

# China warns Britain: 'Choose us, or chaos'

by Mary Burdman

During a visit to London on Nov. 16, Chinese Vice Prime Minister Zhu Rongji delivered a speech to the Royal Institute of International Affairs (RIIA), the premier think tank of the British establishment, in which he touted the alleged successes of China's economic "reform" program, and warned the British leaders that his country could plunge into chaos if anything is done by the western powers to destabilize the communist regime. The speech was blacked out by the international press.

Zhu was promoted to vice prime minister for the State Council last year and became a full member of the Chinese Communist Party (CP) Central Committee and Politburo Standing Committee only during the 14th Party Congress in October. In his speech, he was at pains to distinguish between the economic crisis in the former Soviet Union, and the step-by-step reform process of the "Chinese model." Zhu has been given the appellation "the Chinese Gorbachov" by western journalists, which, he clearly realizes, could be most unfortunate for his career in the party hierarchy. The name is more fitting because of Gorbachov's hard-core communist soul than any illusions westerners might have about his reformist tendencies. During the April-June 1989 democracy demonstrations in China, Zhu and current CP Secretary General Jiang Zemin organized "workers' crowd control forces" to subdue student demonstrators in Shanghai, where Zhu was then mayor, the Taipei *Inside China Mainland* magazine reported.

Zhu, who is fluent in English, was sent to Britain to discuss economic and trade relations. His visit was planned long before the eruption of the British-Chinese confrontation over Hong Kong, and, no doubt, went ahead so that Zhu could deliver a clear message to London that the communist old guard has every intention of retaining its control in the People's Republic of China.

## Socialist dictatorship

Zhu's speech must be seen in light of the speech delivered on March 9 to the RIIA by Chinese Foreign Minister Qian Qichen. Qian said that only a socialist dictatorship can rule China's huge population, and that the West would do better not to interfere:

"A big country like China, with its 1.1 billion people, cannot possibly develop without regulation by macro-planning. . . . The past and the present both of China and the

world at large provide eloquent proofs that in the absence of political and social stability, it is impossible to carry out effective and meaningful reforms. If China, a vast and populous country, should plunge into chaos, it would be a disaster not only for the Chinese people, but indeed for the whole world. It is with a sense of responsibility to the Chinese people and to the world that we have adopted a planned and systematic rather than rash and haphazard approach to economic and political restructuring."

World stability and peace are beset by "economic difficulties, social unrest, ethnic conflicts, and religious strife" in certain regions, Zhu told the RIIA. But Beijing has its answer. Deng Xiaoping's "socialism with Chinese characteristics" has "gone into high gear" since the beginning of this year. Zhu claimed an industrial growth rate of nearly 20% and an increase in gross domestic product of over 10%.

When dealing with Chinese statistics, however, percentages can be misleading. China was among the world's poorest nations when it began its reforms in 1978; rail transport, construction, trade, and so forth had almost been halted by the previous 10 years of the Cultural Revolution. Zhu merely asserted that "the policy of reform and opening up initiated by Mr. Deng Xiaoping has captured the hearts and minds of our people who will carry it on till all its set objectives are attained."

## 'No' to shock therapy

Zhu is certainly aware of the terrible crisis unleashed by the imposition of International Monetary Fund "shock therapy" austerity on Russia and eastern Europe, and made clear that China doesn't want any of it: "Over the past decade and more, we have gradually introduced in China a market pricing system. I may say that China has already broken away from the traditional model of the planned economy in its most important aspects and irreversibly embarked on a brand new course of development," Zhu stated.

"Here, I would like to point out that we take an *incremental* approach to economic reform, particularly price reform. Though price rises have caused a degree of anxiety, on the whole, they have *not led to major social unrest, agony, or shock*. Having lived with price reform for more than 10 years, people have become more familiar with and adapted to market mechanisms. They are better prepared economically and psychologically for market fluctuation. Such a change is of far-reaching significance, for market economy is no longer a textbook term but a living reality in the everyday life of the Chinese people."

Zhu said that price reform is only the first step toward a market economy. China faces many problems. "Prompt reforms" in raw materials and energy prices, still fixed, and in transport, especially rail, are "highly necessary for alleviating longstanding shortages in infrastructure and basic industries and improving our economic structure," he said. None of the steps in market reform "could be accomplished overnight."