants began taking matters into their own hands, has signaled over the past several years that the government was already losing control over its own functionaries and the populace alike.

Most noticeably of all, a gathering mood of discontent enveloped the urban white-collar professionals and intellectuals and their youngest contingent, the university students. For several years they had been the most articulate and vociferous in pressing their own catalogue of complaints. But to the government’s advantage, the intellectuals distanced them-
selves from the complaints of other sectors of society. Indeed, if one sifts carefully through the writings of Chinese intellectuals of all persuasions of the past few years, one is hard pressed to find any mention of working-class grievances. To the contrary, the economists and political scientists associated with Zhao Ziyang’s think-tanks strongly advocated precisely those economic reforms that were the cause of the workers’ worries and plight; and most professionals and university students took these economists and political thinkers as their intellectual mentors. Whereas dissident Polish intellectuals had, by the mid 1970s, begun to make common cause with workers who wanted independent trade unions, Chinese intellectuals never adopted a similar stance. Instead, their chorus of complaints that workers were making more money than themselves had been loud and aggressive. The danger of a Chinese-style Solidarity movement must have seemed minimal to the authorities.

As a group, the well-educated had suffered during the Maoist era under the “dictatorship of the proletariat,” when workers were deemed more politically trustworthy. That state-sponsored rift and the mutual suspicions that it engendered were not easily bridged when Deng Xiaoping, in 1979, included the intelligentsia among the working class. Once their political status was more secure, and once modernization and not revolution was said to be the route to China’s salvation, the academics and professionals quickly began to argue that their mental efforts were intrinsically worth considerably more than manual labor, and that their rewards should be commensurate.

National statistics suggest that as a group the academics and professionals actually have been doing somewhat better financially than the average worker of the same work-year cohort. Nevertheless, intellectuals have some justification for complaints. Though the government sought to accommodate them by opening up Party membership to them (30 percent of the ten million personnel with “special technocratic skills” were inducted into the Party), material benefits remained spartan. The central treasury had been facing deficits throughout the 1980s, and in these circumstances Beijing remained
unwilling to dig into the state budget to raise their salaries substantially. Instead, for several years now the government has pushed for academics and professionals to supplement their incomes by moonlighting in consultancies and second and third jobs. As of a years ago, according to the government’s figures, some 15 percent of them were doing so. Those without the needed skills and connections have been recently tightening their belts under the pressures of the mounting inflation, or have desperately improvised. When I visited Yunnan University in 1988, the history department collectively was operating a fruit stall on campus to augment salaries. Seeing little future in a higher educational training, growing numbers of university students and postgraduates have begun dropping out to try their hand at commercial pursuits.

It is against this background of a society torn by tensions and worries that we should interpret not just the Beijing spring of mass demonstrations, but also the Beijing massacre that followed. Jittery for the past several years about the dissatisfaction and social unrest that were mounting in the major sectors of society, the authorities had begun making preparations for a crackdown.

Special police squads were sent to Poland in recent years to learn the techniques of crowd control that had been used to suppress Solidarity in 1981. Borrowing a lesson also from the U.S. South and South Africa, electric cattle prods became standard equipment in dealing with disturbances. In July of 1988, as government newspapers began to worry in print that the people’s “threshold of endurance” might soon be reached, Premier Li Peng openly instructed security personnel to prepare to deal yet more harshly with social unrest. Since then, the several large- and small-scale incidents that the West came to know about were quelled with a brutality that had not been employed for a decade. First came the heavy-handed and degrading treatment meted out to African students in the midst of racial disturbances, with an official front of indifference to international press coverage. Then in March 1989 came the atrocities and mass arrests in Tibet, unleashing a savagery against non-Chinese that foreshadowed the Beijing massacre
of fellow Han. Less known, but almost as ruthless, was the indiscriminate clubbing in Beijing’s outer suburbs last year of a thousand peasants who were demonstrating over industrial poisons that endangered their crops; an unknown number died. In April 1989, according to an Amnesty International report, in Hebei province 4,000 policemen armed with electric batons descended upon a Catholic village of 1,700 people; more than 300 were injured, 100 very seriously, including octogenarians and small children. Local hospitals were forbidden to treat them. The description of the assault’s savagery surpassed even those of the bulldozing of Crossroads and other black townships in South Africa. And the villagers’ only offense had been to insist on erecting a tent as a makeshift church. All these incidents, and possibly many others that never made it into the international press, were preludes to the machine-gunnings in June. They were launched in the “spirit” of brutal suppression that had been laid down from on high.

The stage was set for major upheavals; all that was needed was a catalyst. This was provided by the death of Hu Yaobang, the former Communist Party General Secretary who had been ousted in January 1987. Hu’s downfall, many Chinese believed, had been largely due to two reasons: his attempts to initiate an anti-corruption campaign targeting the children of high-level officials, and charges by his enemies that he fanned the flames of the student protests of that year. Hu was actually far from being the liberalizer that he was made out to be, and the students knew it, but the myth of a righteous and liberal official served the students’ purposes well when they began their protest actions this past April. Hu, in death, could be mourned for his fall; the mass commemoration ceremonies for Hu on April 22 tacitly turned the spotlight on the Party’s unwillingness to tackle its own corruption or to tolerate peaceful dissent. Within weeks, to the students’ own surprise, they were joined by packed truckloads of industrial workers, flying banners that read “Here come your elder brothers” and “The workers are no longer silent.”

Why were the university students this time able to draw mass support from workers, from office personnel, indeed from
all sectors of urban society, whereas in their protest actions of past years they had marched alone? In late 1986 and in May 1988, the students’ concerns had been at once narrow and abstract—demands for better on-campus food and housing coupled to vague slogans about “democracy.” Like the older generations of intellectuals, the students had not attempted to reach out to the concerns of the broader population. This time, in the face of the growing economic and social crises, Beijing’s populace was awaiting an opportunity to register its own protest: that common desire to protest gave the different sectors of society a common cause.

More than that, the two major issues that the students raised during the week following Hu’s funeral—against corruption and for “democracy”—took on new meaning in 1989. Though workers in past years had had no liking for the corruption and nepotism of their superiors, they had been more willing to tolerate it so long as their own livelihoods were improving. Now that the high rate of inflation was shrinking the real incomes of so many, the blatant profiteering and enrichment of the bureaucrats rankled.

Corruption, the bastard child of the economic reforms, had been growing at an exponential rate ever since 1984 when implementation of urban industrial reforms began. The reforms had never met concerted resistance from the local officialdom precisely because the new hybrid planned/free-market economy provided them with extra openings for corruption.

In the days of Mao corrupt officials had also abounded, but corrupt practices then were more discreet and of a different order. They had existed mainly in the form of perks and privileges, screened off from the view of ordinary people, and, most significantly, in non-economic abuses of one’s position and power, in the persecutions of subordinates who got in one’s way. But under Deng, the official policy of “letting a few people get rich first” has legitimized private wealth and conspicuous spending and has sparked a scramble among officials to enrich those near and dear to them.

By the late 80s a small but highly visible monied elite had arisen alongside the power elite. A fair number of its members
are self-made millionaires, entrepreneurial business operators who had started and nursed to success their own private enterprises. Others are the so-called "lessees" of public enterprises who, at some personal risk, guarantee to generate increased profits for the firms they take over. More often than not, these "lessee-managers" had previously been the Communist Party secretaries or directors of those same public firms, and this leasing practice has been so lucrative and so conducive to favoritism and mutual back-scratching that the lessees are sarcastically referred to, occasionally even in print, as "capitalists without capital," meaning that they benefit as capitalists without even having to furnish their own funds.

But there is a yet easier way to make big money in Deng's China. Taking advantage of China's planned/free-market mixed economy, most of the new monied elite have spun their political connections into wealth by securing huge consignments of commodities at a low state-plan price for immediate resale at the free market price, as much as two or three times higher. According to official Chinese statistics, an absolute majority of all the registered private firms in China are comprised of these so-called "trading companies" that do not themselves transport or wholesale goods, but simply parasitically feed off the dual-price system. And practically all of these "attaché-case companies" are controlled by the offspring of the political elite at all levels, from the Politburo down to the powers-that-be in countries and towns. The largest such firm in China, with tentacles that reach into most provinces, is controlled by Deng Xiaoping's quadriplegic son Deng Pufang. Other children of the political elite—including those of Zhao Ziyang, Wan Li, He Long, and a large part of the top army brass—have been able to set themselves up as the official agents for China's military hardware sales abroad, which have been soaring. Others have secured, free of charge, the extraordinarily lucrative import-quota licenses for goods such as color television sets that are in short supply. It is a rare leader who has not allowed relatives to enrich themselves in these ways.

Popular resentment has been running high against the hijacking of the economic-reform program in this fashion by its
own leadership. At the very same time, resentment toward the truly self-made rich is more subdued and often mixed with respect. To a surprising degree, there is as yet no open objection to the emergence of genuine capitalism or capitalists per se, so long as the fortunes are not made through official connections and sleight-of-hand. What infuriates the ordinary Chinese is the blatant lack of a level playing field on which all can participate in the scramble to become rich.

When the Beijing students tabled opposition to corruption as one of the original seven-point demands that they presented to the government, they included the stipulation that all officials should make public their own and their offsprings’ assets and bank accounts. From beginning to end, there were never any calls from the students’ organizations for the establishment of alternative or oppositional political parties, as already have been officially achieved in Poland and Hungary. The students’ demands centered instead on calls for the Chinese Communist Party to live up to its own principles. I would emphasize, however, that the banners raised against corruption represented a powerful hidden political agenda. It was not only an effort to humiliate and discredit the supreme powers—that-be at a very personal level. It was, more than that, an attempt to frustrate the solidification of a new kind of social class, and new political-monied elite that the Party leadership is in the midst of creating within the hybrid command/free-market economic structure.

The second demand that brought the workers and the rest of the urban populace out into the streets in support of the students was the call for “democracy.” But by “democracy” the students did not mean what the term normally implies in the West. It was not a call for one person, one vote: very few intellectuals—not even the most famous of China’s dissident political liberals—Liu Binyan—wanted to see China’s leaders selected by the 70 percent of the population who are peasants. “Democracy” instead holds several other potent meanings for the Chinese. To the students and intellectuals, it means the institutionalization of a more pluralist decision-making system, in which professional associations and independent com-
missions and forums comprised of intellectuals and specialists would help determine government policies. It means also the right to be safely at odds with the political leadership: an institutionalized right to speak up, a right to demonstrate, an independent press, the recognition of student associations independent from government control, and an independent judicial system safeguarded from the Party leaders’ commands.

“Democracy” also holds a third connotation in China today, one that excited students and workers alike. For the past third of a century, urban residents have been at the mercy of the leadership at their work-units. To obtain a flat, to get travel permits, to be assigned a good job when one graduates from university, or to switch employers later in life, even to get married or have a child, one has had to curry favor with the various officials at one’s all-powerful danwei. Even in the 1980s everyday life is at the mercy of a set of capricious bureaucrats. It is demeaning, it is suffocating. That potent word “democracy” has begun to bear a meaning similar to “freedom”: freedom from all the petty restrictions and humiliations that are daily imposed. In April and May, when the residents of Beijing and other cities throughout China overcame their fears and poured into the streets in a vast sea that swept aside the forces of authority, they experienced an exhilaration of release, what they call jiefang, “liberation.” Some years ago, when I conducted interviews for a book on the Cultural Revolution, again and again people remembered having felt that same heady sense of “liberation” in 1966–67 when they had first joined colleagues in casting free from subservience to their work-unit leadership.

And yet, again akin to the uprisings of the Cultural Revolution, there were cross-currents within the demonstrations that simultaneously suggested a yearning among some for the security of an “enlightened despotism.” Here and there among the demonstrators young people and workers carried aloft huge Mao portraits, analogous to seeing Stalin’s portrait appearing in demonstrations calling for glasnost in the Soviet Union. In fact, Gorbachev is popular among many Chinese not so much as a champion of glasnost and perestroika, but as a strong leader who seems to have a firm vision of what he wants and a
decided control over other Party bosses. Antithetically, over the past couple of years Deng Xiaoping has been mocked in popular ditties for having no idea where he is heading, and of having brought chaos to the economy and society. Among certain sectors of the Chinese population, in particular peasants and some idealistic teenagers and young adults, there is an urge to be captives of a strong leader.

The middle-aged and old intellectuals, most of whom had suffered under Maoist rule, are not susceptible to the siren calls of this nostalgia for the Chairman. Emboldened by the more relaxed political policies toward intellectual thought of the past few years, they have been desperately searching for alternative ideologies. The press was censored, but genuine debates nonetheless appeared in print propounding all kinds of ideas. Not all of these calls favor greater freedoms, however. Indeed, to the consternation of intellectuals of a more liberal ideological bent, this past year, as the economy and society veered toward chaos, a theory favoring a "new authoritarianism" gathered growing support from conservative intellectuals and even from a sizable portion of the delegates to the National People's Congress (which had gained a reputation in the previous few years as quite "liberal" and critical of the government). Among the main proponents of this "new authoritarianism" were several prominent members of Zhao Ziyang's think-tanks. Liberal critics of the theory attacked it as having "fascist" overtones and for condoning the rise of another personality cult.

This "new authoritarianism" puts a premium on orderly economic modernization. This can only be achieved through a powerful, autocratic political helmsmanship that keeps sectoral interests in line. Political democracy is put forward as a very long-term goal, one that needs to be put off into the distant future, to be realized after the economic underpinnings of a modern prosperous state are in place. The "new authoritarianism" openly looks for inspiration to the Four Little Dragons of Asia—Taiwan, South Korea, Singapore, and Hong Kong—all of which have attained prosperity without democracy. Marx and Lenin very rarely merit mention among its advocates; they have abandoned any pretense that Marxist conceptualizations
or phraseology retain any credibility in China today. They recognize that a new ideological prop is needed to legitimize one-party dictatorial rule, and the rule of a single autocrat atop the party, and they look to conservative Western modernization theorists, to provide their ideological ammunition. If they have a guru, it is Samuel Huntington of Harvard; their conceptualization of the “new authoritarianism” derives in part from his writings.

There is a good chance that in the months and years to come Deng and his successors may appropriate the “new authoritarianism” thesis for their own ends. It can be readily employed to manipulate the aspirations of parts of the population for an enlightened despotism. It has an appeal, as noted, that extends even to some of the intellectuals in the Zhao Ziyang camp.

But for the time being, the policy line of the present hardliners in the leadership has regressed to the “old authoritarianism” of the 1960s and early 1970s. À la Mao, Deng since June has been building a Deng cult: pushing Deng’s collected works and creating the myth of a robust swimmer.

More menacing, the old men in the top leadership have turned reflexively to a rhetoric of “dictatorship of the proletariat” and “counter-revolutionaries,” the terms that were used to justify suppression of dissent under Mao. “Dictatorship of the proletariat” was, in particular, the rallying cry of the Cleansing of Class Ranks campaign of the late 1960s, arguably the most vicious campaign in the forty years of Party rule, in which many tens of thousands of people died. During that campaign, vigilante workers’ corps were mobilized to take control of universities and schools, and were called upon to ferret out and “struggle against” a vast number of targeted victims.

That old tactic of divide-and-rule, of pitting the workers and peasants against the intellectuals, could well be attempted once again. Though the Party today has lost the mass support of the workers, the former worker-activists of past decades are still around. Many of them undoubtedly yearn for the status and power that they enjoyed in those earlier campaigns of repression. They have reason to harbor resentments against the
intellectuals, who in recent years have so openly looked down upon workers. If the Party elders in Beijing decide in the months to come to organize workers to ride herd on others, such people will provide the troops. Already, in what might possibly prove to be a prelude to leadership tactics to come, in the days immediately following the Beijing massacre truckloads of hard-hatted workers were mobilized in Shanghai to clear dissident students off the streets.

So, too, if economic conservatives come out on top in the current maneuverings for power in Beijing, an effort might be made to garner broader working-class support by appealing to their economic interests, through a propaganda offensive against all those aspects of the recent economic reforms that perturb workers. Couched in the class-based political rhetoric of yesteryear, Zhao Ziyang and the “bourgeois” intellectuals could quite accurately be charged with callous disregard for the anxieties of the working class. If, on the other hand, Deng Xiaoping’s economic views prevail—that is, if the rhetoric continues unabated that China will retain its “open-door policy” and industrial reforms—the “new authoritarianism” thesis is more likely to provide the underpinnings for continued dictatorship. Either way, China faces a long political winter.

WILLIAM HINTON
ON CHINA

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