Capitalism & workers struggle in China

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China is increasingly powerful, both economically and militarily, and increasingly influential in world affairs. But what sort of society is it?

In the 1950s China adopted a policy of "transition to socialism". In the 1960s, Mao criticised the Soviet Union for seeking peaceful coexistence with the capitalist West. Yet by the early 1970s Mao had done a deal with the United States at the expense of the Soviet Union and third world struggles.

Later China became a key location for transnational corporations producing for the world market. Many Australian trade unionists now see China primarily as a place where workers are paid very low wages. Few are aware of the widespread militant struggles by Chinese workers to improve their situation.

On the other hand, the rapid recovery of China after the 2008 world economic crisis has given some Australian socialists a more favourable impression of China. The continued predominance of state-owned enterprises in some sectors of the Chinese economy is cited as a positive example, counterposed to the privatisation of nearly all public enterprises in Australia.

For those interested in Marxist theory, the question of whether China today is a workers' state or a capitalist state has been a source of controversy. There has also been debate over whether China has become an imperialist power.

Origins of the revolution

In 1921, when the Communist Party was founded, China was in chaos. Western imperialist intervention — military, economic, political and cultural — had destroyed or undermined traditional Chinese institutions, but stable new ones had not been created.

The first Opium War of 1840-42 (so called because one of Britain's goals in starting the war was to force China to allow the import of opium from British-ruled India) had

resulted in a treaty giving Britain possession of Hong Kong, and opening five other Chinese ports to British trading vessels. Subsequent wars enabled various European imperialist powers and Japan to grab other pieces of Chinese territory. They also took control of the collection of customs revenue.

The Chinese imperial regime, weakened by Western and Japanese intervention, was also shaken by a series of rebellions. It tried to survive by introducing Western technology and some modern industry (mainly in the coastal cities). But these efforts could not save the imperial system.

In 1911, the emperor was overthrown by nationalist army officers. However, this did not resolve the situation. Nationalist intellectual Sun Yat-sen (Sun Zhongshan)[1] was declared provisional president of China on January 1, 1912, but stepped down on February 13 of the same year in favour of former imperial official Yuan Shih-kai. One reason for this decision was that Sun's government lacked financial resources, having been unable to borrow money from the West, whereas Yuan was able to get loans from the imperialist countries. Thus foreign intervention in China's affairs continued in a new form.

Yuan's repressive regime provoked new revolts. After Yuan's death in 1916, different political-military cliques fought for power. None of them was able to control the whole country, and China was divided amongst competing regional tyrants known as "warlords". For a time the central government virtually ceased to exist.[2]

For the majority of people, the changes at the top had little effect on their daily lives (except that wars amongst the elite made the situation for poor people even worse, as warlords imposed higher taxes and conscripted more soldiers). Peasants continued to be ruthlessly exploited by the big landowners, while the industrial workers (who were less than one percent of China's population) were ruthlessly exploited by foreign and Chinese capitalists, enduring very long hours and unsafe and unhealthy conditions.

The main bourgeois nationalist party, the Guomindang (led by Sun Yat-sen until his death in 1925), aimed to unite China by defeating the warlords. The Guomindang obtained aid from the Soviet Union, and also formed an alliance with the newly formed Chinese Communist Party. The Guomindang's "northern expedition" — its campaign to spread its control northward from its base in the southern city of Canton (Guangzhou) — made rapid progress.

But Chiang Kai-shek (Jiang Jieshi), who became leader of the Guomindang in 1926, increasingly repressed the Communist Party and the unions and peasant organisations that it led.

A workers' insurrection took over Shanghai in March 1927, defeating the warlord

forces in the city before the arrival of the Guomindang army. But Chiang viewed the independent action of the Shanghai workers as a threat to his own power and that of the capitalist class. In April 1927, Chiang's forces massacred thousands of CP members and supporters in Shanghai. Thousands more were killed elsewhere.[3]

Peasant revolution & the Long March

The Communist Party was virtually wiped out in the cities, but it survived in some remote rural areas.

With peasant support the Communist Party began to grow again. Liberated areas were established, with their own revolutionary governments. In these areas the CP carried out progressive measures such as land reform. Land was taken from big landlords and distributed among the peasants.

Mao Zedong became leader of a revolutionary government in the Jiangxi area of southern China. After repeated failed attempts, Guomindang forces succeeded in capturing the area in 1934. Mao escaped and led his forces on a long march westward and then northward, finally reaching Yenan (Yan'an) in northern China, which became Mao's capital for a number of years.

It was during the Long March that Mao became the effective leader of the Chinese Communist Party.

National united front

During the 1930s the Japanese imperialists seized large areas of Chinese territory. Students held demonstrations and initiated the National Salvation Association, which called for an end to the civil war, and for the united resistance of all Chinese against Japan.[4]

A truce was eventually arranged between the Guomindang and the Communists, but only after Chiang Kai-shek had been taken prisoner by one of his own generals and forced to agree.

From 1937 to 1945 there was a "national united front" against Japanese imperialism. During this period the Communist Party moderated its land reform policy. Instead of redistributing land from the landlords to the peasants, they merely reduced land rents and interest rates.

It was during the anti-Japanese war that the CP became a really powerful force. Because it had the support of the peasantry, the CP could wage an effective guerrilla war. The Guomindang, on the other hand, became increasingly discredited due to their corruption and incompetence.

After the defeat of Japan in 1945, attempts were made to negotiate some sort of

agreement between the CP and the Guomindang, but nothing came of it, and war broke out again. The CP once again adopted radical land reform policies.

Victory of the revolution

The Guomindang received a lot of US aid, but the Communist Party, with the support of the vast majority of the Chinese people, was victorious. The peasants supported the CP because of its land reform policy. But in addition, people from all sectors of Chinese society respected the Communists as the most determined fighters against the Japanese invasion, and because of their reputation for honesty, in contrast to the corruption of the Guomindang regime.

In 1949 Chiang Kai-shek fled to the island of Taiwan. The Chinese mainland was united under the rule of the Communist Party. Mao proclaimed the establishment of the Peoples Republic of China on October 1, 1949.

The Peoples Republic

The new political system was called "new democracy". It was said to be based on an alliance between four classes — the working class, peasantry, petty bourgeoisie and national bourgeoisie.

The revolution was intended to be democratic, not socialist. It was directed against imperialism, feudalism and what was termed "bureaucrat-capitalism" — i.e. against those capitalists who had gained their wealth through corrupt links with the Chiang Kai-shek regime. The national bourgeoisie was regarded as an ally.

In the countryside, land reform was extended to the newly liberated areas. The CP began to encourage the formation of mutual aid teams and cooperatives. Participation in cooperatives was supposed to be voluntary.

In the urban areas the government expropriated the property of Chiang Kai-shek's collaborators, but initially allowed other capitalists to continue running their enterprises. The Communist Party did however launch a drive to recruit workers to its ranks[5], and it reorganised the union movement on an industrial basis. The CP also made a major effort to recruit students and intellectuals.

After the defeats of the 1920s, the CP's base in the cities had been greatly weakened. The urban population did not play a major role in the victory over Chiang Kai-shek. Student protests played a role in undermining the legitimacy of the Guomindang regime, but the victory was won by a peasant army (known as the Peoples Liberation Army, or PLA). The fact that the revolution came to the cities largely from outside, without much active participation of the urban masses, was a factor contributing to the bureaucratic nature of the new regime.

In the immediate aftermath of the victory, the PLA played a major role in administering the cities. Many administrative personnel left over from the Chiang regime also remained in their positions. In local governments and other institutions there was often a "triple alliance", comprising representatives of the CP and PLA, representatives of mass organisations such as unions, and personnel left over from the old regime.

The outbreak of the Korean war in 1950 led to a change in policy. The arrival of large numbers of US troops in Korea, and the stationing of the US navy in the Taiwan straits, led Mao to fear renewed US intervention in China. The CP did not trust the capitalists, and became worried that they might assist imperialist attacks on China.

Another problem causing concern was the growth of corruption as some capitalists were bribing government and party officials to get favourable treatment from the government.

These problems and dangers led to a radicalisation of the CP's policy.

A series of mass movements were launched by the CP leadership. The "3 anti" movement was directed against bribe-taking, waste and bureaucratism amongst government and party officials. The "5 anti" movement was directed against bribery, tax evasion, theft of state property, cheating on state contracts, and theft of state economic information by capitalists. Unions were told to mobilise their members to investigate their employers. Bosses were brought before mass meetings and confronted with accusations by their workers.[6]

Those who confessed and said they were sorry were usually able to keep their positions as owners and managers of the means of production in the short term. However this experience intimidated the capitalist class and weakened its ability to resist subsequent nationalisation measures.

In October 1953 the CP stated that its policy was one of "transition to socialism".[7] By 1956 nearly all capitalist property had been nationalised.[8]

Social gains

The early years of the revolution brought big gains for the Chinese masses. Health and education were greatly improved. The new regime organised mass campaigns for literacy, women's rights and public health.

Prior to the revolution, a large proportion of the people lived on the brink of starvation. This so lowered their resistance to disease that epidemics killed thousands every year. While there were no reliable statistics, one estimate of the average life expectancy in China in 1935 was 28 years.[9] Another estimate of life expectancy before Liberation was 35 years.[10]

By 1981 life expectancy had risen to 69.6 years for women and 67.0 for men.[11]

Massive campaigns of vaccination and public health education, stepped up medical training and widely distributed health services virtually wiped out many diseases that were rampant in the past.

Medical services were brought to rural areas which had not previously seen a doctor. The number of doctors was rapidly expanded, and doctors from urban areas were encouraged to spend some time in rural areas. In addition, tens of thousands of rural people were trained as paramedics (known as "barefoot doctors") who were able to provide a basic level of health care to their neighbours.

Urban workers also benefited from the revolution. In addition to the health and literacy programs, they gained job security and other benefits, such as housing supplied by their enterprise.

Analysing the revolution

On coming to power in 1949 the CP first carried out a democratic revolution (land reform, national independence, etc). It then began some initial steps in the transition to socialism. It mobilised the working class to weaken the power of the capitalists. It nationalised capitalist industry and began building a planned economy, which began to bring social gains for the workers and peasants.

However, the transition to socialism was hindered both by objective conditions (the backwardness of China, the pressures of imperialism, etc), and by the bureaucratic nature of the Communist Party.

The CP mobilised the workers and peasants to attack the capitalists and landlords, but did not allow them to organise in a democratic manner. The workers and peasants made big social gains, but politically they were ruled over by a bureaucratic regime.

The state created by the revolution could be described as a bureaucratised socialist state.

Bureaucracy & repression

The Communist Party bureaucracy had begun to develop in the liberated zones during the decades of civil war and war against Japanese imperialism. Communist Party officials, PLA officers etc. became a privileged layer.[12]

Bureaucratic tendencies were exacerbated when the CP came to power in the cities. In 1956, the Chinese government adopted a system of ranks for state employees that included 30 grades, with the top grade receiving 28 times the pay of the bottom grade.[13] In addition to their salaries, higher party and state officials had expense accounts that provided special housing, cars, drivers, personal servants, meals, travel,

etc.

After victory in 1949, most of the top leaders of the new government, including Mao Zedong and Liu Shaochi, 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 CP leaders in a position of privilege, cut off from ordinary people.[14] 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.

The CP used repression against people who supported the revolution but disagreed with some of the government's policies. One early example was the arrest of several hundred Trotskyists in 1952-53.[15]

The bureaucratic nature of the CP was also reflected in its foreign policy. In 1954 China and the Soviet Union combined to put pressure on the Vietnamese Communist Party to agree to the division of Vietnam at the Geneva peace conference.[16]

But instead of showing gratitude to the Chinese leadership, the United States continued its embargo on trade or any other form of contact with China.

In 1956, following Khrushchev's speech denouncing Stalin's reign of terror in the Soviet Union, there was a brief period of relative freedom in China. People were encouraged to voice their criticisms. The CP advanced the slogan: "Let a hundred flowers bloom, let a hundred schools of thought contend."

The opportunity to criticise was taken up, especially by students and revolutionary intellectuals. According to Italian socialist Livio Maitan: "In the columns of the press, debates started up in which daring criticisms and heretical opinions were voiced, often in the most forthright language. Student groups with names like 'Hegel and Marx Tendency', 'The Frank Speech Association' and 'The Bitter Medicine Association' began to spring up and publish newspapers such as *The Flame*, *Voice of the Rank-and-file* and *Open Door*. Lin Hsi-ling (Lin Xiling), who having joined the Liberation Army at the age of 13 was now a 20-year-old student at a college for Communist Party cadres, wrote: 'The upper strata of Chinese society today do not coincide with the socially-owned economic base, because the party and the state have become a bureaucratic apparatus which governs the people without democracy'."[17]

John Gittings adds that: "There was a 'democracy square' in 1957 at Beida [Beijing University]. Most of its wall-posters — more than 300 in one day alone — accepted the

socialist goal but challenged its dogmatic distortion by the Party cadres and their routine adulation of all things Soviet."[18]

Gittings quotes Lin Xiling as saying: "I believe that public ownership is better than private ownership, but I hold that the socialism we now have is not genuine socialism … Genuine socialism should be very democratic, but ours is undemocratic. I venture to say that our society is a socialist one erected on a feudal foundation; it is not typical socialism, and we must struggle for genuine socialism!"[19]

But in June 1957 there was a crackdown. Many of those who had spoken out were arrested, or were sacked from their jobs in the cities and sent to the countryside. Lin Xiling was jailed in 1958 and not released until 1973.

This repression intimidated people from criticising mistaken policies of the Communist Party and the government. This meant that mistakes were not corrected until they had become disasters of such a magnitude that the leadership was forced to change course.

Great Leap Forward

One such disaster was the Great Leap Forward. Launched in 1958, this was an attempt by Mao to force the pace of economic and social change, with disastrous results.

In the early and middle fifties, a system of centralised planning had been established. Heavy industry was given priority over the production of consumer goods. The Soviet Union provided aid and technical advisers.

The first five year plan (1953-1957) was successful in bringing about a rapid growth in production. Employment and workers' wages also grew.

During the same period agricultural cooperatives spread, and "higher level cooperatives", which were in effect collective farms, began to be formed.

The transition to cooperative agriculture was supposed to be voluntary, and was therefore expected to be carried out gradually. However, the apparent success of the early cooperatives caused Mao to call for the acceleration of the process. This resulted in pressure being put on peasants to form collective farms before they were really convinced it was a good idea.[20]

In 1958, collectivisation was taken a step further with the formation of the communes - much larger collectives involving tens of thousands of people. Once again, while peasants in some areas supported the policy, in many other areas it was imposed from above.

At the same time, the CP leadership issued calls for enormous increases in industrial and agricultural production. Workers and peasants were pushed to work at an excessive pace. Transport and supply systems collapsed.

Thousands of small scale "backyard" blast furnaces were established. They turned out poor quality iron, much of which was totally useless.

Peasants were set to work on big projects such as dam construction. While some of these projects were useful, others were ill-conceived, and a lot of labor was wasted through poor planning. This would undoubtedly have led to a growth of cynicism about the benefits of collective labor amongst many peasants.

Pressure on party and government officials to meet unrealistic targets led inevitably to false reporting. Newspapers reported stories of amazing increases in production, particularly in agriculture.

The media also talked of advancing rapidly towards communism, ignoring the fact that the material basis for this did not exist at that time.[21]

The net result of the Great Leap Forward was a severe decline in agriculture — causing the reappearance of famine — and chaos in industry.

These problems were not caused solely by the Great Leap Forward. Natural disasters such as floods and droughts affected agriculture,[22] while industry was disrupted by the sudden cutting off of Soviet aid in 1960. But disastrously wrong policies did play a major role in the crisis.

The Great Leap Forward and the push for all peasants to rapidly join communes were aspects of a voluntarist mentality that dominated the CP. (Voluntarism is the idea that, if we try hard enough, we can do whatever we like, regardless of objective conditions.)

Mao was the main person responsible for the voluntarist push. As the central leader of the party, he was the driving force behind the Great Leap Forward and the communes. His speeches and writings played a key role in creating a climate in which 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.[23]

At that time other top leaders of the CP seem to have gone along with Mao, whatever may have been their private reservations. During 1955-56, Liu Shaochi had argued for a slower pace of agricultural collectivisation.[24] However he had later made a self-criticism[25] when it appeared that the transition to higher-level cooperatives had gone relatively smoothly. Liu does not appear to have opposed the Great Leap Forward and the communes, perhaps as a result of being persuaded or pressured to admit that he had been wrong previously. But after the famine of 1959-61 he led the retreat from these policies.

The retreat occurred gradually, beginning in 1959. The communes lost much of

their importance. Smaller units — production brigades (i.e. villages) and production teams — became the basic units. The peasants were allowed small private plots. In some areas collectively owned land was contracted out to individual families.

In the early 1960s China began to recover from the effects of the Great Leap Forward. However, a new wave of turmoil was about to hit the country.

Divisions in the leadership

The failure of Mao's grandiose schemes had discredited him somewhat and reduced his influence within the party leadership. However there was no public admission of mistakes, nor public criticism of Mao for his role in promoting the Great Leap Forward and the hasty creation of the communes. The cult of Mao was maintained.[26]

During July-August 1959 a meeting of the Communist Party leadership was held at Lushan.[27] There seems to have been no open criticism of Mao at the meeting, but Defence Minister Peng Dehuai wrote a private letter to Mao criticising some of the voluntarist policies. Mao responded angrily, seemingly interpreting the letter as an attack on himself, though Peng denied this was his intention. Peng was dismissed from his position, accused of "right opportunism".[28]

Within the leadership meeting Mao did admit to some mistakes, but reminded the other leaders that they were also at fault, saying: "The chaos caused was on a grand scale and I take responsibility. Comrades, you must all analyse your own responsibility."

However, Mao defended the basic concept of the Great Leap Forward, saying: "We must not pour cold water on this kind of broad mass movement." He downplayed the problems, saying that "… the sky will not fall", and that despite the mistakes there were also achievements: "We have done some good things." He noted that: "All the comrades present say there have been gains; it is not a complete failure."[29]

Believing that the general direction of the Leap was correct, Mao saw the problem as one of excessive impatience. But impatience was only part of the problem. Equally important was the lack of democracy, which meant that people did not feel confident in challenging unrealistic directives coming from above. The repression of dissent after the "hundred flowers" movement helped to create this fear of speaking out.

Two factions

The retreat from the Great Leap Forward began in 1959 and continued in the early sixties. By this time, if not before, two hostile factions had emerged among the Communist Party leadership.

One faction, headed by Liu Shaochi and Deng Xiaoping, wanted no more voluntarist adventures like the Great Leap Forward. Sometimes described as

"moderates", they emphasised increasing production through material incentives; they also wanted managers and technical experts to be able to run industry with minimal interference from political cadres.

This approach appealed to many, probably most, CP and government officials. But the "moderate" faction found it difficult to openly challenge Mao, because they had colluded in creating the Mao cult.

The other faction, headed by Mao Zedong, and including defence minister Lin Biao (who had replaced Peng Dehuai) and Mao's wife Jiang Qing, was still prone to voluntarism. They wanted to revive some of the policies of the Great Leap Forward period when the opportunity arose.

The Maoists sometimes used egalitarian rhetoric, but this was hypocritical given the privileged lifestyle of the bureaucracy, of which they were part. They were extremely zealous in promoting the cult of Mao, treating him as infallible and beyond criticism.[30]

They were very suspicious of intellectuals, seeing them as an actual or potential source of criticism of voluntarist policies, and of the bureaucratic nature of the regime and the Mao cult.[31]

Mao and members of his faction used radical internationalist rhetoric, but this was very superficial. In 1965 Lin Biao wrote an article called "Long Live the Victory of Peoples War", which talked of the need for armed struggle throughout Africa, Asia and Latin America, and said it was the duty of socialist countries to support such struggles.[32]

However in practice Mao's foreign policy was far from revolutionary. China's pressure on Vietnam to agree to the Geneva accords was an early example. Overall, China's foreign policy under Mao's leadership was largely guided by a pragmatic and narrowly nationalist considerations. If a capitalist government was willing to do business with China, then China would reciprocate. The rhetorical radicalism of the Maoists did not fundamentally change this approach.

Mao's supporters controlled the army and part of the media. They were also able to make use of Mao's personality cult. Built up over several decades and never seriously challenged by other members of the CP leadership (except to a very limited extent during the brief period of relative openness in 1956-7), the cult was used as a weapon against Mao's opponents.

Cultural Revolution

The Maoist faction, in decline after the debacle of the Great Leap Forward, launched the Cultural Revolution as a means of making a comeback. They made use of Mao's prestige to mobilise youth to attack the wing of the bureaucracy that supported Liu

and Deng, who were accused of "following the capitalist road".

Mao and his supporters used some radical-sounding slogans (e.g. "It is right to rebel") to mobilise students against Mao's opponents. 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, publicly humiliated and often subject to physical violence.

The attacks were encouraged by Mao's denunciations of "bourgeois" intellectuals and academic authorities, which were published in newspapers such as *Peoples Daily*.[33] Mao's aim was to intimidate Chinese intellectuals, who were seen as actual or potential critics of Mao's policies.

Mao attacked academic elitism, the examination system, etc. These criticisms had some validity, and appealed to many students. But Mao's cure was worse than the disease. The persecution of teachers severely damaged the education system.

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

A new form of careerism developed, in which people sought advancement by uncritical adulation of Mao and denouncing others for their supposed lack of loyalty to Mao.

Mao's faction tried to keep control of the movement, directing it against those perceived as Mao's opponents. But some Red Guard groups got out of control and began attacking Mao's supporters as well. Some of Mao's opponents were able to set up their own "rebel" groups. Some groups seized arms, and different groups of "rebels" began fighting each other.

With the weakening of the usual bureaucratic controls over society, workers in some areas took the opportunity to begin demanding and going on strike for wage rises, shorter hours, better working conditions and better social security. Some began to throw out their factory managers and replace them with elected committees.[34]

The army was brought in to restore order. As a means of coopting many of the "rebel" leaders, "revolutionary committees" were set up in schools and factories, and to replace local and provincial governments. These committees included representatives of the army, the old party cadres, and the young "rebels".

As a further measure to contain the upsurge, millions of students were sent to the countryside, supposedly to learn from the peasants, but actually to get them out of the way and keep them quiet.

Although the Maoist faction appeared to have come out on top in the inner-party struggle, their grip on power was actually very shaky. They 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.

Thus the Cultural Revolution ended in an uneasy compromise.

Right turn in foreign policy

At this stage, US imperialism started putting out feelers to the Chinese bureaucrats. It was looking for a deal with China at the expense of third world national liberation struggles (including Vietnam), and at the expense of the Soviet Union.

After the victory of the revolution in 1949, the United States had refused to recognise the new government and had imposed a trade embargo on China. It had also blocked the new government from taking China's seat at the United Nations, which continued to be held by the Guomindang regime, now based on Taiwan.

But in the late 1960s the US ruling class began to change its strategy. It began moving towards offering a deal in which the US would ease trade restrictions and allow the Communist Party government to take China's seat at the UN, in return for China adopting a pro-imperialist foreign policy.[35]

The first talks between the US and China were held in Warsaw in 1969. US secretary of state Henry Kissinger visited China in 1971, preparing the ground for US president Richard Nixon's visit the following year.

The US trade embargo on China was progressively eased during the 1971-72 period, and the CP government was given China's UN seat. Formal diplomatic relations between China and the US were held up by disagreements over Taiwan. Nevertheless, China moved towards a de facto political alliance with US imperialism.

China's foreign policy turned sharply to the right in 1971, with the Chinese government openly supporting the reactionary side in struggles in Ceylon, Bangladesh and Sudan.[36] Over the next few years China adopted a generally reactionary foreign policy, including support for a range of right-wing regimes in the third world, condemnation of Cuba for sending troops to help Angola defeat South African aggression, support for NATO, and support for US bases in Japan.

These policies were justified with the claim that the Soviet Union was the main threat to the people of the world. The implication was that almost any regime could be supported if it was anti-Soviet.

It appears that most of the leaders of both the Maoist and anti-Maoist factions agreed on the right turn. Defence minister Lin Biao may have been an exception. Previously Mao's leading supporter, he died in a plane crash in September 1971 while fleeing towards the Soviet Union after an alleged coup attempt. However it is difficult

to be sure of the reasons for his split with Mao.

Deng's return

The uneasy compromise between the Maoists and the "moderates" continued. In 1973 Deng Xiaoping was restored as Vice Premier. In 1976 he was purged again.

Later that year Mao died. 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, a compromise figure, became the leader. But by 1978 Deng Xiaoping had become the real leader of China, though Hua remained a figurehead until 1980. In that year Deng's supporters Hu Yaobang and Zhao Ziyang took over as Party Secretary and Prime Minister respectively.

Deng's policies

The death of Mao and the rise to power of Deng Xiaoping led to a degree of liberalisation. Art, literature and music had been severely repressed by Jiang Qing, who was in charge of culture. Only stereotyped "proletarian" art was allowed.

Deng allowed more freedom for different varieties of art, and also initially allowed a degree of freedom for critical comment about society. During 1978-79 unofficial magazines began to be published, and people began putting up posters making political comments on a wall in central Beijing. But Deng soon became worried at the extent of the criticisms coming forward. Some of the most outspoken dissidents were arrested and the Democracy Wall was closed down.

Under the new leadership, the Chinese Communist Party talked about a non-dogmatic approach to Marxism. Books by or about Bolshevik opponents of Stalin, such as Trotsky and Bukharin, were published in China, as were some of Ernest Mandel's writings.

However the pro-imperialist foreign policy continued and even got worse. In February 1979, Chinese troops invaded Vietnam. The invasion occurred shortly after Deng had visited the United States, and it is reasonable to assume it was planned in collusion with the US government. On March 1, the formal opening of full diplomatic relations between the US and the Peoples Republic of China occurred. Economic links between the United States and China were also strengthened.[37]

Wang Hui, a left-wing Chinese academic, later commented: "The only reason for this otherwise senseless attack on a small neighbour was Deng's desire for a new relationship with the United States. The invasion was offered as a political gift to Washington, and became China's entrance ticket to the world system".[38]

The Chinese troops met strong resistance and were soon forced to withdraw, but

only after causing substantial damage and loss of life. Chinese harassment of Vietnam continued for a number of years. China continued to support the forces of the former Pol Pot regime — a genocidal regime which ruled Cambodia between 1975 and 1979 and had been ousted by Vietnamese troops. Pol Pot's forces, which were carrying out attacks on Cambodia from Thailand, received Chinese as well as Western aid until 1991, when a peace deal was signed in Paris. The peace agreement, while ending aid to Pol Pot, required the Cambodian government to make concessions to other imperialist-backed forces.

During the 1980s, the Chinese government's degree of tolerance for dissent fluctuated. In December 1986 student demonstrations broke out in several Chinese cities. Not only were there street protests, but demonstrators stormed the municipal government building in Shanghai. Deng ordered a crackdown, and blamed Hu Yaobang for allowing the protests to occur. Hu was forced to resign.[39]

Following Hu's departure, Zhao Ziyang took over as Communist Party secretary. But he too subsequently came into conflict with Deng Xiaoping over how to deal with dissent.

Market reforms

Deng introduced a series of economic changes that progressively expanded the role of the market.

When the market reforms began, it was not immediately clear how far they would go. As far as I am aware, there is no evidence that Deng was already committed to the restoration of capitalism as the dominant mode of production in December 1978. But in any case, the outcome did not depend solely on the intentions of one person, but on the results of social and political struggles.

In the early stages, the reforms appeared similar to those carried out by the Russian Bolsheviks during the period of the New Economic Policy in the 1920s — i.e. the use of market mechanisms to develop the economy, but with the state sector remaining predominant in large-scale industry.

The first step in the market reforms was to encourage peasants to sell produce from their private plots on the free market. The next step was the introduction of what was called the "responsibility system". Each peasant household was allocated a certain amount of collectively owned land to farm. Each family had to produce a certain amount of wheat, rice or other crop for the collective. Whatever they produced above this amount they could keep for themselves, sell to the state, or sell on the free market.

Many peasants welcomed the policy of contracting land to individual families.[40] In some areas local CP leaders, responding to the wishes of the local peasants, introduced

the policy before it was officially adopted at the national level.[41]

In other cases, however, the new policy was imposed on reluctant communities by instructions from above.[42]

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.[43]

In the cities the responsibility system meant that individual factories became responsible for their own profits and losses. If a factory did not make a profit it could be forced to close.

Foreign owned companies were allowed to establish joint ventures with Chinese state and collective enterprises. As the reform process went further, some wholly foreign owned enterprises were established. Restrictions on the ability of Chinese citizens to establish privately owned enterprises were progressively eased.

"Special economic zones" were established, where foreign capitalists were offered cheap labor and land, low taxes and easy remission of profits. But soon foreign capital was no longer confined to these zones, and began spreading throughout China.

Corruption spread as bureaucrats increasingly accumulated wealth for themselves and their relatives and cronies in the context of an increase in private ownership of the means of production. Many bureaucrats began to turn themselves into private owners of capital.

The Beijing massacre

But opposition to corruption — and to the bureaucratic regime — began to grow. In 1988-89 there was an upsurge of demands for freedom and democracy, and against corruption. In April 1989 students protested in Beijing's Tiananmen square. They remained for more than a month and were joined by many non-students. The army was ordered to remove the protestors, but the latter talked to the soldiers and won many of them over. Hundreds of thousands of workers joined the protests.[44] The workers raised their own demands, focusing on job security, wages, and control over their workplaces.4[5]

Eventually the regime brought in new army units that used extreme violence to crush the movement. A wave of repression followed. Zhao Ziyang, who had sought a peaceful resolution through discussion with the protestors, was removed from his position of CP secretary and placed under house arrest.

Zhao Ziyang had believed that market reforms should be accompanied by political

liberalisation. But Deng Xiaoping believed that a strong authoritarian government was needed in order to implement market reforms, and it was his policy that prevailed.[46]

Capitalist restoration

The repression of the 1989 upsurge helped prepare the ground for capitalist restoration. The increased repression helped break the resistance of workers to the attacks on their job security, working conditions and welfare benefits.

The triumph of capitalism should not be seen as the inevitable result of the reform process begun in 1978. In principle, a different outcome was possible. The relaxation of repression during the 1980s, however limited and contradictory, created the potential for moving in the direction of socialist democracy. The mass upsurge of students and workers in 1989 was beginning to take China further in this direction. Unfortunately this potential was crushed.

Some Chinese intellectuals have made the link between the Beijing massacre and the subsequent intensification of "free market" policies. Wang Hui, a student who participated in the Tian An Men Square protests, later became a prominent academic. British author Mark Leonard summarises Wang's views as follows:

"According to Wang Hui, the crackdown not only silenced calls for democracy, it also ended public debate about inequality. Once the tanks had done their work, the process of marketisation speeded up. The price reforms that had been called to a halt in the second half of 1988 were implemented in September 1989 …

"For Wang Hui, the tanks that pulverised the hopeful intellectual flourishing of the 1980s were working on behalf of market fundamentalism rather than Maoism. Contrary to the view of the repression as a reassertion of Maoist ideology, the authoritarianism was acting to silence workers' anxieties about inequality".[47]

Similarly Li Minqi, another participant in the 1989 protests, later said: "I believe the failure of the 1989 democratic movement actually paved the way for capitalist development in China. To unleash a full-blown capitalism in China, workers had to be deprived of the extensive social and economic rights they enjoyed after the 1949 revolution …

"Popular participation in the revolt did threaten to undermine the project of capitalist development. But the failure of the movement ensured that for a long time the Chinese working class would not be able to act as a collective political force, independently or otherwise."[48]

Market reforms accelerated over the next few years. In 1990 the first stock exchanges were established in Shanghai and Shenzhen.[49]

In early 1992, Deng Xiaoping gave the go-ahead for a policy of all-out privatisation.

He cited the example of Guangdong province, where privatisation was most advanced, as an example for the whole of China to follow. The 14th Communist Party Congress later that year confirmed this perspective, adopting a policy of creating what was termed a "socialist market economy". In reality, it was a policy of creating a capitalist economy.[50]

At the 15th Congress of the Communist Party in 1997 the policy was reaffirmed and deepened. Jiang Zemin (the president of China at that time) declared that the CP's aim was the rapid privatisation of all small and most medium sized state-owned enterprises.

China's economy today

The privatisation of industry proceeded very rapidly during the 1990s, and continued more slowly thereafter. The state sector's share of industrial production fell from 100% in 1978 to 37.5% in 1999 and 31.6% in 2004. The private sector's share was 62.1% in 2004, while the share of collectively owned enterprises was 4.6%.[51]

Thirty million workers were sacked from the state sector in the late 1990s.[52] Corrupt managers enriched themselves while carrying out "restructuring" and privatisation, whereas the sacked workers got minimal compensation.

Today millions of Chinese workers are ruthlessly exploited by local and foreign capital. Extremely long hours, physical punishment, fines and non-payment of wages are amongst the abuses suffered by many Chinese workers.5[3]

The most oppressed section of the working class is rural migrants working in urban areas. According to Australian National University academic Anita Chan, writing in 2001: "They are required to possess a 'temporary residential permit' and are trapped if the employer takes it away from them. Their residential status is similar to foreign nationals living as guest workers. They are not entitled to any of the benefits enjoyed by the local residents such as social welfare, schooling, the right to own property, to bring their spouses or children with them or even any right to residency. Once their labor is no longer required, they are supposed to go back to their place of origin."[54]

Since then, there have been reforms enabling some migrant workers to become urban residents. But migrant workers continue to be super-exploited.[55]

By 2005 China had become the world's third biggest recipient of foreign investment. In that year, the flow of foreign direct investment into China was $US 72 billion, which was exceeded only by Britain and the United States, according to OECD figures.[56] Transnational corporations increasingly used China as a base for producing goods for sale on the world market.

The transnational corporations (and the South Korean, Taiwanese and Hong

Kong contractors who do much of their dirty work) were attracted by the huge reserve army of labor created by the displacement of peasants from the land, and of workers from state-owned factories that had cut their workforce or closed down altogether. They were also attracted by the total absence of unions in many enterprises, and the tameness of the All-China Federation of Trade Unions where it existed.

Privatisation destroyed China's social welfare system. A range of services such as health, housing, etc had been provided to workers via their workplace. The loss of state and collective sector jobs meant the loss of these services. Even for those still employed, health care was no longer free.[57]

The result of all these changes was a vast increase in economic inequality. The GINI index, a statistical measure of inequality, rose dramatically — from 0.16 in 1979 to 0.389 in 1995, 0.417 in 2000 and 0.45 in 2001.[58] This compared with a world average of 0.40. In other words, China was more unequal than most of the world's countries, including the United States (0.42) and Japan (0.28).

Since then the level of inequality has increased further. The GINI index was 0.47 in 2017.[59]

Today China has the second highest number of billionaires in the world, after the United States. In 2018 it had 373 billionaires, not including those in Hong Kong, Macau or Taiwan.[60] From time to time some wealthy individuals are arrested on corruption charges, but new ones emerge.

The state sector

China's economy is now essentially capitalist, as indicated by the privatisation of the bulk of the means of production, and the conversion of labor power into a commodity. Workers can only survive by selling their labor power to an employer.

But the most extreme ideologues of neoliberalism (both in China and elsewhere) are not satisfied with the degree of privatisation that has occurred so far. State-owned enterprises remain dominant in certain strategic industrial sectors such as iron and steel, electricity and telecommunications, and in the banking sector. The neoliberals want more complete privatisation, and unfettered access to all areas of the economy for local and foreign capital.

The Chinese Communist Party has up to now resisted these pressures. A strong state sector helps China maintain a degree of independence from the Western imperialist powers.

It has also helped China to recover from the effects of the global financial crisis which began in 2008. The initial impact of the crisis was severe. Twenty million migrant workers lost their jobs in the export-oriented manufacturing industries. But the Chinese

government was able to stimulate the economy by ordering state-owned enterprises to spend money, and state-owned banks to lend money. This caused the resumption of rapid economic growth in 2009. Government-funded construction projects, such as the building of high speed rail lines, provided alternative work for many of those displaced from the factories.

Much of the spending was wasteful and/or environmentally destructive. Nevertheless China can claim to have survived the economic crisis relatively well, due to its comparatively strong state sector.

The continued existence of a strong state sector does not make China socialist. In the past, many capitalist countries have had a significant sector of state-owned enterprises. Most of these have been privatised since the rise of neoliberalism. (Australian examples include the Commonwealth Bank, Telstra, Qantas, etc.)

It should also be noted that many enterprises in China that are called "state-owned" actually have a mixture of state and private ownership.

The global financial crisis slowed down the privatisation drive in China. There have even been some instances of private companies being replaced by state enterprises.

Writing in 2009, John Garnaut said (rather melodramatically) that Wang Jun, the governor of China's Shanxi province, "is in the process of smashing the private mining industry and feeding the carcasses to big state-owned companies".[61] Wang Jun nationalised private coal mines in the province as part of a safety campaign following massive mining accidents. Garnaut, while acknowledging that safety was a real issue, claimed that the main goal was to improve the efficiency of coal mining, given China's growing demand for coal.

If this is the case, it is not unprecedented in the history of capitalism. State ownership of key industries can sometimes be beneficial for the functioning of the capitalist system as a whole. The British government nationalised the coal mines after the second world war. This did not mean that Britain had become socialist. Similarly, China's economy remains fundamentally capitalist, despite some cases of re-nationalisation in the wake of the global financial crisis.

In any case, privatisation was not halted completely. The partial privatisation of state owned enterprises continued even after the financial crisis.

The environment

China's industrialisation was largely fuelled by coal, both during the period when all industry was state-owned and during the period of growing private ownership. The growth of production for the world market has led to the further expansion of coal use.

The growth of car and plane travel has led to a rise in oil consumption. The military is also a big user of oil.

The burning of coal and oil has created a severe air pollution problem, as well as producing carbon dioxide, which contributes to global warming. China became the biggest emitter of CO2 in 2006.

Chemical pollution of the air, soil and water has increased, resulting in numerous protests by affected people.

The government has taken steps to reduce the burning of coal in or near cities. It has promoted the rapid expansion of renewable energy. High speed rail has been built as an alternative to car and plane travel.

But these measures have not been enough. Pollution remains a severe problem. CO2 emissions are still growing, even if more slowly than before.

Popular resistance

Workers have been fighting back against the attacks on their job security, living standards and working conditions. There have been thousands of strikes and protests by Chinese workers, as well as numerous protests by peasants against land seizures by local governments and property developers. There have also been protests against pollution and environmental destruction, as well as protests by ethnic minorities against discrimination.

According to Mark Leonard: "Statistics from the Ministry of Public Security show that these so-called 'mass incidents' — which include strikes, demonstrations, sit-ins, traffic-blocking and building seizures — have grown ten-fold in just over a decade: from 8700 a year in 1993 to 87,000 in 2005. The number of demonstrators have grown too: from an average of ten protestors in the mid 1990s to over 50 today. In the first half of 2005, there were 17 that involved more than 10,000 people. Not all of them were peaceful and good-natured. In the first half of 2005, 1700 people were injured and 100 killed in these organised demonstrations.[62]

According to Ching Kwan Lee and Mark Selden: "In 2003, three million people were involved in 58,000 incidents".[63]

Workers struggles

A report published by the Hong Kong-based *China Labour Bulletin* looks at 100 labour disputes in China in the 2007-2008 period.[64] This is only a small proportion of the labour disputes occurring in China during that time, but it gives an indication of the issues and forms of struggle used by workers.

According to the report: "More than a third of the cases (at least 36) related to clear

violations of legal rights, such as the non-payment of wages, overtime or social insurance contributions, or the failure to pay the compensation prescribed by law after the termination of employment contracts....However, in another third (at least 35) of the cases, workers did not simply seek redress for rights violations; they demanded higher wages, improved final severance packages from SOEs [state owned enterprises], shorter working hours, improved welfare benefits and reductions in workload. Some retired and laid-off workers sought higher retirement payments and basic subsistence allowances. Other disputes arose over proposed changes in employment status, arbitrary changes to working conditions, meals and housing allowances, as well as demands for government investigations into alleged management malpractice during the restructuring of state-owned enterprises." (pp. 14-15)

Tactics used by the workers included strikes, blockades of roads, bridges and railway lines, sit-downs at the factory gate, protest marches, and petitions.

The response of the authorities to such protests is "a combination of conciliation, mollification, promises, threats, physical force and criminal sanction." (p. 22). "In at least 19 incidents, there were physical clashes between protestors and police, and some workers and police officers were injured. The available information also shows that the authorities remain keen to press for punishment of protest leaders and participants, including penalties for 'breach of public order' and sometimes also criminal sanctions." (p. 24)

Nevertheless, the workers were often successful in winning their demands. According to the *CLB* report, "… in 37 of the 100 cases analysed in this report, workers' demands were fully or partially met or management's promised to take action. In only three cases...did the workers clearly lose either by having their demands rejected or by being sacked after taking protest action. In 21 cases the local government intervened but with no clear result. In another 39 cases there was no reported government mediation, and the final outcome was unclear." (p. 31)

Struggles in car factories

In 2010 there were a series of struggles in car components factories in the Pearl River delta region of Guangdong province. [65] Workers won significant gains.

On May 17 Tan Zhiqing, a worker at the Honda transmission plant in the Nanhai district of the city of Foshan, pressed the stop button on the assembly line and called on his fellow workers to strike for higher wages. Initially only a minority of workers joined the strike, which ended after a few hours. But on May 24 the strike became indefinite. Workers demanded a pay rise of $128 per month. Eventually they settled for an $80 rise. They also demanded free elections for union representatives in the

factory, and won a promise that this would occur.

Elections were held, but according to the China Labour Bulletin, the indirect election process resulted in a union structure dominated by management.[66]

The events at Nanhai Honda triggered a chain reaction among workers in automotive components and electronics factories throughout the Pearl River delta, with more than 100 strikes occurring. Most won similar pay rises.

Peasant struggles

Under the responsibility system, collectively owned land was allocated to peasants on long-term leases. In theory this gave them security of tenure. But in practice many people from peasant families have been forced to leave the land.

Heavy taxes were imposed on peasants by local governments. Much of the tax revenue was siphoned off by corrupt local officials.

Prices obtained by farmers from the sale of their crops were often insufficient to meet both their own expenses and the ever-increasing tax burden. Many farmers got into debt. Younger family members sought work in the cities to supplement family income.

In response to growing peasant protests against excessive taxation, the central government moved to restrict the taxing powers of local governments. The latter responded by turning increasingly to land sales as a source of revenue.

In many cases local authorities have evicted peasants from the land so that it could be handed over to property developers. This has been a major cause of peasant rebellions. According to Professor Yu Jianrong of the Institute of Rural Affairs at the Chinese Academy of Social Sciences, "… the number of large scale mass riots is growing".[67]

Ethnic conflict

In areas inhabited by minority nationalities, discontent often takes a nationalist form. In Tibet for example there have been numerous protests (some peaceful, others violent), and demands have been raised for independence or autonomy.

The Chinese government claims that the 56 nationalities in China all have equal rights. But Tibetans feel that they are discriminated against. Language is a key issue. In Tibet, Chinese (Mandarin) is the main language used in government and in the upper levels of the education system. The Tibetan language has a secondary status. This puts Tibetan speakers at a disadvantage in getting jobs. The higher paid jobs are disproportionately held by Han Chinese.

In addition, private sector enterprises in Tibetan cities are predominantly owned

by non-Tibetans. For example, the majority of travel agencies, hotels and shops belong to Chinese, thus denying Tibetans much of the benefit from the growing numbers of tourists (who mainly come from China).

At times there have been attempts to ameliorate the problem. In 1987 a policy of moving towards equality for the Tibetan and Chinese languages was adopted. But in the 1990s this policy was effectively abandoned. Currently primary education is generally conducted in Tibetan, but secondary and university education is mainly conducted in Mandarin. Many Tibetan speakers are illiterate.[68]

In Xinjiang province, discontent amongst the Uigurs has been met with severe repression. Hundreds of thousands of people are being held in detention centres.[69]

Repression — but political discussion continues

Following the 1989 Beijing massacre political discussion was suppressed. According to Wang Chaohua, a student activist in 1989 who now lives in the United States: "The military crackdown was followed by the imposition of much tighter political controls over cultural life … Intellectuals who were thought to have sympathised too warmly, or participated too openly, in the movement of 1989 were dispatched to the countryside or lost their positions. Quite a few were imprisoned, while others went abroad, voluntarily or involuntarily."[70]

Subsequently political discussion gradually revived. The spread of the internet in China created new opportunities for discussion of social and political issues. But this discussion is often hindered by government repression.

The government maintains an internet censorship apparatus that blocks searches for certain topics and frequently shuts down websites. People can be interrogated by police and even arrested for what they say on the internet.

Nevertheless, political discussion, criticism of government policy and the exposure of corruption by government officials do occur on the internet. US academic Yasheng Huang has commented that: "Anyone who has spent time online in China can testify that the internet community there is easily one of the most dynamic and vibrant on earth. On any issue, there are passionate debates and opinion across the ideological spectrum. Maoists, Hayekians and Confucians trade barbs with insults and zealotry."[71]

Discussion of the oppression of national minorities such as the Tibetans and the Uighurs has up to now been very limited - partly due to political repression, partly due to the prevalence of Han chauvinism. One exception was a group called the Open Constitution Initiative which investigated the 2008 Tibetan uprising and concluded that it had been provoked by decades of bungled government policy. Perhaps as a result of these criticisms, their office was raided by police and closed down.[72]

Rise of the 'new left'

Repression, both under Mao and under Deng, caused many Chinese to become disillusioned with socialism. In particular, many students who became Red Guards during the Cultural Revolution, and who later realised that they had been manipulated by Mao, turned not only against Maoism but against Marxism.

Some became admirers of the West, and saw capitalism as the only alternative to a tyrannical regime claiming to be communist. Neoliberalism gained ground amongst intellectuals.

But others were disturbed by the ruthless exploitation of the workers under "free market" policies, as well as by the chaotic nature of capitalism, as exemplified by the Asian economic crisis of the late 1990s, and by the 2008 global financial crisis. This led to the rise of the "new left", a group of intellectuals critical of neoliberal policies.[73]

These leftists have diverse views. They include Maoists, social democrats and Trotskyists.[74]

Student solidarity with workers

Recently there has been an upsurge of solidarity by students with workers' struggles.

A notable example is the Jasic Technology workers' struggle. In May 2018 workers at the Jasic factory in Shenzhen had complained about the company's arbitrary imposition of fines, irregular work shifts, and underpayment of the housing fund. They tried to form a union but were repressed by management and government authorities. On July 27, police arrested 30 protestors, including 29 Jasic workers and one university student.[75]

A Jasic workers support group was formed, with the participation of students from many universities. They publicized the case through social media, and some went to Shenzhen to support the workers. On August 24, in Huizhou city adjacent to Shenzhen, the riot police raided a rental apartment and arrested about 50 people, including Jasic workers and student supporters.

Many of the students were members of Marxist clubs on campus. These clubs were set up with official approval. The CP leadership saw them as a vehicle for promoting the official ideology, which remains nominally Marxist. But the students took Marxism seriously and applied it in practice by supporting workers in struggle.

'Harmonious society'

In response to the rise in struggles, the CP leadership has often used violent repression. But it has also made some concessions to mass discontent.

After previously placing the main emphasis on "efficiency", the CP began to talk

more about "social justice" as a pillar of a "harmonious society". It has made efforts to build a new social welfare system to replace that which was destroyed. It has also introduced new labor laws, and has encouraged the All-China Federation of Trade Unions to unionise the private sector, including foreign companies.

Rebuilding the social safety net

Prior to the "market reforms", people had job security and a basic social welfare system provided through the workplace - a system known as the "iron ricebowl". Shaoguang Wang, from the Chinese University of Hong Kong, notes that: "… communes and brigades in rural areas and work-units in urban areas were not only economic entities but also social and political entities. They offered job opportunities to their members and paid them without much difference, and also provided them and their dependents with various social benefits such as nurseries, kindergartens, schools, healthcare, pensions and funeral services. This included financial assistance to the disabled and the families of members who had died."[76]

This situation lasted until the mid-1980s. As the market reforms deepened, workplaces shed their responsibility for social welfare. According to Wang, "When rural villages and urban enterprises were gradually extricated from their social responsibilities, evolving into pure economic entities, villagers and employees lost pensions, healthcare and welfare benefits, and had to spend money buying them."[77]

Around the turn of the century, the government began to rebuild the social safety net in areas such as health care, education and pensions.

Health care

Before the victory of the Communists in 1949, China's health indicators were amongst the worst in the world, with a life expectancy of about 35 years. By the late 1970s this had been raised to 68 years.[78]

But after the onset of the market reforms, there was little further progress, despite rapid economic growth and scientific and technical advance. From 1980 to 1998 China's life expectancy rose by only two years, a lesser growth rate than the world average.

According to Shaoguang Wang, "As reform deepened, market ideology steadily infiltrated the health sector, becoming the effective guiding principle of health reform … China's healthcare system became one of the most commercialised in the world."[79] Individuals were expected to pay for health care, which had previously been largely financed by a combination of funding from the government and the workplace (factories, etc in urban areas, communes in rural areas).

In rural areas, the breakup of the communes and the decline in government

support led to the collapse of the rural Cooperative Medical System. The number of villages covered by the CMS decreased from 90% in 1979 to 5% in 1985.[80]

In urban areas, the decline was not quite as dramatic, but by the end of 2003 only half of urban residents were covered by some kind of health insurance scheme. Migrant workers were excluded from the schemes that existed.

Shaoguang Wang comments that: "The marketisation of health was particularly detrimental to the well-being of the poor. While the rich could now enjoy first-class medical care of international standards, the poor were often forced to endure minor health problems and put off dealing with major health conditions."[81]

Around 2000 there was the beginning of a change in policy. The government's share of health care spending began to increase a little after a long period of decline.[82] The government also began a drive to increase the proportion of the population covered by various health insurance schemes. Schemes for employees require contributions from both employers and workers. There are also schemes for other urban residents, and a new rural cooperative medical system, funded by contributions from members and from central and local governments.

Most migrant workers are covered by the rural system, but it has been difficult for them to access it while working in the city.[83] The government has promised to fix this problem.

The COVID-19 pandemic

In late 2019 a new virus appeared in China. It spread rapidly around the world, causing hundreds of thousands of deaths.

The first reported cases of pneumonia caused by the new virus were seen by Chinese doctors in Wuhan on December 26, 2019. On December 31, China notified the World Health Organisation. On January 12, 2020, China published the genetic sequence of the virus, enabling scientists around the world to start work on trying to develop a vaccine.

Initially Chinese medical authorities thought the virus was not easily transmitted between humans. When they realised this was wrong, the Chinese government acted rapidly. Wuhan was shut down on January 23, with very severe restrictions on people's movements. The government ordered factories to produce large quantities of personal protective equipment, ventilators, testing kits and other necessities. With systematic testing and contact tracing, the outbreak was rapidly contained.

But the delay (however brief) in recognizing the seriousness of the problem facilitated the spread of the virus. China has been accused of initially covering up the outbreak. This is based on the fact that some doctors in Wuhan were interrogated by

the police and reprimanded for disclosing information about the disease outside of official channels.

This punishment reflects the bureaucratic mentality of the Chinese government. Whether it had any adverse effect on the struggle to contain the virus is not clear. It was however used by Western governments as part of their propaganda war against China, and to distract attention from their own mishandling of the pandemic. On the other hand, the fact that China has become a major centre for the production of medical supplies meant that it was able to send aid to many countries.

Labour legislation

In 2007 three labor laws were adopted by the National Peoples Congress.[84]

The Labour Contract Law requires employers to give workers a written contract, and puts some restrictions on the right to hire and fire. It requires redundancy payments to be made after termination of a contract, and makes it more difficult for employers to terminate contracts, especially those of long-serving workers.

The Labour Arbitration Law established a conciliation and arbitration system to rule on disputes between workers against their employers over issues such as pay, working hours, social insurance, and work-related injury. It was soon overwhelmed by complaints from workers, leading to long delays in hearing cases.

The Employment Promotion Law deals with issues of discrimination in employment.

The new laws were of some benefit to many workers. But a significant proportion of workers did not benefit, because their employers failed to comply with the laws. Other employers found ways to legally get around the laws - for example, raising dormitory and food costs, and penalties on workers for violations of company rules, to counteract the cost of paying workers the minimum wage. Some employers laid off long serving staff or forced them to sign new short term employment contracts to get around the job security provisions for long term workers.

And for many workers, the benefits of the new laws were soon swept away by the global economic crisis of 2008. Twenty million migrant workers were laid off, and employers took the opportunity to lower the pay and conditions of those who remained. Many had their pay cut by 20 or 30%.[85]

The China Labour Bulletin comments: “The unprecedented wave of labour legislation in this period was no accident. It was a direct response to the pressure exerted by the workers movement over the previous decade. A government committed to maintaining social order and harmony could no longer afford to ignore the strikes and protests staged by workers on an almost daily basis across the country …

"What the government has not yet done, however, is to rigorously enforce its own laws or empower workers to safeguard their rights and interests on a collective basis."[86]

The ACFTU

China has one officially recognised trade union federation, the All-China Federation of Trade Unions. Critics charge that the ACFTU is more concerned with controlling workers than organising them to fight for their rights. It is often described as a "yellow union". Australian National University academic Anita Chan has described the ACFTU as a "government bureaucracy", but adds that its function of protecting workers rights brings it into conflict with other bureaucracies.[87]

The ACFTU does not encourage strikes. The *China Labour Bulletin*'s survey of 100 labour disputes shows that the ACFTU played no apparent role in nearly all of them. The CLB report says: "In nearly all these incidents, however, there was one organisation conspicuous by its absence. The All-China Federation of Trade Unions, the sole legally mandated trade union, is now seen by the majority of China's workers as irrelevant to their needs, and as such they increasingly take matters into their own hands."[88]

Similarly, in the 2010 Nanhai Honda dispute, the strike was initiated by a few workers taking action on their own, without the backing of the union. Indeed some officials of the local union tried to break the strike.

However in the course of the strike wave in the region, the Guangzhou Federation of Trade Unions did begin to express support for the workers. It appears that some ACFTU officials would like to make it act more like a genuine union.

The ACFTU does challenge blatant violations of China's labor laws by employers through legal channels. Its response to a newspaper report of violations of labor laws in fast food franchises is typical. It issued instructions to: "Immediately mount an investigation, fully assess the situation, check all facts, and have unions negotiate with the operating companies and demand that McDonalds and Kentucky Fried Chicken take prompt corrective measures … If legal violations are confirmed and no corrective measures are taken, the union must report the matter to the labour inspection authorities, demand an investigation and support workers in taking the matter to court."[89]

In 2006 the ACFTU launched a drive to unionise foreign companies operating in China, and succeeded with many, including Wal-Mart, which is very hostile to unions in the United States.[90]

Foreign policy & foreign investment

Mao used radical anti-imperialist rhetoric in the 1960s, but swung to an openly pro-

imperialist foreign policy in the 1970s. The pro-imperialist policy was continued by Deng Xiaoping.

Since then China has moved away from its close political alliance with US imperialism. Today China has good relations with the revolutionary governments of Cuba and Venezuela, as well as with other third world governments such as Iran that are in conflict with the US.

This does not mean that China's foreign policy is consistently progressive. China supported the racist Sri Lankan government in its war against the Tamil independence struggle. China supplied arms to the government and gave it diplomatic support.

One motive for China's position may be its desire to gain access to a port on China's trade routes across the Indian Ocean to the Middle East and Africa, which are sources of oil and other raw materials for China's industry. In March 2007 Sri Lanka signed an agreement with China for the construction of a port at Hambantota on Sri Lanka's south coast.

There has been a rapid growth of Chinese investments overseas. Much of this investment is aimed at supplying Chinese industry with raw materials. This is the case with Chinese investments in mining in Africa, for example.

But it is now going beyond this — for example, Chinese companies have been investing in ports in many European countries, including Greece, Germany, Belgium and the Netherlands. In Australia, China has bought the port of Darwin.

China has been building big infrastructure projects in many countries. These projects are usually financed by loans from China. If the recipient government is unable to meet its repayments, China takes ownership. The port of Hambantota in Sri Lanka is an example of this.

Is China imperialist?

After moving away from its alliance with US imperialism, China acted as a bourgeois nationalist regime. Its economy was capitalist, but the government was relatively independent of the imperialist powers.

But now China is starting to look like an imperialist power itself. It has big overseas investments. It intervenes in conflicts in other countries – for example, supporting the Sri Lankan government against the Tamils. It has a military base in Djibouti, a small country in the horn of Africa.

On the other hand, foreign transnational corporations continue to use China as a base for production for the world market, ruthlessly exploiting Chinese workers. In this respect China looks like a semi-colony of Western imperialism.

Thus China combines imperialist and semi-colonial features.

The struggle for socialism

Despite the partial reversal of some neoliberal policies, China remains a highly unequal society, where workers are ruthlessly exploited and lack job security. The state remains capitalist. It represses the resistance of the workers to capitalist exploitation.

The air and water are extremely polluted. Despite significant investment in renewable energy, the use of fossil fuels continues to expand, and China is now the world's biggest producer of greenhouse gases.

Minorities such as the Tibetans and Uighurs continue to be oppressed. Freedom of speech continues to be restricted.

A struggle for genuine socialism still remains necessary. This struggle will need to bring together workers, students and other oppressed groups. An example of such unity is the solidarity of university students with workers at Jasic Technologies. This kind of solidarity, if repeated on a much larger scale, can help take China on the road to socialism.

Air pollution is a major problem.

Notes

1 "SunYat-sen" was the transliteration from Chinese characters into Latin script normally used during Sun's lifetime. "Sun Zhongshan" is the modern transliteration.

2 See Bianco, pp.14-22.

3 Relations between the CP and Guomindang are discussed in the book *The Tragedy of the Chinese Revolution* by Harold Isaacs. Chiang's repression occurred despite the attempts by the CP to reassure him that they were no threat to his rule, or to Chinese capitalism.
The Chinese CP's conciliatory response to Chiang's repression in the period leading up to the Shanghai massacre was dictated by the Communist International, under the influence of the Soviet leadership, which saw Chiang as an ally who, if he became leader of China, could help ease the isolation of the Soviet Union on the world stage. This attitude reflected both the self-interest of the Soviet bureaucracy and its failure to correctly understand the Chinese political situation.

4 See Bianco, pp. 145-146.

5 "Many factories reported increases in Party membership from some three per cent to between 10 and 30%, of whom large numbers were skilled workers and technicians … By mid-1950, therefore, the composition of the Party …was very different from two years previously. In the following year when 11.4% of the total industrial workforce in north-east China was enrolled, it was announced that within five years the Party planned to recruit one-third of all the industrial workers." (Brugger, p. 61.)

6 See Brugger, pp. 83-85.

7 See Brugger, p.112 and p.119.

8 "In theory, the state was supposed to own enterprises jointly with the former owners, who were to draw 5 percent of the value of their business for 20 years. ince there was officially no inflation, this was supposed to represent full payment of the total value. he former owners were to stay on as managers and be paid a relatively high wage, but there would be a Party boss over them." (Jung Chang, pp. 270-271; See also Brugger, p. 120)

9 Horn, p. 125; cited by Evans, p. 49.

10 Ruth and Victor Sidel, p. 94.

11 Chinese figures cited by Sidel and Sidel, p. 94. The World Bank gives a slightly lower estimate of 64 years in 1979, but this is still markedly better than India's figure of 52 for the same year (Sidel and Sidel, p. 93). It is likely that the 1981 Chinese figures are more accurate than the 1979 World Bank estimates, since by 1981 Chinese statistics had largely recovered from the gross distortions of earlier years.

12 See *Wild Lilies, Poisonous Weeds* by Gregor Benton, pp. 168-186. Some leftist writers living in Yenan criticised the excessive inequality. Wang Shiwei wrote: "I am not an egalitarian, but to divide clothing into three and food into five grades is neither necessary nor rational, especially with regard to clothes. I myself am graded as 'cadres' clothes and private kitchen', so this is not just a case of sour grapes). All such problems should be resolved on the basis of need and reason. At present there is no noodle soup for sick comrades to eat and young students only get two meals of thin congee a day … Relatively healthy 'big shots' get far more than they need to eat and drink, with the result that there subordinates look upon them as a race apart." (Benton, pp. 185-6)

13 Evans, p. 86.

14 The privileged lifestyle of Mao and other top leaders of the CP is documented by Harrison Salisbury in his book *The New Emperors*.

15 See Evans pp. 149-150.

16 According to the Pentagon Papers: "Together and separately, Moscow and Peking [Beijing] pressed concessions on the Viet Minh [the Vietnamese national liberation movement] … The two big communist powers did not hesitate in asserting the paramountcy of their interests over those of the Viet Minh." (Cited by Evans, p. 95.)

17 Maitan, p. 39. See also Peng Shu-tse, p. 260.

18 Gittings, p. 70.

19. Gittings, p. 71.

20 William Hinton says: "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 [a party official in Anhui], 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." (*The Privatization of China*, pp. 52-53.)

21 See Maitan, p. 47.

22 Minqi Li, pp. 42-44.

23 Minqi Li (Li Minqi) tries to absolve 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) (Li, p. 46), 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 exessively 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'". (Li, p. 46; 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.)

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." (Li, p. 47.)

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". (Brugger, p. 196.)

Furthermore, it should be noted that Liu Shaochi at times also expressed the need for caution. or 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. "(Brugger, p. 184.)

Brugger comments that "… it is difficult to discern any marked difference between Liu's position and that of Mao." (Brugger, p. 184.)

In my view Mao, Deng and Liu must all share the responsibility for the disasters of the Great Leap Forward.

24 See Frederick Teiwes, in *Cheek, A Critical Introduction to Mao*, p. 136; Peng Shu-tse, p. 312.

25 See Jiang Yihua and Roderick MacFarquhar, in *Cheek,* p. 348.

26 By contrast, when Fidel Castro realised he had made a mistake in launching a voluntarist drive for a ten million ton sugar harvest in Cuba in 1970, he admitted his error at a televised mass rally in a public square. He also moved to begin discussions on how to make the revolutionary government more accountable to the people, leading to the establishment of a system of elections at the local, regional and national level. See Harnecker, p. xxiv.

27 Formally there were two meetings: an expanded Politburo meeting, followed by a Central Committee meeting.

28 See Peng Dehuai, *Memoirs of a Chinese Marshall.*

29 Mao's speech at the 1959 Lushan conference: www.marxists.org/reference/archive/mao/selected-works/volume-8/mswv8_34.htm

30 The *Peoples Daily* had slogans such as "Chairman Mao is the red sun in our hearts!", "Mao Zedong Thought is our lifeline!", "We will smash whoever opposes Chairman Mao!" and "People all over the world love our great leader Chairman Mao!" See Jung Chang, p. 368.

31 This hostility is reflected in their extremely vitriolic attacks on "bourgeois intellectuals", especially during the Cultural Revolution.

Mao also expressed a distrust of books, and of urban life, saying:

"We shouldn't read too many books. We should read Marxist books, but not too many of them either. It will be enough to read a dozen or so." (Cited by Evans, p. 119.) and:

"Now we have entered the cities. This is a good thing. If we hadn't entered the cities Chiang Kai-shek would be occupying them. But it is also a bad thing because it caused our Party to deteriorate." (Cited by Evans, p. 120.)

32 Lin Biao 1965: www.marxists.org/reference/lin-biao/1965/09/peoples_war

33. For example, Jung Chang describes events in one school as follows: "But the teenagers in the school, stirred up by the articles in the *Peoples Daily*, began to move against their teachers. he *Peoples Daily* called for 'smashing up' the examination system which 'treated pupils like enemies' (quoting Mao) and was part of the vicious designs of the 'bourgeois intellectuals', meaning the majority of the teachers (again quoting Mao). The paper also denounced 'bourgeois intellectuals"for poisoning the minds of the young with capitalist

rubbish in preparation for a Kuomintang [Guomindang] comeback. 'We cannot allow bourgeois intellectuals to dominate our schools any more!' said Mao.

"One day … the pupils had rounded up the headmaster, the academic supervisor, the graded teachers, whom they understood from the official press to be 'reactionary bourgeois authorities', and any other teachers they disliked. They had shut them all up in a classroom and put a notice on the door saying 'demons' class" The teachers had let them do it because the Cultural Revolution had thrown them into bewilderment. The pupils now seemed to have some sort of authorization, undefined but nonetheless real." (Jung Chang, *Wild Swans*, p. 372.) This book includes an account of the author's experiences during the Cultural Revolution. She became a member of the Red Guards, while her parents, who were prominent party officials, were amongst the victims of the repression.

34 See Maitan, pp. 124-126.

35 See Maitan, Chapter 15, and Evans, Chapter 10.

36 See Evans pp. 99-101. China supported the Sri Lankan government in its suppression of the JVP (Peoples Liberation Front, which was at that time a radical leftist group, though it later moved right); supported the Pakistani military dictatorship in its brutal (though ultimately unsuccessful) attempt to suppress the Bangladesh independence movement; and supported the repression of the Communist Party and the trade union movement by the Nimeiry dictatorship in Sudan.

37 Gus Horowitz, Mounting Imperialist Pressure On Hanoi, *Intercontinental Press*, Vol. 17, no. 9, March 12, 1979.

38 *One China, Many Paths*, p. 65.

39 Zhao Ziyang (2009), p. 172.

40 See for example William Hinton, *The Privatization of China*, pp. 52-53,

41 Hinton, p. 52.

42 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."

43 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% of the cooperative brigades had been doing well, 30% had been doing badly, while in the middle 40% had been holding their own, neither chalking up great successes on the one hand nor floundering on the other."

44. See articles in *Direct Action*, various editions between April and June 1989, for detailed descriptions of these events. (*Direct Action* was the newspaper of the Democratic Socialist Party.)

45 John Gittings, *China Changes Face*, pp. 275-276.
46 See Zhao Ziyang (2009).
47 Leonard, *What Does China Think?*, pp. 30-31.
48 *One China, Many Paths*, pp. 314-315.
49 *One China, Many Paths*, p. 19.
50 In his report to the January 1999 Democratic Socialist Party congress on "The Class Nature of the Chinese State" (reprinted in the pamphlet *The Class Nature of the People's Republic of China*, Resistance Books, 2004) Doug Lorimer argued that 1992 was the point of qualitative change towards a "new course … towards the full-scale restoration of capitalism". This was when the CP leadership adopted a policy of all-out privatisation. He argued that this was the point at which the Peoples Republic of China became a capitalist state.
51 Figures from retired researcher Sun Xuewen, quoted by Eva Cheng in *Green Left Weekly* no. 695, January 24, 2007, http://www.greenleft.org.au/2007/695/36092
52 *Going It Alone*, p. 20.
53 Numerous examples are given in the book *China's Workers Under Assault: the Exploitation of Labor in a Globalizing Economy*, by Anita Chan (East Gate: New York, 2001)
54 Chan, pp. 8-9.
55 Billy Beswick, *At Peking*, University:https://lrb.co.uk/v41/n01/billy-beswick/short-cuts
56 www.oecd.org/dataoecd/54/58/37010986.pdf
57 Fan Wen-dong, pp. 118-119.
58 Sun Xuewen, *op cit*.
59 Yuan Yang, Inside China's Crackdown on Young Marxists, *Financial Times*, February 13. 2019.
60 According to a survey by Swiss bank UBS and accounting firm PWC.
61 John Garnaut, *The Age*, November 2, 2009.
62 Leonard (2008), pp. 72-73.
63 Ching Kwan Lee and Mark Selden: "Inequality and Its Enemies in Revolutionary and Reform China", *Economic and Political Weekly*, December 27, 2008, p.35. Lee and Selden are US-based academics.
64 *Going It Alone: The Workers Movement in China (2007-2008)*.
65. See for example: China: Workers' strikes … What did they win?, by Boy Luthje: http://links.org.au/node/2074; and The Nanhai Honda strike and the union, http://www.clntranslations.org/article/56/honda
66 Five years on, Nanhai Honda workers want more from their trade union: https://clb.org.hk/en/content/five-years-nanhai-honda-workers-want-more-their-trade-union
67 Yu Jianrong cited by John Garnaut, *The Age*, February 27, 2010.
See also The Crisis in the Countryside, by Li Changping, in *One China Many Paths*, and

Farm Grab Sows Seeds of Rebellion, by John Garnaut, *The Age*, January 2, 2008.

68 See A*uthenticating Tibet*, edited by Anne-Marie Blondeau and Katia Buffetrille, University of California Press 2008, especially pp. 234-236.

69 https://www.theguardian.com/world/2019/jan/11/if-you-enter-a-camp-you-never-come-out-inside-chinas-war-on-islam

70 *One China, Many Paths*, p. 15

71 *The Age*, March 31, 2010. Yasheng Huang is a professor of political economy and business at MIT, and the author of *Capitalism with Chinese Characteristics: Entrepreneurship and the State.*

72 See Isobel Hilton's article "Will China Implode": https://www.thedailybeast.com/will-china-implode

The OCI was a legal office that had represented Tibetan prisoners, amongst other clients considered opponents of the government.

73 Leonard (2008) gives more detail on the views of both "new left" and "new right" intellectuals.

74 Au Loong Yu, The Jasic struggle in China's political context, *New Politics*, Winter 2019.

75 Jenny Chan, Jasic workers fight for union rights, *New Politics*, Winter 2019

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

77 Wang, *op. cit.*, p. 52.

78 Wang, *op. cit.*, p. 55.

79 Wang, *op. cit.*, p. 56.

80 Wang, *op. cit.*, p. 56.

81 Wang, *op. cit.*,p. 57.

82 See graph, Wang, *op. cit.*, p. 56.

83 Armin Muller: Hukou and Health Insurance Coverage for Migrant Workers, J*ournal of Current Chinese Affairs*, 2/2016.

84 *Going It Alone*, pp. 10-12.

85 Will the new year see a resumption of collective bargaining in China?, *China Labour Bulletin*, www.clb.org.hk/en/node/100649

86 G*oing It Alone*, p. 13.

87 See China and the International Labour Movement, by Anita Chan, *China Review,* no. 19, Summer 2001.

88 *Going It Alone*, p. 3.

89 *Going It Alone*, p. 36; Anita Chan, *China's Workers Under Assault*, also gives many examples of this.

90 See *Wall Street Journal*, October 13, 2006: China to press more firms to unionize, by Mei Fong.

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Workers at Pegatron Factory in Shanghai, China which assembles IPhones.

In the 1960s, it seemed to many leftists that China under Mao was much more radical than the Soviet Union. Yet by the early 1970s Mao had done a deal with the United States at the expense the Soviet Union and Third World struggles.

Later China became a key location for transnational corporations producing for the world market.

On the other hand, the rapid recovery of China after the 2008 world economic crisis has given some socialists a more favourable impression of China.

For those interested in Marxist theory, the question of whether China today is a workers' state or a capitalist state has been a source of controversy.

Despite the partial reversal of some neoliberal policies, China remains a highly unequal society, where workers are ruthlessly exploited and lack job security. The state remains capitalist. It represses the resistance of the workers to capitalist exploitation.

The air and water are extremely polluted. Despite significant investment in renewable energy, the use of fossil fuels continues to expand, and China is now the world's biggest producer of greenhouse gases.

Minorities such as the Tibetans and Uighurs continue to be oppressed. Freedom of speech continues to be restricted.

A struggle for genuine socialism still remains necessary.

Resistance books