
John Gurley has an impeccable background as a ‘straight’ economist having been managing editor of the prestigious journal the American Economic Review from 1963 to 1968, but his writings on China since the late 1960’s have been those of a committed leftist disillusioned with the answers provided by conventional economics. The book under review contains eight essays of uneven length and interest, ranging from a short consideration of the Chinese financial system to a long account of the formation of Mao’s economic strategy in the base areas before Liberation. It is an odd collection. No less than five of the essays have been published before, and the most important of them (chapter 1) has already been widely read and is still easily available. Chapter 3 consists entirely of book reviews and takes up almost one-third of the whole volume. The essays do not progress logically from one subject to another, and the major themes appear in much the same form in several places.

What of the content? At its heart is Gurley’s deep concern with the inadequacies of capitalist development in the third world, and he is quite rightly most impressed by the experience of China since 1949. He wrote an influential piece on this subject in the late 1960’s. It is this which forms the first and I think the most important chapter of the book. It was written at a time when to express sympathy for China was regarded as ‘dangerous’ rather than ‘chic’. Its central message is simple and powerfully expressed: “The truth, is that China over the past two decades has made very remarkable economic advances (though not steady) on almost all fronts. The basic overriding economic fact about China is that for twenty years it has fed, clothed, and housed everyone, has kept them healthy and has educated most. Millions have not starved; sidewalks and streets have not been covered with multitudes of sleeping, hungry, and illiterate human beings; millions are not disease-ridden. To find such deplorable conditions one does not look to China these days but rather to India, Pakistan, and almost anywhere else in the underdeveloped world. These facts are so basic, so fundamentally important, that they completely dominate China’s economic picture, even if one grants all of the erratic and irrational policies alleged by its numerous critics.” (p.13).

No matter which period one looks at in China’s post-Liberation history this story is basically true; it is an enormous achievement. Moreover, the dilemmas of capitalist development in the third world are still with us to-day. A recent World Bank annual report noted that while many underdeveloped countries had achieved respectable growth rates, “statistics conceal the gravity of the underlying economic and social problems, which are typified by severely skewed income distribution, excessive levels of unemployment, high rates of infant mortality, low rates of literacy, serious malnutrition, and widespread ill-health.” (quoted in Gurley, pp.259-60). Gurley emphasizes the fact that the Chinese achievement is dependent on the political revolution of 1949 which brought into being a planned economy controlled by a group of people sympathetic to improving the livelihood of the mass of the population. He is surely correct in his scepticism concerning the possible applications of the ‘Chinese strategy’ in a piecemeal context in countries that have not undergone that political revolution (chapter 8; Is the Chinese Model Diffusible?).

I think that real problems occur when Gurley moves beyond this level of analysis. In the first place he focuses almost entirely on Mao personally. Of course no-one could seriously deny that Mao is the most important character in Chinese politics since Liberation (and indeed in the twentieth century), but his policies have by no means met with uncritical acceptance either inside or outside the party. Gurley comes close at times to implying that ‘Mao’s strategy’ and the ‘Chinese strategy’ are synonymous, and he certainly does not provide an adequate account of the intense struggles inside the party over the correct ‘line’ to pursue, yet these have been at the centre of post-Liberation politics. Thus I think one would be hard-put from Gurley’s book to make head or tail of the events in China over the last year or so. I do not think this can be entirely blamed on an excessive concentration on the positions adopted by Mao, since a full consideration of those should involve...
an analysis of the conflicts out of which Mao's approach has evolved.

More important perhaps than this is the simplicity of Gurley's approach to politics in China, compared with his sophistication in economic judgments. There is literally not one critical comment on China's politics or cultural policies - no suggestion that the enormous economic and social achievements he describes have had any costs in other areas, and of course, no attempt to analyse the degree to which the tightness of political control and the limitations on cultural freedom are indeed necessary. These are surely rather important questions for a marxist to ask. Gurley rightly rejects the criteria used by so many Western social scientists, who, he says, have been guilty of a "general failure to deal with China on its own terms, within the framework of its own goals and its own methods for attaining those goals." (p.16) Unfortunately on the political front I think Gurley simply accepts at face value the frame of reference set by the Chinese translated press, which is not much of an improvement on looking at China through the lens of 'bourgeois social science'. A full appraisal of China should be one that does indeed 'judge' by its own frame of reference, not by China's, that looks at her 'warts and all', but that is capable of understanding why the shortcomings are there, and possibly accepting that in a world of 'second best' the 'Chinese path' is a much better one than that of the capitalist underdeveloped countries. Furthermore, if things are as rosy as Gurley implies, then struggles such as the Cultural Revolution - which was precisely about the political 'warts' - become much less comprehensible.

I should like to pursue this point a little further. Gurley unhesitatingly characterises China as a socialist state, and that China has socialist features is undeniable: "the major means of production are owned collectively .... from the nation down to production brigades and teams" (p.311), and there is "a heavy measure of economic planning, in which the major decisions are made by planning authorities (national and local) rather than by the market outcomes of many individual actions" (p.311). However, Gurley also claims that "The proletariat has political power" (p.310). It is incumbent on him to provide hard evidence of such an important claim: on the amount say that workers have in running their workplace, on the degree of representation they have on regional and national planning bodies, on the degree of independence of workers' organisations, on how much freedom of debate there is inside the Communist Party, how much democracy there is in the way that party committees are elected, and the degree of control that the party committee has in the workplace.

Frankly, insofar as Gurley does attempt an answer to these and similar questions, he does not progress far beyond the level of cliches: "The post-revolutionary Chinese economy has been distinguished primarily by .... the political power of the workers and peasants and their control of the production process' (p.121); 'a distinctive feature of "Maoism" is its "mass line", which is a method of involving the masses in policy formulation and implementation' (p.71); 'within the framework of Marxism-Leninism, individuals (in China) are involved in a dynamic process of gaining freedom, in the sense of becoming fully aware of the world around them, responding rationally to it, and engaging in active decision-making in regard to their own lives' (p.8), and so on. There is no doubt that they have tried hard to achieve them; indeed, the attempt to do this in a poor backward country is an important one for socialist to understand. However, the Maoists have been heavily circumscribed in their attempts by China's underdevelopment and by the need for strong control economically and politically to lift her out of it in a relatively humane fashion. A more suitable analysis of Maoism is surely one which brings out the tensions and contradictions of its objectives rather than one that effectively sweeps them under the carpet.

I thought that there were serious flaws in this book in other respects also. Firstly, virtually no mention is made throughout its 325 pages of China's foreign policy, other than in relation to the Soviet Union. At the very least, China's actions need explaining. Gurley chides the bourgeois social scientists for not following Hegel's dictum, 'the truth is the whole' (p.11) but he does not do so himself. Secondly, his characterisation of the Soviet Union suffers from the same tendency noted above, namely to simply accept what the translated Chinese press says. We are told in good Peking Review style that a "capitalist restoration" has occurred in Russia (p.205). To characterise a society in which there is virtually no private ownership of the means of production and in which production is primarily for use not exchange, as a 'capitalist' society, is surely a gross misuse of the word 'capitalist'. Unquestionably, there are classes in the Soviet Union, with 'congealed' inequalities in the distribution of control over the means of production and of personal income, but so were there in slave and feudal societies.

A third flaw I feel is his treatment of the peasant questions. There is obviously a populist strand to Mao's thinking, but I think Gurley caricatures Mao's view when he says that "Maoism is a vision of rusticity, of social development in thousands of small but integrated units, each springing from the uncorrupted soil of the countryside" (pp.227-8). China has indeed pursued a policy of developing small scale rural industries and has tried to limit the growth of large cities. There is a sound
economic rationale behind both of these policies, at least at the present stage of development. However, the impact of these policies should not be exaggerated. It is estimated, for example, that in 1972 the small-scale sector contributed under 10 per cent of total factory output value in China, and that the industrial output value of the three largest cities (Peking, Shanghai and Tientsin) has grown rapidly throughout the post-Liberation period (total output in billions of 1952 yuan: 1952 - 9; 1957 - 19.6; 1973 - 94.9). (2) I think Gurley (perhaps, unintentionally) misleads the unwary reader into imagining that heavy, large-scale, urban industries have been de-emphasised in China in a way that they have not been: Mao, after all, advocated 'walking on two legs', not one.

Related to this is his approach to the Cultural Revolution, where he appears to be simply factually wrong. He claims that 'the real locus of power' for Mao in the Cultural Revolution was 'the peasants in the socialist countryside' (pp.221-1) and that Mao 'called upon the peasants in the socialist countryside and young people everywhere to transform the cities from capitalist into socialist centres' (p.22). He even suggests that while Mao's 'peasant based movement had implanted socialism with some success in the countryside (in the 1950s), ... the urban areas had still not been fully incorporated into the socialist movement' (p.22). This really is a strange view. Most sources stress that the impact of the Cultural Revolution in the countryside was much less than in the towns. Moreover, far from being more socialist than the urban areas, I think it is quite clear that peasant conservatism has been one of the fundamental problems for China since Liberation. China has resolved the production question much better than the Soviet Union did, but has still been left with an ideological 'Achilles Heel' in the shape of a relative stasis in production relations in the countryside since the early 1960s, when, far from being the bastion of socialism, there was a widespread breakdown of the collective economy. One has only to look at the strength of support for the 'Gang of Four' in the countryside relative to the towns to realise the inaccuracy of Gurley's view (the base of their support has come from the Shanghai workers).

What then are we left with? Despite the shortcomings I have indicated, it remains the case that this is an eminently readable collection of essays, by someone who feels deeply about the problems of underdevelopment. It also has some penetrating insights into the economic rationale for China's development policy. It does, however, leave me disappointed yet again at the failure of a left-winger to produce a genuine 'political economy' analysis of China's development since Liberation. On the other hand, there are those socialists who are correctly critical of China at the superstructural level, but who fail to attribute adequate importance to the enormous achievements at other levels, who often inadequately assess the constraints within which poor countries such as China operate, and who frequently fail to recognise the serious attempts made under Mao to resolve the very shortcomings that they highlight. (3) I can think of only one work, that by Franz Schurmann (Ideology and Organisation in Communist China) (4) that comes close to the breadth of vision that a socialist analysis requires.

FOOTNOTES


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