

# Introduction

The essays in this book consist of the analyses of China's socialist development during the period from 1949 to 1978 and critiques of China's capitalist development since the Reform began in 1979. These essays show how, after the founding of the People's Republic of China in 1949, class struggles were waged in advancing socialist development and in fighting against the tendency of reversing the transition toward capitalism. Continuing class struggles in the 17 years after 1949 eventually reached a new height during the Great Proletarian Cultural Revolution from 1966 to 1976. After Mao's death in 1976, the bourgeoisie within the Chinese Communist Party (CCP) seized political power, and since then, has carried out so-called reforms to restore and develop capitalism and connect China's economy to the global capitalist system.

Before I outline the different chapters of the book, I would like to say something about my background and how I started writing these articles. More precisely, a short introduction is in order here on how I was transformed from a bourgeois economist to a believer in Mao Zedong Thought.

## **Shattered images of the U.S. as an ideal country**

When I entered Tunghai University in Taiwan, I chose economics as my major because at that time, as a freshman in college, I considered economics a very precise and logical subject.<sup>1</sup>

Students majoring in economics in Tunghai, as well as in all other colleges and universities in Taiwan, then (as now) received their training on this subject by studying the macroeconomics and microeconomics textbooks written and published in the United States. In the various courses I took at the university, the professors never said anything about the economy in Taiwan, nor were we assigned any readings on the topic.

Nevertheless, I studied hard and did very well in college. Upon my graduation, my father wanted me to further my studies in the U.S. I received one of the five Asian scholarships Bryn Mawr College offered every year. The college is located in Bryn Mawr, a suburb of Philadelphia, Pennsylvania. I came to the graduate school there in 1961, just about the time the U.S. civil rights movement was reaching its height.

When I was in Taiwan, I believed that the U.S. was the ideal country where all people lived happily and enjoyed a high standard of living. In high school and in college, I saw quite a few imported Hollywood movies. Boys loved heroes in Westerns, and girls adored movie stars in love stories. Most of the English instructors in Tunghai came from the U.S.; they were young and energetic, and were admired by their students. In the political science classes, we learned that the U.S. democratic system was the most advanced and should be the model for all other countries to emulate.

However, my image of the U.S. as an ideal country was shattered after my arrival in the country, when I saw pictures in *Life* magazine showing policemen chasing African-American demonstrators with their vicious dogs and powerful fire hoses. The civil rights movement heightened my awareness of the racial divide and inequality in American society, and I realized that not all Americans lived a good life. I noticed that the commuter train in the morning always brought in from Philadelphia to Bryn Mawr African-American women to clean and cook for wealthy suburban white families, while the train heading back to Philadelphia was filled with white men in suits commuting to work in the city. In the afternoon, the directions of these passengers were reversed. White men in suits came back from work to their clean homes with meals all prepared and the black women dragged their visibly tired bodies and returned to the city.

The civil rights movement, and later the student movement and the movement against the Vietnam War, all helped open my eyes to the realities of American society. However, during the years of graduate study, I was quite isolated and my daily activities were mostly confined within the classroom, the library and the dorm in the small, tranquil and beautiful campus. Still I could not escape all the news about what went on beyond my immediate surroundings. I continued to enjoy my study of economics and was intrigued by the complicated yet elegant economics models. As I think back now, it was indeed a mental exercise similar to that of playing chess. I had no clue how all these models were supposed to work in the real world, nor did I care at that point.

When we were in Taiwan, all the news we heard about mainland China was manufactured by the Kuomintang (the Chinese Nationalist Party). We were fed daily reports saying how people on the mainland were suffering under the communist regime and were waiting for the return of the Kuomintang to rescue them. In other words, not only did we know nothing about people's lives on the mainland after liberation, but we actually believed in the government's propaganda. This propaganda was necessary to justify Chiang Kai-shek's dictatorship, and later, that of his son. It helped legitimize the placing of Taiwan under martial law for 38 years on the grounds that the communists were planning to invade the island at any time. The threat of the so-called evil communists from China made the Taiwanese grateful to Washington for giving economic and military aid to Taipei. The Kuomintang government was especially grateful when the U.S. Seventh Fleet positioned itself along the Taiwan Strait to "protect" Taiwan as soon as the Korean War began. Actually, the Kuomintang was more fearful of the internal threat, that is, another rebellion by the Taiwanese.

At the end of World War II, Taiwan was returned to China after fifty years of Japanese rule. People in Taiwan welcomed the Chinese government and celebrated its return to the

motherland—only to face the corruption, incompetence and the brutality of Kuomintang officials. In early 1947, people in Taiwan at first engaged in simple protests to voice their frustrations and demands. Later, after the government's repression, they initiated a full-scale rebellion. The Kuomintang responded with a military crackdown, and in the days following February 28, brutally massacred tens of thousands of Taiwanese people and arrested and imprisoned many more. Taiwanese people also killed scores of Kuomintang police and soldiers and other mainlanders, venting their anger and hatred toward the Kuomintang. Mainlanders in Taiwan like me never learned this part of history, and people were forbidden to talk about what they had gone through during these horrible years.

## Rethinking the societies I grew up in

When I witnessed the social movements in the U.S., I began to seriously rethink the societies I grew up in—first China, then Taiwan after 1950—and my place in these societies. Unlike many mainlanders in Taiwan, my family had no close relations with the Kuomintang. My father was a descendant of the royal family of the Qing Dynasty, so he felt no warmth toward the Nationalists. After all, it was the Kuomintang that brought the Qing Dynasty to its demise, and with it, the downfall of my father's own family. My mother's family belonged to the national bourgeoisie and the landlord class. My grandfather on my mother's side accumulated tremendous wealth from the building trade, retail businesses, and rents collected from both peasants and urban families. He was an indigenous Chinese architect who built part of the imperial Summer Palace for the Empress Dowager Cixi. Toward the end of the Qing Dynasty, when China was invaded repeatedly by foreign powers, Cixi used the money budgeted for building a modern Chinese navy to rebuild instead and even expand some old buildings into a 290-hectare Summer Palace just outside Beijing. My grandfather then built a miniature copy of the palace for himself and his family.

In 1996, I had a chance to talk to my uncle (my mother's younger brother) before he died. He told me that after his high school graduation, he did not get into the college he had wanted, so he spent a year at home. Our grandfather gave him the job of collecting rents from the houses their family had owned and rented out in Beijing. He said that he collected rents from about a hundred families, and that all the rent money was spent toward supporting this one big family of about 20 people served by more than 20 accountants, maids, servants, cooks, butlers, gardeners and rickshaw pullers.

Therefore, I belonged to a very privileged family in China before the revolution. My father's job did not bring home much money but there was plenty of money coming in from my grandfather. My family lost its wealth when we moved to Taiwan after the Kuomintang was defeated by the Communists and retreated to Taiwan in 1949. But my father was well educated and had jobs that earned enough money to support the family. I did have to earn scholarships to support my college education, but I never experienced being poor in Taiwan. However, only years later did I begin to understand what being in the privileged class meant and how the rest of the people in society lived.

After coming to the U.S., I began to read the real history of China and Taiwan seriously. For the first time, I learned how China suffered repeated defeats at the hands of foreign imperialist powers in the 19<sup>th</sup> century and in the first half of the 20<sup>th</sup> century, and how ordinary Chinese people had to endure for so long the pain and injury inflicted upon them by domestic overlords and foreign aggressors. I also learned how people in Taiwan had fought courageously against the Japanese occupation but were eventually defeated. I understood how Taiwanese people saw the Kuomintang as another outside group as bad as, or even worse than, the Japanese, arriving in the island to rule them. I also learned that there was communist involvement in the 1947 Taiwan rebellion.

I was not alone: in the U.S. in the 1960s, many other Chinese students from Taiwan went through similar awakening processes. These overseas Taiwanese students began to organize study groups. When the Cultural Revolution started in 1966, the revolutionary fervor swept not only through China but also spread to the U.S. and many other countries around the world. Chinese students on different campuses in the U.S. published their own newspapers; they also learned from students in China to *chuan-lian*, meaning, to travel to different campuses to make connections.

I belonged to a group based in New York City, with D.Y. Hsu as its leader. He and others worked tirelessly to organize study groups. We studied Mao Zedong's *Selected Works* and the writings of Marx and Lenin. Hsu continued his work for many long years, including publication of two magazines and supporting the democratic movement in Taiwan. This movement eventually led to the founding of the Democratic Progressive Party in Taiwan, forced the Kuomintang to lift martial law in 1987, and helped end its one-party rule.

By the time I joined this study group, I had already finished all my courses at Bryn Mawr and passed my preliminary examinations. I took a job and began working on my dissertation on the supply-and-demand for milk in the U.S. and an evaluation of the government's Price Support Program. I wanted to understand why, even though there was surplus milk, children in poor families still did not have enough milk to drink. I also wanted to know why government policy had failed to solve this problem. I was instructed by my professor to use elegant equations and sophisticated statistical models, and I punched tons of cards and fed them into a computer. In the whole process of writing my dissertation, I never once visited any dairy farms in the U.S. or looked closely at a single milk cow. I finished my dissertation, but the neoclassical model could not give me the answer I was searching for. Looking back now, I think at this point I became very aware of and concerned about the real problems of society, and realized that bourgeois economics had no answers to these problems. I decided to study Karl Marx and Mao Zedong.

From studying Marx and Mao, I finally understood how these bourgeois economic models really work, or rather, don't work. Each model is built on a set of assumptions—e.g., one always acts rationally to protect and pursue his or her self-interest, each person always has the perfect knowledge of the market, and so on. If any of these assumptions turns out to be untrue, the whole model falls apart. Bourgeois economists tell us that the market will reach the equilibrium when all these intricate curves (all based on assumptions) in the elaborate graphs intersect with one another. But what really happens is that either

these assumptions are not grounded in reality or they keep changing so that the market does not reach any equilibrium but is in a permanent state of disequilibrium.

Moreover, these bourgeois economists assume that everyone is an equal participant in the market and that no one has any advantage over others. But I became aware that the system is instead predicated on inequality. A worker has no choice but to sell his labor power in order to feed his family, while the capitalist owns the factory, buys labor power, and decides whether or not to hire this worker and what wage to pay him. Bourgeois economics has us imagine that the “fair” and “objective” market, if left without any interference, will work perfectly to determine prices, allocate resources, and distribute incomes. There is no exploitation, and therefore no cause for repression or violence. According to this logic, nobody should or can argue with the results determined by the market, because they are “objective.” Also, bourgeois economists are very good at making conditions appear to be blind forces that follow the iron law of “nature,” and are therefore unchangeable and permanent, whereas in reality these conditions are social, changeable, and can be redirected and revolutionized. In doing so, bourgeois economists attempt to justify, and cement, injustice and exploitation.

In the process of my ideological transformation, I continued to reflect on how, in each society, the few could build their privileges upon the sufferings of many. What did it mean for me to be one of the privileged few in the society I lived? When we were little, both my brother and I had wet nurses. Many years later, when I had my own child and was nursing her, I read about black women in South Africa who had to leave Soweto everyday to provide childcare for white families in Johannesburg. I tried to imagine the pain I would have felt if it had been necessary for me to leave my daughter to care for someone else's child. In China before liberation, many women in the countryside left their newborns behind to nurse children of rich families in cities. These women sent home one silver dollar they earned each month to keep the rest of their family barely alive. If one of these women was lucky, she might have a relative who had just had a baby and could therefore nurse the baby she left behind, and she could come back to visit her child after a whole year. However, more often than not, her baby would have been fed with thin rice soup only, and would have suffered malnutrition and then died. I began to wonder what had happened to the babies of the wet nurses my family hired. I thought about the tremendous pain and suffering they and other women like them must have gone through. I also thought about the pain and suffering of many black women in slavery who had to take care of their white masters' children after their own children had been sold.

I found myself also reflecting that, through all the years I was in school in China and Taiwan, I was nonproductive and was supported by the labor of workers and peasants, and that I never paid back what I owed them. After I came to the U.S., I studied only a few years before I began working. I am an actual case of the “brain drain” from the less developed countries to the developed countries. While this kind of realization disturbed me a great deal, it also helped determine what I wished to do and whom I wished to serve for the rest of my life.

## A reaffirmation of Mao Zedong Thought

By studying Mao's theory on revolution and the strategies he developed at each of the critical junctures in the long revolutionary process, I began to understand why the oppressed and courageous women and men in China were determined to follow the leadership of the CCP and how they fought resolutely to victory. The fundamental changes in people's lives in China after the 1949 revolution demonstrated the power of the laboring class to turn their world upside down and in the process transform themselves. That was when I was transformed into a believer in Mao Zedong Thought. However, it was during and after the Cultural Revolution, and especially after the bourgeoisie began their capitalist Reform, that my understanding of Mao Zedong Thought was deepened. I, together with tens or even hundreds of millions of people inside and outside China, have learned critical lessons from the capitalist Reform of the past 30 or so years, and have firmed up my belief in Mao Zedong Thought more than ever.

When Deng Xiaoping seized power in 1978 following Mao's death, I was confused about what was happening, but not for long. In the summer of 1979, I visited China for the first time since I left the mainland for Taiwan in 1950. I noticed some emerging signs of changes in the policies of the CCP. College entrance examinations had already been restored in 1978. The government had not only resumed paying dividends to the capitalists but also compensated them for the suspension of dividend payments during the Cultural Revolution years. There was talk of opening China's economy to foreign investment. And I directly heard someone say that he saw a Taiwan-made film at the Party School. It turned out to be a propaganda film entitled *A Family in Taipei*. The intention in showing the film was clear: it was to show how Taiwan's economy was flourishing and how people in Taipei were enjoying a good life. It was another way of saying that, as compared to Taiwan, China's economy was falling behind due to its past policy of self-reliance.

The capitalist Reform was not yet in place in 1979, so I was able to visit several very successful communes and was very impressed with their accomplishments. In these communes, I saw large, cultivated land areas with built-in electric irrigation and drainage systems. The farming was mechanized, using tractors and combines. In recounting the history of the communes, the guides told us other examples of successes. I learned how hard the peasants worked to combine small pieces of land into large areas of flat land. The exhibits for visitors showed how peasants used their sheer physical strength to dig up small mounds on their land in order to flatten it. They then used the soil to fill up small creeks to prepare land for irrigation and mechanization.

These communes built their own clinics and hospitals. In one hospital, I saw women line up to get their annual checkups. The hospital people proudly showed us the X-ray machine they built themselves. I talked to the young men and women who served us tea on a train. They had all been to the countryside during the Cultural Revolution and knew how peasants lived. They were all very curious and inquisitive, and had great concerns about China and the world at large. I remember one said to me, "We have laid a solid foundation for our economy." I also visited some factories, where cadres proudly told us their accomplishments. It was delightful to meet the cadres in the communes and factories. These leaders all dressed like ordinary peasants and workers. Since it was

summer, they were in sleeveless T-shirts, shorts and flip-flops. They knew the workplaces they “managed” inside out, and had all the information at their fingertips, including the detailed history of the factory’s construction and expansion and its production statistics.

By the time the Chinese Communist Party announced its “Resolution on Certain Questions in the History of our Party since the Founding of the People’s Republic of China” in June 1981, everything became crystal clear. The CCP, led by Deng Xiaoping, denounced the important accomplishments in socialist China, especially the Cultural Revolution. In the 1980s, I continued my study of China and began collaborating with D.Y. Hsu in writing articles together, first in Chinese and then in English. I learned a great deal from him in our collaboration. I included three of these co-written articles in this volume. D.Y. Hsu died in 2009 after battling with poor health for several years.

This collection begins with a paper D.Y. Hsu and I wrote, entitled “Worker-Peasant Alliance as a Rural Development Strategy for China,” published originally in the *Monthly Review* in March 1991. The publication of this essay led to an invitation to the International Seminar on Mao Zedong Thought in commemoration of Mao’s centennial on November 6–7, 1993 in Gelsenkirchen, Germany. This seminar was organized by the Center for Social Studies in the Philippines and the Worker’s Education Center of Marxist and Leninist Party of Germany (MLPD).

As part of the preparation for the seminar, Jose Maria Sison, chairman of the Center for Social Studies, solicited papers. D.Y. Hsu and I submitted two papers—“Labor Reform—Mao vs. Liu-Deng” and “Mass Movement: Mao’s Socialist Strategy for Change.” These were later published in *Mao Zedong Thought Lives: Essays in Commemoration of Mao’s Centennial*, Volume I in 1995, and are included in this book. (*Mao Zedong Thought Lives* was co-published by the Center for Social Studies and New Road Publication.)

When I received the invitation to attend the International Seminar on Mao Zedong Thought, I had expected some 50–60 people to commemorate Mao’s Centennial. I was completely surprised and elated when I saw nearly one thousand people from 30 countries, including many leaders and members of Marxist, Leninist and Maoist political parties all over the world. From the speeches they delivered during the two-day seminar, I learned for the first time that revolutionaries in many parts of the world were actively engaging in revolutionary struggles. These revolutionaries did not only understand Mao’s theories on revolution and class struggle; they were also putting these theories into practice. The International Seminar on Mao Zedong Thought opened my eyes to the tremendous impact of Mao Zedong Thought and the Chinese revolution all over the world.

After the 1993 seminar, I began actively participating in the many anti-imperialist activities organized by Bayan (New Patriotic Alliance) of the Philippines. Formed in May 1985, Bayan has been the coordinating center for mass mobilizations in the Philippines, bringing together large numbers of mass organizations and encompassing more than a million members representing workers, peasants, women, fisherfolk, urban poor, students, teachers, medical workers, journalists and many others. Bayan is committed to leading the Filipino people to the final victory in their struggles for national liberation and democracy.

By the time I got to know these brave women and men in Bayan, it had already become a leader of international mass organizations. I followed its lead in the international anti-imperialist struggles from Manila in 1996 and 1997, to Vancouver in 1997, to Kuala Lumpur in 1998, and to Seattle in 1999. My participation in these conferences and forums deepened my understanding of the nature of the revolutionary struggle at the end of the 20<sup>th</sup> century and the beginning of the 21<sup>st</sup> century. The courage and determination of these oppressed people have moved me deeply. They have also educated me about the true cause of people's suffering in today's world and what I, as an intellectual, can do to be part of the same struggle. My education will continue throughout the rest of my life.

## The book in overview

Part I of this book, entitled "Class Struggle during Socialist Transition," includes the *Monthly Review* paper and the two papers in *Mao Zedong Thought Lives* mentioned above, a speech I delivered during the 1993 seminar, and a paper I wrote earlier and revised recently, entitled "China's Cultural Revolution and the Struggle Between Socialism and Capitalism." Papers in Part I show that the struggle between socialism and capitalism began soon after the founding of the People's Republic of China and that Deng Xiaoping's capitalist Reform in 1979 can be traced back to what he and Liu Shaoqi wanted to implement as early as the 1950s. Therefore, Deng's avowal that his Reform did not have any preconceived plan and was merely intended to implement "socialism with Chinese characteristics" was a ploy to deceive the masses. These papers also show why the launching of the Cultural Revolution in 1966 was necessary if the proletarian revolutionary class was to retain political control and advance socialism after struggling against revisionism for 17 years. These papers refute Deng's propaganda that Mao launched the Cultural Revolution merely to retain his personal hold on political power.

Part II, entitled "Socialist Construction and Mao's Development Model," consists of one major paper—"China's Model of Socialist Development, 1949–1978," and a speech I delivered at the Seminar in 1993.<sup>2</sup>

In this paper, I present the distinctive model of China's socialist development and contrast this with capitalist development in other less developed countries in the post-World War II era; I also contrast China's socialist development from 1949 to 1978 with its subsequent capitalist development since 1979. I cite the concrete experiences of China's socialist development to demonstrate that a less developed country can indeed develop its productive forces and maintain its political independence and integrity without relying on either financial or technological "aid" from imperialist countries. I refute the claim that socialism had failed—a claim asserted by mainstream economists in the West and many of their disciples who returned to China to advocate capitalism.

On the contrary, although China's model of socialist development was defeated, it did not fail. It continues to be a model for the poor and oppressed nations to emulate and for China to return to in the future. The specifics of this model to reclaim in the future vary from country to country and should be modified through time, but the principal elements

in the economic, political, and ideological spheres remain the same. I used this paper as the basis for my lectures in Brazil, the Philippines and Argentina, and then revised it some more for this book.<sup>3</sup>

Part III, entitled “Critique of China’s Capitalist Reform,” includes three papers. “An Analysis of China’s Capitalist Reform” (first published in the November 2006 issue of the *Journals* of the Institute of Political Economy) gives an overall critique of China’s capitalist Reform. “How Sustainable is China’s Agriculture?” examines the impact of the Reform policies on China’s agriculture and peasants.<sup>4</sup> The third paper, entitled “Has Capitalist Reform Developed China’s Technology and Productive Forces?” (*IPE Journals*, February 2009 issue) was written with Hsin-Hsing Chen. The analyses of these papers show that although China’s GDP and exports grew at extraordinary rates in recent years, the Reform carried out since 1979 will not be able to sustain the country’s development in the long run. Also, if such Reform was to continue, China would not be able to free itself from its dependence on imported technology and foreign domination.

Part IV, “Chinese Society from Socialism to Capitalism,” consists of two papers. The first, “Mao’s Legacy in China’s Current Development,” shows how Mao’s leadership in the anti-revisionist struggle both internationally and domestically, after half a century, has influenced and will continue to influence significantly the current and future struggles against the modern revisionists in China.<sup>5</sup> The second paper, “Holding up a Half of the Sky, No More—From Socialism to Capitalism Came the Downward Spiral of the Status of Chinese Women,”<sup>6</sup> summarizes the overall changes in women’s status in Chinese society in the past 60 years. I argue that the status of women rose with those of workers and peasants after liberation, and then declined with those of workers and peasants since the capitalist Reform began some 30 plus years ago. I choose to include an interview of Shen Ji-lan by She-xiang Ma as an addendum, because this interview tells the story of how Shen Ji-lan witnessed critical changes in women’s status in the past 60 or so years.

The last part (Part V) of this book contains one concluding paper that updates China’s current development, analyzes the major contradictions in the contemporary Chinese society, and discusses issues relating to China’s international status and its role in the current and future struggles against imperialism and for socialism.

One final note to readers: Since chapters of the book were written as papers intended to stand alone on their own, repetitions appear in different chapters. You may just skip them. Also, a postscript has been added to provide updates on the latest, rising waves of strikes and protests and intensified political and ideological struggles.

## Notes

1. The United Board for Christian Higher Education in Asia founded Tunghai University with leftover funds from the missionary colleges and universities in mainland China that had been closed down when the Communists took over.
2. This paper was first delivered at the First International Assembly (FIA) immediately following the founding of International League of Peoples’ Struggle (ILPS) on 25 May 2001 in Zutphen, The Netherlands. The goal of ILPS is to unite the anti-imperialist struggle in countries all over the world. Attending the FIA were 218 mass organizations from 40 countries.

3. This paper was presented at the 59th Annual Meeting of the Brazilian Society for the Progress of Science (SBPC), Federal University of Para, Belem on July 13, 2007 and at meetings of workers' and peasants' organizations in Belo Horizonte, Rio de Janeiro and São Paulo. It later became the basis of my lectures in the Philippines in the summer of 2009 and in Argentina in the spring of 2010.
4. This paper was commissioned and published by the Pesticide Action Network Asia Pacific (PAN AP) and People's Coalition on Food Sovereignty (PCFS).
5. This paper was delivered at the Conference on the Significance and Relevance of the Anti-Revisionist Struggle and the Great Proletarian Cultural Revolution in The Hague, The Netherlands on May 1, 2007.
6. This paper was delivered at the Second International Feminist Congress of Argentina on May 22, 2010 in Buenos Aires, Argentina.