

China and Socialism: CAS

I basically agree with Martin Hart-Landsberg and Paul Burkett's conclusion that "China's market reforms have led not to socialist renewals but rather to full-fledged capitalist restoration, including growing foreign economic domination" (p. 9). I also agree that China's road to capitalism has more to do with the reform dynamics than simple greed of the elite. Other conclusions that are hard to be refuted include: reforms have led to higher unemployment in the urban sector, economic and social inequality, political instability (the 1989 Tiananmen protests are of course the most vivid example, as discussed by the two authors), the worsening of women's position in Chinese society in terms of work, social status and security, the worsening of working conditions in factories and workshops. For millions of Chinese what the reforms have brought to them is the loss of social safety net in pensions, housing, health care and education. The two authors probably also get the right diagnosis that China's economy has become more imbalanced and prone to crisis.

Other conclusions have to be treated more cautiously. The main one that I find most problematic is that proposition that "the foreign-driven rise of China as an export powerhouse will only intensify economic tensions and contradictions throughout the region, to the detriment of workers everywhere". It is not conclusive, not yet at least, that China's rise is "threatening to the ASEAN-4, which includes Indonesia, Thailand, Malaysia, and Singapore". There are mixed evidence, as the authors admit. Indeed China's economic growth has helped the growth of Taiwan and Japan to start with. Now, whether growth is a good thing is another matter. The authors seem to argue, in the case of China any way, that growth by and in itself is not good for the majority of the people. If that is the case why the same kind of growth or non-growth in countries other than China should be considered as threatening problem? Non-growth of this kind that would "intensify economic tensions and contradictions throughout the region" should be celebrated by a socialist. Tensions and contradictions would expose the structural problems of the capitalist system and changes will therefore take place. Is not that what a socialist wants?

I tend to think a lot of the rhetoric of the China threat from the U.S.A. is "cry wolf" of the Cold War legacy. I would even speculate that it might have something to do with the Yellow Peril fear. I am well aware the two authors certainly don't belong to this category and they indeed issue a note of caution of not joining the China bashing game. What is important though is that if the socialists want to break the capitalist impasse new conceptualization and now assumptions are required. Let me start with some rhetoric question along this direction. If it is the indeed case, a case that is far from being proven, that the export-orientated growth in China has threatened the job situations in countries like the U.S.A., what is the problem for a socialist? Should not the workers in the developed countries give up some jobs some of the time so that the workers in poor countries can earn a living? Is it not more logical for a socialist to blame the states of these developed countries such as Singapore, Japan and U.S.A. who should look after the unemployed workers instead of blaming the Chinese or the Chinese state, or the Chinese system? Is it not a good development that "The range of products (and employment opportunities) in which Japan has a competitive advantage over China is rapidly narrowing" (p. 97)? Why should Japan, or the U.S.A., or indeed Europe, have the moral certification that it has to dominate the world in everything?

Why should it be taken for granted that the developed countries must keep developing, their living standard must keep rising and their consumption must keep expanding? Have they not used enough of the world's resources and possessed enough the world's wealth already? One might rebut me by reminding me of the class line and by arguing that the wealth in the Western affluent countries is not in the hands of the labouring people but in the minority rich. This is true, but only in a very quantified sense. The workers do enjoy the benefit of their country being rich. Otherwise, why would a Chinese, even a middle class professional, want to migrate to the U.S.A to wash dishes? Why would the average salary of a worker in the U.S.A. and Japan forty times higher than that in China? If the state and the ruling classes in these countries do not look after the unemployed should not a socialist encourage the workers to rise in protest so that the wealth in the country can be distributed more equally? Is that not what a socialist wants?

Let us be a bit more philosophical so as to drag ourselves out of some comfortable assumptions. Why should employment in the development countries be such sacred cow that both the right wing politicians and left and progressive activists work hard or pretend to work hard to protect? Why should the workers be told that it is a universal truth that they should not lose their jobs? Is it not the ultimate idea of Marxism that we should not be chained to work for the sake of earning a living? There is enough material wealth to have a good life without having to work like slaves in the Western affluent societies. Why cannot we work less, say half a day for five days a week? Instead of bashing China, why cannot the U.S.A. labour people share work among themselves and struggle to have more welfare to cover the underclass?

I therefore have problem with the statement "To endorse China's economic growth success, in particular, is to endorse a development model that pits Chinese workers against workers in other countries in a competitive race to the bottom that has nothing to do with any progressive development of productive forces holistically considered" (p.112). What is "the progressive development of productive forces" that the authors are talking about? I assume they do not mean the existing capitalist productive forces, But then a large chunk of their criticism of the development in China is based on its detrimental effect on the existing "productive forces" in the U.S.A., Japan, and the rest of Asia. In fact, the Chinese cheap labour has increased purchasing power of the U.S.A. consumers and they live a better life in terms of material consumption at the expense of the Chinese workers. Chinese workers work like slaves, Chinese environment is getting worse and worse and Chinese society is getting tenser and tenser while having solved the internal contradictions in the U.S.A. According to one estimate the Chinese cheap labour saved the U.S.A. consumers US\$600 billion in the last ten years (Bo Xilai, Beijing qingnian bao, 14th May 2005, and quoted in shiji xuetang, http://www.ccforum.org.cn/view_thread.php?tid=10416&extra=page%3D2, accessed on the 23rd May 2005..

The trouble for the traditional style of socialist movement today is that for most working class people, "holistically" speaking they only care now and me, because they seem to realise that "in the long term we will all be dead". Workers all over world have never united and will probably never do. Colonial historical evidence shows that in the U.S.A., Canada, New Zealand and Australia, workers and labourers were among the fiercest against the poor Chinese migrants. Take the example of Australia during the 19th century. It was the workers and trade union activists who

were the most aggressive against the Chinese settlers on the ground that the Chinese coolies' willingness to work on lower wages was a main obstacle to the creation of an equal society. This ideology fit well with the then prevalent social Darwinism and the Yellow Peril paranoid. Thus the first act of Australian federation in 1901, the first nation-building act of the first parliament, was an immigration exclusion act against the coloured races. This act, in the name of democracy and equality (Everyone is equal but some are more equal than others) pushed forward the White Australian policy that was in full force until the 1960s.

In case there is a misunderstanding let me state categorically that I have no problems with the authors' criticisms of the Chinese development and its growth model. My main concern is that we may be barking up the wrong tree. The development in China and its growth model has to be examined within the international context of the Western dominance of material wealth and life style. For one and an half centuries, the Chinese have been seeking the secret of making China as wealthy as a Western country and living a life style as a Westerner. They tried democracies (though only briefly), and they tried what they understood as socialism (for 30 years). Now they are tying the East Asian—Japan, (South) Korea and Taiwan (the JKT)—model.

To summarise and to abstract my response to the two authors' valuable work I have two interrelated problems. The first problem is how to assess the era of Mao and this is related to the argument that the authors "took the problems of Chinese socialism before 1978 too lightly" as one contributor says, but did not expand on. Anyone who wants to be critical of the present Chinese system has to address two issues. The first is how to respond to the empirical evidence that political movements in the era of Mao were cruel and brutal and there was too much personal cost on the one hand and on the other that there was too much an economic scarcity and that environment was no less sacrificed than in a capitalist society. The second issue is theoretically and it is this: The Chinese liberals have been arguing that the era of Mao was not socialist but feudalistic, dictatorial. It was not even Marxist because Marxism embraces enlightenment and humanism. Indeed, the Chinese authorities use what they consider orthodox Marxism to justify their restoration of capitalism: We cannot jump in History and China has to go through the stage of capitalism (which is more advanced and civilized than feudalism) before it moves to socialism.

My second problem is how to assess market capitalism. Is it not the case that market capitalism has brought improvement of living standards to the majority of people, not just the elite or the rich, in Japan, Taiwan, Hong Kong, and South Korea (in contrast to North Korea)? Is it not the case that while it is true, as editors say in the 'foreword' that in China "the result is a very rich upper stratum and a comfortable middle class, and as for the rest: poverty, insecurity, unemployment, and a decline in education and medical care", the majority of the people including the rural residents are better fed and better clothed in post-Mao China? We cannot skip the issue. If we do we will not be taken seriously and will be accused of being a member of the chattering class in an affluent society enjoying comfortable life while patronizing the Chinese who had actually experienced life in the era of Mao.

Therefore, to engage a constructive discourse for alternative model of development we not only have to deal with the issue of "there is no alternative" (TINA) but also the issue of "there is no need for an alternative" (TINNFA). To deal the TINA issue we

have to show not only there was rapid growth (and good growth) in the era of Mao, but also show that the cost and failure in Mao period were not as great as they have been presented in the mainstream literature. On top of that we have to show that there was much that could have done better in socialist China. To deal with the TINNFA issue we have to show that the workers in market capitalist economies are angry with their own systems and that structural problems of market capitalism in affluent Western societies are insurmountable.