Europe Solidaire Sans Frontières > English > Asia > China (PRC) > History (China) > History XXth Century (China) > **China, Mao and the global neoliberal offensive** 

Review

# China, Mao and the global neoliberal offensive

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Review by Chris Slee: *The Rise of China and the Demise of the Capitalist World Economy* By Minqi Li Monthly Review Press, New York, 2008

Contents

- Great Leap Forward
- <u>Absolving Mao</u>
- <u>Bureaucracy</u>
- Great Proletarian Cultural
- <u>After Mao</u>
- Intellectuals and the bureaucr
- China and the neoliberal (...)
- Alliance with US imperialism
- <u>Privatisation</u>

January 4, 2011 - *Links International Journal of Socialist Renewal* — Minqi Li's The Rise of China and the Demise of the Capitalist World Economy deals with a range of topics including the history of the Chinese Revolution, China's role in the world economy today and the future of the world economy. This review will not deal with every aspect of the book, but will focus on Minqi Li's discussion of China's history, economics and politics, and its current role in the world.

In the preface, Minqi Li recounts his own experiences in China in the 1980s and 1990s. He was involved in the student protests of 1989, which culminated in the Beijing massacre when the government sent in the tanks. He spent time in jail before moving to the United States, where he teaches economics at the University of Utah.

Studying economic management at Beijing University during 1987-90, Li says: "we were taught standard neoclassical microeconomics and macroeconomics, and what I later learned was termed 'Chicago School' economics — that is, the theory that only a free market economy with clarified private property rights and 'small government' can solve all economic and social problems rationally and efficiently."We were convinced that the socialist economy was unjust, oppressive and inefficient... State-owned enterprises were by nature inefficient and should all be privatized." [1]

But as a result of his experiences in 1989 and his subsequent reading and reflections, he changed his views: "I became a leftist, a socialist, a Marxist, and eventually a Marxist-Leninist-Maoist." [2]

Li became, judging by this book, a fairly uncritical admirer of Mao Zedong. In my view this is

## \_Great Leap Forward

It is understandable that young Chinese who are disillusioned with capitalism should look with renewed interest at Mao, who had led a mighty revolution to victory in 1949, whose government had nationalised capitalist property in the 1950s, and who in subsequent years claimed to be struggling to advance China towards communism. But Mao was a flawed leader: alongside his great achievements there were harmful policies and practices that undermined support for socialism and thereby helped create the conditions for the restoration of capitalism.

Li defends Mao's role in the Great Leap Forward and the Cultural Revolution. In my view Mao's role in these events requires severe criticism.

The Great Leap Forward refers to the drive launched in 1958 for extremely rapid growth of production. Unrealistic targets were set. Workers and peasants were pushed to work at an excessive pace. Much of this labour was wasted on ill-conceived projects such as the thousands of small-scale "backyard" blast furnaces that turned out poor quality iron, most of which was totally useless.

This production drive coincided with a drive to create what were termed Peoples Communes. These were very large collective farms, often including tens of thousands of people.

The years 1959-61 saw widespread food shortages and a big increase in the death rate [3]. To most commentators it seems obvious that Mao's policies (the Great Leap Forward and the communes) had resulted in famine.

Li however argues that the problems were largely caused by natural disasters such as droughts and floods. He cites statistics showing that natural disasters were in fact more widespread than usual during these years. [4]

He also points out that famine in China was not something peculiar to the Maoist period, but had been a recurring phenomenon in Chinese history. He argues that the overall record of China under Mao was good, with food supply and the health of the population improving after the revolutionary victory of 1949, resulting in a rapid increase in life expectancy. The 1959-1961 period was a temporary reversal of this improving trend. It was "the last famine in Chinese history". [5]

While blaming the problems mainly on climatic conditions, Li does admit that "policy errors had aggravated the situation. In particular, the 'Communist wind' that led to excessive leveling of income within and between communes seriously undermined the peasants' work incentives, and the artificially high production targets imposed by party officials, as well as the pervasive concealing and distortion of information, resulted in excessively high requisitions in certain areas and prevented the timely provisioning of relief". [6]

#### \_Absolving Mao

However Li absolves Mao from blame for these errors. He points out that Liu Shaochi and Deng Xiaoping were in charge of "the daily work of the Party and domestic affairs" [7], and concludes that they were the ones mainly to blame.

Minqi Li points out that Mao sometimes sounded a note of caution about exaggerated production

statistics, and about excessively radical policies. Li refers to a memoir published in 1995 by Wu Lengxi, who had been the chief editor of the Peoples Daily and director of the Xinhua News Agency during the Great Leap Forward. In his memoir Wu said that Mao talked to him on several occasions between March and November 1958 and "instructed him to resist the 'Communist wind' and the 'exaggeration wind', to refrain from publicizing unrealistically high production numbers, and to keep 'a sober mind'". [8]

Nevertheless the Peoples Daily continued to push an ultraleft and voluntarist line: "Starting with September 1958, the Peoples Daily published reports and editorials advocating an early transition to Communism, the abolition of commodities and money, the abolition of families, the merging of all communes within a county into one commune, and the leveling between rich and poor communes, production brigades, and production teams." [9]

Wu in his memoir expressed guilt about his role in promoting these ultraleftist ideas. But he also tried to put most of the blame on others, including Lu Dingyi, director of the Communist Party Propaganda Department, as well as Liu Shaochi and Deng Xiaoping.

Wu Lengxi and Minqi Li both deny that Mao was to blame for the ultraleft policies. In my view they are mistaken. Certainly at times Mao sounded a note of caution. But at other times he issued calls that encouraged voluntarist attitudes, such as a call issued in February 1959 to "go all out". Australian academic Bill Brugger comments that Mao's position was "marked by considerable ambivalence". [10]

It should also be noted that Liu Shaochi at times also expressed the need for caution. For example, in May 1958 he said: "Leaders ... must combine revolutionary enthusiasm with business-like sense. They must be able not only to put forward advanced targets, but also adopt effective measures in time to ensure the realisation of the targets. They must not engage in empty talk and bluff. The targets we put forward should be those which can be reached with hard work. Do not lightly publicise as plan that which is not really attainable lest failure dampen the enthusiasm of the masses and delight the conservatives." [11]

Brugger comments that "it is difficult to discern any marked difference between Liu's position and that of Mao". [12]

In my view Mao, Deng and Liu must all share the responsibility for the disasters of the Great Leap Forward. There is no reason to absolve Mao. As the central leader of the party, he was the driving force behind the Great Leap Forward. His speeches and writings played a key role in creating a climate in which ultraleftist and voluntarist errors were likely to occur on a large scale. He helped create a climate in which local Communist Party cadres felt obliged to push through collectivisation as quickly as possible, disregarding the attitudes of the peasants, which varied a lot in different areas.

Minqi Li however puts the blame for the failure of the Leap on Liu and Deng, seen as representatives of the Communist Party bureaucracy. He says: "The failure of the Great Leap Forward reflected the fact that by the late 1950s, a privileged bureaucratic group had already taken hold. The Communist Party had evolved from a revolutionary organisation, the members of which were committed to revolutionary ideals, committed to the interest of working people, and willing to make self-sacrifices, into one that included many careerists who were primarily concerned with personal power and enrichment". [13]

#### \_Bureaucracy

It is certainly true that a privileged bureaucracy had developed. But Mao was part of that "privileged bureaucratic group".

The privileged lifestyle of Mao and other top leaders of the Communist Party is documented by Harrison Salisbury in his book, The New Emperors. [14] After victory in 1949, most of the top leaders of the new government, including Mao Zedong and Liu Shaochi (but not Deng Xiaoping), moved into Zhongnanhai, a large walled compound in Beijing containing palaces, gardens and lakes. In the past Zhongnanhai had been used by China's emperors.

One justification for living in a walled compound was security. Certainly this was a real consideration — there was undoubtedly a danger that agents of the dispossessed ruling classes would try to kill the new leaders.

However, living in a walled compound had the effect of putting the top Communist Party leaders in a position of privilege, cut off from ordinary people. This in turn made it easier for them to adopt unrealistic and harmful policies. This situation affected both Mao and some of those such as Liu Shaochi who were later to become his opponents.

Of course the leaders did not spend all their time in Zhongnanhai. They often went on tours of inspection to various parts of China. But this did not necessarily give them a clear understanding of how things were going. Local officials often hid problems from visiting leaders and gave them an excessively optimistic picture.

The leaders also received reports from around the country through government and party channels and the official media. But these reports were increasingly affected by similar distortions.

Political repression played a significant role in worsening the distortion of information. In 1956 Mao called for free discussion, saying "Let a hundred flowers bloom, let a hundred schools of thought contend". But in 1957 there was a crackdown, and many of those who had expressed critical opinions were arrested, sacked from their jobs, etc. This made people reluctant to speak freely and created the conditions where false reporting of "great successes" could go unchallenged.

This was the environment in which the voluntarism of the Great Leap Forward could flourish. The whole Communist Party leadership, including Mao, Liu and Deng, were jointly responsible for creating this environment.

All the leaders eventually came to recognise that errors had been made. At a conference of the Communist Party leadership held at Lushan in July 1959, Mao said "The chaos caused was on a grand scale and I take responsibility. Comrades, you must all analyse your own responsibility". [15]

However, Mao defended the basic concept of the Great Leap Forward, saying, "We have done some good things." [16] Mao saw the problem as one of excessive impatience, but believed that the general direction of the Leap was correct.

At that time Liu Shaochi and Deng Xiaoping appeared to agree with Mao. But by 1962 (if not before) differences had emerged.

According to Minqi Li, "Having failed to advance the 'social productive forces' in the Great Leap Forward through the 'communist wind' and the 'exaggeration wind', Liu and Deng (still in charge of the Party's and state's day-to-day work), moved from an 'ultra-leftist' approach to a 'pragmatic' or rightist opportunist approach. In the rural areas, peasants were allowed to have bigger private plots and to sell their outputs on the open market, diverting peasants' labor effort away from collective work. Collectivized work itself was partially privatized as a result of a policy of 'contracting production to the family'...This new partial privatization had led to rising inequality among peasants as well as growing corruption among the rural cadres."In the cities, the industrial sector was reorganized to concentrate power and authority in the hands of managerial and technical experts. Bonuses and piece-rate wages were widely introduced to promote economic efficiency." [17]

In 1962, Mao began expressing disagreement with these policies, talking about "the danger of capitalist restoration". [18]

#### \_Great Proletarian Cultural Revolution

Minqi Li claims that: "After several attempts to re-revolutionize the Party from within had failed, Mao made a direct appeal to the ordinary workers, peasants and students, calling on them to rebel against the 'capitalist roaders who are in authority in the Party'. This appeal sparked the Great Proletarian Cultural Revolution." [19]

In reality, despite Mao's talk of "rebellion", the Cultural Revolution was a struggle within the bureaucracy. Mao's faction used radical-sounding rhetoric to mobilise student youth to attack Mao's rivals. High school and university students formed groups of "rebels" or "Red Guards". Initially, the main targets were teachers and administrators in schools and universities, who were criticised, publically humiliated and often subject to physical violence.

The attacks were encouraged by Mao's denunciation of "bourgeois" intellectuals and academic authorities. Mao's aim (disguised by radical rhetoric, including criticism of the elitism of the education system) was to intimidate Chinese intellectuals, who were seen as actual or potential critics of Mao's policies.

Later the focus shifted to attacking Mao's opponents within the Communist Party. Many party leaders at all levels were subject to a similar process of denunciation, public humiliation and physical violence.

The Red Guards were only able to carry out their attacks because Mao's allies Lin Biao and Kang Sheng controlled the army and the police. Mao also made use of the media to promote his ideas, taking advantage of the personality cult that had been built up around him over several decades.

In explaining the failure of the Cultural Revolution, Minqi Li says that "the ordinary Chinese workers and peasants were politically inexperienced and unprepared. Despite Mao's warning of the dangers of capitalist restoration, Marxist-Maoist theoretical reasoning did not seem to fully conform with the daily experience of many ordinary workers and peasants." [20]

In my view, the reluctance of most workers and peasants to embrace Mao's ideas was not due to political inexperience. On the contrary, it was precisely their experience of the Great Leap Forward and the Cultural Revolution that caused them to be sceptical of Mao's leftist rhetoric.

The Cultural Revolution ended in an uneasy compromise. Although the Maoist faction appeared to have come out on top in the inner-party struggle, its grip on power was actually very shaky. It had to restore to positions of authority many of the old cadres who had been purged, in order to get society functioning normally again. The Maoists depended heavily on the army, but its loyalty was also very shaky. Defence minister Lin Biao, previously Mao's leading supporter, died in a plane crash in 1971

while fleeing China after a failed coup attempt.

## \_After Mao

Mao died in 1976. The Maoists — led by the so-called Gang of Four, including Mao's widow Jiang Qing — were defeated in the ensuing power struggle. At first Hua Guofeng became the leader. He was a sort of compromise figure. But by 1978 Deng Xiaoping was in effective control of the party and government, though Hua remained a figurehead until 1980.

Minqi Li characterises the events after Mao's death as a "counter-revolutionary coup". [21] It was actually a coup by one section of the bureaucracy against another section. The working class was not a participant but a spectator in this struggle. (Li effectively concedes this, saying that the working class had become "politically passive" and was "caught off guard". [22] In reality, workers did not mobilise to defend the Gang of Four because they did not see this faction of the bureaucracy as their representatives).

Deng Xiaoping and his supporters introduced "market reforms". In the countryside the land was contracted to family units. Formally, the land remained the property of the collective, but production was no longer organised collectively.

Many peasants welcomed the policy of contracting land to individual families. [23] In some areas local Communist Party leaders, responding to the wishes of the local peasants, introduced the policy before it was officially adopted at the national level. [24] In other cases, however, the new policy was imposed on reluctant communities by instructions from above. [25]

The differing attitudes of the peasants towards the breakup of the communes reflected their differing experiences of collectivisation. The hasty introduction of collective farming in the late 1950s meant that peasants in some areas had never really been convinced of its desirability. In other cases the bureaucratic management of the communes undermined peasant support for collective farming. [26]

However, the dissolution of the communes had some very negative consequences, particularly the breakdown of the rural health and welfare systems. Individuals were now expected to pay for their own health care, which had previously been largely funded by the communes and the government. The number of villages covered by the rural Cooperative Medical System fell from 90 per cent in 1979 to 5 per cent in 1985. [27]

In the cities there were "reforms" to state-owned enterprises, summarised by Minqi Li as follows: "The 1988 'Enterprise Law' provided that the state-owned enterprise managers had the full authority to dictate all conditions within an enterprise, including the power to fire or lay off the workers." [28]

Li adds that: "The development of market relations also provided ample opportunities for sections of privileged bureaucrats to enrich themselves through corruption and speculation. A new bureaucratic capitalist class emerged." [29]

However, this did not mean that the working class had been decisively defeated. Li says: "The urban working class was politically passive and disoriented. But, at the factory level, the urban working class remained quite powerful. Despite the provisions of the 1988 Enterprise Law, the power to fire workers was rarely exercised by the management in the late 1980s. On the contrary, with the 'iron rice bowl' still intact, the state-sector management was forced to use generous material incentives to

motivate the workers to increase productivity The second half of the 1980s saw rapid increases in urban workers' wages." [30]

## \_Intellectuals and the bureaucratic elite clash

The continued power of the working class was a problem for those who wanted to restore capitalism as the dominant mode of production. This included not only a growing part of the bureaucracy, but also a large proportion of the intellectuals.

Minqi Li analyses the complex relationship between the Communist Party leadership and the intellectuals as follows: "While the intellectuals and the ruling elites shared the broad objective of transition to capitalism, there was no agreement on how political power and the economic benefits of capitalist transition were to be divided between them. The intellectuals were dissatisfied with the fact that as wealth was gradually concentrated in the hands of bureaucratic capitalists and private entrepreneurs, they did not have a share of this newly accumulated capitalist wealth. Many of them complained that their income did not grow more rapidly than that for the urban workers." [31]

These disagreements were reflected in public criticism and protest actions: "Throughout the 1980s, there were several waves of intellectual criticisms of the Communist Party (sometimes backed by university student demonstrations) followed by official movements against 'bourgeois liberalization'. Intellectuals and the ruling elites were testing their forces before a dramatic showdown that would settle the terms under which they would unite in a general offensive against the urban working class." [32]

These waves of protest culminated in the mass protests in Tiananmen Square in April-June 1989. But this time a new element entered the picture: "Much to the surprise of the leading 'democratic' intellectuals, the spontaneous student protests in the spring of 1989 were joined by the urban workers and developed into a general social movement. The situation eventually became a political showdown between the ruling elites and the 'democratic' intellectuals. The intellectuals, however, were neither able nor willing to really mobilize the urban working class to struggle for political power. Without the political mobilization of the working class, the intellectuals proved to be completely powerless. Many leading intellectuals and students managed to flee the country. It was the workers who paid the highest price in terms of blood and imprisonment." [33]

By 1992 Deng Xiaoping was ready to launch a massive privatisation drive: "Throughout the 1990s, most of the state and collective-owned enterprises were privatized. Tens of millions of workers were laid off. The urban working class was deprived of their remaining socialist rights. Moreover, the dismantling of the rural collective economy and basic public services had forced hundreds of millions of peasants into the cities where they became 'migrant workers', that is, an enormous, cheap, labor force that would work for transnational corporations and Chinese capitalists for the lowest possible wages under the most demeaning conditions. The massive influx of foreign capital contributed to a huge export boom. The Chinese capitalist economy was ready to rise to the global stage." [34]

#### \_China and the neoliberal global economy

Minqi Li argues that China has played a crucial role in the global neoliberal offensive. He explains the reasons for the adoption of neoliberal policies by capitalist governments around the world: "Neoliberalism has been a strategic attempt by the global capitalist classes to reverse the historical gains of the world's working classes, in order to lower the cost of wages and social spending and to restore the profit rate. Neoliberal policies and institutions collectively constitute a strategy to undermine the bargaining power and organizational capacity of the working classes." [35]

Beginning in the 1970s, neoliberalism began to replace a previous set of policies, including Keynesianism and the welfare state, that had been adopted by capitalist governments following the second world war.

The Keynesian/welfare-state policies had been a response to the discrediting of capitalism following two world wars and the great depression of the 1930s. The ruling classes had been forced to make concessions to the working classes of what Li terms the "core" states (what I would call the imperialist states), and to the anti-colonial national liberation movements.

During the 1950s and 1960s world capitalism experienced rapid growth. But towards the end of this period the capitalists felt the need for a change of policy: "However, by the late 1960s, new contradictions emerged. High levels of employment, welfare-state institutions, and the depletion of the rural surplus labor force in the core states changed the balance of power between the capitalist classes and the working classes to the latter's favor. Labor militancy grew throughout the core zone. The semi-peripheral states (such as in Latin America, eastern Europe, and southern Europe) were under similar pressures from more militant working classes. Rapid expansion of the global economy over a sustained period had greatly increased the demand for oil and raw materials, leading to better terms of trade for the oil exporters and some peripheral states. The profit rate fell across the capitalist world-economy and revolutionary upsurges threatened to overthrow capitalist governments in many parts of the world. In response, the capitalist classes organized a global counter-offensive." [36]

The coup in Chile in 1973 was an early example of this counter-offensive. The rise to power of Margaret Thatcher in Britain in 1979 and Ronald Reagan in the USA in 1980 brought further steps in the global neoliberal offensive.

Minqi Li sees the 1976 coup in China as part of this pattern. He says that: "In China, after Mao Zedong's death, pro-capitalist forces seized political power." [37]

Certainly the events of 1976 were a precursor to the rapid spread of market relations in China, and its growing links with capitalist world economy. However I don't see China 1976 as the equivalent of Chile 1973. The Chilean coup violently crushed the working class, whereas the Chinese coup of 1976 was a struggle within the bureaucracy. And it is by no means clear that the defeated faction were more progressive than the victors.

#### \_Alliance with US imperialism

China under Mao had already developed an alliance with the United States and other imperialist powers, directed against the Soviet Union and against many progressive Third World governments and movements. US president Richard Nixon's visit to Beijing in 1972 was the most obvious public expression of this alliance. But the visit had been prepared by three years of secret discussions, including a visit by US secretary of state Henry Kissinger to China in 1971. During this period China adopted increasingly reactionary positions on a range of international issues, including struggles in Sri Lanka, Bangladesh and Sudan. [38]

The 1976 coup did not cause any fundamental change in China's foreign policy, which remained extremely reactionary (though the Chinese invasion of Vietnam in 1979 was a deepening of this reactionary policy).

The change at the top have did not any immediate major adverse effect on the social rights of the urban working class. The privatisation that occurred between 1976 and 1989 mainly affected rural areas. Urban industry remained state owned.

The changes adopted after Deng Xiaoping's rise to power certainly expanded the role of the market and provided opportunities for capital accumulation. But during the 1980s large-scale industry remained state owned. In theory it was still conceivable that the continued growth of public sector enterprises might result in an eventual renewed rise in the proportion of the Chinese economy under public ownership.

#### \_Privatisation

However, that is not what happened. The top levels of the Communist Party bureaucracy became increasingly committed to privatisation. There were debates within the leadership on how far and how fast to go, with Chen Yun favouring the maintenance of a strong public sector. He talked of a "socialist planned commodity economy" (rather than simply a "market economy"). [39] However he was increasingly marginalised.

But the privatisation of urban industry did not occur on a significant scale until after the Beijing massacre of 1989. The intensified repression made it possible for the government to carry out widespread privatisation without meeting nationally coordinated resistance (though there was resistance at the workplace level).

Thus in my view the most decisive event on the road to capitalist restoration was not the coup against the Maoists in 1976, but the Beijing massacre of 1989.

However Li's general point about the importance of China in the global neoliberal offensive remains valid. He argues: "Globalization' has been an indispensable component of neoliberalism. Through greater and deeper integration of the peripheral and semi-peripheral economies into the capitalist world-economy in the form of trade and financial liberalization, capital in the core zone can be relocated to the periphery and semi-periphery where large reserves of cheap labor are available and there is little political constraint on resources depletion and environmental degradation, thereby raising the global profit rate. The 'rise of China' and the 'rise of India' need to be understood in this context." [40]

He adds that: "China's economic rise has important global implications. First, China's deeper incorporation into the capitalist world-economy has massively increased the size of the global reserve army of cheap labor force. In some industries, this allows capitalists in the core states to directly lower their wages and other costs by relocating capital to China. But more important is the 'threat effect'. That is, capitalists in the core states force core-state workers to accept lower wages and worse working conditions by threatening to move their factories or offices to cheap labor areas such as China, without actual movement of physical capital. China's opening-up to the global capitalist market makes the threat effect much more effective and credible." [41]

But it is not only workers in the imperialist countries who are affected. Transnational corporations have been able to transfer some of their production from other Third World countries to China. Li points out that: "China has been the primary beneficiary of the latest round of global capital relocation. When China started the project of 'reform and openness' ... it had a very large rural surplus labor force... On the other hand, partly due to the success of Maoist self-reliance and industrialization, China had a comprehensive technological capability to produce a wide variety of products... As soon as China was 'opened', it started to engage in full-scale competition against the

established semi-peripheral states. Because of China's low wages and other costs, China has been in a favorable position in the competition and has become the major receiver of the capital relocated out of the core states." [42]

China's economic growth has been accompanied by sharp increases in economic and social inequality. The income of a wealthy minority has grown much faster than that of the workers and peasants. Li cites official Chinese statistics showing that between 1990 and 2005, China's total labour income fell from 50 per cent of GDP to 37 per cent of GDP. [43]

Nevertheless Li is optimistic: "Historical experience from other countries suggests that as capitalist development depletes the rural surplus labor force, the relations of forces between the capitalists and workers are likely to turn to the workers' favor. Already there has been some evidence that wage growth in China has accelerated, even though it still lags economic growth..."Over time, as labor supply is further tightened and the second-generation migrant workers become more familiar with the urban environment and more conscious of their working class identity, the workers are likely to become more self-confident and militant. Sooner or later, the Chinese workers will organize more frequently and effectively for economic and political struggle." [44]

In fact there has been a steady rise in workers' economic struggles in recent years. In 2010, for example, there was a series of strikes in car component factories owned by transnational corporations such as Honda. [45]

Li believes that this rise of struggle will have a global impact: "The political defeat of the Chinese working class paved the way for the rise of neoliberalism. The rise of new Chinese working class could turn the global balance of power again to the favor of the global working classes." [46]

#### **Chris Slee**

Notes

1. Minqi Li, The Rise of China and the Demise of the Capitalist World Economy, page  $\boldsymbol{x}$ 

2. Li, p. xiv.

3. See graph, Li, p. 41, which shows a spike in the death rate between 1959 and 1961. Apart from this period, the graph shows a steady decline in the death rate between 1950 and 1980.

4. Li, p. 43.

5. Li, p. 42.

6. Li, p. 44; the term "wind" in this context refers to a departure from correct policy. The "communist wind" was a premature attempt to create a communist society.

7. Li, p. 46.

8. Li, p. 46.

9. Li, p. 47.

10. Bill Brugger, China: Liberation and Transformation 1942-1962, Croom Helm, London 1981, p. 196.

11. Brugger, p. 184.

12. Brugger, p. 184.

13. Li, p. 50.

14. Harrison Salisbury, *The New Emperors: Mao and Deng: a dual biography*, HarperCollins, London 1992.

15. Brugger, p. 212.

16. Brugger, p. 212.

17. Li, p. 56.

- 18. Li, p. 57.
- 19. Li, p. 57
- 20. Li, p. 58.
- 21. Li, p. 58.
- 22. Li, p. 58.

23. See for example William Hinton, *The Privatization of China*, Earthscan Publications, London, 1991, pp. 52-53.

24. Hinton, p. 52.

25. See for example Hinton, p. 148: "Long Bow village resisted family contracts for two years and yielded in the end only because higher Communist Party leaders confronted the local party committee with an ultimatum: contract the land within one month or face expulsion from the party."

26. See Hinton, p. 51: "A 1980 national survey made by a group of young economists that included the newly appointed second secretary of the Fengyang Party Committee, Wong Yongxi, concluded that in China as a whole 30 percent of the cooperative brigades had been doing well, 30 percent had been doing badly, while in the middle 40 percent had been holding their own, neither chalking up great successes on the one hand nor floundering on the other." Most, though not all, of the successful cooperatives that I had seen were in the north, in or near old liberated areas where the peasants first gave support to the Communist Party because it led the resistance war against Japan or the liberation war against the Guomindang. Years of armed struggle had developed a core of politically aware peasant cadres who later led the land reform and the cooperative movement, and led both fairly well, in many localities at least.

"Anhui, on the other hand, had gone through no such history. Liberated by northern armies in 1949, Anhui went through land reform under outside leadership in 1952, then without any trial period of mutual aid, plunged into a land-pooling movement that leaped from the lower to the higher stage in the course of a few months..."According to Wang Yongxi, the cooperative movement in Anhui violated two fundamental principles of rural organization: the principle that peasant participation must be voluntary, based on the economic success of local models, and the principle that income must be distributed on the basis of work performed."

27. Shaoguang Wang, "Double Movement in China", *Economic and Political Weekly*, December 27, 2008, pp. 51-52.

28. Li, p. 60.

29. Li, p. 60.

- 30. Li, p. 60.
- 31. Li, pp. 61-62.
- 32. Li, p. 62.
- 33. Li, p. 64.
- 34. Li, pp. 64-65.
- 35. Li, p. 69.
- 36. Li, p. 68.
- 37. Li, p. 68.

38. See Livio Maitan, Party, Army and Masses in China, NLB, London, 1976, pp. 309-347.

- 39 Li, p. 63.
- 40. Li, p. 69.
- 41. Li, pp. 70-71.
- 42. Li, pp. 107-108.
- 43. Li, p. 89.
- 44. Li, p. 91.

45. See Auto Worker Strikes in China: What Did They Win?.

46. Li, p. 92.

#### **P.S**.

\* From http://links.org.au/node/2079.

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