INSTITUTE OF CURRENT WORLD AFFAIRS

CHINA'S FALSITIES & CHINA'S FUTURE

Part I "Calling Things by Their Real Names"

Shanghai, China December 1993

Mr. Peter Bird Martin Executive Director Institute of Current World Affairs 4 West Wheelock Street Hanover, NH 03755 U.S.A.

Dear Peter,

I had felt block when trying to write for two months — no ideas that went anywhere. This does not mean that I had a lack of materials to report. On the contrary, there were many interesting people to interview and numerous fascinating developments to cover in this rapidly changing country. I could not, however, find a way to make sense of what I witnessed. Two contradictory phenomena especially puzzled me.

First, like many foreign visitors, I felt a strong sense of dynamism and entrepreneurism as we observed life in China, particularly in its coastal area. On his recent trip to China, the former president of Columbia asked his tour guide about the name of the city that they drove past in coastal China. He was told that the city was new and it was not identified even in the 1992 map.

I had a somewhat similar experience. In late September, I went to see a friend of mine living on Huanghe Road, which was an ordinary residential street in downtown Shanghai. But when I visited him again on the eve of Christmas, I found Huanghe Road was unrecognizable – dozens of nice restaurants were opened there and it became one of three "gourmet streets" (meishi jie) in the city.

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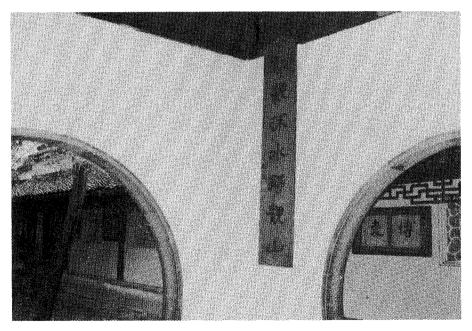
Since 1925 the Institute of Current World Affairs (the Crane-Rogers Foundation) has provided long-term fellowships to enable outstanding young adults to live outside the United States and write about international areas and issues. Endowed by the late Charles R. Crane, the Institute is also supported by contributions from like-minded individuals and foundations.

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In the just-published third volume of the Selected Works of Deng Xiaoping, Deng ordered his junior colleagues that "in matters of reform and opening China to the outside world, you should be bolder and dare to try things out instead of acting like a woman with bound feet. ... Once you think something is worth the effort, you must boldly try it and blaze a trail." (China Daily, Nov. 13, 1993, p. 4).

Deng's words have accelerated China's economic reform program. A major change in China's financial and banking system has been under way. Many large and medium size enterprises are expected to change from State-owned system to a shareholding system in the years to come.

Dynamism, however, is only a part of the reality of today's China. One does not need to be a China expert or a Chinese politician to understand that the country is actually led by one person, 90-year-old Deng Xiaoping, chief architect of China's reform and opening up. No one seems to know what will happen when the veteran



Dynamism and stagnation, or change and continuity, have been parallel forces coexisting in China's long history. Simon Lyes, a distinguished sinologist, argues that it is not by chance that the poets, painters, and mystics of ancient China appear to have been constantly fascinated by the "paradox of the waterfall, whose perpetual motion suggests perfect immobility.

In my recent trip to Suzhou, the garden city near Shanghai, I saw an inscribed board in a spot with beautiful scenery which says: "Those who see rivers feel dynamic while those who see mountains sense the static." I was

confused when rivers and mountains were all around me.

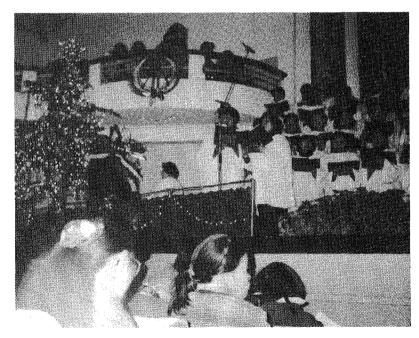
leader dies. Many people, therefore, would like to do nothing before he dies. Potential big investors, both foreign or domestic, are well aware of the economic risks associated with the political uncertainties of China.

In the same way, any ambitious and wise politicians in the Chinese leadership will probably keep their political desires hidden. Two previous appointed successors to Deng, Hu Yaobang and Zhao Ziyang, successively lost their jobs because they had been "out of touch with China's political reality."

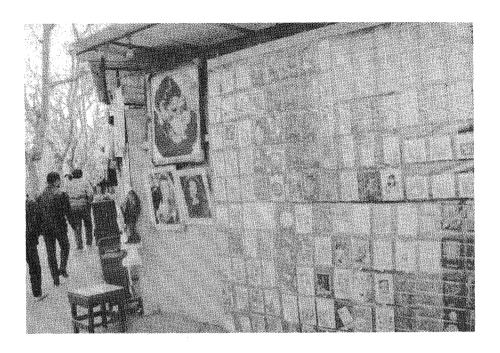
The fate of this vast land with its 1.2 billion people is determined by a 90-year-old man! Should this tell us a great deal about the stagnation of China?

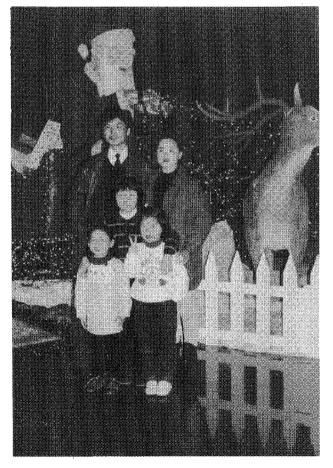
Another contradictory phenomenon is even more perplexing. In late December, memorial services were held across China to commemorate the centennial of the late Chairman Mao Zedong's birth. The Chinese Communist Party also organized a mass rally in Beijing. A Party top leader delivered a hourlong speech praising Mao as "a great patriot and national hero." He said that Mao Zedong's thoughts would remain "a theoretical treasure-house for the Chinese Communists, a spiritual pillar of the Chinese nation and a guide for building China into a socialist and modernized country." (China Daily, Dec. 27, 1993, p. 1). Similar mass rallies were also held in Shanghai and many other places. A ten-metre high Mao statue was unveiled and it towers above Shaoshan, Mao's home town.

Mao's birthday happens to be one day after Christmas. College students in Shanghai were ordered by the authorities that they should not organize parties to celebrate the "Western religious holiday." In late December, regular programs on Chinese television were postponed. Instead, all channels were filled with commemorative programs such as "The Reddest Thing is the Sun, the Most Beloved Person is Mao Zedong," "Mao Zedong and his Son," a 12-part series "China Has a Mao Zedong," etc.



Despite the authorities' effort to limit the celebration of the "Western religious holiday," all churches in Shanghai were filled with people on Christmas eve. Most of them were in their 20s.





^Christmas has become a major holiday in China. The Chinese, especially people of the younger generation, sent Christmas cards to each other. Millions of cards were sold in the country. A scene pictured above is a collection of cards for sale on Chang Le Road near my house. About a quarter century ago, as I recall, this place sold Mao's portraits, propaganda paintings, and of course, Mao's Little Red Book.

< All fancy restaurants in Shanghai were full at Christmas. A young couple with their daughter and nieces stand in front of Christmas decorations at the Shanghai Sheraton Hotel. I asked the three girls whether they knew anything about Chairman Mao. Two said "No."

"Yes," the third said, "Mao was the dead Santa Claus."

"Santa Claus can never be dead," the elder girl corrected her younger cousin, "only a phony Santa Claus could die."

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Commemorative essays were published on the front page of all major newspapers in the country. Bo Yibo, a veteran revolutionary and a former Politburo member, wrote an article claiming that if Mao were still alive today, he would have adopted the reform policies that Deng Xiaoping has instituted in the past fifteen years.

"That's boloney!" A Chinese historian said when I asked him to comment on Bo Yibo's statement.

"This statement was absolutely *ahistorical*. One might even claim — ridiculously, of course — that if Stalin had been alive in the late 1980s, he would have been very happy to see the disintegration of the Soviet Union and the democratization of Russia," the historian added a piercing remark.

Since Mao died in 1976, virtually all institutions and policies in China – from the communes to the colleges, from intellectual policy to industrial policy – have undergone fundamental changes. Turning away from the emphasis on revolutionary campaigns, class conflict, socialist planning, and ideological indoctrination that characterized the first three decades of the PRC and especially the Cultural Revolution, post-Mao leaders in China under the new watchword of "reform" have stressed political institutionalization, economic development, market mechanism, and social stability.

Although current Chinese leaders swear that Dengism is simply the logical development of Maoism, as a foreign reporter noted, they know that they owe loyalty either to Deng or to the late chairman. They do not owe, "unless they are masters of self-deception, to both Mao and Deng." (<u>The Economist</u>, Dec. 25th, 1993 – Jan. 7th, 1994, p. 26).

Why, then, did the current Chinese leadership organize such a grand memorial service to commemorate Mao? Do the Chinese people really owe a great deal to the late chairman?

Mao certainly deserves credit for his role and vision in ending imperialism and establishing the People's Republic of China. On the eve of the Communist victory in 1949, millions of Chinese thought that they would live in a new state under Chairman Mao – politically stable, socially pure, economically strong, and internationally respected.

In a way, Mao did influence more human lives profoundly than anyone else in our century, for he ruled a quarter of mankind for a quarter of a century. As the Chinese authorities now acknowledge, for many years prior to his death, Mao was seen as God in mainland China. This God-like figure, according to the current Chinese leadership, made mistakes during the so-called Great Leap Forward and the Cultural Revolution.

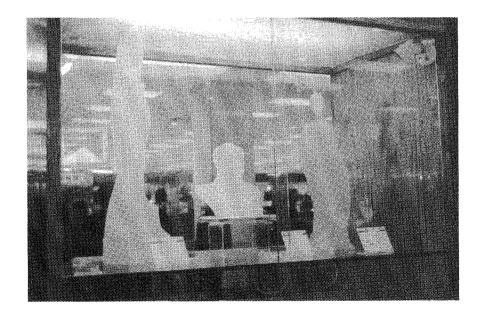
"Mistakes?" An overseas Chinese man, with whom I had a chat in a café in Shanghai, pointed out the word to me as both of us glanced at commemorative essays in local newspapers. He said with anger, "Twenty million people died during the Great Leap Forward and a hundred million suffered in the Cultural Revolution.

Couldn't one find a more appropriate term than 'mistakes' to refer to the causes of these catastrophes?"

Twenty million and a hundred million were the numbers provided by the Chinese government after the Cultural Revolution. During the Great Leap Forward, Mao gave undue prominence to heavy industry at the expense of agriculture. The agricultural labor force in the country, for example, was reduced by over 20 percent in 1958. Famine and natural disasters aggravated the shortage of grain, but the main cause for the loss of people was Mao's radical policy, driven by his desire for infinite power.

Human suffering was also the most distinguished aspect of the Cultural Revolution. Millions of Chinese people were arbitrarily arrested and sent to prisons or labor camps, and many more millions were shipped off to work in the remote areas. Families were broken, careers destroyed, and lives wasted.

Although many other factors led to these events, Mao's personal responsibility for the catastrophes was undeniable. Nothing could justify the loss of twenty million people or rationalize the suffering of a hundred million (this is about half of the total population of the United States). But strangely, China has continued to pay tribute to Mao. As a British social scientist noted, "of this century's dead tyrants, Mao is almost alone in still being honored in his own country."



A statue of Mao, along with two statues of beautiful women., are for sale in the window of the Shanghai Orient Store.

A small number of people in mainland China did voice their concerns and resentment about the memorial activities. Well-known writers such as Ba Jin, Bing Xin, and Zhou Gucheng wrote a joint letter to the Central Committee of the Chinese Communist Party. They claimed that any commemorative activities attributed to Mao would "turn back the wheel of history." (Cheng Ming, No. 10, Oct. 1993, p. 14). A young Shanghai writer reminded readers that "a nation which has lost its memories is doomed to be a tragic nation." (Wenhui Daily, Nov, 28, 1993, p. 7).

A great majority of people here in Shanghai, however, seemed to be indifferent to the government's attempt to celebrate Mao's 100th birthday. They were more interested in things that could help them make money. Mao occurred to them only if there was a market value. A Shanghai watch factory produced 10,000 commemorative gold watches of Mao and sold each for over two thousand yuan (US\$350). The cost of the watch was only about two hundred yuan.

"Who now cares about *Mao* or *Marx*? We're only concerned about *market* and *money*," a manager of the watch factory spoke to me in English. "The year of 1996 will be the Year of the *Mouse* in the Chinese lunar calender, we're going to produce a lot of goods with the image of a mouse." He asked, "Does this mean that we like mice?"

I was amazed by the way that this factory manager expressed his ideas. He is an absolute master of English vocabulary.

Some people were more respectful to the late chairman than this factory manager was. I heard that cab drivers in cities such as Shenzhen have often stuck a Mao's portrait on the corner of the taxi's front window. In Shanghai, I occasionally took cabs with a Mao picture. Once I asked a cab driver why he did so.

"Mao is a patron saint (*shouhushen*) who can bless and protect me from adversity,' he answered.

The cab driver was in his middle 40s. I was so curious about the seriousness of his tone that I asked him to tell me about his life experience. He was born in a worker's family in Shanghai. As a teenager with a "red family" background, he enthusiastically participated in the Red Guard movement when the Cultural Revolution began in 1966. But three years later, like millions of the Red Guards, he was rusticated to a remote area (in his case, to Jiangxi province) to work as a peasant.

"I experienced all kinds of difficulties in the countryside," he said, "we worked day and night, but still didn't have enough food to eat. I had nightmares of starvation almost every night. Sometimes I dreamed that I was going to eat a piece of fat meat." He told me that he developed a fondness for fat meat which he still has.

He did not move back to Shanghai until ten years later, when he was allowed to succeed his father's job in a steel factory. He married a textile worker with a similar life experience when both were in their middle 30s. They now have a tenyear-old son.

He told me that he started to drive a taxi two years ago, because he wanted to earn more money so that his son would have a better life than he had.

"How do you spend money on your son?" I asked.

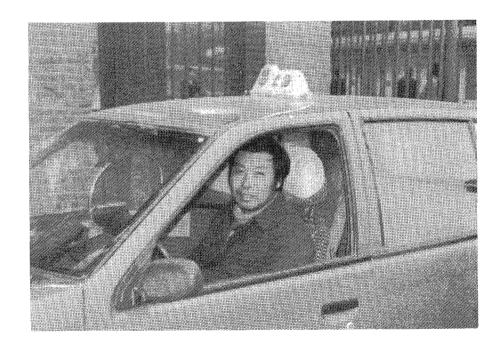
"Now I'm able to earn about 1,500 yuan (US\$260) a month if I work 12 hours a day and seven days a week. I have hired three college students to be tutors for my son. They teach him Chinese, calligraphy, and arithmetic respectively. I pay each tutor 250 yuan a month."

"That amount is half your monthly salary?" I wanted to make sure that I heard him correctly.

"Yes."

"Why don't you or your wife teach your son?" I continued. "It shouldn't be very difficult to teach these subjects to a ten-year-old child."

"To be honest, both my wife and I are almost illiterate," he was somewhat embarrassed. "I guess you are from abroad, you probably haven't heard of the 'lost generation.' My wife and I belong to that generation." He said in a matter-of-fact way.



I have always enjoyed chatting with taxi drivers during the ride. Their ideas and remarks seem to be more revealing than those of government officials.

I certainly knew the term "lost generation," which refers to the young people who grew up during the Cultural Revolution and lost formal schooling because of the Cultural Revolution. But what I didn't understand was his favorable attitude towards Mao, the person who launched this revolution.

"Do you really think that you owe something to Mao and that you need His

blessing?" I asked.

"My wife said the same thing to me the other day," he said. "She often made fun of me for sticking Mao's photo on the window of the taxi. She argued that Mao couldn't even protect his wife from adversity." He referred to the episode when Jiang Qing, Mao's wife, committed suicide in prison a few years ago.

"But anyway, I like Mao, he was a powerful leader when he was alive. Corruption and inflation were not prevalent under him." The taxi driver's tone

seemed to be conclusive as he made this statement.

We didn't say anything in the remaining fifteen minutes of the taxi ride.

This conversation, however, has occurred to me many times in the past few weeks. The Cultural Revolution not only had a destructive effect on the generation of the taxi driver and his wife, who have still not recovered from it a quarter of a century later, but also has continued to affect the next generation. How could it be possible that people who lost the opportunity of receiving a basic education and experienced all kinds of hardships in the primitive rural areas are still unwilling to be critical of Mao's role?

"Astonishing" – this is the word that Professor Lucian Pye, a China expert at MIT and a distinguished member of our institute, used in expressing his impression when he studied the mentality of the Chinese people during the post-Cultural Revolution era. Pye found that those who had suffered from the Cultural Revolution were usually apathetic about their experiences in this catastrophic era.

"If people who were unjustly jailed for a decade will not criticize what was done to them," Lucian Pye asked forcefully, "why should the Chinese authorities

worry about the future?"

The Chinese authorities, however, do worry about the future. At a small dinner party held by private entrepreneurs, I met a head of an industrial bureau in Shanghai. It seemed odd that he, as a high-ranking government official, came to such an ordinary gathering of local entrepreneurs. When I asked him about this, he gave me a straightforward answer.

"I am already 59 years old and will retire very soon. It is a good idea to have many friends in both the public and private sectors." He then lowered his voice and

said to me, "I need protection for the future."

"Protection for the future?" This may well reflect the mentality of some Party and government officials at present. A great number of Chinese officials have suddenly changed their identities from bureau heads (jüzhang) or Party secretaries (shuji) to chairmen of trustees (dongshizhang) or general managers (zongjingli). Under economic reform, they have made a "great leap forward" in the "privatization" of Chinese enterprises.

According to the News Agency of the Chinese government, there were 18,183 cases of corruption and bribery reported in the first five months of 1993. For example, the mayor of Ruzhou, Henan province, was arrested because he received over 600,000 yuan (US\$105,000) in bribes. He had been offered a luxurious car to use when he retired from the post of mayor. Furthermore, he had used bribery money to purchase an expensive apartment under the name of his two-year-old grandson. (Minzhu yü fazhi, No. 10, 1993, pp. 2-5).

Children of high-ranking leaders in the PRC have "inherited" powerful and/or wealthy positions from their parents. According to a recently conducted survey of the children of more than 1,700 PRC central and provincial leaders, about 3,100 hold official positions above the government bureau or military division level. Another 900 are the principal leaders of large and middle-size state-owned enterprises.

The number of children of high-ranking officials who are in charge of major private or joint ventures is unknown. But it is widely recognized, both in China and abroad, that China's major private or semi-private companies are usually led by children of high-ranking officials. Former Vice President of the PRC Wang Zhen's son, Wang Jun, for example, is President of China's International Trust and Investment Company.

This does not necessarily mean that children of high-ranking leaders are usually corrupted. But nepotism does often lead to the abuse of power. Corruption has grown to such huge proportions that Secretary General of the Party Jiang Zemin warned last year that it would ruin the Communist Party itself. A foreign journalist observed that a few years ago, corruption was petty bribery of a few dollars; "now officials steal millions or billions." (The New York Times, Sept. 6, 1993, p. 5). But interestingly, those who have been caught by the authorities are almost exclusively low or medium level government officials.

In a just-finished study of China's social conditions conducted by the Sociology Institution of the Chinese Academy of Social Sciences (CASS), Chinese sociologists warned that the country could suffer significantly if social agencies fail to keep pace with economic reform. They argued that the adjustment of administrative and legal systems as well as social insurance lags behind economic growth. The urban unemployment rate, for example, increased from 2.4 per cent in 1992 to 2.6 per cent in 1993. This means that the urban unemployment total has hit 4 million. (China Daily, Dec. 23, 1993, p. 4.)

The gap between the rich and poor has also significantly widened – 2% of the high-income urbanites and town residents in the country hold 30% of the total savings. (Baokan wenzhai, Dec. 6, 1993, p. 1). The study by CASS, entitled The Social Blue Book '94, consists of 22 papers that analyze many socio-political problems of Chinese society in the light of the recent economic boom. (China Daily, Dec. 23, 1993, p. 4, and Dec. 20, 1993, p. 1).

A main question about China's future is to see how the Chinese government copes with problems such as corruption, inflation, and polarization, and at the same time accelerates economic reforms. The authorities' memorial service to commemorate Mao, as a scholar at the Shanghai Academy of Social Sciences said to me, only points to the irrelevance of official propaganda.

"Is it an important rule in China – probably everywhere – that 'who controls the past will control the future'?" I asked.

"Yes and No," he answered, "it is 'yes' because this is the way to demonstrate power and authority. It is 'no' since no ordinary person in China could be such a fool as to believe that the official applause for Mao is sincere."

He illustrated his point by giving examples, "Many current leaders, including Deng Xiaoping himself, were persecuted by Mao. One of Deng's sons was maimed by Maoists during the Cultural Revolution. A few current Politburo members, for example Zhu Rongji, were labeled the 'rightist' – thus 'enemies of the people' in the Mao era."

"Let me cite a saying," he continued, "History often repeats twice, the first time occurs as a tragedy, the second time a farce."

He was quoting Karl Marx.

"Are you saying that the nation-wide, month-long memorial service to commemorate Mao is a falsified event?" I asked.

"Absolutely," his answer was simple.

"Isn't it odd?"

"Mr. Li, you forget the way you grew up in China," the scholar from the Shanghai Academy of Social Sciences said to me.

"But that was during the Cultural Revolution, the dark age of modern Chinese history."

"Nevertheless, you have been away from China for too long."

He was right. I have been away from my old home country for too long. But being away from China for a while has both advantages and disadvantages. The disadvantage is that I need more time to become familiar with my native land. The advantage is that I will look at things from a new perspective.

"Well," I said to him, "maybe you have lived in such an odd situation for so long that you fail to see the oddities, using a Chinese idiom, jian guai bu guai."

"Maybe," he responded.

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Despite of all these puzzling phenomena, probably because of them, I found that I have learned a great deal in the past two months. Every society has its own oddities or falsities, China is certainly not an exception. Adam Zamoyski, a scholar on European history, once wrote, "societies behave and utter in code, and unless one happens to have a smattering of that code, one is quite literally missing the point." What Zamoysky meant by the code, as I understand it, refers to paradoxes and

contradictions, oddities and falsities, which are found in a certain period of a nation's growth.

The notion of a national code, however, also suggests the diversity and the subtlety of which a student of social sciences should be aware as he or she analyzes a given country. I grew up in China, and by that chance of birthplace, learned early in my life of the complexity of a country crowded with people of vastly differing backgrounds and interests. I am glad that I have the opportunity to live in China again for a couple of years, meeting people with various backgrounds and different views. John King Fairbank, the late dean of American studies of China, was right when he said "one has to get acquainted with Chinese life to realize how very complex it is."

It is no doubt that China has significantly changed under Deng's reform. Changes are real, and in many aspects, progresses are great. China has had the world's fastest growing economy for the past few years. The socio-political life of the Chinese people has remarkably improved. Yet, I do notice various aspects of inertia and stagnation. The farce of commemorative activities honoring Mao has reflected China's falsities as well as other problems that are present.

There is nothing wrong with both the Chinese government and the people who are looking forward to the future, not backward to the past. A nation's future, however, often depends on how it comes to terms with its past and its present. Someone said that "a society cannot develop normally without knowing where it came from and what it is."

I would like to add: a country's "coming of age" cannot be truly realized until its people start to call things by their real names.

Sincerely,

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