

# Review - China's Rise: Strength and Fragility

Thursday 18 April 2013, by [LEDWITH Sean](#) (Date first published: 13 April 2013).

**A Marxist analysis of Chinese capitalism and its ruling class illuminates the contradictions in its foreign relations, and the class tensions within, finds Sean Ledwith.**

## Contents

- [Authentic socialism](#)
  - [Rupture at the top](#)
  - [Sabre-rattling](#)
  - [A 'Chinese Spring'?](#)
- 

*China's Rise: Strength and Fragility*, ed. Au Loong Yu, with contributions from Bai Ruixue, Bruno Jetin and Pierre Rousset (Merlin Press 2012), x, 316pp.

The accession earlier this year of Xi Jinping as China's new President has activated a renewed surge of Western interest in the trajectory of its pre-eminent economic and military rival. Most of the political analysis of China in the Western media, predictably, is superficial and incoherent. The majority of mainstream commentators are simultaneously mystified and awe-struck by the spectacle of an apparently 'communist' state starting to overtake the capitalist West at its own game of global economic hegemony. Their dismay at the ascent of China is tempered by a smug belief that this development represents a moral victory for capitalism as the 'People's Republic' has in effect abandoned its prior commitment to 'Marxism-Leninism'.

The analysis edited by Au Loong Yu in *China's Rise: Strength and Fragility*, represents a superior and more convincing approach as it is based on a starting point that the modern Chinese state has no socialist elements whatever and that, in fact, it represents a modified form of the capitalist economies that exist elsewhere. The book is also written from an explicitly Marxist perspective that with which readers of this website can identify. The writers have an avowed commitment to solidarity with the Chinese working class in its struggles with the country's ruling class. Au Loong Yu is a left-wing activist from Hong Kong who manages to be both scathing about the hollow pretensions of Beijing's elite to be part of a Marxist tradition, and dedicated to reviving that tradition in an authentic form.

## Authentic socialism

The book is founded on a conviction that authentic socialism remains the best strategy for China's labour movement, despite the fact that the term has been mangled by the practices of the Chinese Communist Party (CCP) since it took power in 1949: 'From a socialist point of view, it is time to reassert the idea of socialism as a fully developed democracy which does away with the bureaucracy

by creating the conditions for the state to wither away altogether' (p.50). The book's subtitle also indicates the authors' conviction that the apparent omnipotence of the Chinese ruling class may turn out to be transitory.

The accession of Xi to the senior position within that ruling class is placed in the context of a quasi-faction fight in the upper echelons of the CCP. Au Loong Yu labels the two competing groups after the respective cities they are centred on; the 'Chongqing' model versus the 'Guangdong' (p.58). The former is associated with the disgraced party boss, Bo Xilai, who was forced into internal exile last year after becoming embroiled in a murky scandal involving the murder of a British businessman. This faction is linked to the massive East Coast export-based cities that favour rapid integration into the global capitalist economy and increased penetration of China by foreign capital. The Guangdong clique, personified by Xi, promotes more cautious economic development based on boosting domestic consumption and the cultivation of a sizeable middle class. Au Loong Yu also characterises this as a dispute between 'liberals' and 'nationalists' in the ruling class (p.47).

He emphasises however that it is important not to exaggerate the differences between these factions and that it would totally misguided to see one as more progressive than the other. The Western media are especially culpable of this wishful thinking as they apparently perceive Xi as more biddable on flimsy factors such as his marriage to a telegenic singer or the fact he smiles more than his predecessors! Au Loong Yu reminds us that the competing factions occupy common ground on the need to intensify exploitation of the working class and to maintain a course towards a secure capitalist state:

'Nevertheless there has been no serious disagreement over the principle of restoring capitalism or over the strategy of an economic alliance with the west. This is because the economy has been growing for the last twenty years and therefore faction fights within the party have been kept under control and have not developed into serious political divisions' (p.47).

### **Rupture at the top**

Au Loong Yu argues that the most significant aspect of this strategic debate within the ranks of the elite is the possibility it creates for a future rupture at the top of Chinese capitalism that could open up the possibility of mass action from below. This is the main reason it is useful for socialists to monitor the apparently opaque jostling for position in the Beijing hierarchy. Such a rupture was the spark for the last great wave of proletarian resistance in China: 'You should not exclude the possibility that in an economic and political crisis, the party-state may find itself split or that events spin out of control, triggering a revolutionary situation as almost happened in 1989' (p.49).

The liberal and nationalist factions have developed as competing strategies for how to take Chinese capitalism through the next phase of economic development. Xi represents the fifth generation of CCP leaders since the 1949 revolution. The previous two generations were responsible for 'China's Rise' to its current position of second place in the global pecking order. These two successive cohorts of leaders had exploited the crushing of the 1989 uprising to oversee a massive expansion of China's export-driven East Coast mega-cities. This process also incorporated the implementation of a policy utilised by other elites around the world at this time: 'Since the mid 1990s the CCP has promoted two waves of privatisation. The first was aimed at privatising small and medium sized SOEs, while the reforming larger ones into joint stock companies. The second wave was the privatisation of urban and suburban land' (p.17).

SOEs are the state-owned enterprises that were the backbone of the first phase of post-1949 development presided over by Mao Zedong. Although the national context is different, this policy

was in essence no different from the waves of privatisation that neoliberal politicians were deploying in other parts of the global economy. The authors quote Marxist economist David Harvey's comment that 'the outcome in China has been the construction of a particular kind of market economy that increasingly incorporates neoliberal elements interdigitated with authoritarian centralised control' (pp.21-2). Au Loong Yu argues that this seemingly secure construction has caused China to promote itself an alternative model of growth to the neoliberal West; the 'Beijing Consensus' as counter posed to the Washington version.

This economic model is the foundation for China's increasingly high-profile collaboration in South American and African infrastructure programmes. Au Loong Yu cites evidence that 'Chinese aid to Africa alone might amount to US\$2 billion' (p.74). Unlike some Western commentators, however, Au Loong Yu is not starry-eyed about this trend. He highlights that Chinese participation in industrial development often has adverse consequences for the workers involved: 'The Chinese government is well known for its hostility towards the labour rights; free association and the right to strike. There is growing concern that China's overseas investments are exporting China's anti-labour regime' (p.83). Au Loong Yu also notes that there has been a significant shift in China's overseas reputation. In the 1960s, it cultivated an image as an exporter of revolution through its military assistance to guerrilla movements in the southern hemisphere. In the twenty-first century however: 'The global strategy represents a regression of the Chinese foreign aid policy from relatively progressive third-worldism to one which prioritises Chinese companies' commercial interests' (p.86).

### **Sabre-rattling**

This retreat by the ruling class from the leftist rhetoric of earlier decades has been supplemented by the rise of nationalist sentiments as a substitute for mobilising Chinese public opinion. Au Loong Yu suggests the 1999 US bombing of the Chinese embassy in Belgrade (as part of the Kosovan intervention) was the event that legitimated a 'nationalist turn' in the rhetoric of the elite (p.111). He points out how Chinese cinema and television has become increasingly comfortable producing 'programmes glorifying past great emperors, advocating Chinese chauvinism and anti-western thinking and even outright social Darwinism and fascism' (p.112). This echoes how Stalin in the 1940s would cynically use cinematic depictions of tsarist figures from Russian history such as Ivan the Terrible and Alexander Nevsky as stand-ins for revolutionary propaganda. Similarly, the Beijing elite has, over recent months, explicitly encouraged anti-Japanese demonstrations to occur on the streets, demanding seizure of the disputed Senkaku islands in the South China Sea. Au Loong Yu also quotes influential Chinese commentators who call on 'the government to attack Taiwan and incorporate it as soon as possible ... If we win this war the years of insult inflicted on us by the US will be left behind' (p.121).

Sabre-rattling such as this from some quarters of the Chinese elite however leaves other elements feeling uneasy. This is because another prong of 'China's Rise' has been recent rapprochement with its erstwhile foes of Taiwan, Hong Kong and Macau. A symbiotic variant of capitalism (Chiwan'as, Au Loong Yu calls it) has evolved in the region, in which China has utilised the financial and trading traditions of these three islands, and they have reciprocally exploited the low-wage, labour-intensive resources of their giant neighbour. The post-Mao leadership has consciously utilised these locations as platforms for greater integration into global capitalism. Au Loong Yu quotes a top Chinese diplomat: 'We instructed the Hong Kong branch of the Bank of China and all of China's firms to work to stabilise the Chinese capitalist, to cooperate with them to do business with them' (p.66). Another unresolved tension at the top of CCP therefore is whether to pursue closer integration with other Far Eastern capitalist states, as recommended by the liberal faction, or to bully them into submission to Chinese hegemony, as promoted by the nationalists. Whichever faction emerges triumphant from

this debate could determine whether economic rivalry with the US overflows into military confrontation at some point in the twenty-first century.

### **A 'Chinese Spring'?**

The authors are clear however that the most formidable obstacle in the path of the Beijing Consensus is not the US but the sleeping giant of the Chinese working class. There is no doubt this perception also exists among the elite, as witnessed by their rapid shutdown of news about the Arab Spring in 2011. There was no 'Chinese Spring' that year but there have been sporadic indications that resistance from below is slowly gathering momentum. The most notable recent incident was the Wukan protests at a fishing village in Guangdong province. Perhaps marginally inspired by events in the Middle East that year, villagers at the end of 2011 drove out CCP officials who had been collaborating with illegal land seizures, as part of the ongoing privatisation programme. Three times the Wukan protesters fought off attempts by riot police to regain control of the village. The risk they were taking in confronting the iron fist of the Chinese state cannot be overstated and was demonstrated by the awful fate of the initial protest leader, Xue Jinbao. He was snatched by the security forces under the guise of negotiations. When his corpse was returned to his family a few days later, his features were unrecognisable due to the torture he had undergone (p.232).

Au Loong Yu writes: 'The events at Wukan can be seen as a victory brought about by determined grassroots resistance on such a scale that it led to a situation in which in order for the authorities to regain control of the village they had no option but to grant major concessions' (p.234). The spotlight it throws on the heroic resistance of today's Chinese workers and peasants is the most uplifting aspect of the book. There are also insightful chapters on aspects of Chinese politics rarely covered in the West, such as the role of the state sponsored trade unions, and the hukou system that condemns the migrant labour population to second class status.

The only serious weakness it contains is an apparent belief that the first decades in power of the CCP after 1948 represented some form of socialism that was progressive. Although Au Loong Yu characterises modern China as 'bureaucratic capitalist' (p.14), he also argues that 'China has undergone both a socialist revolution and its eventual degeneration' (p.16). The fundamental problem with this is the implication that the shocking slaughter of the Mao Zedong era could be regarded as compatible with some version of socialism. Another book published last year, *Tombstone* [1], documents the staggering death toll inflicted by Mao's calamitous agricultural policy in the 1950s, which may have reached up to 45 million people. To hold that this scale of suffering is compatible with the socialist vision does massive damage to the reputation of the left. Aside from this flaw, Au Loong Yu's book is the best one currently available on modern China and the first one that socialists should turn to for insight when workers in that country inevitably resume their resistance in the future.

**Sean Ledwith**

---

**P.S.**

\* SATURDAY, 13 APRIL 2013 08:30:

<http://www.counterfire.org/index.php/articles/book-reviews/16394-chinas-rise-strength-and-fragility>

---

## Footnotes

[1] <http://www.guardian.co.uk/world/2013/jan/01/china-great-famine-book-tombstone>