MAO TSE-TUNG AND THE PARTY DEBATE ON A STRATEGY FOR CHINA'S NATIONAL DEVELOPMENT

Mao Tse-tung's Cultural Revolution purge of high leaders of the Chinese Communist Party represented, in part, the culmination of more than a decade of debate over the most appropriate policies for modernizing peasant China. What began in the mid-1950s as disagreement over economic policy evolved into a conflict of basic differences in the conception of a "socialist transformation" for Chinese society. By the early 1960s this debate began to pass into matters of personal authority; and in 1964 Mao raised the issue of succession to his leadership. The aging Party Chairman had come to fear that his policies would be repudiated by long-time Party colleagues, just as Khruzhchev had repudiated Stalin. The succession issue directly shaped Mao's Cultural Revolution purge of the Party, and continues to be a major source of contention within the post-Cultural Revolution leadership. It is likely that this issue is at the center of the current instability evident within the Chinese Communist Party (CCP).

This memorandum summarizes the main lines of debate within the CCP leadership over the question of a strategy of national development, and points out how Mao Tse-tung's forceful political initiatives of the 1950s led other Party leaders to attempt to restrict the Party Chairman's power in the early 1960s thus setting the stage for the Cultural Revolution.

The CCP came into power in 1949 with only vague notions of how Chinese society could be modernized. CCP leaders had defeated the Nationalists more rapidly than anticipated in three years of civil war; and as revolutionaries committed to the Communist vision of society they instinctively turned to the Soviet Union to provide a guiding model of
national development. As Party leaders shifted from military operations to economic management, however, they gained practical experience which gradually called into question the relevance of the Soviet model for China's development problems. Mao Tse-tung "led" other Party leaders in his early questioning of the Soviet development experience, and in the search for an alternative suited to Chinese conditions.

Between 1949 and 1953 the Communists used their armies and the Party bureaucracy to dismantle the remnant organizations of Nationalist rule, and to destroy the power of the landlords in China's vast rural hinterland. In 1953 the Party quietly initiated its first Five Year Plan, which drew inspiration from the Soviet precedent. The CCP created a centrally-directed economy, and a governmental bureaucracy to implement Party policy. The Party's basic commitment was to industrialization; and the assumption was that development of a modern industrial sector through technical and organizational reform would establish the basis for bringing China's peasants -- more than 80% of the population -- into the modern world. Industry was to lead agriculture, and most capital investment in the First Five Year Plan was allocated to heavy industry.

In 1955, however, the goals of the First Five Year Plan had to be revised downward, for the agricultural sector was unable to meet its planned targets, thus hindering capital investment in industry. The Party gradually came to see that low agricultural productivity constituted the bottleneck to China's economic development. Without major increases in the level of productivity of China's peasants, there would be insufficient food to cope with population growth. And without substantial increases in per/acre grain yields it would be difficult to feed a growing urban population, turn over agricultural lands to the production of raw materials for light industry (such
as cotton for textiles, or oil-bearing crops for secondary processing), and earn foreign exchange through the sale abroad of rice and other agricultural products.

In an important speech of July 1955, Mao challenged the relevance of the Soviet precedent for China's development problems. He criticized the "industry-first" approach and the view that increases in agricultural productivity would have to await technological modernization — also a function of industrialization. Mao asserted that the Party could use its revolutionary political experience to mobilize China's one great resource — her underemployed and inefficient labor force — through political and social means to bring about increases in agricultural productivity. Mao's views were resisted, however, by a state bureaucracy and urban-oriented governmental planning system committed to a technical and industry-first approach to modernization. Mao expressed concern with Party "conservatism." Fearing that the lessons of the revolution would be lost, the Party Chairman succeeded in the fall of 1955 in prodding the Party to mobilize the peasantry in forming elementary collective farms and managing, through political means, an effort to bring about a "leap forward" in agricultural productivity. The state bureaucracy was shunted aside as politics and the Party took command.

Mao's initiative was successful, and in early 1956 the Chairman followed on his efforts of the preceding fall with the promulgation of a twelve-year program for agricultural development. Mao further demanded that the collective farms be enlarged into advanced stage Agricultural Producers' Cooperatives. Against growing resistance from other Party leaders, Mao's plans were put into effect.

Khrushchev's February 1956 attack on Stalin and the "cult of personality" radically changed the atmosphere
within the CCP, bringing to the surface fears of a Maoist "cult of personality." Party leaders who objected to Mao's forceful leadership and his economic development strategy acquired the leverage to restrict the Party Chairman's influence in a context of "collective leadership." In April of 1956, the drive to form Agricultural Producers' Cooperatives was criticized. Efforts were initiated to consolidate the changes in rural life of the preceding fall and winter, and to reaffirm the "industry first" approach to economic development. In frustration at this restriction of his leadership, Mao twice swam across the Yangtze River in the spring, and wrote a poem on "Swimming" in which he said "better this (swimming the Yangtze) than leisurely pacing home courtyards." Political divisions within the leadership had been established which, in time, would lead to Mao's July 1966 swim in the Yangtze, and to his Cultural Revolution purge of Party opponents.

Into the fall of 1956 efforts were made to speed the pace of China's economic development by encouraging the country's precious few skilled intellectuals -- less than 4 million out of a total population of about 600 million -- to lend their efforts to the industrialization drive. Mao has a long record of distrust of the intellectuals -- and in the fall of 1956 his concern with the Party's urban-oriented development program -- and the "alliance" with the intellectuals that it required -- was confirmed in his eyes by the disturbances in Poland and the Hungarian uprising against Communist Party rule. Mao now claimed to Party leaders that a "cult of personality" was not the problem facing China, but bureaucratic conservatism and the Party's "alliance" with the intellectuals which -- he asserted -- had led to the Hungarian upheaval.

In early 1957 Mao attempted to confront this problem in a campaign to "let a hundred flowers bloom and a hundred schools of thought content" -- in fact an
effort to establish a critical dialogue between Party bureaucrats and intellectuals which would expose conservatism and bureaucratic behavior on the part of the former, and "anti-socialist" attitudes held by the latter. As has long been the case, Mao asserted that China's development could only be promoted through controlled "class struggle."

The "Hundred Flowers" strategy was undermined in the late spring of 1957 by a Party bureaucracy that resisted public criticism of its errors, and by criticism from the intellectuals which challenged the very foundations of Communist Party rule. While Mao's intellectuals was discredited, the Chairman was able to assert to other leaders that the Party bureaucracy -- by its resistance to criticism -- needed further "rectification." He also stressed that a national development strategy which placed reliance on politically unreliable intellectuals would only create further problems for China. As in 1955-1956, Mao asserted that the Party had to deal with the basic problem of low peasant productivity if it was to spur economic development.

The fall of 1957 and first half of 1958 saw the evolution of Mao's conception of a new development strategy for China. The core of what came to be called the Great Leap Forward was the People's Commune, a self-contained economic and political organization for China's peasants. The Communes grew from township-scale amalgamations of Agricultural Producers' Cooperatives which placed approximately 20,000 peasants under unified political and economic management. Each Commune was to be self-reliant in investment capital -- accumulated from local savings -- and was to maximize the application of labor power by organizing the peasant work force into quasi-military "production brigades." The Communes were further integrated into Mao's new national defense policy of 1958 by combining militia organization
with the production brigades to form a self-contained and decentralized structure of Chinese society. Through the Commune concept, Mao's propagandists asserted in the summer of 1958, China's people would soon realize Communism. Through the Great Leap Forward, Mao told the Party leadership, China's industry and agriculture would be able to develop simultaneously at such a rapid pace that the country would be able to surpass the British in GNP within fifteen years.

Mao pressed the organization of People's Communes throughout China's countryside in September of 1958, fearful that resistance from more cautious Party leaders would undermine support for his concept of a way to organize Chinese society for the "transition to socialism" -- as had happened in 1956. The speed, and concomitant lack of planning, with which the Communes were formed, however, came to be part of their undoing. Party cadres were inept at the new tasks of large scale management. Fearful of political reprisals, they grossly inflated their production figures. The peasants, still committed to family-centered agriculture, resisted the organization of "production brigades." By the summer of 1959 it was becoming evident that Mao's Great Leap in fact was generating a great production disaster.

In July of 1959 China's Defense Minister, Marshal P'eng Teh-huai, sought to mobilize opinion within the Party leadership against Mao's Great Leap policies. P'eng's move was given weight by the signs of a growing production crisis, and by Soviet anger at Mao's defense policies and the Chairman's claim that China was near to realizing Communism (and by implication, before the Soviet Union). Mao was able to mobilize a counter-attack with the support of other leaders, and had the critical Defense Minister removed from office; but in the deepening economic crisis -- which reached its low point in 1962, when tens of thousands of peasants, in fear of starvation, fled into Hong Kong -- Mao found
his political influence seriously eroded. In the depth of the Great Leap crisis some leaders encouraged intellectuals to write veiled satires of Mao, criticizing him for acting like a dictatorial emperor and failing to consider the interests of the peasantry or the importance of friendship with the Soviet Union for China's national development and defense.

In these circumstances Mao retreated, in part to build a base of support within the army. More cautious leaders directed the economic recovery from the Great Leap, largely by allowing the peasants greater individual freedom and private land. Party policy shifted to emphasizing agriculture as the foundation of the national economy, with industrialization given a second-order priority.

By 1962, however, Mao once again became actively concerned about the loss of his authority within the Party, and with the increasing dissolution of the Communes in the countryside. At a series of leadership meetings in the summer of 1962, the Party Chairman called for renewed "class struggle," and for strengthening Party leadership in the Communes. Other leaders superficially went along with Mao's further initiative, but they began to actively resist his policies in application. The divergencies within the leadership began to grow into a basic conflict over organizational power. By 1964 Mao felt he had sufficient political support from the army to begin to challenge his opposition within the Party. This he did by indirectly raising the issue of succession, thus hoping to divide the most powerful Party leaders on the one issue where his remaining prestige gave him great political leverage. By this strategy Mao was able to fragment his opposition and one-by-one remove key leaders from power beginning in late 1965.

By July of 1966 Mao felt his position sufficiently secure to challenge the entire Party and state
bureaucracy. The Chairman swam in the Yangtze again, as a sign of his enduring political vigor and a symbolic expression of his determination to challenge the Party leaders who, since 1956, had resisted his program for modernizing peasant China. Matters of economic development were shelved as the Chairman confronted the elemental problem of political power.

China's economy was able to operate rather autonomously during the Cultural Revolution struggle, with only temporary production dislocations resulting from disruptions of the transportation network and episodes of "class struggle" in the urban centers. There was not, however, a basic disruption of the economy such as occurred during the Great Leap Forward. There were a number of references to a Fourth Five Year Plan, but no such plan was given formal publication or approval. China seemed to lack a sense of overall economic coordination and the kind of concerted drive for production goals which characterized the economy in the 1950s. The People's Communes remain semi-active organizational structures in the countryside, but with the villages -- the old Agricultural Producers' Cooperatives -- apparently the center of rural management.

Although there were no new developments in Chinese developmental strategy following the Cultural Revolution, the Chinese economy rebounded from the comparative doldrums induced by that movement in 1969-70, largely because it was easy to take up slack in unused industrial capacity. Once this had been accomplished, however, basic underlying difficulties soon became apparent. Active, coordinated efforts to develop the economy were hampered by continued weaknesses within the Communist Party, whose organizational structure had been almost wholly destroyed by the Cultural Revolution; rebuilding was halting and plagued by continual factional disputes and problems engendered by the Cultural Revolution. For several years administrative
authority remained largely in the hands of the military establishment, which proved unfamiliar with economic considerations and arguments and unwieldy in carrying out management tasks. Given the weaknesses of central authority and controls, efforts were made, with Mao's blessing, to decentralize planning to provincial and local levels. Agriculture continued to be emphasized and an effort was made to stress light industry and the production of consumer goods, in part to diffuse and alleviate discontent arising from the dislocations and chaos of the Cultural Revolution.

The commanding position of the military, resulting in part from Mao's political strategy in relying on the army in his struggle with the party apparatus, and in part from pragmatic considerations deriving from the fact that for several years the military organization was the only functioning structure of authority in the country, permitted the military to siphon off a considerable, and probably inordinate, portion of the budget for its own ends. Spending on weapons procurement and on other military-related projects rose steadily from the middle 1960s, and some funds were doubtless squandered on projects of only doubtful military value. This profligate approach tended to strain China's limited budgetary resources; moreover, the soldiers' control of budgetary allocations tended to strengthen their political power still further.

By 1970 Mao had concluded that the overweening power of the military establishment was as threatening to him as that of the party apparatus had been a decade earlier. The ensuing struggle, which culminated in August-September 1971 with flight of Defense Minister Lin Piao, then Mao's designated successor, to Mongolia and his subsequent death, involved not only Lin but much of the central military establishment Lin had assembled in the previous five years, as well as a number of "leftist" civilians who had
been Lin's (and Mao's) allies in the political struggle of the late 1960s. One of the central issues in the fight with Lin was the question of budgetary allocations. Following Lin's fall military-related spending fell sharply, perhaps as much as 25 percent, resulting in, among other things, a stretch-out of China's ambitious missile development program. The cut in military spending was in part punitive, a means of punishing the military, and in part an attempt to secure a more rational distribution of budgetary resources.

The redistribution of political power that resulted from the clipping of the military's wings apparently permitted a number of other economic initiatives, undertaken with the support of both Mao and Chou En-lai. Perhaps the most important was a new interest in purchases of advanced technology from the West, an effort that included the acquisition of whole plants, frequently through the use of medium-term credits, a new departure for the Chinese. Purchases abroad have covered the entire economic spectrum but seem to have been concentrated in the agricultural sector -- China contracted for a considerable number of fertilizer plants in 1972 and 1973 -- and in the area of development of the petroleum industry. Other basic industries that require the infusion of modern technology, however, such as iron and coal production, have continued to languish. Moreover, despite Mao's endorsement of the program of technological imports, political opposition to even limited reliance on foreign assistance has continued to bubble just under the surface. Opposition to the program was evident throughout the divisive anti-Confucius campaign of 1974; this opposition almost certainly emanated from "leftists" who were concerned that any infusion of Western ideas and practices into China would tend to compromise the ideological purity of the Chinese revolution. The leftists were apparently joined by some elements of the military who evidently hoped to reopen the question of budgetary allocations.
This rather formidable coalition caused considerable turmoil throughout 1974, leading to yet another slowdown of the economy; transportation was particularly affected and strikes took place in factories scattered across the country. None of the basic decisions taken in the early 1970s was reversed, however; on the contrary, those decisions were reaffirmed at the National People's Congress which met in January of this year. Subsequently a renewed effort that centralized economic control coupled with somewhat more rapid but carefully modulated industrialized growth has been undertaken under the leadership of Vice Premier Teng Hsiao-ping -- again with the backing of Mao, who seems to have eschewed for the present his organizational and investment concepts of the Great Leap period. The Chinese are now talking about a development plan covering a full 25 years, which suggests that shortcuts and "quick fixes" reminiscent of the Great Leap are to be avoided. However, a new effort at mechanization of agriculture designed to "transform the countryside" -- an aim of the Great Leap -- but under much more controlled conditions than existed in 1959, has just been initiated. At the same time an attempt to conciliate the military by upgrading its conventional arsenal -- which will almost certainly require somewhat higher military spending -- has also been undertaken. This program does not yet appear to involve heavy investment in advanced weapons programs. While largely reminiscent of the economic approach of the early 1960s, the mix of current programs seems essentially a compromise giving something to nearly all important political elements on the Chinese scene. But the record of the past two decades suggests that a straight-line projection of current economic strategy over the 25 years of which the Chinese are now speaking would be a mistake. There are likely to be new reversals and departures -- certainly after Mao dies if not before.