

**An Analysis of the Dialectics Between CCP Political Ideology and  
Economic Reform 1976 – 1989**

*An Extended Essay in History*

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## Tiivistelmä

Mao Zedongin kuoleman jälkeiset vuodet olivat kokeilun aikaa, jolloin Kiinan kommunistisen puolueen johtama keskusjohtoinen talous ja keskittynyt valta yhdellä palvotulla hallitsijalla rupesivat muuttumaan. Tämä essee tutkii reformien ideologisia perusteita tarkastelemalla muutosten toteuttamisen ulottuvuutta sekä politiikassa että taloudessa ja miten ne vaikuttivat toiseensa. Vertaamalla virallisia julistuksia ja todellisia tapahtumia, tämä tutkimus koettaa saada selville, jos Dengillä oli ikinä yleiskaavaa reformille.

Maon kuoleman jälkeen Deng Xiaoping, Kiinan kommunistisen puolueen ensiarvoinen johtaja, johti puolueensa lukuisten muutosten läpi syrjäyttäkseen neo-Maolaiset ja valmistellakseen tien reformille. Sekä puoluejohtajat että intellektuellit korostivat markkinavälineiden tärkeyttä taloudessa ja poliittista reformia puolueelle. Vaikka taloudellista reformia toteutettiin aktiivisesti 1980-luvun aikana, poliittisia muutoksia ei paljon saavutettu. Tämä johtui pääosin kansan halusta saada lisää demokraattisia reformeja, jotka eivät sopineet keskitetylle johtajuudelle. Nopean taloudellisen desentralisoinnin ja puolueen minimaalisten muutosten välinen ero aiheutti ongelmia läpi 1980-luvun ja huipentui lopulta Taivaallisen aukion mielenosoitukseen vuonna 1989.

Monien mielestä Maon jälkeisen johdon lupaukset rikottiin. Mutta lähemmin tarkasteltuna Dengin niin sanotut pragmaattiset taktiikat politiikassa ja taloudessa eivät koskaan vaeltaneet kauas kommunistisen puolueen ideologiasta. Suunnitelma Kiinalle oli tosiaankin olemassa. Vaikka monet luulivat suunnitelmien päättyvän lopuksi yleiseen demokratiaan, he ymmärsivät ja arvioivat Kiinan kommunistisen puoleen väärin. Kuten myöhemmät tapahtumat ovat osoittaneet, jokaisen reformin edeltäjä oli puolueen johto. Oli mielipide tästä asiasta mikä tahansa, Kiinan talous jatkaa kuitenkin kasvuaan ja vaikutustaan maailmassa. Tämän takia Maon jälkeisen Kiinan johdon ymmärtäminen on erittäin olennaista kansainvälisessä politiikassa ja taloudessa.

## Abstract

The years following Mao Zedong's death were a time of experimentation, when the centrally planned economy and the concentrated power of one deified ruler in the Chinese Communist Party began to change. This essay studies the ideological justifications of the reforms by researching the extent to which change was realized in both politics and economics, and how they affected each other. By comparing what was officially declared and what actually happened, this study will try to determine if Deng ever had a master plan for reform.

Deng Xiaoping, the paramount CCP leader after Mao, led the party through a series of changes to oust neo-Maoists and pave the way for reform. Both leaders and intellectuals stressed the importance of market tools for the economy as well as political reform for the party. Over the course of the 1980s, while economic reform was pushed at an incredible speed, political reform did not fare as well, mainly because popular reaction demanding democratic reforms crossed the central leadership. The discrepancy between rapid economic decentralization and the minimal change in CCP leadership caused problems throughout the 1980s, and ultimately culminated in the Tiananmen Massacre of 1989.

For many, the post-Mao leadership's promises were broken, but upon closer inspection, Deng's so-called pragmatic policies to politics and economics never wandered too far from CCP ideology. There was indeed a plan for China. Although many thought the plan would eventually give way to popular democracy, they misunderstood and miscalculated the CCP. As the course of events demonstrates, the precursor for every reform was the CCP leadership. Whatever the judgment of this may be, as the Chinese economy continues to grow and impact the world, an in-depth understanding of the leadership that has brought about such a nation since Mao is extremely relevant for global politics and economics.

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## 1. Introduction

After Mao's death in 1976, the Chinese Communist Party needed a clear change. In the aftermath of the Cultural Revolution, how should the leaders of China reform the nation and provide the people with the well-needed rise of living standards, without relinquishing past principles that had been so deeply ingrained into a generation, and also without disintegrating?

In a concluding speech to the Third Plenum of the Eleventh Central Congress in 1978, Deng stated: "In economic policy, I think we should allow some regions and enterprises and some workers and peasants to earn more and enjoy more benefits sooner than others, in accordance with their hard work and greater contributions to society."<sup>1</sup> In a speech to the CCP Political Bureau, Deng spoke of "democratization of the political life of the Party and state" in the process of continuing "the reform vigorously and systematically, step by step from the central level on down."<sup>2</sup> The decline of communism in the USSR and the low living standards in China attested to the low efficiency of Maoist-Leninist methods compared to capitalist nations. In the years to come, China would go through unprecedented economic growth that pushed the economy away from a Soviet styled centrally planned economy to one of market mechanisms and rapid internationalization. Deng's bid for political reform, however, never got as far, as the events leading up to the Tiananmen Massacre<sup>3</sup> demonstrated.

In retrospect, it seems clear that as Deng promised both to "develop a market economy under socialism"<sup>4</sup> as well as "emancipate the mind"<sup>5</sup> from Maoist dogmas, an ideological dilemma was unavoidable, both politically and economically. Although according to Deng, all the reforms were supposedly enacted according to Marxist-Leninist principle and Mao Zedong Thought, his policies were obviously much less idealist than those of Mao. Thus, many construed Deng's era to be a time of complete change in China. The Democracy Wall Movement in 1979 demonstrated an urge for political modernization in addition to economic reforms.

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<sup>1</sup> Deng, *Emancipate the Mind, Seek Truth from Facts and Unite as One in Looking to the Future*. December 13, 1978. Available from World Wide Web [19/06/2009] <URL:<http://english.peopledaily.com.cn/dengxp/vol2/text/b1260.html>>

<sup>2</sup> Deng Xiaoping, *On the Reform of the System of the Party and State Leadership*. August 18, 1980. Available from World Wide Web [19/06/2009] <URL:<http://english.peopledaily.com.cn/dengxp/vol2/text/b1460.html>>

<sup>3</sup> Originally targeting corruption and limited reform and encouraged by Gorbachev's May visit to Beijing, students from around China demonstrated in and around Tiananmen Square from April 17 to June 4 1989, when the government brutally suppressed the demonstrators. Up to 3000 people were killed. Norman Lowe, *Mastering Modern World History*. (Palgrave Macmillan: 2005) pp. 424 – 426.

<sup>4</sup> Deng, *We Can Develop a Market Economy Under Socialism*. November 26, 1979. Available from World Wide Web [19/06/2009] <URL:<http://english.peopledaily.com.cn/dengxp/vol2/text/b1370.html>>

<sup>5</sup> Deng, *Emancipate the Mind, Seek Truth from Facts and Unite as One in Looking to the Future*. December 13, 1978.

For the next decade, political and economic reform pushed and pulled each other dialectically, until in 1989, the Tiananmen incident firmly monopolized the CCP's political power.

Deng once said there is a “dialectical relationship” between democracy and centralism. Indeed, a study of the post-Mao era up to 1989 reveals a complicated relationship between political ideology and economic reform. What exactly was the plan, if there ever was one? What did Deng mean by his promises, and were they kept? This essay will explore the methods and aims of the Dengist leadership and the justifications given to acquire ideological legitimacy.

## 2. Deng's ascent to power

### a. Purging Hua and the legacy of Mao

Following Mao Zedong's death on 9 September 1976, Chinese politics stood at a crossroads. Mao's chosen successor was Hua Guofeng.<sup>6</sup> Having acquired power almost completely because of his maneuvers during the Cultural Revolution, he lacked the credentials that more experienced Central Committee leaders, such as Deng, had to their names. It became evident the mainstream of the political elite were deviating from a Maoist rule. As victims of the Cultural Revolution were rehabilitated, Hua's position became more vulnerable, because he based his legitimacy solely on Mao's legacy.

Hua proposed an ideological basis of “Two Whatever”<sup>7</sup>. Macfarquhar argues that it was important that Hua maintain everything that Mao had proposed “to ensure that only he had control over Mao's legacy”<sup>8</sup>. However, this sort of Mao impersonation was not welcome. Most CCP members considered Deng the rightful successor to Mao because of his rich experiences in the party.<sup>9</sup> Deng clearly did not agree with the

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<sup>6</sup> Hua, a somewhat junior member of the Central Committee, had become First Vice-Chairman of the CCP following and due to Deng Xiaoping's dismissal from office in 1975. After the arrest of the Gang of Four, he was elected chairman. His long-term legitimacy as successor of both Chairman Mao and Premier Zhou Enlai was, however, somewhat shaky. Hua was supported mainly by those who had reached their positions because of the Cultural Revolution. David S.G. Goodman, *Deng Xiaoping and the Chinese Revolution: A Political Biography*. (London: Routledge, 1994) p. 87.

<sup>7</sup>Renmin Ribao, or the People's Daily, published the following statement: “We will resolutely uphold whatever policy decisions Chairman Mao made, and unswervingly follow whatever instructions Chairman Mao gave.” *Study the Documents Well and Grasp the Key Link, February 7, 1977*. Roderick Macfarquhar, “The Succession to Mao and the End of Maoism, 1969 – 82”, *The Politics of China: The Eras of Mao and Deng*, (Cambridge: Cambridge University Press, 1997) p. 312.

<sup>8</sup> Ibid.

<sup>9</sup> Goodman, p.86.

way Hua continued to praise the Cultural Revolution as an excellent socialist achievement, considering he was also victimized in the process.<sup>10</sup>

Upon Deng's rehabilitation in 1977, the central leadership still favored Hua's Whateverist faction. By the Third Plenum of the Eleventh Central Congress in 1978, however, Deng had turned the tables and ousted Hua through a "mobilization of elite opinion through the press".<sup>11</sup> With publications and speeches proclaiming the need to "seek truth from facts"<sup>12</sup> and supported by influential party elders such as Chen Yun and Ye Jianying, Deng and his faction rehabilitated those wrongly victimized during the Cultural Revolution, such as Peng Zhen, Peng Dehuai and the late Liu Shaoqi. Soon, Hua's faction was outnumbered by those angered by the injustice of their treatment in the past decade. During the Third Plenum, Hua was heavily blamed for his choices during and after the Cultural Revolution and was quietly stripped of his power. The Politburo and Central Committee were filled by Deng's supporters, while Deng himself did not take any top positions such as chairman, general secretary or premier.<sup>13</sup> By September 1982, Hua retained only his CCP membership.<sup>14</sup>

## **b. Rectifying post-Mao ideology**

By ousting the conformist Hua, Deng displayed his intentions with his next policies – reform. Considering the impact Mao had made on China, he could not accomplish change without ideological justifications. The first thing the central leadership set out to do was issue an official statement proclaiming the correct interpretation of history; an objective evaluation of Mao's achievements and mistakes. This would legitimize the CCP's right to rule after Mao, yet not be a complete emulation of his policies. Essentially rewriting history in favor of reform, the CCP were still careful not to criticize too much. This can be seen as a precaution for the need for ideological jargon in the future, although it is doubtless that past mistakes were seen in a more realistic light than during the time of Red Guard propaganda.

In order to implement reform with the acceptance of the Mao-loyal population, the personality cult had to be broken. So-called historical studies were conducted to prove that Mao was in fact just a human being and capable of making mistakes. An official reassessing of history was adopted at the Sixth Plenary Session of the

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<sup>10</sup> In a series of correspondence with Hua in 1977, Deng urged him not to "vulgarize Mao Zedong Thought", but to regard it as a more flexible ideological system. *Wang Dongxing tongzhi chuan Hua Guofeng tongzhi de xin 10 April 1977 (A letter for Comrade Wang Dongxin to pass on to Comrade Hua Guofeng)*. Goodman, p. 87.

<sup>11</sup> Macfarquhar, p.317

<sup>12</sup> Deng, *Emancipate the Mind, Seek Truth from Facts and Unite as One in Looking to the Future. December 13, 1978.*

<sup>13</sup> In fact, the position of Chairman was removed completely during the Third Plenum so that none may succeed Mao in his personality cult. It was replaced with the position of General Secretary of the Central Committee.

<sup>14</sup> Macfarquhar, p.327

Eleventh Central Committee of the CCP.<sup>15</sup> Many party officials such as Zhao Ziyang and Huang Kecheng<sup>16</sup> also made public statements about the “correct” judgment of Mao.<sup>17</sup> Other party elders who took part in the Long March and the founding of the republic did not wish for a posthumous overthrow of the Maoist regime. As Deng once said in an interview with the Italian journalist Oriana Fallaci, “We will not do to Chairman Mao what Khrushchev did to Stalin.”<sup>18</sup> He wanted a continuation of CCP rule, just with the recognition of Mao’s fallibility.

Oksenberg and Bush say there was no “clear-cut ideological alternative to Mao’s thought”<sup>19</sup>. Therefore, the leadership could not completely denounce Mao, but had to use Maoism as a basis for a new ideological consensus. For example, the famous 30/70 judgment<sup>20</sup> favored the CCP’s next moves without denouncing Mao completely. By declaring him *mostly* correct, Deng justified his continuation to “Hold high the banner of Mao Zedong Thought” but also “seek truth from facts”.<sup>21</sup> With the 30% “bad” judgment, though, it was possible for the CCP leadership to deem “class struggle” as finished with the Cultural Revolution, leaving the next task in economic growth.

Alongside discussion of economic reform, many intellectuals brought up political reform. Echoed in the CCP, Deng called for a renewed leadership of more transparency and younger officials. The reform was limited to inner-party changes such as bureaucracy control and an evolution from a one-person rule to collective leadership. The issue of CCP relinquishing control for other political parties was never given much room for negotiation. With the rise of the Democracy Wall Movement in the late 70s and early 80s, Deng countered any doubt on CCP leadership by the introduction of the Four Cardinal Principles<sup>22</sup> during the party conference on theory in March 1979. Of the Principles, the leadership of the CCP was the most important and lasting.<sup>23</sup> Although there were almost no mentions of revolutions or the dictatorship of the proletariat

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<sup>15</sup> Published in 1981, this document criticized Mao for his mistakes in the Anti-Rightist Movement of 1957, The Great Leap Forward and the Cultural Revolution.

<sup>16</sup> CCP elder, head of Central Discipline Inspection Committee, purged in 1959 for criticism of the GLF and readmitted after Mao’s death. *Mao’s Mistakes*, Time Magazine, April 27, 1981. Available from World Wide Web [14/07/2009] <URL:<http://www.time.com/time/magazine/article/0,9171,924716-1,00.html>>

<sup>17</sup> Huang stated that in his later years, Mao lost “contact with the day-to-day life of the masses, and his democratic style suffered”. He also maintained, however, that the blame did not lie solely on Mao, because that would “not conform to historical facts.” Ibid.

<sup>18</sup> Deng, “Answers to the Italian Journalist Oriana Fallaci.” in *The China Reader: The Reform Era*, ed. Orville Schell & David Shambaugh. (New York: Random House, 1999) p. 32.

<sup>19</sup> Michael Oksenberg & Richard Bush, “China’s Political Evolution, 1972 – 1982.” in *The China Reader*, ed. Orville Schell & David Shambaugh. (New York: Random House, 1999) p. 17.

<sup>20</sup> Mao’s deeds were deemed 30% bad and 70% good. Deng, “Answers to the Italian Journalist Oriana Fallaci.” p. 29.

<sup>21</sup> Deng, *Hold High the Banner of Mao Zedong Thought and Adhere to the Principle of Seeking Truth from Facts*, September 16, 1968. Available from World Wide Web [7/08/2009] <URL:<http://english.peopledaily.com.cn/dengxp/vol2/text/b1220.html>>

<sup>22</sup> The Four Cardinal Principles: “Keep to the socialist road, uphold the dictatorship of the proletariat, uphold the leadership of the Communist Party, uphold Marxism-Leninism and Mao Zedong Thought.” Goodman, p. 95.

<sup>23</sup> Maurice Meisner, *Mao’s China and After: A History of the People’s Republic*. (New York: The Free Press, 1999) p. 437.

anymore, the CCP still saw anyone who challenged the leadership as also challenging the Principles and the development of China.

### 3. Challenges to reform

#### a. Factionalism in economic ideology

After the 3<sup>rd</sup> Plenum of the 11<sup>th</sup> Central Committee in 1979, the direction of development was decidedly the modernization and expansion of the Chinese economy. According to Premier Zhao Ziyang, the CCP was divided into two factions regarding the means to accomplish economic advancement: Chen Yun versus Deng Xiaoping<sup>24</sup>. Chen Yun, one of the original creators of the Five Year Plans of the 1950s, continued to push the model of the planned economy. His “birdcage model”<sup>25</sup> allowed controlled growth within the planned economy, where market forces would play a secondary role. Deng, backed by the younger architects of the economic reforms, Hu Yaobang and Zhao Ziyang, advocated rapid opening up the economy towards the outside world, euphemizing the actual market economy with the term “commodity economy”<sup>26</sup>.

Deng and Hu were both ardent about the speed of development, while Chen argued against it, warning about overheating. Zhao, though primarily on Deng’s side, managed to balance both sides’ ideas to gradually open up China’s economy. In retrospect, it could be argued that it was this gradualism that prevented China’s economy from collapsing like the USSR.<sup>27</sup> Others, however, think that Chen’s reluctance to open up the Chinese economy hindered development. For example, after some inflation in 1980-81, Chen advocated and successfully brought about a financial balance by sacrificing rapid growth. It was reluctantly agreed to by Deng and others, and as a result many projects of industry were shelved for later or scrapped completely.<sup>28</sup> Zhao says that although the readjustments may have curbed serious over-inflation, they were too severe, and the same problem could have been solved by taking foreign loans. Chen, however, was quite sensitive to capitalism and wanted to proceed as carefully as possible.

Chen also disagreed with Deng completely on the issue of foreign investments. Deng believed that a developing economy could succeed better with the aid of large scale foreign investments, while Chen maintained that “foreign capitalists” were only looking for surplus profits instead of normal profits, so that it

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<sup>24</sup> Zhao Ziyang, *Prisoner of the State*. Ed. Bao Pu et al. (London: Simon & Schuster, 2009) p. 91.

<sup>25</sup> Ibid.

<sup>26</sup> Originally coined by Zhao, Ibid.

<sup>27</sup> Barry Naughton. *The Chinese Economy: Transitions and Growth*. (USA: MIT Press, 2007) p. 91.

<sup>28</sup> Zhao, p. 99.

wasn't possible to benefit from them.<sup>29</sup> Chen strongly contended the SEZs<sup>30</sup>, while Deng personally endorsed them.<sup>31</sup>

According to Zhao, the original goal he had set for the Chinese economy was simply to increase efficiency. He did not have a preconceived model or systematic idea how to accomplish this.<sup>32</sup> All the evidence for disagreement among the CCP rulers all demonstrate that in terms of economic ideology, the most suitable methods would be discovered after much experimentation. It was the older and more conservative faction that preferred a blueprint of the economy, in the fashion of the Five Year Plans. Yet there was no plan for total market transition either, because the CCP needed to tread carefully to avoid a wholesale capitalist conversion. Deng was not bothered by the lack of a clear blueprint to follow.<sup>33</sup> The change was, with few exceptions of times of high inflation, always towards capitalism. A flood of Western products and information arrived in mainland China, heavily influencing the mindsets of young people and intellectuals.

## b. Popular reaction

Deng's rise to power in 1977 was heralded and supported by a myriad of young students, workers, and political activists. Many of them used to be Red Guards during the Cultural Revolution. Indeed, it had been part of CCP tradition to stir up mass support for socioeconomic reforms. In the keynote address for the Third Plenary Session, Deng said "We must create the conditions for the practice of democracy" by encouraging the masses to "offer criticisms".<sup>34</sup> He even repeated Mao's principle of "letting a hundred flowers bloom, a hundred schools of thought contend."<sup>35</sup> Encouraged by these remarks, students put up bold wall posters on the streets of Beijing, denouncing old leftist ways and Maoist ideals. The Democracy Wall Movement, as it came to be called, spread fast to other big cities in China. It was the first spark of student activism that would continue throughout the 80s.

At first the Deng establishment welcomed the enthusiasm. Very soon, though, the students' demands for "human rights, social legality and a democratic political system"<sup>36</sup> went too far for Deng's preconception for

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<sup>29</sup> Zhao, p. 102.

<sup>30</sup> Special Economic Zones, set up in regions along the southern coastline of China such as Shenzhen and Xiamen in 1979 that permit foreign business free operation and encourage foreign direct investments. Naughton, p. 406.

<sup>31</sup> In January 1982, the "Strike Hard Campaign Against Economic Crimes" began, and Chen demanded a return to the ideology of "planned economy as primary, market adjustments as auxiliary" in the SEZs. Zhao and Hu both repeatedly appealed to him, and through the manipulation of semantics on official statements, Zhao managed to limit the auxiliary role of the market to some commodities only. Zhao, p. 122.

<sup>32</sup> Zhao, p. 113.

<sup>33</sup> Orville Schell & David Shambaugh, "Conclusion: The Legacy of Reform" in *The China Reader: The Reform Era*, ed. Orville Schell & David Shambaugh. (New York: Random House, 1999) p. 533.

<sup>34</sup> Deng, *Emancipate the mind, seek truth from facts and unite as one in looking to the future*. December 13, 1978.

<sup>35</sup> Ibid.

<sup>36</sup> Meisner, p. 434.

public support. Limits were set about how far the political activities could go. The Four Cardinal Principles were used to replace any popular ideological slogans on the walls. The activists were accused of reviving “pernicious political methods of the Cultural Revolution”<sup>37</sup>. In the spring of 1979, the government banned unofficial publications and organizations.<sup>38</sup>

Deng’s speeches in the late 70s, advocating “seeking truth from facts and integrating the universal truth of Marxism-Leninism with the concrete practice of the Chinese revolution”<sup>39</sup> were considered by many to be ambiguous. He either meant to keep his meaning vague so as not to step on any toes, or then believed that economic and cultural reform would not spark intents to change to the political system.

In light of the suppression of dissidents from 1979 to 1989, many argue that any promise for democracy was basically a lie. Deng only supported the democracy movement when he was not yet fully in power. Yet from a CCP ideological ground, it could also be argued that Deng never planned the sort of democracy that many have understood. In retrospect, it seems clear that Deng never believed in popular democracy. His concept of political reform entailed changes to Mao’s leadership. CCP power, however, was never even supposed to be questioned, something he meant to show by the Four Cardinal Principles, a cornerstone of CCP ideology for the next three decades. To Deng, democracy and centralism were not mutually exclusive, but rather had a “dialectical relationship”<sup>40</sup> that was merely impaired during Mao’s later years. As for Western style democracies, Deng felt that they could not be directly copied, as “that would only make a mess of everything.”<sup>41</sup> He absolutely did not agree with the division of power between different branches of government, which according to him only hindered decision making, whereas a central leadership’s decision can be “promptly implemented without interference from any other quarters.”<sup>42</sup> Where democratic movements were considered a threat to CCP power, they would also threaten the development of China: one would not be without the other.

### c. New direction and ideological justification

Despite the disagreements regarding political reform, the general direction of economic reform in China was set by the mid-1980s. Foreign investment, especially, proceeded with a snowballing effect. The setting up of

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<sup>37</sup> Meisner, p. 436.

<sup>38</sup> The CCP also arrested well-known activist Wei Jingsheng, an open critic of both Deng and Mao<sup>38</sup>, as well as other activists. Ibid.

<sup>39</sup> Deng, *Hold High the Banner of Mao Zedong Thought and Adhere to the Principle of Seeking Truth from Facts, September 16, 1968*. Available from World Wide Web [7/08/2009]  
<URL:<http://english.peopledaily.com.cn/dengxp/vol2/text/b1220.html>>

<sup>40</sup> “Communiqué of the Third Plenary Session of the Eleventh Central Committee of the Communist Party of China” in *The China Reader: The Reform Era*, ed. Orville Schell & David Shambaugh. (New York: Random House, 1999) p. 26.

<sup>41</sup> Orville Schell & David Shambaugh, “Conclusion: The Legacy of Reform” p. 532.

<sup>42</sup> Ibid.

SEZs was quite revolutionary and seemed like direct incorporation of capitalism into communist China. For a leadership organization that was so heavily drawn from Marxist-Leninism, how was the rapid expansion of market incentives justified?

For onlookers, China's new policies seemed a change, real if not certifiably permanent, from communism to capitalism. The CCP, however, continued to denounce capitalism as a source of anarchy, speculation and unjust profiteering. The official theoretical basis of reforms was a project of rapid growth of a socialist economy in which market incentives are harnessed for the socialist cause. Deng objective was "to quadruple the gross annual value of industrial and agricultural output in 20 years, starting from 1981".<sup>43</sup> The context of Marxist-Leninism was appropriated by Deng's theoreticians by invoking a more orthodox interpretation of Marxism. According to the Marxist-Leninist theory of two stages, two revolutions presuppose socialism: first to overthrow feudalism, then to overthrow bourgeois-capitalism.<sup>44</sup> In China, the conditions of "a large scale industry"<sup>45</sup> and "a mature urban proletariat"<sup>46</sup> had not yet formed when capitalism was aborted. As the socialist transition was made directly from feudalism, its remnants served as a bigger obstacle to economic development than capitalism. The best weapon to counter feudalism and bring materialistic prosperity would naturally be the introduction of market forces. Deng proclaimed multiple times that class struggle in China was more or less complete, and only the "backward productive forces" were hindering the "advanced socialist system".<sup>47</sup> Once the materialistic foundation was sufficient, the next change would come for true socialism. Deng and Zhao often used the year 2050 as a time when "socialist modernization" would more or less complete".<sup>48</sup> During the mid-1980s, Zhao coined the phrase "primary stage of socialism"<sup>49</sup> to describe the economic situation. Theoretically, this was supposed to align with Marxist-Leninism. Deng did not consider this change of course to be a deviation from socialist ideology. In 1984, he gave the example of the Soviet Union abandoning their model, so "why should [China] still hold on so tightly?"<sup>50</sup>

Meisner's more grounded interpretation of the ideology of the time is that in an age of post-Mao cynicism, the CCP simply replaced ideology with the promise of material comforts.<sup>51</sup> Any ideological justifications were a façade which theoretically legitimized the CCP's power. The CCP policies at this time were the result of a very realistic and empirical assessment of China's most immediate needs. Any appropriation in to long-term Marxism was in fact a bid for more time to increase economic decentralization and market mechanisms.

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<sup>43</sup> Deng, *We Shall Concentrate on Economic Development, September 18, 1982*. Available from World Wide Web [12/08/2009] <URL: <http://english.peopledaily.com.cn/dengxp/vol3/text/c1030.html>>

<sup>44</sup> Ibid.

<sup>45</sup> Meisner, p. 452.

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> Ibid. p. 512.

<sup>49</sup> Zhao, p. 122.

<sup>50</sup> Ibid, pp. 119 – 120.

<sup>51</sup> Meisner, p. 437.

Like Meisner, Baum views Chinese development in the 1980s as one of experimentation, where Chinese leaders attempted to “enjoy the fruits of modernity without the destabilizing effects of spontaneous, uncontrolled social mobilization”.<sup>52</sup> As there was no blueprint for the construction of such a system, the CCP had to operate by rounds of “relaxation and control”<sup>53</sup>, a pattern evident in both politics and the economy. When the more liberal faction pushed through a series of reforms, a conservative retrenchment would halt or reverse the reforms. For example, following the Third Plenum in 1978, a wave of market reform swept across the country. Collectives were allowed to experiment with increasing market output, prices for agricultural output above the government quota were raised, and private enterprises were allowed to increase.<sup>54</sup> By the next Party Congress in 1982, however, the mood had changed. The conservative faction noticed a powerful new tendency towards “bourgeois liberalization”, brought in by the economic reforms. In a speech to the Central Committee, Deng mentioned the spreading of “mental pollution”<sup>55</sup>. He described ideas that had become fashionable among intellectuals like those of “free speech for the counterrevolutionaries”, “doubts about the Four Cardinal Principles”, and “the abstract concept of democracy” as “unhealthy”.<sup>56</sup> As soon as the Plenum ended, the media followed the ideological direction and openly condemned the so-called spiritual pollution. In essence, too much economic freedom had caused political dangers. Within the space between two Plenum meetings, the political direction had changed its course, from all-out open-mindedness to a particular kind of controlled development.<sup>57</sup>

According to Baum, this pattern of “two steps forward, one step back”<sup>58</sup> was the fashion of development in the 1980s, ultimately culminating in 1989, when the liberal *fang* was the strongest to date, followed by an even stronger *shou*. In essence, there was no ideology. Justification followed as an excuse for control for every new experimental policy.

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<sup>52</sup> Richard Baum, “The road to Tiananmen: Chinese Politics in the 1980s.” in *The Politics of China: The Eras of Mao and Deng*. Ed. Roderick Macfarquhar. (Cambridge: Cambridge University Press, 1997) p. 341.

<sup>53</sup> The “*fang-shou*” cycle, literally let go-take back. Ibid.

<sup>54</sup> Naughton, pp. 88-90.

<sup>55</sup> Deng, *The Party’s Urgent Tasks on the Organizational and Ideological Fronts, Oct 12 1983*. Available from World Wide Web [09/08/2009] <URL: <http://english.peopledaily.com.cn/dengxp/vol3/text/c1160.html>>

<sup>56</sup> Baum, p. 356.

<sup>57</sup> In the economy, the legalization of market prices in 1985 made consumers fear a rapid rise in prices. To pacify this, Deng and Zhao slowed the decontrol of prices and introduced food and housing subsidies. This in turn led to panic buying and allowed more room for criticism from the conservative factions who had never agreed with price deregulation. As a result, price decontrol was halted altogether. Naughton, p. 97.

<sup>58</sup> Ibid.

## 4. Conclusion

Mao's death in 1976 was the beginning of an era of change. Neo-Maoists, such as Hua, who had risen to power during the Cultural Revolution, wanted to continue Mao's policies both in politics and economics. The reformist faction, however, wanted a departure from Maoist methods. Many victimized CCP cadres were rehabilitated, including Deng Xiaoping. Considered by many to be the natural successor of Mao, Deng and his faction quietly purged Hua and his followers. By reassessing Mao and his actions, the CCP ended his personality cult and shifted a part of the blame for the Cultural Revolution on Mao, while also calling for economic and political reforms.

The changes in economic policies resulted in the opening up of China to foreign investors and the introduction of market mechanisms to replace the Soviet style centrally planned economy. Political reforms were, however, limited to a generation change in the party and efforts to control bureaucracy and corruption. The CCP's monopolized power remained unchanged.

The world knows Deng Xiaoping as the reformer who opened up the economy after Mao, as well as the dictator who allowed the Tiananmen crackdown of June 4 1989. Although Deng was the "paramount leader" of the CCP for many years, he never actually held any top position of leadership within the CCP, instead acting as a consultant for the gradually more collective leadership. He pushed for economic reform and liberalization with fervor, leading many to believe China would move towards popular democracy as well as a market economy. In retrospect, however, political reform, as advocated by Deng himself in numerous speeches after Mao's death and when Hua Guofeng was chairman, was mainly for the promotion of increased efficiency within the CCP and partly targeted against Hua's leadership. Any challenge to the CCP was seen as a violation of the Four Cardinal Principles and strongly condemned by Deng and many others in the CCP. Stavis argues that the political system actually "echoes and reinforces the traditional Confucian imperial pattern"<sup>59</sup>, because it based its legitimacy on a source that is closer to the "fate of heaven" than the public consent. This could be used to understand the Dengist government's approach to reform. No change could challenge the right to rule, which bears imprints from the mandate of heaven. The only change would affect the methods chosen by the rulers. Deng's goal was to "make China strong, not democratic."<sup>60</sup>

Like Mao, Deng considered the CCP's position of power irrefutable. The difference between Mao and Deng was that Deng typified the more pragmatic style of action of the CCP. This creates the question of how the CCP was supposed to continue its ideological basis when the new path was "wading across a river by feeling

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<sup>59</sup> Benedict Stavis, *China's Political Reforms: An Interim Report*. (New York: Greenwood Press, 1988) p. 71.

<sup>60</sup> Orville Schell & David Shambaugh, "Conclusion: The Legacy of Reform" p. 533.

the rocks.”<sup>61</sup> However, Goodman argues that Deng was “pragmatic, not a pragmatist”<sup>62</sup>. This was unfortunately proved by the ruthless manner in which he endorsed the suppression of mass democratic movements throughout the 1980s. To him, the ideal of CCP leadership could never budge, even though the party’s economic methods had evolved.

In the post-Mao age, the public felt jaded and cynical, so the Dengist success lay in its simple pursuit of material rewards, achievable through the introduction of capitalistic forces into communist China. Ideologically, the void left by the rejection of Maoist principles was filled with Deng’s long-term plan for socialism with Chinese characters, yet never forgetting Marxist-Leninism and Mao Zedong Thought, at least on paper. The changes China underwent would prepare the material foundation for the Marxist transition from capitalism to socialism, in the distant future. Thus, although the economy was going through rapid changes, they were propagated from the top down. The grand CCP plan, although less evident and more productive than its Maoist precedents, still existed. This was proven by the cyclical repression of bourgeois-liberals, from the Democracy Wall Movement of 1979 to Tiananmen. Deng’s pragmatism was limited to the means of achieving the goals of ideology, namely economic tools. He aimed to achieve economic prosperity as fast as possible, regardless of political problems along the way, which would be dealt with as appropriate. Under the Four Cardinal Principles, he made economic prosperity and CCP leadership synonymous with each other. The ideological justification for the repression of dissidents was therefore that anyone opposed to the CCP’s “benevolent dictatorship” would be counter-progressive to development altogether.

The reconstruction of CCP ideology was essentially a set of careful experiments. Comparatively, there was an increase in freedom of expression, in both politics and economics. However, Deng was careful never to leave the framework of Marxist-Leninism, at least in name. He brought two young and determined reformist leaders, Hu and Zhao, to the top, and also ousted them when they crossed the line in political leeway. Ding summarizes his method well: “the decisive feature of Dengism is the syncretic policy of economic pluralism plus party dictatorship.”<sup>63</sup> Thus, it could be concluded that Deng was open to any innovation in economic development, and defended even the seemingly most capitalist ventures. However, he never went far from the original CCP ideology, which was the absolute right to a proletarian dictatorship, with *party democracy*, as opposed to popular democracy. Whenever party leadership was threatened, Deng drew the line.

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<sup>61</sup>“*Mo zhe shi tou guo he.*” A famous metaphor Deng used often to describe China’s method of development.

<sup>62</sup> He was more of a visionary than a pragmatist, a clear distinction from Khrushchev. Goodman, p. 4.

<sup>63</sup>X. L. Ding. *The decline of communism in China: Legitimacy crisis, 1977 – 1989.* (Cambridge: Cambridge University Press, 1994) p. 39.

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