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## The Historical Significance of Mao

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The protracted history of the Chinese socialist revolution started 94 years ago in 1919 on May 4, when 5,000 students from Beijing University and 12 other schools held a political demonstration in front of Tiananmen, the focal point of what is today known as Tiananmen Square. The demonstration sparked what came to be known in history as the May Fourth Movement of 1919-21, an anti-imperialism movement rising out of patriotic reactions to dishonorable foreign relations of the government of China's then warlord Yuan Shi-kai that led to unjust treatment of China by Western powers at the Versailles Peace Conference.

May Fourth was a political landmark that consolidated the nation's collective awareness that Western democracy was as imperialistic as the Western monarchy it overthrew. This national collective awareness turned China from Western democracy towards the path of modern socialism through Marxist-Leninist proactive revolution.

Mao Zedong at the time of the May Fourth Movement was 26 years old and a librarian assistant in Beijing University, where he spent time in the stacks reading about heroic nationalist leaders such as George Washington, Napoleon and Otto von Bismark and became inspired by their world-changing patriotic deeds.

As a son of a small farming family that enjoyed comfortable living on three acres (1.21 hectares) of land in rural Shao-shan in Hunan province, Mao in his youth spent his spare time after working in the field reading Chinese history and literature in the newly opened public library in nearby Changsha. He was particularly inspired by the legalist policies of Qin Shi Wang (259 BC-

210 BC) and the theme of *Water Margin*, a 14th-century novel of universal brotherhood and one of the "Four Great Classical Novels" of Chinese literature.

Before going to Beijing, Mao attended First Normal School of Changsha, coming under the influence of several progressive teachers there, including a professor of ethics named Yang Changji (1871-1920), who urged Mao and other students to read a radical newspaper, New Youth, founded by Marxist Chen Duxiu (1879-1942), Dean of the Faculty of Letters at Beijing University.

In 1918, after graduating from First Normal School of Chansha, Mao moved to Beijing, to join Yang Changji who had been recently appointed professor at Peking University by Cai Yuanpei (1868-1940), the progressive president. Yang recommended Mao to be an assistant to university librarian Li Dazhao (1889-1927), a Marxist intellectual in China who later participated the founding of the Chinese Communist Party in Shanghai in 1921.

Li wrote a series of articles in New Youth on the October Revolution, which had just taken place in Russia, during which the Bolshevik Party under the leadership of Vladimir Lenin (1870-1924) seized state power. Lenin had put forth the theory of imperialism as the final stage of capitalism based on the writings of John Atkinson Hobson (1858-1940), building on the socio-economic-political theory of Karl Marx (1818-1883) and Friedrich Engels (1820-1895) in the mid-19th century from observation on turbulent European conditions.

Li's articles helped create interest in Marxism in the Chinese revolutionary movement, as an alternative to Western-style democracy that had been subscribed by the 1911 bourgeois Revolution led by Sun Yat-sen, but had proved wanting in the behavior of Western democracies at the 1919 Versailles Peace Conference. Marxism was then recognized by Chinese revolutionary intellectuals as a more effective ideology in the struggle against Western imperialism even when many of the concepts of Marxism applied only to European situations.

The May Fourth Movement marked a turn by anti-imperialist Chinese intellectuals towards revolutionary Marxism. The success of the Bolshevik Revolution in Russia was a major factor in forming the views of Li Dazhao on the revolutionary role of the state. Li initiated the Peking Socialist Youth Corps in 1920 and in July 1921 co-founded the Communist Party of China (CPC) with Chen Duxiu, who had been exposed to socialist ideas in Japan, as a political institution with the secular program to seize power of the state to carry out socialist revolution in China. A revolutionary state is the rationale for a one-party government, provided that the ruling party represents the interest of the people. Li was a mentor to Mao Zedong, who openly acknowledged having been influenced by Li's ideas.

The first edition of Stalin's *Problems of Leninism*, which appeared in April 1924, seven years after the October Revolution of 1917, asks: "Is it possible to attain the final victory of socialism in one country, without the combined efforts of the proletarians of several advanced countries?" The answer was: "No, it is not. The efforts of one country are enough for the overthrow of the bourgeoisie [in one country]. This is what the history of our revolution tells us. For the final victory of socialism, for the organization of socialist production, the efforts of one country,

especially a peasant country like ours, are not enough. For this we must have the efforts of the proletariat of several advanced countries."

The strategic key words on socialist internationalism are "final victory", which cannot be achieved with just "socialism in one country", and the phrase "the proletariat of several advanced countries". But "final" implies not immediate but in the future, even the distant future. And international communism was focused not on the whole world, but on "the proletariat of several advance countries" where evolutionary conditions were considered as ripe. It was not focused on the peasantry still living under agricultural feudal societies outside of Europe or the oppressed people of imperialist colonies and semi-colonies.

To both Lenin and Stalin, the path to liberation in the colonies of the Western empire was to strengthen the only socialist country in the world, namely the Soviet Union, and to weaken capitalism at the core, namely industrialized economies, to end its final stage of imperialism. In theory, the liberated industrial workers of the Western advanced economies would in turn help liberate the oppressed peasants in the colonies and semi-colonies in the still not industrialized economies.

Unfortunately, actual events failed to support this theory. There was no worker uprising in the advanced economies. In fact, unionism in the advanced economies sided with management and turned anti-communist. These trends support the truth that liberation cannot be delivered by others and must be won by the victims themselves. Each oppressed group must struggle for self-liberation through internal political consciousness.

Both Lenin and Stalin failed to recognize the inherently powerful but latent revolutionary potential of the peasants of the pre-industrial colonies and semi-colonies of the Western Empires, which had to wait until the emergence of Mao Zedong in China to force the world to acknowledge this truth in history. Mao, in placing his faith in the revolutionary potential of the Chinese peasantry, redefined the term "proletariat" to mean those deprived of property, a property-less class, away from the European idea of the proletariat as the class of urban industrial workers.

The October Revolution of 1917 was launched on the slogan "All Power to the Soviets", through which the minority Bolsheviks won political leadership in the Soviets, which were workers councils that constituted the power behind the new socialist state. Bourgeois liberal democracy was not an objective of the October Revolution, but rather a target for elimination in order to establish the dictatorship of the proletariat in the context of socialist revolution through class struggle.

This was because in feudal Russia in 1917 the proletariat as a dominant class was an abstraction yet to be created as a reality by industrialization. The proletariat in its infancy, small in number, could not possibly command a majority under universal suffrage in a feudal agricultural society. Therefore, under similar circumstances, dictatorship of a minority proletariat is the only revolutionary path towards socialism, according to Leninism.

In pre-industrial societies, liberal representative democracy is by definition reactionary in the

absence of a dominant working class. Lenin considered the revolution in Russia as a fortuitous beginning of an emerging socialist world order that required and justified a dictatorship of the proletariat to sustain revolutionary progress.

Leninists work for the acceleration of socio-economic dialectics by the violent overthrow of capitalism just as capitalism had been the violent slayer of feudalism. Evolutionary Marxists, such as social democrats, believe in scientific dialectic materialism, which predicts the inevitability of the replacement of capitalism by socialism as a natural outcome of capitalism's internal contradiction.

But the evolutionary process requires the emergence of capitalism as a natural outcome of feudalism's internal contradiction. Marx saw the process of evolution toward socialism as taking place in the most advanced segment of the world, in capitalistic societies of industrialized Western Europe, when the ruling bourgeoisie had replaced the aristocracy as a result of the French Revolution. The Russian Revolution showed that geopolitical conditions had opened up opportunities for revolutions in pre-industrialized nations and it was in these pre-industrial societies that radical revolution was needed to bring about instant socialism by short-circuiting the long evolutionary process from feudalism to capitalism to socialism.

In Germany, the most industrialized country in the second half of the 19th century, Social Democrat icons such as Karl Kautsky and Eduard Bernstein, titans of Marxist exegesis, favored gradual, non-violent and parliamentary processes to effectuate inevitable dialectic evolution towards socialism because of the existence in Germany of a large working class. These Marxists subscribed to the doctrine of evolutionary Marxism, which renders revolution unnecessary as socialism would arrive naturally from capitalism as an evolutionary process of dialectic materialism.

On the other end of the spectrum were radical revolutionaries such as Rosa Luxemburg and Karl Liebknecht, leaders of the Spartacists, founded in the summer of 1915 when they withdrew from the German Social-Democrat Party (SDP) because of SDP support for Germany's participation in World War I. The Spartacists staged an abortive coup to overthrow the young social democratic government in Germany. For communists, revolution is necessary in order to short circuit the long stage of capitalism, during which the evolutionary process can be halted by unionism and the introduction of a mixed economy through the injection of a socialist dimension in the capitalist system. This is particularly true for pre-industrial feudal societies, when a capitalist system with socialist dimension can be employed to ward off any revolutionary pressure.

The call by radical Leninists for a worldwide coalition of the browbeaten proletariat majority in the industrial societies in the West, who were still deprived of political power beyond the structural dialectical process, and the agitating proletariat minority in the agricultural societies in whose name radical Leninists had gained state power in Russia, was most threatening to the rulers of the capitalist order in the advanced imperialist countries.

Reaction to this threat gave rise to insidious anti-communism in the imperialist West to prevent the arrival of socialism in the strongholds of industrial capitalism ahead of its evolutionary schedule. In the advanced economies, state-sponsored capitalist propaganda was conditioning workers into an active anti-communist force through industrial unionism and the addictive appeal of individualistic bourgeois freedom to neutralize collective working class solidarity.

Still, all Marxists share the belief that the structural antagonism between a capitalist bourgeoisie class and a proletariat class in advanced economies was a necessary precondition for creating socialism. It required the resolution of the contradiction between the efficient productivity of capitalism and the economic dysfunctionality of the mal-distribution of wealth inherent in capitalism.

The good of capitalism is its efficiency in creating wealth; the bad is that the way wealth is created in capitalism requires wealth to go to the wrong places, to those who need it least, namely the rich rather than the poor who need it most. Also, awareness was increasing that capital in the modern financial system comes increasingly from the pension funds of workers in a capitalist society with socialist dimensions - the welfare state.

#### Wealth is good

Wealth is good; it is the mal-distribution of it that is bad and creates socio-economic conflicts. And if that mal-distribution is carried out through class lines, then struggle must be part of a socialist revolution

The internal contradiction of capitalism is that it creates wealth by widening the gap between rich and poor. Wealth disparity is a polluting socio-economic by-product of capitalist wealth creation, like the nuclear waste in nuclear energy.

While capital cannot create wealth without labor, the proletariat in advanced economies, oppressed by a pro-capital legal-political regime, never managed to gain control of ownership of the means of production financed by their own wealth, stored in worker pension funds. Thus oppressed workers remained silently, docile victims of capitalist exploitation by capitalists using workers' own retirement money as capital.

Apologists for capitalism then create the myth of capital being needed to create employment, ignoring the fact that it is the saved income from employed workers that creates capital. In other words, employment creates capital, not the other way around. Chinese reformers have yet to understand this truism when they accept low wages in order to attract capital investment.

The global financial crisis that began in 2007 in New York is a live demonstration of the self-destructive potential of finance capitalism when not supported by full employment with rising wages, which then forces needed consumption to be financed by consumer debt, which inevitably will become unsustainable.

The current financial crisis of unsustainable debt around the world has ignited populist demand for socio-political changes in all countries. These populist changes will transform the existing socio-economic world order, even though it is too early to predict what shape his new world order will take. Suffice to observe that changes in government toward progressive populism are now taking place in every nation, except perhaps China, where a one-party government lead by

the communist party still governs. But many Western-trained Chinese neoliberal economists continue to argue for more-free markets that uses market forces to keep wages low.

The agrarian socio-economic conditions in czarist Russia and dynastic China, while not congruent to each other, were fundamentally different from the industrial conditions in Europe, where the Industrial Revolution had taken place to bring into existence a large working class of factory workers that was supposed to be ripe for the revolutionary class struggle as envisioned by Marx at the start of the 1848 Democratic Revolutions.

Tragically, the socialist movements were crushed and their revolutionary leaders murdered by reactionary forces in both Germany and France. The capitalist democratic regimes that followed inherited and embraced with renewed vigor Western imperialism and its colonies around the world.

Russia and China, both great nations with glorious histories that had fallen socio-economically and technologically backward, were not touched by Industrial Revolution to bring forth a class of industrial workers. The oppressed classes in these two agrarian societies were rural peasants who constituted over 80% of the population.

However, in semi-colonial China, a powerful domestic comprador class had emerged to serve advancing Western imperialism. Compradors in China were Chinese managers or senior local employees who worked for large transnational foreign commercial enterprises active in China. These compradors, becoming rich and powerful serving foreign economic and political interests against China's national interest, had close symbiotic connections with Western imperialism and its exploitative foreign capital and businesses.

This comprador class flourished in Western colonies in China such as Hong Kong and the five Open Port Cities established by unfair terms of the unequaled treaties forced on China by Western imperialist powers after China repeatedly lost the Opium Wars of 1839-42.

Under the current market economy in present-day China, a large new comprador class has reemerged to again serve foreign corporate interest backed by US global geopolitical strategy, to defuse revolutionary pressure while transferring wealth from China to the West in the name of free trade denominated in paper fiat dollars.

Even Chinese state-owned enterprises (SOEs) have become leading compradors for foreign commercial and financial enterprises in China's increasingly open markets since the introduction of the "reform and open" policy in 1978. The full implementation of World Trade Organization rules will strengthen the comprador role of Chinese state-owned banking institutions.

These SOEs have been tutored by experienced Chinese compradors from Hong Kong, which became a British colony in 1841 and did not return to Chinese sovereignty until 1997. Even after Hong Kong's return to Chinese sovereignty, its compradors have continue to provide traitorous advice to Chinese leaders who did not know better, having been involuntarily isolated from the economic process of the modern world through decades of US anti-communist total embargo. These Hong Kong compradors have profited obscenely from bridging the gap in the different

levels of development between China and the advanced Western nations while locking China by policy into another century of semi-colonial fate.

The two most grievous errors made by China's "reform and open" policy of 1978 by following poisonous advice of Hong Kong compradors are:

- 1. China by policy tries to modernize and develop its economy through the exploitation of low-wage labor for export, leading Chinese society to structural faults of low income and wealth disparity as well as uneven locational development. China has now developed not regions where China needs most, but regions Western markets find most convenient from which to exploit the Chinese economy.
- 2. China by policy voluntarily opens its market to domination by Western capital, and returns its national economy to semi-colonial status while being idiotically pleased with comprador earnings from commission while massive amounts of wealth leak into foreign pockets.

This kind of bad advice naturally came from Hong Kong compradors to reflect the limit of their own slave mentality. It was like asking a house slave for advice on liberation by armed uprising. The answer is always: "Don't even think about it."

These are the structural reasons why the Chinese economy built on the "reform and open" policy is blighted by inequality and unevenness, not to mention corruption. While "reform and open" can be good policy for all nations in the modern interconnected world, the strategy and implementation of China's "reform and open" policy needs to be reconsidered to correct its foundation of pernicious new compradorism and to prevent this unsavory practice from siphoning more wealth into foreign pockets in a zero sum game.

Mao Zedong wrote the following words in *Analysis of the Classes in Chinese Society* (March 1926) to combat two deviations then found in the Party: The exponents of the first deviation, represented by Chen Duxiu, were concerned only with cooperation with the ruling Kuomintang and neglecting the peasants. This was Right opportunism.

The exponents of the second deviation, represented by Zhang Guotao, were concerned only with China's [non-existent] industrial labor movement, also neglecting the peasants. This was Left opportunism.

Both were aware that they were lacking in mass support, but neither knew where to seek reinforcements or to generate popular support on a mass scale.

Mao pointed out that the Chinese peasantry was the most oppressed and numerically the largest force of the Chinese proletariat, defined in Chinese political nomenclature as a property-less class, not just factory workers, and placed class struggle in the Chinese revolution as one between the peasant proletariat class and the comprador class as local agents of Western imperialism.

Moreover, Mao saw that the national bourgeoisie is actually a vacillating class, being antagonistic to stronger foreign competition and being quick studies of imperialist modes of

operation to in turn oppress a small but growing new working class of factory workers in the home market. Mao predicted that the national bourgeoisie as a class would disintegrate in an upsurge of popular revolution, with its right-wing going over to the side of Western imperialism. This prediction had been borne out a year later by political events surrounding Jiang Jieshi's counter-revolutionary coup d'etat in 1927.

Today, the national bourgeoisie in China constitutes what General Secretary Xi Jinping calls "special interest groups", which present themselves as formidable organized obstacles to true reform. Many of them are modern-day compradors.

Mao asks: "Who are our enemies? Who are our friends? This is a question of the first importance for the revolution "

It is a question that needs to be asked today by all Chinese patriots.

"The landlord class and the comprador class are our enemies," Mao answers.

In China today, a new landlord class is emerging as real estate developers and speculator, and a new comprador class is firmly in charge of the Chinese economy to serve the benefit of foreign institutions of neo-liberalism, the new face of Western imperialism around the world.

In the first general study meeting of the Politburo of the 18th Party Congress late last year, General Secretary Xi talked emphatically about "firmly upholding the socialist road, firmly upholding the people's democratic dictatorship, firmly upholding leadership of the Communist Party of China and firmly upholding Marxism-Leninism and Mao Zedong Thought".

Echoing Deng Xiaoping's famous 1992 Southern Tour 20 years ago to reaffirm the policy of "reform and open", Xi as new leader conducted his own new Southern Tour to Shenzhen shortly after assuming office as Party general secretary to reaffirm the continuation of China's policy of "reform and open".

Large in Xi's reform policy are new emphases on anti-corruption and an attack on special interest groups, adjustment in income disparity and aggressive improvement in the living standard of the people by promoting common prosperity. The compromise of "letting some people get rich first", in which the comprador and national bourgeoisie classes have conveniently dropped the word "first", in practice appears to be ending under the new leadership of Xi.

Mao said that in economically backward and semi-colonial China, the landlord class and the comprador class were appendages of the international bourgeoisie, depending on imperialism for survival, prosperity and growth. These classes represented the most backward and most reactionary relations of production in China and hindered the development of her own productive forces. Their existence is utterly incompatible with the aims of the Chinese revolution, Mao emphasized. He went on to crush them as enemy classes early after gaining state power.

The big landlord and big comprador classes in particular always sided with imperialism and constituted an extreme counterrevolutionary group. They made counter-revolutionary careers for

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themselves by opposing the Communist Party and received subsidies from various groups of reactionaries in power, from imperialists and the right-wing of the Kuomintang, Mao added.

Under the "reform and open" policies since 1978, a new landlord class has re-emerged made up of real estate developers and speculators, and a new comprador class has re-emerged in the commercial and financial markets in China. The nation's best young talent, after having been educated in top Chinese universities and foreign graduate schools, have mostly been co-opted by Western companies to act as compradors in all sectors in the Chinese economy: industry, commerce, technology, journalism, and even national security analysis.

China's "reform and open" policy has legalized foreign infiltration into every aspect of its economy and society, allowing Hong Kong, now officially under Chinese sovereignty, to continue to be an anti-China foreign base and a hot-bed safe haven for corruption on the mainland.

The greatness of Mao Zedong lies in his revolutionary insight that socialist revolution in China must come from liberating the peasants and that the purpose of revolution is to rid China of Western imperialistic oppression to revive China's historical greatness as an prosperous, independent great power. Mao understood clearly that such purpose can only be fulfilled with the support of all Chinese people around the world who have not sold out mentally or financially to foreign enemies.

The task of the Chinese Communist Party is to galvanize the power of the masses for a victorious revolution, to unite all who can be united and to crush traitorous special interest groups, the new compradors. A harmonious society has no room for comprador traitors and other enemies of the people. The revolution cannot be won by catering to the democratic politics of special interest groups acting as agents of a new global imperialism.

Mao understood that the path of reviving China to its historical greatness as a nation lies in creating a harmonious society of equality within China before China can gain equality among nations of the world. Harmony and inequality are not compatible conditions in any society. Harmony cannot be achieved by appeasing new compradors who are bad elements that create disharmony and inequality by helping foreign interest exploit the Chinese people. A harmonious organism cannot tolerate a growing cancer in its body.

Mao saw Marxism as the most appropriate and effective ideology to implement the national goal of harmonious revival. Mao was the first Chinese revolutionary to advocate an approach that later came to be known as "socialism with Chinese characteristics". To Mao, Marxist-Leninist ideology must be adjusted to Chinese situations to serve the revitalization of China's historical greatness, not the other way around.

The Chinese characteristics Mao had in mind are not the same of Chinese characteristics of the "reform and open" policy since 1978. Mao never entertained the fantasy that letting enemies of the revolution into the Party Central Committee was the path to revolutionary victory. Victory by Surrenderism is merely self-deception. The Party must purge such self-deception from the highest level of its leadership to continue to deserve the support of the people.

Mao's post as a librarian assistant in Beijing University in 1918 gave him the opportunity to discovering first-hand newly translated socialist writings in Chinese, further expanding his understanding and commitment to the revolutionary socialist cause. He read Chinese translations of Thomas Kirkup's *A History of Socialism*, Karl Kautsky's *Karl Marx's Okonomische Lehren* (translated from German) and most importantly, Marx and Engels' political pamphlet, *The Communist Manifesto*.

Mao also read widely beyond Marxist works. He read the translated works of Western classical liberalism such as Adam Smith's *The Wealth of Nations* which deals with the necessary role of government to restrict monopolistic international trade, ideas that influenced Alexander Hamilton's protectionist, nationalist industrial policies, modeled after Colbert's dirigism in France under Louis XIV to resist British monopolistic dominance over New World commerce in the United States during its infancy. For the first 100 years in the two centuries of US history, the young nation resisted British and French domination to build its own prosperity through protectionism and nationalist industrial policies of support national industries.

Mao also read Montesquieu's *The Spirit of the Laws*, which identifies environmental influence as a material condition of national socio-political culture. He read John Stuart Mill's *On Liberty*, in which Mill addresses the nature and limits of the power that can be legitimately exercised by society through government over the political rights of individuals, and that individuals need to be restrained by government from doing lasting and serious harm to themselves and to the community by the "no harm" principle. Because no individual can exist in isolation, harm done to oneself or one's own property or well-being also harms others and the community as a socio-economic organism. The destruction of even one's own property deprives as well the community of its communal interest in that very property.

Mill also holds the opinion that dictatorship is an acceptable form of government for those societies that are still developing, as long as the dictator serves the best interests of the people, because existing barriers to spontaneous socio-economic progress can only be overcome by strong and effective political leadership. Mill argues against the danger of "tyranny of the majority" in democratic systems. Mao's view on political rights runs parallel to Mill's view on the necessity of strong leadership for a good cause. All revolutionary governments are dictatorial governments by definition. They turn democratic only after the revolution has been solidly won. On economic development, democracy is a product, not a cause of prosperity, US neoliberal propaganda notwithstanding.

Without Mao's heroic leadership in the historic Zunyi Meeting (on January 15-17, 1935) in the midst of the most critical low point in the Long March when the Chinese revolution faced imminent danger of total military defeat, in which Mao regained military leadership of the guerrilla war against Jiang Jieshi's regular army in the face of overwhelming odds, and Mao's military strategy from an established revolutionary base to provide an living example of a working socialist society to produce the resource necessary to carry on the revolution, the Communist Party of China would have been annihilated by vastly superior Kuomintang (Guomindang) forces as only a matter of time.

The popular slogan: "Without Mao Zedong, there would be no New China" is a historical fact. By extension, without Mao Zedong Thought, there will be no New China. Those who seek the removal of reference to Mao Zedong Thought in Party and state documents should reexamine their own thinking. Even in the US, no self-respecting citizen dares challenge the central place of Jeffersonian ideals in its national psyche.

A leader like Mao Zedong is a fortuitous gift from heaven to the Chinese nation. Such a leader appears only once in a millennium. For the foreseeable future, Mao Zedong will be a political icon that will hold the Chinese people together and Mao Zedong Thought will live as an indispensable classic on which to rebuild the Chinese nation into a socialist society.

Mao also read Jean-Jacques Rousseau on the political philosophy of basic human nature which influenced the political discourse in the French Revolution. Mao read Charles Darwin on biological evolution and even Herbert Spencer on Social Darwinism of survival of the fittest as a self-renewing evolutionary process in anarcho-capitalism.

While often misinterpreted as ultra-conservative, Spencer opposed private ownership of land, claiming that each person has an inherent claim to participate in the use of the earth. He was sympathetic to Georgism, a US economic philosophical ideology advocated by Henry George, that people can own what they create, but have no right to own things found in nature, most specifically, land, which belong equally to all.

Spencer advocated the organization of voluntary labor unions as a bulwark against "exploitation by bosses", and favored an economy organized primarily in free worker co-operatives as a replacement for wage-labor in a labor market in which worker have no market power. Such Spencerean progressive ideas have been selectively purged by modern-day capitalist propaganda.

As China mounts an urbanization program as a dynamo for economic development, Georgist ideas can serve as a guide to avoid allowing urbanization be captured by special interest groups for private gain at the expense of the community.

There is no record of Mao having read Thomas Carlyle (1795-1881), the Scottish philosopher, who advocated benevolent autocratic government and showed how a heroic leader can forge a strong state, and help create a new moral culture for a nation. Yet Mao came to the same conclusion on his own about China led by the Chinese Communist Party on behalf of the people.

Mao understood that Confucianism had permeated Chinese society perniciously and hindered its advancement in modern times. On another front, capitalist revisionists will attempt to subvert the socialist revolution with the false notion that capitalist exploitation and inequality are the necessary ingredients of private wealth creation. Mao tried to combat both by launching mass movements, culminating in the Great Proletarian Cultural Revolution in 1966.

But even after a decade of enormous social upheaval, tragic personal suffering, fundamental economic dislocation and unparalleled diplomatic isolation, Confucianism stood its ground in Chinese societal mentality. The Cultural Revolution failed to achieve its spiritual goal and degenerated into factional power struggle, with serious damage to the nation's physical and

socio-economic infrastructure and to the prestige of the Communist Party of China, not to mention the decline of popular support and near total bankruptcy of revolutionary zeal among even loyal party cadres.

The fault is not with the spirit of the Cultural Revolution, but in allowing it to fall into the trap of factional power struggle that lost sight of the revolutionary purpose. The lesson for future cultural revolutions is not that they are no longer needed, but that they should never again be allowed to mutate into a factional power struggle.

Confucianism will have to wait for many more future cultural revolutions before it will be restrained in its negative influence on the Chinese civilization and to have its positive elements revived. A culture that took two millennia to develop cannot be modernized in just one century.

Realistically, nostalgia aside, the feudal system under imperial monarchy cannot be restored in modern China. Once a political institution is overthrown, all the king's men cannot put it back together again. Nor would that be desirable.

Yet the modern political system in China, despite its revolutionary clothing and radical rhetoric, is still fundamentally feudal, both in the manner in which power is distributed and in its administrative structure. This is why more cultural revolutions are necessary and will be necessary to move Chinese civilization forward in the modern world.

Mao Zedong understood this need and that until China succeeds in a thorough cultural revolution, it cannot revive itself to restore its historical greatness. However, violent revolutions cannot be regular events without destroying the very purpose that justifies them. China needs a continuous non-violent cultural revolution to ensure that its revolutionary path toward national revival through socialism is not reversed. Future cultural revolutions must be insulated from factional power struggle instigated by political opportunists in the name of ideology correctness.

Cultural revolutions do not need destructive factional political violence in the name of ideological vaccination that ends up disrupting the national purpose. Mao Zedong never condoned political violence among the people as he clearly stated in *On Practice* (August 1937) and again in *On the Correct Handling of Contradictions Among the People* (February 27, 1957).

In Chinese Confucianism politics, loyalty is traditionally preferred over competence. The ideal is to have both in a minister. Failing that, loyalty without competence is preferred as being less dangerous than competence without loyalty - the stuff of which successful insurrection and revolts are made. Therein lies the seed of systemic corruption in Chinese Confucianism politics.

For socialist China, loyalty by definition is to the socialist cause, not personal relations. It is imperative that leaders remain loyal to socialist ideals. Yet loyalty to socialist ideals alone is not enough. It must be augmented by competence and virtuousness.

Confucianism, by placing blind faith in a causal connection between virtue and power, has remained the main cultural obstacle to modern China's attempt to evolve from a society governed by men into a society governed by socialist legalism, which should not be confused with the

Western bourgeois concept of Rule of Law. The danger of Confucianism lies not in its aim to endow the virtuous with power, but in its tendency to label the powerful as virtuous.

In order to change Chinese feudal society toward a communist social order, which is understood by all communists as a necessary goal of human development, Mao Zedong developed out of abstract Leninist concepts specific operational methods that took on special Chinese characteristics necessary for Chinese civilization and historical-cultural conditions, its strengths and also shortcomings.

These methods, above all the system of organized mass movements to achieve the advancement of the mass interest, stress the change of socio-political consciousness, that is, the creation of new men for a new cooperative society, as the basis for changing reality, ie, the replacement of private ownership of the mode of production by collective ownership. The concept of mass politics, relevant in Chinese political thought from ancient time, is implemented by an elite cadre corps within the party which is the political instrument of the people.

Deng Xiaoping was right when he said that to get rich is glorious, The fault in his declaration lies in that he should have said that to get everybody rich equally is even more glorious.

The means of production must always belong to the people. This is true also in finance. At the present time, the complex working of modern finance is kept as secret knowledge of the comprador elite in today's China. Modern finance, being an indispensable wealth creation process in the modern world, should be introduced to the people as a mass line, and not kept as exclusive intellectual property of the elite as it is in the West.

Modern finance is the most important means of production in the modern economic order; it is needed not only in capitalist markets, but also in socialist markets. The distinction between the two types of markets is to whom the created wealth belongs and to whom this created wealth should flow. In a capitalist market, the wealth flows to the privileged elite while in a socialist market the wealth should flow to the people and distributed equally. In that sense, China is still not a socialist market economy by far.

#### Mao's mass line

Mass movement as an instrument of political communication from above to below is unique to Chinese communist organization. This phenomenon, developed by Mao, is of utmost importance in understanding the nature and dynamics of the governance structure of the CPC as the ruling party.

The theoretical foundation of mass movement as a means of mediation between the leadership and the will of the people presupposes that nothing is impossible for the masses, quantitatively understood as a collective unit, if their power is concentrated in and represented by a political party of correct thought and ideology and responsible actions.

This concept comes out of Mao's romantic yet well-placed faith in the great strength of the masses who are capable of developing the nation in the interest of their own well-being and

future destiny. So the "will of the masses" has to be articulated with the help of the Party but by the masses and within the masses, which the CPC calls the "mass line".

Mao's mass-line theory requires that the leadership elite be close to the people, that it is continuously informed about the people's will and that it transforms this will into concrete actions by the masses.

"From the masses back to the masses" is more than just a slogan. It means: take the scattered and unorganized ideas of the masses and, through study and intellectual guidance, turn them into focused and systemic programs, then go back to the masses and propagate and explain these ideals until the masses embrace them as their own and give them full support.

Thus mass movements are initiated at the highest level - the Politburo, announced to party cadres at central and regional work conferences, subject to cadre criticism and modification, after which starts the first phase of mass movement. Mass organizations are held to provoke the "people's will", through readers' letters to newspapers and rallies at which these letters are read and debated. In the digital age, expressions on the Internet have augmented the role of the print media. The results are then officially discussed by the staff of leading organs of the state and the Party, after which the systematized "people's will" is clarified into acts of law or resolutions and policy and programs, and then a mass movement spreads to the whole nation.

The history of Chinese socialist politics is a history of mass movements. Mass movements successfully implemented land reform (1950-53), marriage reform (1950-52); collectivization (1953) - the General Line of Socialist Transformation (from national bourgeois democratic revolution to proletarian socialist revolution); and nationalization (1955 - from private ownership of industrial means of production into state ownership).

The method used against opposition was thought reform through "brainwashing" (without derogatory connotations since given in the anti-communist West), which is a principle of preferring the changing of the political consciousness of political opponents instead of physically liquidating them. The impressive opening ceremony of the Beijing Olympics that television audiences saw around the world was a manifestation of Chinese socialist mass movement. It had the legacy of Mao Zedong Thought written all over it.

Before 1949, the Chinese peasant had been deprived of basic health services for over a millennium. One of the Party's first steps in medical reform called for mass campaigns against endemic infectious diseases. Tens of thousands of health workers were trained with basic hygienic and medical skills and sent out into the countryside to examine peasants and treat patients, and organize sanitation campaigns with mass movement techniques.

Health teams examined 2.8 million peasants in 1958, the first year of the schistosomiasis program. One team examined 1,200 patients in a single day. Some 67 million latrines were built or repaired, and over the next few years hundreds of thousands of peasants were set to work day and night, drying out swamps and building drainage ditches to get rid of the infectious snail's habitat. Party workers claimed schistosomiasis cure rates of 85% to 95% in some areas, and that the disease had been wiped out in more than half of previously endemic areas along the Yangtze

River.

#### Mao's mass movements succeed until 1957

The Hundred Flower Movement of 1957 was launched on February 27 by Mao with his famous four-hour speech, "On the Correct Handling of Contradictions among the People", before 1,800 leading cadres. In it, Mao distinguished "contradiction between the enemy and ourselves" from "contradiction among the people", which should not be resolved by dictatorship, that is, not by force but by open discussion with criticism and counter-criticism. Up until 1957, the mass-movement policies of Mao achieved spectacular success in both social and economic construction.

Land reform was completed, the struggle for women's emancipation was progressing well, and collectivization and nationalization were leading the nation towards socialism. Health services were a model of socialist construction in both cities and the countryside. The party's revolutionary leadership was accepted enthusiastically by society generally and the peasants specifically. By 1958, agricultural production almost doubled from 1949 (108 million tonnes to 185 million tonnes), coal production quadrupled to 123 million tonnes, and steel production grew from 100,000 tonnes to 5.3 million tonnes.

The only problem came from bourgeois intellectual rebellion. On May 25, 1957, Mao expressed his anxiety at a session of the Standing Committee of the Politburo, and gave his approval to those who warned against too much reactionary bourgeois liberty. That afternoon, Mao told cadres at a Conference of Communist Youth League that "all words and deeds which deviate from socialism are basically wrong."

At the opening session of the People's Congress on June 26, Zhou Enlai initiated the "counter criticism" against the critics. Mao's call for open criticism was serious and genuine, but the discussion he had conceived as a safety valve reached a degree of intensity he had not anticipated. Mao overestimated the stability of the political climate and underestimated the residual influence of Confucianism and that of Western liberalism.

#### At the crossroads: Soviet model or independent path

Against this background, the CPC stood at the crossroads of choosing the Soviet model of development or an independent path. Economy development was based on three elements:

- Build up heavy industry before mechanization of agriculture.
- Establish an extensive system of individual incentives by means of which productive forces could be developed from a conviction that the superiority of socialist modes of production would be vindicated by a visible rise in living standards.
- The acceleration of the socialist transformation of society in order to create the precondition required by the CPC for establishing a socialist order.

Two paths were opened to the CPC leadership in 1958: consolidation, or pushing forward toward permanent revolution

Mao was forced by geopolitical conditions (the abrupt withdrawal of Soviet aid in 1960 and the US Cold War embargo from 1951 to 1973) to overcome the lack of capital and technology through mobilization of China's vast labor reservoir. The strategy was to connect political campaigns to production campaigns.

Under pressure from orthodox Leninists within the party apparatus, with the surprise failure of the "Hundred Flower Movement", Mao concluded it was impossible to create a socialist consciousness through a gradual improvement of material living conditions; that consciousness and reality had to be changed concurrently and in conjunction through gigantic new efforts at mobilization. There was no real alternative open if new socialist China was to survive.

This conclusion has been proven correct in the past 30 years. As living standards of the people improved, inequality widened and corruption became rampant, generating intense discontent among the masses. In the nation, a blanket of spiritual decay and cynicism permeate all of society with a visible loss of revolutionary and national pride. Such loss of national spirit is harder to restore than environmental corrosion.

All of Mao's strategies and programs were designed to ensure the survival of the independence of the Chinese nation through confidence building in the people's faith in socialism. They were necessary decisions of accepting high degree of hardship and sacrifice to refuse surrender to an extremely hostile geopolitical adversary. It was a test of the national will of a garrison state to survive, not an egotistic ideological experiment.

Under different geopolitical conditions, Mao would have adopted very different policies. The proof of this is the fact that it was Mao who invited US president Richard Nixon to China as soon as Nixon realized that US national interest would be better served with an opening to China. It was a view that Mao had repeatedly made to the US all through the Cold War but was repeatedly rejected by the anti-communist fixation of Harry S Truman, Dwight D Eisenhower and John F Kennedy. It was Mao who rehabilitated the purged Deng Xiaoping to run the Chinese economy when China no longer needed to behave like a garrison state with the end of US hostility.

The garrison state mentality led to the Anti-Rightist Campaign of 1957-58, followed by "Three Red Banners" in the spring of 1958, initiating simultaneous development of industry and agriculture through the use of both modern and traditional methods of production under the "General Line of Building Socialism" through Self Reliance, which had been the only option under US total embargo.

The strategy was to be implemented through a labor-intensive development policy by a "Great Leap Forward" and by establishing a comprehensive collectivization with the establishment of "People's Communes". The real purpose of the Great Leap Forward program was a defiant collective show of self-confidence. That implemented errors were made does not detract from its spiritual necessity.

While Mao headed the CPC, leadership was based on mass support, and it is still; the chairmanship of the CPC is analogous to the position of Pope in the Roman Catholic Church, powerful in moral authority but highly circumscribed in operational power. The Great Leap Forward was the product of mass movement, not of a single person. Mao's leadership extended to the organization of the party and its policy-formulation procedures, not the dictation of particular programs.

Without Mao's leadership, the Communist Party of China would not have survived the extermination campaign by the well-equipped Nationalist army under Jiang Jieshi. It was Mao who recognized the invincible potential of the Chinese peasant masses as the fountainhead of revolution. It is proper that the fourth-generation leaders of the PRC are again focusing on priority promotion of the welfare of peasant farmers.

In Europe, the failure of the democratic revolutions of 1848 led eventually to World War I, which destroyed all the competing monarchal regimes that had collaborated to successfully suppress the democratic revolutions six decades earlier. The full impact of Mao's revolutionary spirit is yet to be released on Chinese society. A century from now, Mao's high-minded principles of mass politics will outshine all his anti-communist and neo-liberal critics.

The People's Republic of China, established in 1949 under the leadership of the Communist Party of China headed by Mao Zedong, is today a rapidly developing nation of over 1.3 billion people with the world's highest growth rate. The Chinese economy is on track to be the largest in the world.

Yet until China moves expeditiously toward policies that put equality and high wages as a national goal in an independent economy, rather than one controlled by export sector special interest groups who are at the mercy of foreign consumer markets, China's road toward achieving the highest per capita income for its economy will be agonizingly long.

Without a rapid increase in Chinese wages, there will not be a vigorous domestic market to replace China's excessive dependence on export. The Chinese exporting economy will continue to be the kitchen serving the other economies as dining rooms.

The dissolution of the USSR in 1991 led to a precipitous socio-economic decline for Russia as it went through shock treatment to rush headlong into market capitalism as advised by US neoliberal economists. In contrast, China's economic reform since 1978 has produced spectacular growth, albeit along with a host of unsustainable socio-economic penalties and problems. This is primarily because China has not yet totally refuted Mao Zedong Thought as Khrushchev did with de-Stalinization.

In comparison with the poor results in Russia, the question inevitably arises on why reform towards a socialist market economy by the world's largest remaining socialist state has produced comparatively positive results. What are the "Chinese characteristics" that Deng Xiaoping had identified and which led to the impressive economic growth of the three decades since 1979?

The answer leads directly to the revolutionary policies launched by Mao Zedong during the three

decades between 1949 and 1979 acting as a principle that provided a potent spiritual platform, and without which Deng's "reform and open" policy would not and could not have succeeded. Still the attempt to de-emphasize Mao Zedong Thought has weakened Deng's "reform and open" policy to allow the nation to be infested with a level of corruption and inequality that even the current and coming leadership are forced to admit as dangerous for the survival of the Party.

Without the strong and broad basis for China's revolutionary socio-economic development laid in the three decades before 1979, as part of Mao's strategy of building essential institutional prerequisites based on a revolutionary collective awareness of the power of an organized masses and carried out through mass movement programs such as comprehensive land reforms followed by the formation of agricultural co-operatives and later people's communes, the reform policies after 1979 could not be implemented successfully.

Despite all the neo-liberal hyperbole about efficient resource allocation through the market mechanism and all the capitalist ideological anathema against egalitarianism, the solid and rational contribution by "Mao Zedong Thought" on China's national collective consciousness of confidence in the people and self-reliance remains the light source in the dark for the strenuous path of the historic revival of the four-millennia-old Chinese civilization.

It was Mao who taught a thoroughly discouraged China, despite having been reduced to abject poverty materially, hopeless bankruptcy spiritually and total deprivation of confidence, not to be intimidated by temporary foreign imperialist dominance and to struggle for national revival through self-reliance by placing faith in the invincible power of the Chinese masses.

Yet despite Mao's indispensable contribution to the Chinese collective consciousness of the dormant prowess of the masses and to the methodology of achieving economic and social development through mass movements that had enabled the economic miracle of new China, his contributions continue to be insufficiently appreciated by many Chinese revisionists and neoliberal social scientists, particularly foreign-trained and supported free-market economists, who once again are falling into the heinous propaganda spell of Western cultural imperialism in the name of neo-liberal market fundamentalism.

For example, an important element of innovation in Mao's revolutionary strategy is the capturing of the full economic advantages of abundant labor in the Chinese economy for nation-wide socialist construction on a scale never attempted in modern history in the context of hostile foreign embargo. Mao aimed to make full use of surplus labor in the Chinese socialist economy by banishing unemployment deemed necessary in Western capitalist doctrine as a required evil for combating inflation.

Unfortunately, Mao's strategy of full employment has been distorted since 1979 to turn into a policy of bringing into existence a new laboring class of exploited, poorly paid migrant workers from rural regions to overcrowded urban export sectors that depend on foreign capital to finance overblown export enterprises whose task is to ship real wealth created by low-wage Chinese labor to foreign countries in exchange for paper money in the form of fiat US dollars, leaving rural regions underdeveloped for lack of domestic capital despite, or because of, a national trade

surplus denominated in fiat dollars that cannot be used domestically in China, a new imperialist monetary US strategy I call dollar hegemony.

Inequality of income and wealth has deterred China from its effort to increase the rate of domestic capital formation without undue restriction on the rate of rise in mass consumption. China today is faced with a serious unemployment and underemployment problem. This most serious underemployment comes in the form of low wages on all levels.

Many great advances have been made, and some sectors of the Chinese economy continue to outperform the West. The foundation of this progress can be traced to the platform built during the Cultural Revolution period. During the Cultural Revolution, China successfully test-exploded its fully functional, full-scale, three-stage hydrogen bomb (June 17, 1967), launched the Dong Fang Hong satellite (January 30, 1970) and eight satellites more by 1978, commissioned its first nuclear submarine in 1967, which was completed in 1974, and made various other advances in science and technology.

There was also progress in lasers, semiconductors, electronics, and computing technology. Even in theoretical research there was the breakthrough of synthesizing the world's first biologically active protein, crystalline pig insulin, using the method of X-ray diffraction. This development laid the groundwork for Shanghai becoming the cradle for biotechnology in China.

Jon Sigurdson, cultural attache in the Swedish Embassy in Beijing (1964-67), an expert on rural industrialization in China at Lund University and director of the East Asia Science & Technology and Culture Programme, at the European Institute of Japanese Studies at the Stockholm School of Economics, pointed out in 1980 that this biotech work had been initiated in the late 1950s, during the Great Leap Forward (1958 - 61). The discovery represented "man's great effort to unveil the secrets of life and provides powerful new evidence for the materialist-dialectical theory on the origin of life".

The report in Peking Review accurately described it as the "first crystalline protein" and "the largest biologically active natural organic compound ever to be synthesized" (Peking Review 1967a). In an article published on December 25, 1970, the Peking Review reported another achievement: the trial production of a Shanghai electron microscope capable of 400,000-times magnification. Although the Shanghai Electronics and Optics Research Institute had been working on such microscopes since 1958, this latest, most advanced model was presented as a result of the Cultural Revolution. The Peking Review added that such a precision instrument was a culmination of science and technology in "radio electronics, electron optics, high electric voltage, high vacuum and precision mechanical engineering" (1970).

The post-Mao leadership typically tried to paint the Cultural Revolution as an unmitigated catastrophe for China. Sigrid Schmalzer of the University of Massachusetts at Amherst cautions that "there are compelling reasons why we should not entirely abandon the earlier, positive accounts and follow the post-Mao narrative too slavishly."

The Peking Review reports reveal scientific innovation during the Cultural Revolution as not fully interrupted. Universities shut down and academic research came to a halt, but state-

protected science related to defense and national prestige continued. Innovation also continued, but it was primarily related to production in an Edison manner of tinkering, rather than broadbased theoretical exploration, due to insufficient resources and substandard facilities.

Inquiry into the physics of relativity and the science of genetics took major hits from the interruption of funding and ignorant harassment, but the mass line proved to have benefits in areas where millions of field assistants could be mobilized, such as in seismology and weather monitoring.

Future decades would witness a gap between science and talent among professionals, due to the "dead weight" of the poorly prepared Cultural Revolution generation; however, the truly talented overcame the loss of time to become productive after the years of turmoil.

On the positive side, millions of rural peasants gained access to science and technology for the first time. Despite the general disaster of the Cultural Revolution, it may be argued that, in some ways, Chairman Mao's science policy did have benefits to scientific innovation and that the mass line emerged better prepared to meet a technological future in the final decades of the 20th century.

Harvard China scholar Roderick MacFarquhar opined: "What Mao accomplished between 1949 and 1956 was in fact the fastest, most extensive, and least-damaging socialist revolution carried out in any communist state."

Mao's writings on military strategy continue to command influence among insurgency leaders and anti-insurgency experts, particularly on guerrilla warfare, at which Mao is popularly regarded as a genius on the level of Sunzi (Sun-tzu).

After 30 years of reform, the Chinese economy is visibly infested with glaring inequality in income and wealth, and the means of production have been increasingly privatized under the control of a minority financial elite for its own benefit. The CPC now officially represents all the peoples, including capitalists, rather than the dictatorship of the proletariat. All this is officially accepted in the name of modernization and following global neoliberal trends.

Yet in 1919, the anti-imperialist socialist revolutionary movement in China had been launched to reverse global imperialist trends, not to follow them. At any rate, these global trends of capitalist free-market fundamentalism had been halted abruptly since 2007 with the global collapse of finance capitalism, the recovery of which is by no means certain in the foreseeable future. The options available to the world now are whether state capitalism or socialism will end up as the legitimate replacement of finance capitalism.

The revolutionary momentum of the Communist Party of China has been put on hold since 1978 as socialist market economy was promoted by the Party leadership as a deliberate policy of ideological compromise, presumably to allow the evolutionary dialectic towards socialism to work itself out in due time.

There is a rising danger that even the normal pace of dialectic evolution from capitalism toward

socialism has been deliberately slowed down by this compromised policy. Deng's famous dictum of letting some people get rich first along the path to national prosperity was gradually changed by quietly dropping the word "first". China is now a country in which some people can get super rich before others permanently. Forbes Magazine annually publishes a list of China's richest.

Ironically, the socialist revolution that was started by the 1911 May Fourth student movement has been torpedoed by a misguided counterrevolutionary interpretation of the student demonstration of 1989, both having taken place at Tiananmen but 78 years apart.

Since 1987, under intense international pressure in reaction to the Chinese government's handling the of Tiananmen incident, Deng's "open and reform" policy has been forced by geopolitics to shift from a New Economic Policy-type transitional economic strategy to kick-start modernization, to a permanent policy contaminated with dubious neoliberal dimensions to appease geopolitical pressure from the US, whose markets were deemed indispensable for an overgrown Chinese export sector financed mostly by foreign capital and benefited mostly foreign investors, at the expense of Chinese workers, who will be condemned to low wages unnecessarily longer.

Yet with the outbreak of the global financial crisis of 2007, ample evidence now exists to show that the economic achievements in China came not from unregulated markets opened to neo-imperialism, but from the fact that the Communist Party of China has wisely and fortunately retained essential control of its socialist market economy by limiting the actual opening up of the economy to foreign capital and by slowing the privatization of state-owned enterprises, in contrast to what Russia had done following US shock treatment advice.

Most importantly, China has managed to insulate its financial sector from the wild turmoil of global markets since 2007 because it resisted both internal and external pressure to fully open and deregulate its own financial sector and to make its currency free floating and fully convertible.

In the final analysis, Chinese Communist Party leaders would do well if they would follow the advice urged on their predecessors in 1944 by Mao Zedong: serve the people.