

Chinese communist rulers warn of new peasant revolt

by Mary M. Burdman

"If there are problems in the villages, there is no one in the current government who can stay in power," Tian Jiyun, the Chinese vice prime minister with responsibility for agriculture, warned the National People's Congress on March 27. "The peasants are extremely patient, and they will not revolt, if the bow is not drawn too tightly. But if it is, the consequences will be unimaginable."

This was an important warning to the "new generation" of Chinese leaders given enormous powers at the congress, which meets briefly for a week or so each year. It is not likely that either Jiang Zemin, the Chinese Communist Party (CP) head and party Military Commission head who was just made state President at the congress, or the unpopular Prime Minister Li Peng, reelected for a second five-year term, has the slightest idea of how to cope with the tremendous problems that China's 850 million peasants face. For years, the peasants have resisted the insanity of CP rule with whatever they could muster, primarily by a vast work slowdown and other methods of sabotage. But peasants were forbidden to leave their villages. Under the Deng Xiaoping reform program, peasants have gained one thing: mobility, with huge numbers of people moving around the country. Over 900 million people traveled around China during the New Year festival, and at least 100 million have been on the move between country and city since the "Special Economic Zones" were built up in the 1980s. Unrest can no longer be easily contained, and the official press is full of reports and warnings, indicating much nervousness at the top.

Farmer protests grow

The crisis in agriculture could debunk Deng's whole "reform" policy, the so-called China Model, Vice Prime Minister Zhu Rongji warned the National People's Congress. The reputation of the reforms, which temporarily boosted agricultural production when first implemented over a decade ago, at this time is the only thing, besides mass repression, that is keeping the Chinese Communists in power. But Deng's policy has also been to keep 80% of the Chinese population engaged in backward agriculture in the countryside, and has kept grain production and distribution under state control, forcing the farmers to produce for almost nothing. As the

economy has lurched from "heated" production to draconian austerity, the toll has been taken from the peasants. In the late 1980s, the state was unable to pay the farmers for their grain; the same thing is happening now. In nine provinces, Anhui, Sichuan, Guizhou, Jiangxi, Hunan, Hubei, Shanxi, Guangxi, and Shaanxi, peasants were paid approximately \$4.5 billion in IOUs (known as "white chits") and \$500 million in goods for their grain crop this year.

Vice Prime Minister Zhu said that paying farmers with IOUs rather than cash must be "immediately suspended" or "we will lose the support of farmers and agriculture will wither. The reputation of China's reforms will likely be ruined," the *China Daily* reported. Zhu's statement debunks government claims that it had paid out 3 billion yuan (\$517 million) to farmers nationwide to redeem all IOU notes. Prime Minister Li Peng had made it a matter of utmost urgency to settle all debts by the Chinese New Year celebration on Jan. 23.

Qiao Shi, the former secret service chief who has now been appointed chairman of the National People's Congress, warned at the congress that the economic interests of farmers were vital to stability in China. "If farmers find farming unprofitable, they will flood into cities," Qiao said. "Such a situation will affect social stability."

All this is happening as China's steel and textile industries announced millions of layoffs, and Li Peng said that the huge government bureaucracy will be cut by 25%. The millions of excess government workers will be transferred to sectors where workers are needed: tax collection and public security, Li said.

The basis of the fears of the Chinese hierarchy is indicated by incidents reported in the European press of party members being attacked and killed. In one incident in the village of Dacui in Anhui province, villagers threw bombs among the fireworks set off to celebrate the New Year. The house of the local party chief, who had been cited as "model Communist," was blown up as well as those of three of his seven brothers. Two people were killed and 15 wounded.

One account cited over 100 protest demonstrations by peasants in nine provinces in late 1992. In 15 districts in these provinces, peasants attempted to storm county offices.

In the county of Fengtai in Anhui, protesting farmers occupied the county offices for a full week, and only left when they were assured that they would get cash for their IOUs. In three places near the city of Mianyang in Sichuan, peasants blockaded the streets, and in three provinces, peasants protested with signs reading "Farmers Nourish the Communist Party" and "The CP Loots and Cheats the Peasants," and calling on peasants not to sell their grain or pay local taxes.

One Beijing newspaper recently quoted an expert on agriculture that "if the peasants do not pay the money exorted by the cadres, they are forbidden to work, or to send their children to school. The rising prices, the abandonment of the land, the diversion of funds are only epiphenomena. The basic problem is the lack of any law to protect the peasants."

Taxing everything

Tian Jiyun had warned the Beijing hierarchy of the source of the problem at a State Council meeting in December 1992. There are 15 million officials and bureaucrats in the countryside who do not work in the fields and give no help to the peasants, he said. Party conservatives who complain about the failure to invest in agriculture, must consider what a burden this mass of bureaucrats imposes on the peasantry, he warned.

The bureaucrats are far worse than parasites on the peasantry; they are taxing China's farmers to death. The problem has become so acute that the Communist Party Central Committee and central government issued an urgent circular during the National People's Congress session ordering an immediate reduction in taxes on farmers, according to the official Xinhua news agency. The circular said that the illegally high levies and taxes imposed on farmers, particularly by local governments, "will not only directly affect the development of agricultural production but also the stability of the countryside or even the whole society."

The circular demanded that farmers only be required to pay levies up to 5% of their income. The *China Daily* and other official press report that farmers are often taxed up to 8-10%, with CP cadres demanding taxes and fees for everything ranging from using a road, electricity, watching a movie, education, health care, using a tractor, and even enforced family planning. The cadres are using these taxes primarily to enrich themselves, especially by building useless "free enterprise zones" often in remote areas of the countryside. These zones have eaten up as much as 1.6 million hectares of farmland.

Xinhua called reducing the taxes an "urgent political task. Those officials who act slowly should be criticized and those who do not respond to the criticism will be punished according to party or administrative disciplinary measures or laws."

This circular followed hard on the heels of another crisis reported in the *China Daily* on Feb. 19. It reported that post offices in rural China were being attacked by angry peasants

unable to cash money orders sent them by relatives working in the cities. The Ministry of Posts and Telecommunications reported that it has had increasing problems cashing money orders over recent years, especially in the provinces which are sending tens of millions of "surplus" farm workers into the cities seeking work. The problem has become acute since last November, the ministry said. In Nanchong county in Sichuan, angry farmers attacked 60% of the rural post offices, injuring seven postal workers and smashing doors and windows. By the Chinese New Year, the amount of unredeemable money orders totaled 800 million yuan (\$137.9 million) in Sichuan province alone. Some peasant families have had to wait up to two months to cash their money orders.

Abandoning the land

It is not just unrest that the CP fears; it is the collapse of food production. Chinese press accounts reveal that "the peasants no longer have the desire to cultivate the soil. They are abandoning the farms for the cities, where they hope they could earn in one week what their fields produce in one year." Many tens of thousands of hectares of land are being deserted; more than 10% of the land in certain villages. In an area of Shanxi province, next to the Yellow River, one-third of the peasants say they prefer not to produce any more than is necessary for their own food.

The *China Daily* on March 28 warned that "shrinking arable land and deflated enthusiasm among farmers are being pegged as the causes for what appears to be a sure slide in grain production." Li Peng had called for raising grain production to 475 million tons by 1997 from current levels of about 440 million tons. His goals are not likely to be achieved.

"Although we have plenty of grain right now, we're expected to see grain production tapering off soon," Chen Junsheng, a councillor in China's cabinet, told the *China Daily*. The paper reported that "things have gone so far that a quick fix to the unsettling scenario is unlikely."

Delegates to the National People's Congress warned that if agriculture no longer supports the peasants, they will flood the cities. After the New Year, some 90 million people streamed from the rural interior provinces to the coastal cities, a British journalist who toured China in mid-March wrote. While some people are returning to university or work, most of them are unemployed and without homes in the cities. In a period of two weeks, 1 million people passed through the Canton railway station looking for work in the cities of the Pearl River delta. In Shanghai, there are 2.5 million "floating" people in the city, whose regular population is 13 million. On some days, up to 500,000 migrants pass through the city's train station. In Wuhan, the central transport hub of China on the Yangtze River, the transit population is 800,000, with 120,000 people passing through the main railway station in one day in mid-February, on their way from Sichuan or Hubei provinces to the coast.