

Moving Beyond the Mao Years The PRC in the late 20th Century

Looking at Economic Policies under Mao Zedong and Deng Xiaoping

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Background source: historyteacher.net)

China After Mao

- In the late 1970s, China emerged from three decades of economic isolation imposed by Mao. Mao's policies had produced a society which valued equality and uniformity. China was able to feed and clothe its population, but there were few opportunities for individual advancement.
- The Chinse government's economic reforms and policies after Mao offered some citizens opportunities for significant financial success, but many others struggled, leading to large income and quality of living discrepancies. Although wealth is not distributed equally, the pace of economic reform and growth since the early 1980s turned China into an economic giant. In 2010, China surpassed Japan become the world's second largest economy behind the United States. No other country in modern times has grown so fast! This speedy growth has brought many out of poverty but at the cost of increased inflation, government debt, and severe environmental challenges.
- China's transformation has changed international relations as China commands growing consideration on the world stage. The implications for the United States are enormous. Just as the 1900s were referred to as the "American century," by the early 2000s, some specialists were predicting that the 21st century would be the "Chinese century."
- By considering China's evolution across four economic stages, we'll explore how China move from isolation under Mao Zedong (1949-76) to a global economic player by the turn of the 21st century.

The Great Proletarian Cultural Revolution 1966-1976

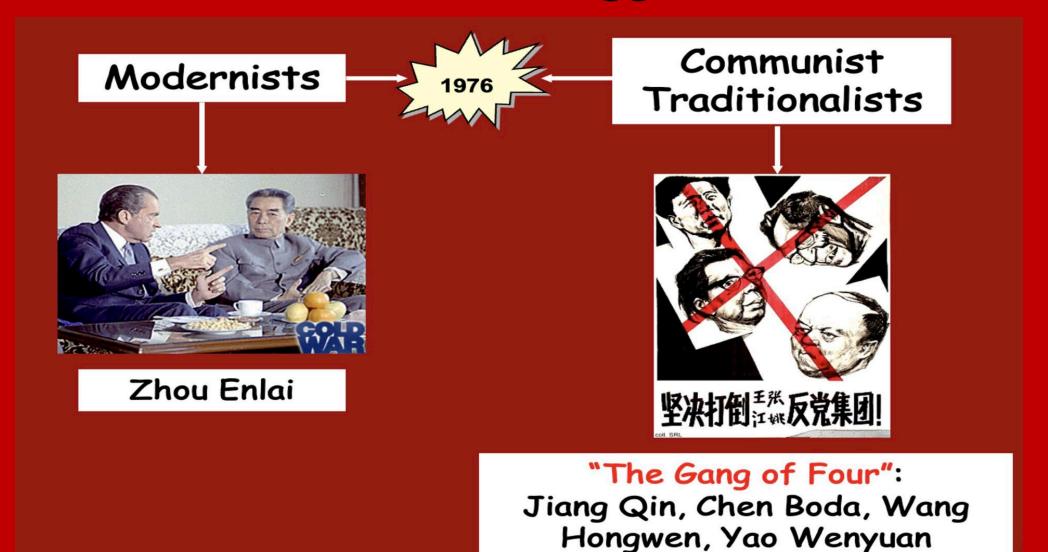


Photo source: Wikimedia . Public domain

The End of the Cultural Revolution

- The goal of the Cultural Revolution was to establish a society of peasants and workers in which all were equal. The life of the educated mind intellectual and artistic activity was considered useless and dangerous.
- Once colleges, schools and factories closed, however, China was on the brink of disaster. Civil War seemed possible. By 1968 even Mao admitted that the Cultural Revolution had to stop. The army was ordered to put down the Reg Guard. Zhou Enlai, a Communist Party leader, began to restore order.
- Mao died in 1976, creating a power struggle in the Communist Party. Mao's mistakes in the Cultural Revolution were blamed on the Gang of Four, which included his wife. By 1978, Deng Xiaoping emerged as the top official.

Power Struggle



China under Deng Xiaoping, 1978-1979



Roadside billboard of Deng Xiaoping at the entrance of the Lychee Park in Shenzhen. Wikimedia. Public domain.

Deng joined the Chinese Communist Party in its early years, in 1924. He was twice ousted from power during the Cultural Revolution and sent to camps for "retraining." He regained power gradually after Mao's death to become the leader of China in 1978.

- Deng undertook vast economic reforms, moving China away from the planned economy of the Maoist era and opening the country to foreign investment and the global market.
- Deng's pragmatic philosophy embraced aspects of capitalism to modernize China's economy and its role in the world. He thought the revolutionary slogan that it was "better to be poor under socialism than rich under capitalism" was absurd, insisting that "poverty is not socialism."

"The 4 Modernizations" Progress in:

- > Agriculture
- >Industry
- > Science
- > Defense



Source: NCTA Collection, Univ. of Colorado

Deng embraced a set of goals known as The Four Modernizations: modernizing agriculture, industry, science, and technology.

The Four Modernizations

- Under Mao, the government had created a "command economy" in which the government told businesses what to produce (a system developed from the Soviets). This system was highly ineffective. State run industries were creating a government debt. However, they did provide their workers (particularly in the cities know as the Iron Rice Bowl) benefits, government housing, and a guaranteed job.
- Deng eliminated Mao's communes and leased the land to individual farmers. They could grow crops and sell from profit. Under this system, food production increased by 50% from 1978 to 1984. He also lifted controls on housing, health care and education.

Modernization of Industry

- With the success brought by eliminating the commune system, Deng sponsored the first Special Economic Zones (SEZs) in Southeastern China. These zones offered incentives to foreign companies, including low taxes, new plants, and cheap labor. The foreign companies are also drawn to China because because they do not have to pay the same fees for environmental protection policies... as a result China today is facing grave environmental issues.
- Once these reforms proved successful, the state decided to shut down state run industries that were inefficient and had a difficult time competing with the new privately owned companies. During the 1980s, those who worked for the state found that reform meant they could lose their jobs. Between 1990 and 2000 some 35 million people were laid off. Many of the new jobs DID NOT have the benefits offered by the government industries. However, a new wealthy and upper class of Chinese who have profited from the privately owned businesses is forming.

Beyond Deng: Modernization of Agriculture in the 1990s

- The advances made by peasants in the 1980s ended. In many areas, the breakup of collective farms has undercut investment in road, irrigation canals, and grain silos. Farmers are still no allowed to own land outright, which discourages them from spending on long-term investments. In addition, crop prices have not kept up with the cost of manufactured goods. The government now expects peasants to pay more for education and healthcare, so many cannot afford basic necessities.
- Many farmers move to cities to try to make a better living and send money home to their families in the countryside. Although they are Chinese citizens, they are considered "foreigners" and do not have the same benefits as workers born within the urban areas. Many work long hours, under horrible conditions, and are often underpaid or not paid for their work.



Reforms in the Chinese Communist Party

- When Deng took power, he weeded out the uneducated, elderly Party members who would not go along with the new changes. China's economic transformation had brought the country to a political crossroads. The generation of influential elders who led the communist revolution was dying out. The communist ideas of equality no longer fit China's strategy for economic reform.
- During the 1980s and 1990s, Party members had lost significant power to local governments, as well as the command economy. The new economic restructuring also opened the Party to corruption. Since Party members were the ones to supervise the distribution of the state businesses, many pocketed benefits. Furthermore, in rural areas, Party members often taxed and placed fees on farmers without providing government services. In 1987, some 109,000 Party members were expelled for corruption.

Tiananmen Square 1989 Challenging Party Leadership

- New policies admitted not only western businesses but western political ideas. In 1989, a democratic movement led by university students critical of government corruption challenged government authority. From April to June mass demonstrations took place on Tiananmen Square at the center of Beijing. Students created and erected a statue called the Goddess of Liberty, to symbolize their quest for democracy.
- The government eventually called in the army. Many Beijing citizens attempted to stop soldiers from entering the city. On June 4th, troops killed hundreds and maybe thousands of people and arrested thousands. Today's generation of students is less likely to be involved in politics.



Photo Lynn Kalinauskas

Tiananmen Square 1989

The "Goddess of Democracy"

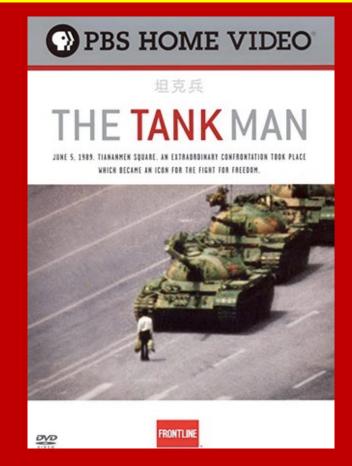




The Tank Man Documentary A Frontline Documentary

Watch the documentary at

https://www.pbs.org/wgbh/pages/frontline/tankman/



The PRC Government Today

By the end of the 20th century, the Chinese Communist Party was not dominated by a single person as it had been under Mao and his immediate successors. Forms of collective leadership developed following the death of Deng Xiaoping. Conservatives in the party, who wanted to slow the pace of change and reassert the authority of the party, lost ground to economically more progressive factions and economic leaders. Nevertheless, the Communist Party has continued uninterrupted domination of the PRC government.

Since 2012, China's current leader, Xi Jinping, has moved steadily to reassert the power of the central government and the CCP. Under Xi, the party has expanded control of the economy, and has increased state involvement in private companies. Xi's government has gradually contracted some social freedoms that took hold after Tiananmen with tightening controls over civil society, social media and open expression, and crack downs on civil dissent

Write a paragraph using your journals and lecture notes explaining how your experience in the Moving Beyond Mao activity reflected the historical reality of China in the latter half of the 20th century.