INSTITUTE OF CURRENT WORLD AFFAIRS

SBB-15

Boogak Mansion 1-203
Pyungchang Dong
Chungno Ku
Seoul 110, Korea
January 1, 1985

Mr. Peter Bird Martin, Director
Institute of Current World Affairs
4 West Wheelock St.
Hanover, N.H. 03755

Dear Peter,

I laughed this morning, New Year's Day, at a news report from Beijing quoting Deng Xiao-ping saying that China was not turning capitalist. He may be right. But based on a brief visit that Rose and I made to Gwangdong Province in December, a lot of China is certainly no longer socialist.

It is not only that the economy has loosened up--in the Pearl River Delta collective agriculture is gone, completely. But on this trip, China has lost the feel that I associate with being socialist. The restrictions on foreigners travelling are melting away. Capitalist Hong Kong has always exerted a strong influence on Gwangdong Province, even when the border was sealed tight. People always listened to Hong Kong radio stations secretly. But now there are no secrets. People are reaching out to grab for whatever bit of luxury across the border they can. Towering TV antennae have sprouted from roof tops throughout wealthier parts of the Delta area. A cheap AM radio is all anyone needs to enjoy a little bit of the capitalist good life. Money has flushed into much of the area. (It seems ironic and sad, but what is better associated with capitalism than money?)

It was an incredible contrast with 1977, when I camped out in Hong Kong for a year, interviewing refugees from China about their experiences in rural communes. Then China seemed very distant.

Last month, it took us three days to get a tourist visa to China--our real purpose was to visit Rose's relatives. Once across the border we were free to travel anywhere around the Pearl River Delta, and farther to the south, to Taishan, where Rose was born.

We had no official contacts on the trip, something that had been a key feature of all my previous visits to China. The police, the party apparatus, the top-heavy bureaucracy are surely as busy as ever. If my tour of last December had been officially sponsored, complete with official explanation and rationalization of what I saw, my impressions would have been far different.

We did actually have just a bit of an official explanation. That came from a relative who is an official of a state-run company in Canton. Cadres in China

---

Steven B. Butler is a Fellow of the Institute of Current World Affairs studying political and economic developments in Korea and Northeast Asia.

have a peculiar way of talking. It is a tone of voice that might be described as ponderously humble, hiding, of course, terrible arrogance. It is a kind of talk , delivered often with a soft voice and a sweet smile, that does not want to be talked back to. I heard this talk many times when I lived in a north China village in 1980, usually when a higher-level official was trying to coax his underlings into doing something the underlings thought was ridiculous or wasteful and did not want to do. (Unfortunately the officials often had to pull rank this way to get their staff to help me gather research materials.)

But to hear cadre talk from a relative was just too comical. "We should spit out fish bones on the table. It is more sanitary than on the floor!" "Ah, Americans do not like to ride in the front seats of cars!" "Ah, they are sweeping the street!" said as we approached a couple of street sweepers. "China is undergoing great changes these days!"

This relative of Rose's bore a striking physical resemblance to another close relation who lived in the United States. But it was not the physical resemblance that was so remarkable, but the uncanny similarity of personalities. It is a similarity I dare not discuss in too great detail. Cadre talk without the authority structure to back it up is very funny. But the opposite vision, that this certain relation might suddenly be vested with an absolute political power over me, that I would have to obey "cadre talk," and could not resign my job, move to another city, and just laugh it off, is chilling. I firmly believe Chinese people were less repulsed by the economic irrationality of many Cultural Revolution policies, than they were by the political backbiting, the abuses of power, and general arrogance of government officials.

But now, finally, it is possible to sample China without paying Chinese officialdom more than a moment's attention. It is easy to forget it is there at all, and difficult to imagine that more than a decade ago China was gripped by the intense political convulsions of the Cultural Revolution.

Canton boasts a new crop of joint-venture hotels that at least look up to international first-class standards. They charge the prices, and Chinese travel agents have decided that foreigners should stay there. Fortunately Rose and I travelled as huachiao--overseas Chinese, and were able to book a room at the Overseas Chinese Mansion. The hotel caters perfectly to overseas Chinese tastes--cheap, spartan rooms and terrific food. Rose and I discovered several years ago that the overseas Chinese in China ate food far better than the standard fare at ordinary tourist hotels.

Unfortunately the hotel was a madhouse of Chinese swarming to meet visiting relatives or just hanging out. "Hanging out" indeed seems to have become a prime occupation for legions of Chinese whose incomes have been fattened with generous remittances from overseas. The hotel still had its goons at the door to ward off anyone who did not belong there, but the only people we saw get the boot were a couple of Chinese sailors. With the flood of Hong Kong money, and the fashions too, it is hard to tell anymore who is who (except for some Chinese-Americans wearing plaid shirts and Hush Puppies).

Along the riverfront next to the hotel, small restaurants and clothing stores stayed open til late in the evening. Women hawked river snails which they sauteed out on the street, turning over huge piles of the little creatures with a spoon and telling you how tasty they are.

Nearly every peddlar and shopkeeper shouted out to us to solicit our business, some running out of their shops and beckoning us in. They knew that we would likely pay them in "foreign exchange certificates"--the kind of money that China issues in exchange for real foreign currency. (Beijing residents cynically call them zu jie qian, literally "foreign concession money," harking back to the days when foreigners were exempt from Chinese law and issued their own currency on Chinese soil.) China issues the currency to prevent blackmarketeering and they are supposed to have the same value as ordinary Chinese money. Foreigners must use the certificates for hotel bills, or any transportation fares, and ordinary Chinese money cannot be exchanged into foreign currency. That makes it much harder for foreigners to unload luxury items that they sneak past the customs officials.

The predictable result, of course, was to spawn a huge black market in foreign exchange certificates. The going exchange rate between ordinary Chinese money and the certificates in Canton was 1.8. In Beijing the rate is reportedly four to one. (The exchange rate also reflects the overvaluation of Chinese currency.) Stores all over the city sell imported items at very high prices for which they will accept only foreign exchange certificates--no questions asked.

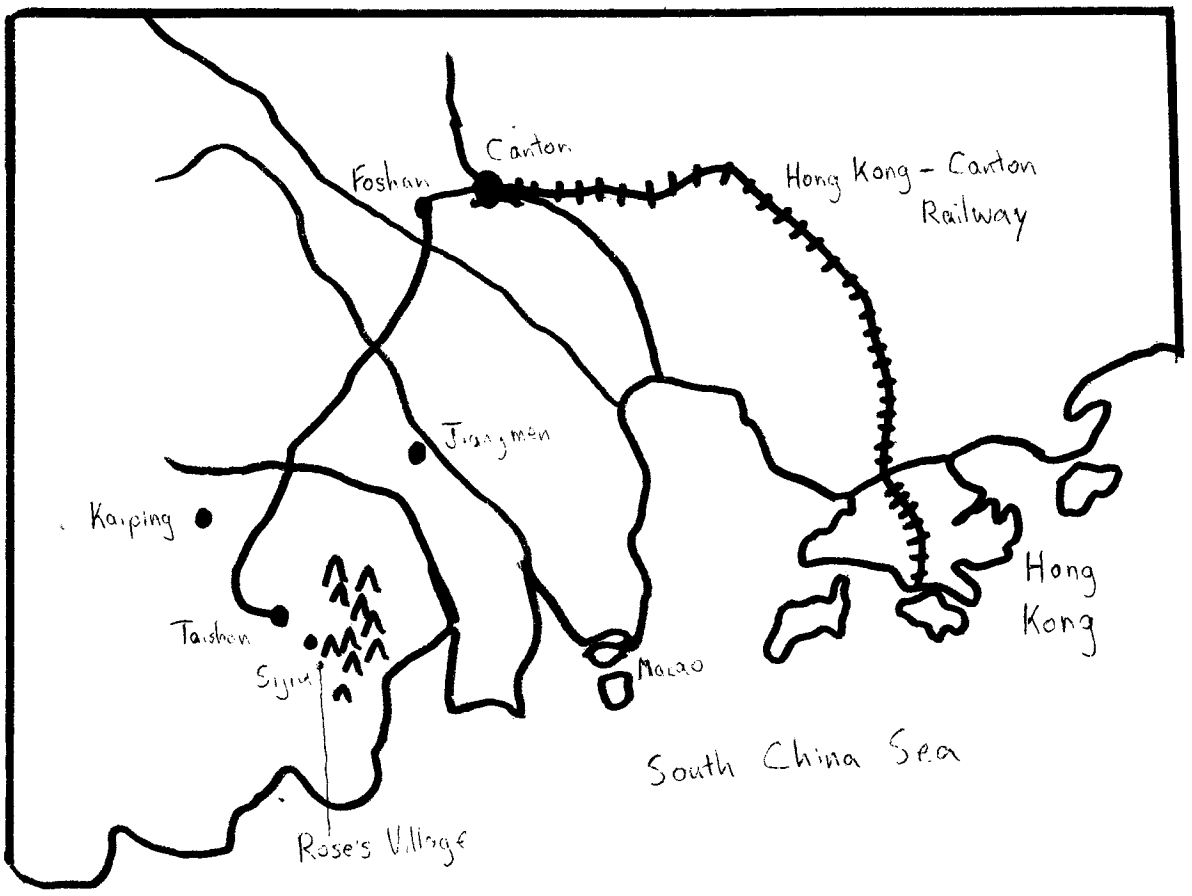
And in one of the most refreshingly liberal, if disappointingly insignificant, changes since China "opened up," ordinary Chinese are now allowed to enter "Friendship Stores," the stores that China set up exclusively to serve visiting foreigners. If Chinese have foreign exchange certificates they can buy anything.

We had been told in Hong Kong that we would need special permission from the Public Security Bureau to travel to Taishan County, a hundred kilometers to the southwest. But on enquiry in Canton, we were told we were free to go where we wished. So we hired a car and off we were.

Taishan county is not, strictly speaking, part of the Pearl River Delta. It is not part of the belt of counties surrounding Canton, where the fertile alluvial soil and proximity to urban markets has produced some of the wealthiest villages in China. Many if not most, of the early Chinese emmigrants to the United States came from Taishan, some forced out by severe weather and famine in the early twentieth century.

Even today Taishan is visibly more poor than the areas closer to the city, except for the occasional grand school or other public hall built with remittances from overseas relatives. Every village we saw in Taishan had a large brick watch tower. Prior to the revolution, we were told, each night all families in the village retreated to their own tiny room in the tower to seek safety from marauding bandits.

The hundred kilometer journey took nearly five hours. It used to take an entire day, people say, but two of the swollen rivers now have bridges, and we had to cross only two ferries. Rose's maternal uncle rode out with us, as well as her cousin, all the time bantering back and forth to the driver and listening to Hong Kong radio. (The driver says: "Why would they ever want to go to Taishan?" Uncle: "Everyone has their own interests.")



Pearl River Delta

Of all the relatives we met, Rose's uncle seemed to have the best grasp of why we wanted to return to Rose's home village, although by the end of the trip, I'm not sure I understood so well. After we were not rich. We did not come back to shower tidbits of our wealth on the home village in order to strike awe in our relatives' hearts. That seemed to be their idea of the whole affair.

We were, well, curious. Visiting eighty-year-old grandmothers seemed somehow like the right thing. And why not take a look at the house where Rose was born and where she passed the first few years of her life? (Rose still insists it was more my idea than hers.)

All in all, it probably was not a bad time to go. As Rose's uncle says, "It is okay when you are young, but if you come back when you are old, and don't have a lot of money, then you really lose face." So we just lost a little bit of face.

Taishan City, says Rose's uncle, used to be the best-looking county seat in the province. It still isn't bad. Most of the construction we could find dates back about fifty years, and looks as though it had absorbed some Portuguese influence by way of Macao. Two or three-story brick buildings line the narrow streets. The upper floors of each building hung out over the sidewalks, supported by tall pillars, sometimes rising and joining in decorative arches. Second-floor balconies also boasted arches, railings, and other architectural detailing never

found on the austere post-revolution structures. The buildings had a seedy look to them, with peeling and yellowing paint, but the basic structures were holding fine.

The streets had an unmistakable Chinese sound to them--the tinkle from dozens of passing bicycle bells ocassionally drowned out by the roar from a truck or tractor. The banging from a cymbal came out from the center of a crowd not far from our hotel, where a pathetic-looking baboon tried to ride an old battered tricycle. At every other turn around the open circle at the center of the crowd, one of the rear wheels of the tricycle fell off. The trainer then gave the animal a few stout kicks in the back. The baboon scampered off to a corner to sulk while the trainer rushed to fix the tricycle before the crowd became bored and wandered off.

In Taishan we stayed at a small new hotel owned by an investor from Hong Kong, catering to the thousands of overseas Chinese who return to Taishan each year. Our room had wall-to-wall carpeting, bathroom fixtures imported from the United States, central air conditioning, and a large color television set whose antenna pointed directly at Hong Kong.

The government encourages overseas Chinese to return because they bring money with them. A sign board next to the county offices showed a map of the county with stars marking investment projects funded by Chinese in Hong Kong and Macao. The board showed off 100 names of people who had invested between 1979 and 1983, for a total of US$22.3 million.

The money also funds droves of idle "hoodlums" (liumang). They filled up the large hotel restaurant whenever it was open, sporting mustaches, jeans and leather jackets. Their constant puffing on cigarettes, preferrably dangling out of the side of the mouth, filled the room with an unbearable cloud of smoke. Few ordered much, just a pot of tea and a few snacks. Rose's 16-year-old cousin said that these days she is afraid to walk the streets of the town alone at night for all the strange people wandering about. And we did see several public security posters detailing the crimes, the arrest, and the punishment for several culprits.

Our plan was to pay a short visit to Rose's father's village the morning after we arrived, and then go to her mother's village for lunch. Even though Rose was born in and lived in her father's village, there were few close relations remaining, or at least so we thought.

They apparently did not think so. We arrived about ten in the morning, and by ten thirty a multi-course banquet was already forced upon us. Everyone in the village was a relative by one or another reckoning. They all were Lees after all. And as luck would have it, Rose's father, being the eldest son of the eldest son, is the senior living member of the lineage. There was quite a scrap at the table over who knew Rose best when she was a little girl, and how everyone took such good care of her. (Rose could not remember anyone.)

It was a poor village made up of the remnants of an extended family, much of which emmigrated to the United States and never struck it rich. Tall antennae did not sprout from rooftops here. Rose was an investment of sorts, coming home for, well, they were not quite sure what.

Rose's father's picture still topped a pyramid of photos on the wall of the house where Rose came into the world. A clutter of agricultural tools and baskets hung from the walls of the 60-year-old brick structure, which looked none the worse for wear. Lunch (brunch?) was cooked over an old brick stove fed from the bottom by grass tied tightly together into bunches. Rose says the house looks just as it did, down to the old, carefully preserved tables and chairs. The alter at the room's end had a poem: "May gold sprout from the earth; may the ground give forth silver."

Strolling around the village, we could find little new wealth that had been added in the past 35 years. Of course the fired-brick houses in the area are palaces when compared to the low adobe structures peasants live in in north China, with which I am more familiar. Yet aside from a few new houses, not much had changed in the village since the revolution.

People do say that in the past two or three years, they have not had to worry about having enough to eat, and they have more clothes to wear.

The only thing that is strikingly new in the village was a three story brick and cement house built by a villager who went to Hong Kong and made some money. The owner of the house, who was visiting, insisted that we tour every nook and cranny of the structure, complete with a huge color television and a refrigerator, and steel gates at every staircase. The house stands empty most of the time, except for a lone mother.

The man, fabulously rich by local standards, held a sort of sway over the village. He monopolized conversation at mealtime, with tales of his great exploits in the world. He thought it uproariously funny that we would stay at the Overseas Chinese Mansion in Canton. "That is an awful place," he said. "I used to stay only at the Dong Fang, but now I always stay at the White Cloud Hotel." (One of the new joint-venture establishments.)

"When you travel, there are three things to look for in a hotel: first convenience, second safety, and third good food," he said.

At this point Rose's maternal uncle's eyes rolled slowly toward the ceiling.

"Don't laugh at me," says the man.

"How can I laugh," says Rose's uncle. "You are the man of the world."

One aunt handed us our bowls of rice, saying that it had an especially delicious local flavor.

"You've got to be joking!" says the man of the world. "You think your rice can possibly taste as good as rice from America?"

America. Everyone wants to go there. Many have trooped into Canton and put their names on waiting lists at the American Consulate. And many of these people will go, because with all their relatives in the U.S., they have the necessary qualifications. It may take years to wait for their numbers to come up. But with no English and no marketable skills, they one day will take the train out to Hong Kong, hop on a plane for New York, and leave their village for good.

Rose's uncle put his name into the hopper a few months after the U.S. Consulate opened in Canton in 1979. He was the first, and so far, the only person from his village to pass the entrance exams for college. He earned a technical degree and now works as a section chief in a machinery factory in Canton.

He has lived apart from his family, in a factory dormitory, his entire working life (now in his early 40s). Home is the better part of a day away by bus. His wife has an agricultural registration, which his children inherited from her. They have not had the right to live in or find jobs in the city. Only now have the regulations been relaxed slightly, and he plans to have his wife move into the city with him. In any case, now that collective agriculture has disappeared in the village, it is hard for his wife to earn any money there. She used to earn work points, which earned her a share of the collective take at the year's end. Now she contracts out her own plot of land, but after paying others to do the heavy work of plowing and planting, it is difficult to make any profit on the plot.

When Rose's uncle goes to New York--it is just a question of time--no one will recognize his technical degree. He knows the best he can hope for is some kind of unskilled manual labor. He speaks no English. Yet he thinks it will be better than staying in China where he now earns, including all bonuses, 120 yuan a month, or $44.50 at current exchange rates. "There are just too many people here," he says.

In preparation for moving his family out of the village, and eventually out of China, he is refurbishing his grandfather's house. "It wouldn't do just to let it fall apart like this," he says, pointing to a large hole in the roof. He will find someone to live there are to take care of it.

And who knows? Maybe he will stike it rich in the U.S., and one day come back in his old age to shower a bit of capitalist wealth on a village that has a strong thirst for it. Maybe he will, if there is anyone left by that time.

Best,

Steven B. Butler

Received in Hanover 2/25/85