

# An Updated Look at China

What will happen in China when Mao and Chou die? Will there be a struggle for power? Will the Left rise to power? Will Sino-U.S. detente end and an era of Sino-Soviet rapprochement begin?

**THERE WILL BE NO POWER STRUGGLE.** IT has already taken place. A three-man team—Teng Hsiao-ping, Li Hsien-nien and Chiao Kuan-hua—has already succeeded to Chou's position and are in firm control of government policy and administration.

Chinese policy in the near future will continue the pattern set since the Cultural Revolution, a pattern not very different from that of 1955-60.

In foreign affairs China will continue a high level of foreign economic relations, with continued emphasis on ties to the U.S., Japan and West Germany.

Politically the de facto anti-Soviet alliance with the U.S. will continue, as will competition with the U.S.S.R. for influence in Asia and Africa.

China will tend increasingly to act like a typical big power, albeit a regional big power.

So far as the international communist movement is concerned, China will become less and less significant in the coming period. Never very interested in the world movement when a Maoist international was on the verge of existence, China is now confronted with the collapse of the Maoist groups in the various countries. This is in sharp contrast to the leadership of Stalin who used the growing strength of the U.S.S.R. as a base for a very strong international movement.

The Chinese leaders wish to emulate Stalin by creating a strong China, but are indifferent to a movement, and are even made impotent by their line from fostering any movement in their image. So any remaining Maoist group will have a difficult time becoming strong through China's reflected glory, as the Communist Parties were able to bask in the U.S.S.R.'s glory in the 1930's.

Domestically China will continue to experience a slow growth in living standards, accompanied by a faster growth in inequality in income distribution and political power.

The Chinese Left remains what it has been since the Cultural Revolution—a huge, confused, defeated, unorganized and dispersed group. Its

former leaders—none with national stature—are isolated, jailed or dead. The Left will be the principal beneficiary of Mao's death. Unhampered by his presence, which confused them; unchecked by his policy, which they misunderstood—the Left will develop new leaders who will organize a powerful Communist movement using Mao's aura and some of his slogans. But this is not for the near future.

## THE LITMUS TEST OF FOREIGN ECONOMIC RELATIONS

The goal of the Maoist leadership has always been the "regeneration of China," meaning its economic development. Changes in social structure were promoted or opposed depending on whether those changes helped or hindered economic progress. (In this the Maoists did not differ from accepted Communist practice.) The best reflection of political developments has been China's foreign economic relations. In fact, the economic relations have been the political developments.

## THE 1953-1960 PERIOD

Chinese foreign trade and other foreign economic dealings, such as technical aid and loans, were almost exclusively with the Soviet Union and the Soviet bloc from the time China revived from the Civil-Korean War in 1953 until 1960. The leadership's concern was to industrialize and to improve farming. Land collectivization and mechanization and industrialization by means of wholesale imports of new plants and equipment from the East bloc were the twin pillars of developmental policy.

While in the period before 1953 (when there was no foreign aid available) the emphasis was placed on worker innovation to make do with and upgrade existing plant, in the following period this policy was condemned (a period of workers' innovation is always, inevitably, also a period in which there is a powerful trend for workers' power). In the 1953-1960 period the stress was on mastering modern Soviet technique. This policy always places technicians on a high pedestal,

## CHINA HINTS SHIFT IN TOP ARMY POST

Former Chief of Staff, Once  
Reviled, May Have Been  
Restored to Leadership

By JOSEPH LELYVELD

Special to The New York Times

HONG KONG, Dec. 16—

Nearly seven years ago, a leading Chinese military figure, Yang Cheng-wu, was reviled as a "counter revolutionary double-dealer" and "reptile" and was purged as acting chief of staff of the army.

Now he may have been restored to the same post—the top operational command in the Chinese Army—as part of an effort to reshape the military leadership to make it more responsive to orders issued by the Communist party in the name of its chairman, Mao Tse-tung.

Mr. Yang, who was a general before military ranks were formally abolished in China, was publicly rehabilitated only last

summer. His regaining of authority was revealed indirectly, as such shifts in Peking's power structure usually are, when he was listed this month ahead of two of the army's deputy chiefs of staff attending a memorial service for a recently deceased member of the Central Committee.

The officer who functions as chief of staff has responsibility for making the army responsive to the party's directions. The sensitivity of the job is indicated by the fact that everyone who has held it in the last 20 years has finally been demoted or purged.

The man who replaced Mr. Yang when he was disgraced in March, 1968, Huang Yung-shang, was himself purged less than three years later on the ground that he plotted with Lin Piao, then the Defense Minister, to overthrow Chairman Mao. The post has not been publicly filled since that time.

### Yang a Military Hero

Mr. Yang, who is 62 years old, is an authentic military hero. At the age of only 23 he was political commissar of the Red Army regiment that won the key battles on the epochal Long March. Before he was 30 he was an important leader of Communist forces operating be-

hind Japanese lines in northern China.

But the crimes he was accused of during the Cultural Revolution were linked at a public meeting in Peking to the "foul-smelling excrement of a dog." Indeed, the accusations against him were so numerous and diverse that analysts have never been able to agree on what it was that really got him into trouble.

Among other things, he was said to have used "secret police tactics," including hidden listening devices, to spy on Chairman Mao and his wife, Chiang Ching. Mr. Yang was even accused of encouraging his own daughter to have illicit sexual relations with an air force officer as part of a plot to undermine the air force chief of staff.

Presumably these lurid accusations can be forgotten because they were made originally by Defense Minister Lin, who now heads the list of reprobrates. But there was another charge made at the time that may offer a clue to the reasons behind Mr. Yang's sudden reemergence. Various Red Guard publications portrayed him as an "ambitionist" who had been scheming to supplant the commanders of some of the major military regions in China.

As this article indicates, right-wing bureaucrats are being restored to power in China. We doubt that their scent has changed much since the Cultural Revolution.

promotes divisions in the working class, reinforces class stratification and places power in the hands of an elite.

Both policies were initiated by Mao, Liu Shao-chi, Chou En-lai and Teng Hsiao-ping (to name the most prominent). But Mao, in his characteristic way, presented both policies dressed up in radical garb and let the others administer them, claiming for himself the right to denounce his colleagues when he felt it opportune.

### THE 1960's

Cut off from Soviet technology in 1960 and having no alternate source, Chinese leaders again stressed self-reliance and worker innovation while trying simultaneously to form ties with Japan. This ultimately produced a crisis in Chinese society, as a powerful Left trend developed over a six-year period, animated by Communist ideals, which clashed with what was in effect a bourgeois structure based on economic

development. This was the Cultural Revolution.

As we know, the Left failed, largely because of its misestimate of Mao and its consequent failure to unite nationally to offer alternate organization—a new Party—as a source of leadership. Mao, Chou and Lin Piao effectively manipulated the Left's shortcomings, and the Maoist leadership emerged from the rebellion able to resume guiding the nation along the road leading to their vision of a prosperous China.

### CHANGE IN U.S. POLICY

This coincided roughly with America's military defeat in Vietnam, a military defeat coupled with a diplomatic victory. This event convinced the bulk of the remaining skeptics among the American ruling class that their previous policy of military containment of the Asian Communist revolution was unworkable and unnecessary. Since that policy was a response to the Communist

triumph in China, its abandonment meant a new China policy had to be developed by the State Department. That new policy could only be containment through partnership. The Chinese leaders were ready, and all the more eager since Sino-American detente made a Russian attack on China an impossibility, at least in the immediate future.

### THE 1970's AND OIL

So Chinese foreign economic relations revived again in about 1970. Now Japan was China's main trading partner, soon to be followed closely by the U.S., West Germany and France. But trade for cash was the main aspect of these relations; the Left was still too strong to permit the leadership to accept long term credits from imperialism. Nor were foreign banks breaking their necks to extend credit, since China is after all poor and did not seem to have an export potential large enough to earn the foreign exchange needed to pay back large loans.

Onto this potentially troubling situation was poured oil. A vigorous prospecting drive begun in the mid-1960's, in the self-reliance period, discovered huge oil deposits underground in the northeast (150 miles northwest of Harlin) and offshore near Tientsin in the Gulf of Pohai. By 1970 Chinese officials were claiming that in terms of reserves China was the world's oil-richest nation. Lacking exploring, production and refining equipment, China bought what she could from Rumania, equipping her land fields with Rumanian equipment, and began domestic equipment production.

Offshore development was harder since the technology is monopolized by U.S. concerns, with Japan and West Germany having a minor piece of the action.

By 1973 China had its first exportable crude production. With that a buying drive began for the latest plant and equipment for oil production and refining and petrochemical development. **Almost no other significant capital goods or technology purchases were made.** \$1.2 billion in oil plant was bought in 1973, with delivery scheduled for 1975-77, the sellers all from the U.S., Japan and West Germany. In 1974 Chinese buying continued at the same level. By the end of 1974 China had racked up a \$2 billion foreign debt.

Oil production is zooming upwards. On the one hand it is needed as raw material for the petrochemical complexes to come, turning out chemical fertilizer, fibers, plastics, fuel. On the other hand 10% of crude is earmarked for export. In 1974 that could bring in \$500 million.

**These enormous purchases have put China in the credit market, but so far in a short-term way. China puts 20%-30% down, openly agrees to pay 6% interest on payments spread over five years, hides the true, higher rate of interest elsewhere in the sales contract, calls the arrangement "deferred payment," and denies it is seeking credit or has any foreign debt. American and Canadian bankers—of which a small stream has been trickling in and out of Peking throughout**

**1974—say they have received feelers from the Chinese on long term loans.**

Whether or not that is true, the Chinese leaders have made agreements to pay out \$2 billion over the next five years. It is reasonable to conclude they expect to be involved in stable, profitable business relations for at least five years—relations which will produce not a balanced trade, but a net profit of \$2 billion.

More than that, China intends to buy even more oil technology, and that means continued U.S. ties even if there is some temporary Sino-Soviet "rapprochement." China has announced plans to increase chemical fertilizer production 40% over the next 2 years.

### SINO-U.S. POLITICAL COOPERATION

The Sino-American economic nexus carries with it Sino-American political cooperation. Involved in a common anti-Soviet front, China has no way to oppose U.S. imperialism's moves to strengthen itself strategically. **In fact China supports this.** China supports a strong NATO; supports the U.S. base at Diego Garcia in the Indian Ocean; recognizes the Chilean junta; supports the CIA's nominee in Angola, Holden Roberto; is developing friendly relations with the Marcos regime in the Philippines; and is on good terms with America's Persian Gulf ace, the Shah of Iran.

But China also supports the sale of French arms to the Middle Eastern tyrants "provided the terms are fair;" because that strengthens France against the U.S., and the Middle East regimes against Soviet pressures.

China supports high oil prices because that strengthens the "Third World" against the old imperialist world (although Russia also benefits from this).

**IN SHORT, CHINA SUPPORTS ANY ASPECT OF ANY CONTRADICTION EXCEPT ONE—WORKING CLASS REVOLUTION.**

### THE INTERNATIONAL LEFT

The defeat of the Chinese Left and the defection of China from the Communist movement were sharp blows from which the world's working class has not yet recovered. It strengthened reaction's hand, divided and confused revolutionaries everywhere. It lengthened the period of transition to socialism and complicated it. If China's leaders were able to continue to pose as militant leftists that would wreak more havoc.

But now the world is undergoing a period of sharp class struggle. China will be seen clearly to be on the wrong side as this period develops. While on the one hand that will temporarily confuse things, ultimately it will cause a qualitative leap forward in people's understanding of what Communism is all about and in their allegiance to the revolutionary struggle—provided PL continues patient but bold effective organizing, and comes to lead a significant section of mass struggle and steps up its educational work.