

SECRET
No Foreign Dissem/Controlled Dissem
No Dissem Abroad
Background Use Only

CHINA IN 1974 - 1975: THE END OF AN ERA?



August 1975

25X1

MORI/CDF
C02619272 pages
1-4, 6-10, 12-13

SECRET
No Foreign Dissem/Controlled Dissem
No Dissem Abroad
Background Use Only

PR 75-205M

Warning Notice
Sensitive Intelligence Sources and Methods Involved

NATIONAL SECURITY INFORMATION
Unauthorized Disclosure Subject to Criminal Sanctions

Classified by 005139
Exempt from General Declassification Schedule
of E.O. 11652, exemption category:
§ 53(2), and (3)
Automatically declassified on:
date impossible to determine

No Foreign Dissem/Controlled Dissem
No Dissem Abroad
Background Use Only

CHINA IN 1974 - 1975: THE END OF AN ERA?



25X1

August 1975

Mao Tse-tung's decade-long effort to establish a successor leadership dedicated to achieving his revolutionary goals has apparently ended in failure. The implications of this finding, if true, appear momentous for China's future.

It implies that, after 40 years, the era of Mao Tse-tung -- an era marked by political turmoil and economic and social disruption -- is drawing to a close in China. It implies a long-term shift toward relative moderation and stability in China's political, economic and social development.

These are the principal conclusions of this short paper which summarizes a much longer research study "China in 1974 - 1975: The End of an Era?" (OPR-205) in which the evidence is set forth to support these judgements.

This effort to revolutionize the Party leadership began with the Cultural Revolution in 1965 and persisted through the anti-Confucian campaign of 1974. In October of last year Mao,

SECRET
No Foreign Dissem/Controlled Dissem
No Dissem Abroad
Background Use Only

PR 75-205M

confronted with the prospect of nation-wide disorder, reluctantly called for an end to the protracted period of mass struggle which he had initiated with the Cultural Revolution.

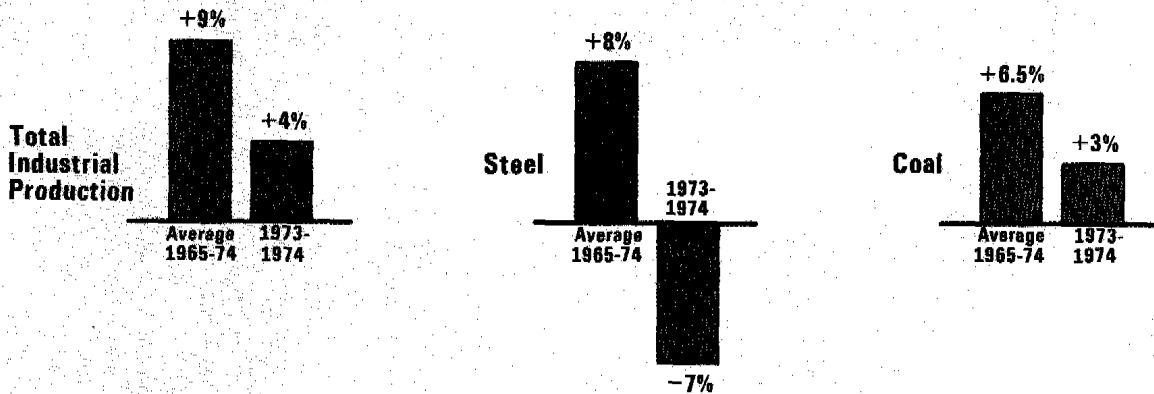
Although with implications for the national leadership, the anti-Confucian campaign was intended primarily to increase the power of Mao's revolutionary supporters at provincial and local levels of the Party. According to a report by a Party Vice-Chairman outlining the purposes of this campaign, opponents of Mao's leadership at these levels, principally the military, were attempting to "reverse the verdicts of the Cultural Revolution." Once again (as in the Cultural Revolution) it was considered necessary to mobilize the masses to "criticize and expose" bad elements in the Party apparatus who opposed Mao's revolutionary policies and programs.

The anti-Confucian campaign was intended to be a smaller, controlled version of the Cultural Revolution, but the reality of the campaign as it unfolded in the first half of 1974 was quite different. The result of the anti-Confucian campaign in a number of provinces was to revive the snarling, quarreling factions of the Cultural Revolution, intent either on retaining their positions of dominance or on seizing the dominant positions from their adversaries in the local power structure.

The extent of the disorder produced by the anti-Confucian campaign in 1974 is only now being recognized in the West. In the more disrupted provinces, factional struggle (including armed

SECRET

Impact of Anti-Confucian Campaign on Growth Rates in Industry



566798 8-75 CIA

CONFIDENTIAL

clashes) paralyzed the machinery of government, with provincial leadership delegations once again called to Peking (a prominent feature of the Cultural Revolution) for long periods of "study" and "assistance" in solving their problems. Widespread social disorder (crime, corruption, hooliganism, even prostitution) and economic disorder (continued strikes, the blockage of railway transport, shortages of consumer goods and a flourishing black market) reflected a general breakdown of law and order in the most seriously affected provinces. Perhaps most alarming of all was the year-end tally of economic costs of the anti-Confucian campaign: a significant decline in steel production; a 50 percent drop in the rate of increase in industrial output (compared with the average rate since 1965); and, for the first time in many years, a reported deficit in the national budget.

SECRET

The mood of China's top leadership was sober as it assembled in early January 1975 to prepare for the National People's Congress. The basic decisions concerning the new State Constitution, the government structure and the appointment and dismissal of personnel were made at an expanded Politburo session presided over by Chairman Mao and then ratified, with further discussion, at a Central Committee plenum held shortly thereafter. The speeches delivered at these meetings and at the National People's Congress by China's top leaders constituted a post-mortem not only for the anti-Confucian campaign but for the Cultural Revolution as well.

Although Mao might cling to the fiction (as he did in his January Politburo speech) that "the great upheavals" of the Cultural Revolution had "disorganized the enemy and tempered the masses," the thrust of these speeches by China's top leaders (including Mao) was just the opposite. Instead of "disorganizing the enemy," the net effect of the eight years of disorder of the Cultural Revolution had been to disorganize the Party and in this way disorganize Chinese society. Instead of "tempering the masses," the net effect of the continued disorder of the Cultural Revolution and the anti-Confucian campaign had been to stimulate mass discontent, expressed in insistent demands for higher wages and improved living conditions.

The central theme of these speeches in January 1975 by Mao, Chou En-lai, and their two principal administrators, Teng Hsiao-ping and Chang Chun-chiao, was the urgent need for "unity and

stability." To achieve unity, it was necessary first to exonerate many high-ranking Party and military leaders who had been "falsely" charged and brought down -- allegedly by Lin Piao -- during the Cultural Revolution; and second, to apply a policy of leniency towards Lin's military associates who had been the principal targets in the anti-Confucian campaign.

Stability was to be achieved by establishing a more orderly political system and less erratic policies, including the recognition and protection of such "bourgeois rights" as private plots and private ownership in the rural sector and "distribution according to work" in the economy as a whole. Although Mao made it clear that he wanted to prepare the way, by means of a nation-wide ideological study campaign, for the "restriction" of these "bourgeois rights" at some time in the future, he also conceded in his speech that it was necessary to protect these rights for the present.

The most important purpose of the current campaign -- "study the theory of the dictatorship of the proletariat" -- is to re-establish discipline and order throughout China. The best indication of Peking's resolve to restore order following the National People's Congress was the decision to use force to suppress unruly elements that continued to disturb public order. As the ultimate weapon for exercising all-round dictatorship, the People's Liberation Army is once again playing an important role in this concerted effort to restore order throughout China.

A more moderate policy line, also adopted in the interest of "unity and stability," was revealed in Chou En-lai's government work report to the National People's Congress. In education, Chou implied that the program of reforming higher education had failed to take into account China's future economic needs and that remedial steps would be taken soon. With respect to economic policy, Chou disclosed that after a decade devoted primarily to revolution, China was once again focusing its attention on long-term economic development. In his discussion of foreign policy, Chou indicated that national interest, rather than concern for revolution abroad, would continue to be the dominant consideration in China's foreign policy.

Some observers, noting this shift toward a more moderate policy line and the apparently meteoric rise of Teng Hsiao-ping (who had been the second most prominent casualty of the Cultural Revolution), have proclaimed the arrival of a new era in Chinese politics. With both Mao Tse-tung and Chou En-lai failing in health and out of public view for long periods of time, these observers interpret Teng's high visibility and strategic position at the center of the Party, government and military apparatus to mean that China has already entered an era characterized by new policies and a new style of leadership -- "the era of Teng Hsiao-ping." This interpretation, based on the premise that Teng has now surpassed Mao and Chou to become the most powerful leader in China, appears at the very least to be premature.

In evaluating the present relationship among Mao, Chou and Teng, it is certainly relevant to point out (what is not generally known) that Mao Tse-tung has been directly and personally responsible for the rehabilitation of Teng Hsiao-ping in a lengthy process extending over the past eight years.

How is one to explain this seeming paradox -- that Mao (who describes himself as a "center-Leftist") should have led the way in restoring Teng Hsiao-ping (a center-Rightist) to a top position of leadership in China today? In theory, this can be explained in terms of Mao's well-known belief in the efficacy of thought reform in dealing with erring comrades ("first carry out struggle and thoroughly wash away mistaken thoughts... second, help them correct their errors, enable them to find a way out.") A more convincing explanation is that Mao has demonstrated over the years that he values and relies upon leaders from both sides of the political spectrum -- those leaning toward the Left whose strong suit is their activism and revolutionary commitment and those leaning toward the Right who excel in ability and experience. Just as he has relied upon Chou En-lai in a close, cooperative relationship extending over 40 years, so does Mao need and rely upon Teng Hsiao-ping now that Chou has been forced through illness to give up his role as the chief executive in China's political system.

The almost unanimous view of Chinese officials concerning Teng's new role supports this judgment. As Teng himself has

~~SECRET~~

explained on several occasions, that role is one of carrying out "specific tasks" under the leadership of Chairman Mao and Premier Chou. Despite their infirmities, Mao and Chou appear still to be the central figures in a leadership (see attached figure) in transition from the old to the new.

As Mao Tse-tung (who is 81 and very frail) reflects on the developments of the past decade, his failure to cultivate and put in positions of authority reliable revolutionary successors must be his greatest disappointment. In December 1970 he had told Edgar Snow that "it was wrong to judge his success in renewing the leadership -- (by looking) -- at the national or provincial levels" where "many of the old cadres were back... (in)... both the Party and the administration." Rather it was the "new leadership thrown up by the Cultural Revolution at the county level" -- "men in their twenties, thirties, forties and even fifties who would be the next generation of provincial and national leaders" -- to whom he was now looking, Mao informed Snow, for the "reliable heirs" to his revolutionary ideals.

If Mao was resigned to the return of "old cadres" to a dominant position at the national level in Peking, he tried once again in the anti-Confucian campaign to redress the balance of power in favor of youthful Cultural Revolution activists at the provincial and local levels. But this effort through "mass struggle" to increase the power and influence of Mao's revolutionary "heirs"

SECRET

CHINA'S TOP LEADERS: A Capsule Description



The Aging Mao Tse-tung

His health and policies failing, he presides over the end of an era.



The Youthful Wang Hung-wen

Once Mao's favorite, his present status is not clear.



The Ailing Chou En-lai

He devotes his limited energy to matters of high policy.



The Left-leaning Chang Chun-chiao
He checks and balances Teng Hsiao-ping.



The Right-leaning Teng Hsiao-ping
He manages day-to-day affairs.

at the provincial and local levels also failed.

It might be argued, of course, that the youthful Leftist Wang Hung-wen and the older, Left-leaning Chang Chun-chiao (members of the Standing Committee of the Politburo) and the Leftist ideologues Chiang Ching and Yao Wen-yuan (full members of the Politburo) do constitute revolutionary successors whom Mao has put in place at the very top level of the Chinese leadership. But these Leftists are in the minority in these top Party organs; and Chang Chun-chiao, the most solidly based of the four, is inferior to Teng Hsiao-ping in all three hierarchies of Party, government and military leadership. Moreover, the political fortunes of Wang Hung-wen and Chiang Ching (better known as Madame Mao) appear to have declined as a consequence of the failure of the anti-Confucian campaign. If this is true while Mao still lives, the outlook is not encouraging for this more radical contingent in China's top leadership once the source of their power and influence, Mao Tse-tung, is gone.

It might further be argued that, so long as Mao lives, there is always the chance of another shift to the Left in policy to promote revolution at the expense of order and production. After all, this has been the pattern of Chinese politics since 1949 -- a pattern of alternating Left-Right swings in policy as Mao has proceeded on a zig-zag course toward his revolutionary goal of a selfless, egalitarian, authentic Communist society in China. This time, however, Mao is old and sick, and a considerable period

of time is needed to recover from the most recent effort (the anti-Confucian campaign) to promote his revolutionary programs in China.

What is more, it is clear that, even while Mao still lives, the process of transition to a new, more pragmatic leadership has already begun. These new leaders appear to be much more interested in transforming China into a modern, strong socialist state than in fulfilling Mao's revolutionary goals. If so, then China is indeed nearing the end of the era of Mao Tse-tung, and about to begin a new era of relative moderation and stability in national development.

S E C R E T

S E C R E T