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Central Intelligence Agency	
Washington, D. C. 20505	
DIRECTORATE OF INTELLIGENCE	
17 December 1985	
China: Student Unrest Challenges Reform	25 X 1
Summary	
Although Japanese trade practices and potential militarism provided the pretext for anti-Japanese student demonstrations this fall, many protesters probably were motivated more by frustrations over rising prices, soor student living conditions, and official corruption and favoritism. Some foreign observers suggested official connivance in the protests to pressure Japan in trade negotiations, but we believe the protests were argely spontaneous expressions of dissatisfaction with continuing problems in the reform program. Recognizing the volatility of the issues involved, Beijing undertook a two-month-long effort to co-opt the demonstrations by sending leaders to visit campuses and by spreading the word that unauthorized demonstrations would lead to arrests and other functions. Although these efforts succeeded in curbing protests originally planned to mark the anniversary of the 1935 "December Ninth" inti-Japanese student movement, the episode typifies the sociopolitical problems that are building under Deng Xiaoping's reform program.	25X1
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nemorandum was prepared by Office of East Asia. Information le as of 17 December 1985 was used in its preparation. Comments and queries decome and may be directed to the Chief, Domestic Policy Branch, China, OEA,	25X1 25X1
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Motives Behind Anti-Japanese Student Protests	
The anti-Japanese student protests which broke out in at least four Chinese cities this fall expressed discontent and frustration with a wide range of problems generated by Deng Xiaoping's economic reform program. Triggered in mid-September by the anniversary of the 1931 Japanese seizure of Shenyang, the protests expressed deeply felt resentment of Japan, fueled by charges that the Japanese have sold the Chinese shoddy goods and by Chinese media treatment of the 40th anniversary of the end of World War II, which featured accounts of Japanese atrocities.	i - I
As protests spread to Xian, Chengdu, and Wuhan in late September and early October, indications grew that domestic economic and political issues were also factors in the protests. Some well-informed Chinese officials privately speculated that such day-to-day concerns as restrictions on student life, poor food, inflation, and shortages in the vegetable markets were the main motives for many of the student protesters. Student subsidies evidently have not kept pace with prices, making students one of the groups hardest hit by inflationary side-effects of economic reform policies.	3 3 3 3 5 4 7 5 7 7 7 7
we believe expressions	
of student discontent over their living conditions may have occurred without attracting outside attention.	25X1
The protests also attacked other problems which have emerged under economic reforms. By attacking the "invasion" of Japanese imports, the demonstrations criticized the results of Deng Xiaoping's policy of "opening to the outside." Posters also criticized official nepotism and other signs of high-level corruption that have accompanied Deng's economic reform program. Some students also used the protests to attack continued restrictions on freedom of expression and the lack of "democracy" in universities and other national institutions.	□ 25X1 25X1
When the protests began in mid-September, student activists called for demonstrations to mark the anniversary of the 1935 "December Ninth" anti-Japanese student movement, in which thousands of students demonstrated and began a nationwide boycott against Japanese imports. Beijing was clearly concerned that wide-spread student demonstrations marking the "December Ninth" movement would raise festering economic and political issues, dealing a blow to the reform program	

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Beijing's Response to the Protests	
Beijing's response to the student protests began while they were still in the planning stage. At least two officials, including a vice mayor of Beijing and an official of the Ministry of Foreign Affairs, met with students a day or two before the first demonstration and urged them to confine the protests to campus and to keep them low-key. Both officials reportedly were jeered.	25X1
Although the reaction was relatively quick, Beijing opted for persuasive, rather than coercive methods to handle the demonstrations, remembering the volatility of past student movements. Chinese leaders began a coordinated campaign in late September to defuse unrest through highly publicized meetings between senior leaders and student representatives. Vice Premier Li Peng and Party Secretary Hu Qili met with Beijing student leaders on 28 September, after which campus posters reportedly came down. In early October, provincial leaders began holding talks with students at local universities throughout China, usually in informal settings, with students directing questions to the provincial party boss. PRC media carried reports of these meetings in nearly all provinces. While reports of the talks usually included references to conveying the results of the recent party meetings, they often emphasized the provincial leader's addressing questions on vegetable costs, student dining halls, and other daily concerns of students.	25X1
Beijing mounted a major effort to place all activities commemorating the "December Ninth" movement under official guidance and sponsorship. Official commemorative activities were scheduled for early December, and officials attempted to dissuade students from holding unauthorized demonstrations by calling for "unity and stability." Media coverage before the anniversary — including interviews with surviving veterans of the 1935 demonstrations and the publication of Mao Zedong's 1939 analysis of the movement — was tailored to stress the importance of party leadership.	25 X 1
Beijing also applied low-key pressure tactics to prevent unauthorized demonstrations. Although China has denied reports of arrests, a Chinese official told embassy personnel that over 20 ringleaders were detained following a half-hearted demonstration in Tiananmen Square on 20 November, suggesting Beijing was taking a harder line against students who continued to protest. Word was also spread among students that any unauthorized demonstrations to mark the "December Night" applications would result in arrests and loss of ampleyment apportunities after	25)

graduation.

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Beijing's combination of co-opting the student demonstrations and warning that unauthorized demonstrations would lead to sanctions succeeded in preventing the planned "December Ninth" protests. The 20 November Tiananmen Square demonstration has been the last reported sign of student unrest.

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Who Was Behind the Protests?	25X1
Beijing initiated, or at least condoned, the demonstrations in order to pressure the Japanese Government in on-going trade negotiations. Chinese authorities have repeatedly expressed concern over the growing trade deficit with Japan, and with Japan's reluctance to sell production technology to China. Some observers have cited	25X1
the half-hearted resistance authorities offered to the Beijing demonstrations as evidence of official support.	25 X 1
conservative Chinese leaders may have had a hand in the demonstrations, using them to indirectly criticize the reform policies of Deng Xiaoping. The timing of the protests, which broke out on the eve of the Party Delegates Conference called to advance the reform program, lends credence to this theory. Hong Kong's Zheng Ming magazine also claimed that children of	25 X 1
high-ranking cadre may have had a role in inciting the demonstrations, suggesting that they acted on parental orders.	25 X 1
We believe, however, that the protests have been largely spontaneous expressions of student discontent and that although they have served conservative political interests, it is unlikely that they were instigated or encouraged by individual leaders. Given the tradition of student volatility, and the damaging issues that protests could easily raise, we believe it is unlikely that any present Chinese leader would try to engineer such protests. As a journalist for a major PRC newspaper recently noted to US Embassy officers, the issues lying around are like "dry tinder," and student demonstrations could supply the match. Although the media attention given to Japanese wartime atrocities and reports of shoddy goods were factors in the demonstrations, we do not believe these reports were intended to incite student unrest. There is no direct evidence that senior party leaders had a hand in the demonstrations.	
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The Protests and the Reform Program	
The protests show that party control over student activities is limited and that the tradition of Chinese student independence and volatility continues. The demonstrations also indicate that many Chinese perceive a close connection between reform policies — such as the opening to the outside — and day-to-day economic conditions. As the reform program unfolds, we believe segments of Chinese society will increasingly feel the impact of such problems as inflation, inequities, and official corruption and favoritism that the reform process spawns, and frustration is likely to lead to additional expressions of discontent.	25X1
We believe the party's response can be regarded as typical of the way in which other emergent sociopolitical problems will be handled by the reformist leadership. Both national and local leaders went to considerable lengths to gather information on the source of discontent. They predominantly used persuasive methods to co-opt student leaders and channel student activism in "acceptable" directions, although	

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