

Mao to Now

Peter Kruse

Katy Drew led a fabulous seminar which helped the 55 VISTAS members who attended to understand the desperate conditions which existed in China before the victory of the Chinese Communist Party over the Kuomintang forces led by Chaing Kai-Shek in the Chinese civil war ending as of October 1949 and the appeal of the program presented by the CCP to the peasants of China. With little to lose and strong hatred for the existing corrupt government system, a new approach was appealing. It helped that Mao had the substantial help of the Soviet Union in terms of money, supplies and captured soldiers.

Katy used her own extensive experience as the child of an American economist employed by the Chinese government who was essentially raised as by a Chinese nanny and attended all Chinese schools to help explain how the people of China viewed Mao and the CCP at various times. Mao was a visionary leader whom the Chinese people consider as the man who stood up to the foreigners in the 20th century and gave China back its pride after years of humiliation and exploitation by numerous rapacious western powers. As usual, the life experiences of VISTAS members added fascinating questions of perspective during the lively but respectful exchanges which dominated the classes.

Mao was an effective manipulator of his followers and used terror to enforce his iron will on the Chinese people despite his poor skills as an effective government leader. This was illustrated by his ability to maintain control despite in the many false starts of the Chinese economy, including policies adopted when the various visionary attempts utterly failed the practical test of working to feed the people and build Chinese society. The most disastrous effort to remake China was embodied in the Great Leap forward, which resulted in the Three years of agricultural disaster and widespread famine which killed millions of Chinese people. With a loss of faith in the promises of the CCP some Chinese leaders questioned Mao's leadership which led Mao to start The Cultural Revolution. The consensus is that the Cultural Revolution was a complete disaster.

The death of Mao and the adoption of new economic policies by Deng Xiao Ping have led to an explosion of the Chinese economy to the second largest in the world in terms of GDP (\$3.4 trillion to US \$15 trillion), to unprecedented growth in per capital income, in massive migration to the cities, to furious efforts to capture the benefits of advanced education, and to the appearance on the world trading stage of a colossus. Consumers in the US have greatly contributed to the reliance upon export growth by buying goods made by cheap labor in China. The needs for energy to fuel the economic growth have resulted in unprecedented growth in the extraction of coal and purchase by China and its State-Owned Enterprises of oil and gas energy resources worldwide, the manufacture and use of new wave technology, and the massive expansion of nuclear power to generate electricity. The need for raw materials by extensive manufacturing activities has led to a dramatic growth in the resources consumed by China (half of the world's iron ore in 2010). Massive hydroelectric projects have added to the tumult. And the streets of China are now crowded with bicycles, mopeds and automobiles which have resulted in substantial traffic gridlock.

The last class was an extensive dialogue led by Peter Kruse on the future of China's 1.3 billion people based on things we can know and measure today. Demographic facts discussed included the aging population, reduced rate of savings, higher medical costs (no longer supplied for free by the state), the

lack of social security or other safety net and the impact of the “one child” policy on the prospects for family care of elders. Environmental facts included the present terrible levels of air and water pollution, the cost of repairing the problem now that it is in place and the fact this will face increased upward pressure as Chinese consumes more energy and other natural resources. Despite gains in per capita income in the past, the difficulty of per capital gains in the future based on technological innovation will be a challenge. Income equality, which was nearly non existent at the start of the CCP rule has now become extreme and is approach the level of Brazil, which leds both the rest of Latin America and the United states. This has been caused by differences in education levels and the disruptive and predatory actions of local CCP leaders who are defying the traditional CCP policy which eschews corruption and private gain. In fact corruption by the government at provincial and local levels is perceived as one the three major problems of China today. The position of the military in China was discussed and exposed a great difference in perception by those in the West and the Chinese people. All agree the first job of the military was to protect the party. Control of boarders as a statement of nationalist pride was a second major role. Because of the decline in resources available to the central government based on the shift from total state control to partial state control, the military became engaged in commercial activities as a means of funding itself. The role of ethnic minorities was briefly discussed leading to the extended discussion of the role of the CCP going forward.

It is clear that the control of the CCP of the economy has been greatly diminished. In fact, there were many stories of the “wild west” nature of economic activity in China. That being said, it is the stated aim of the CCP to continue to control the political debate. This sets up an inevitable conflict between the newly rich entrepreneurs and the government obsessed with keeping the lid on.

The class ended on a happy note over hors devours and drinks provide by Katy from the China Pavilion Restaurant. Word on the street is that every participant was pleased with the class and learned from the experiences of Katy and other VISTAS’ members.