China under Mao

Effect of WW2

- CCP and GMD joined forces 1937 Second United Front
- Mao exercised iron control over his troops = won support
- GMD officials were corrupt and incompetent = lost support

Chinese Civil War

- 1946 = People's Liberation Army formed
- GMD supported by USA
- CCP could not rely on support from Stalin
- GMD had materialistic advantages (280 000 vs 800 000 troops, control of most of Chinese territory, airforce, foreign support) however they lacked popular support, moral and effective leadership. The PLA had a much better reputation, excelled in guerrilla warfare.

Mao's economic policy/ ideology

- 1. "Collective ownership of means of production" eg nationalization of industry and collective farming
- 2. Make China a great world power avoid dependency
- 3. Immediate need for recovery from war

Needed: increase Chinese capital for economic investment

- Reducing foreign imports and boosting exports
- Believed in manpower (not technology)

Communism applied to industry

MODERATE PERIOD OF NATIONAL CAPITALISM 1949-53 = minimal disruption

- Heavy industry
- Regulation of wages
- Banking system
- o "National bourgeoisie" = can make profits
- (GMD had already taken over industry before 1949)
- Relied on USSR = Sino-Soviet friendship treaty 1950 = \$300 million in loans + 11 000 Soviet experts
- 1953 = 80% heavy industry, 40% light industry = nationalized
- 1949-52 = double industrial output

FIRST FIVE YEAR PLAN 1953-57

- All private businesses and industries nationalized
- Managers = can make profits
- Iron, steel, energy, transport, communications, machinery, chemicals = prioritized at expense of consumer industries
- o Capital raised by low grain prices to peasants
- Vast new industrial schemes
 - Manchuria
 - Lanzhou
 - Gobi desert railway
- · Heavy industry x3
- Light industry x 70%
- (Figures cannot be trusted) but first time China was producing her own goods
- Urban population grew
 - 1949 = 57 million
 - 1957 = 100 million

Political changes under Deng

- Economic changes made demands for democratic system inevitable. Yet Deng was a committed Communist and had no intention of relaxing the control of the CCP.
- · Democracy Wall movement
 - Late 1978
 - Posters on 200m wall
 - "Democracy the Fifth Modernization" (=Four Modernizations only worthwhile if accompanied by democratic changes) (Wei)
 - Deng cautious -had intended wall to be used to criticize Mao and Gang of Four, democracy was too radical for him
 - 'Correct' political thinking laid down by Deng 1979
 - Socialism
 - · Dictatorship of proletariat
 - · Political leadership CCP
 - Marxism-Leninism and Mao Zedong Thought
 - o Dec 1979 (after only 3 months) Democracy Wall torn down
 - (+Wei in prison 15 years)
- · Reformers within CCP
 - Zhao (premier) + Hu (Secretary) = Marxist economic failings
 - When Hu stepped out of line and began to speak openly = replaced by Zhao (more conservative) + Li Peng (conservative) became premier
 - o Supported Deng's elections but candidates were not allowed to criticize government
- Major contrast to Mao = Deng did not encourage a personality cult
 - Maintained power through control of army (Military Affairs Commission)
 - Retained Chairmanship
- Tiananmen Square
 - Deng made it clear that China would not take the "capitalist road" with regards to concepts of democracy (problems cause by the very economic changes that made him popular)
 - Problems
 - Agricultural and industrial growth slowing down
 - Inflation
 - · Overcrowding in cities
 - Job prospects for graduates = poor
 - System favored those with party affiliations
 - Trigger: 1989 Hu died
 - Symbol of resistance (supported demands for political change)
 - Memorial service = large crowds in Tiananmen Square
 - 300 students went on hunger strike
 - Gorbachev's visit
 - massive coverage from international press
 - · Students believed government wouldn't take action with him there
 - Zhao dismissed + martial law (many left the square)
 - ► 2 June = Gorbachev gone, 350 000 PLA soldiers surrounded Tiananmen Square
 - ► Night of 3 June midday = thousands were shot and killed (over 4000)
 - Deng had not hesitated to use violence = warning that opposition would not be tolerated
- · Could capitalist economic principles be successfully applied to a totalitarian society?
 - Deng's overriding concern was stability. Without this, he felt China could not progress or thrive.
- "A harmonious society was therefore essential, and those who disrupted this harmony faced the most severe punishment."

- 1970 Soviet GDP x4 than Chinese
- 1990s China's GDP surpassed Soviet's
- · "Chinese experience shows that reform of Communism was possible"
- The irony:
 - o Soviet economist had elaborate and sophisticated models of the economy
 - Comparatively Chinese leaders were "less well armed conceptually"
- · China's major comparative advantages:
 - Household-based farming —> in the absence of a significant social safety net in countryside
 - Capital-rich and patriotic diasporas
- "The crucial difference between Deng's reform strategy and that of Gorbachev is that Deng pursued economic reform while strictly limiting political reform whereas Gorbachev would up pursuing both at the same time."

Stalinist vs Maoist political legacies

- Societal chaos wrought by Mao = discredited extremism
- By late 1970s Chinese leadership receiving regular reports of widespread malnutrition = circumstances afforded Deng the opportunity to win political coalition for his leadership and then reforms
- Most Russian politicians 1985 owed their careers to Stalin + Stalin set a precedent for dying in office therefore old leaders, "bereft of ideas for the future" still dominated Soviet politics
- "Gorbachev -a virtual outsider to the Kremlin politics- would have his hands fill establishing his political authority."

Differences in socio-economic structure

- Deng faced an enormous political challenge eliminating collective farming.
 BUT "he moved only after having shored up his political base."
- Success of reforms = major political boost = wider reforms
- Gorbachev faced an enormous political challenge reforming industry
- "Gorbachev proved quite the opposite of Deng, who carefully marshaled political capital at every step of the reform process."
- Reforms failed to provide consumer items
 unpopular
- Associated with unpopular campaigns like anti-alcohol campaign
- Perestroika = katastroika

Quick recap on reforms

Agricultural

- 1. Maintained public ownership of land
- 2. Maintained quota
- 3. Peasants able to sell surplus
- 4. 1982 village commune abolished
- 5. Results
 - A. 1978-82 avg peasant income nearly doubled
 - B. 1977-84 grain production up 33%

Industrial

- 1. Maintained stated ownership
- 2. Factories freedom to plan their output
- 3. No change of pricing structure or quasimonopoly
- 4. Results
 - A. Factories simply stopped making low margin consumer items = massive shortages of everyday items
 - B. 1989 coal miners, no soap = strikes in Donbass