China's Path from Desolation to Modernisation

Dear friends,

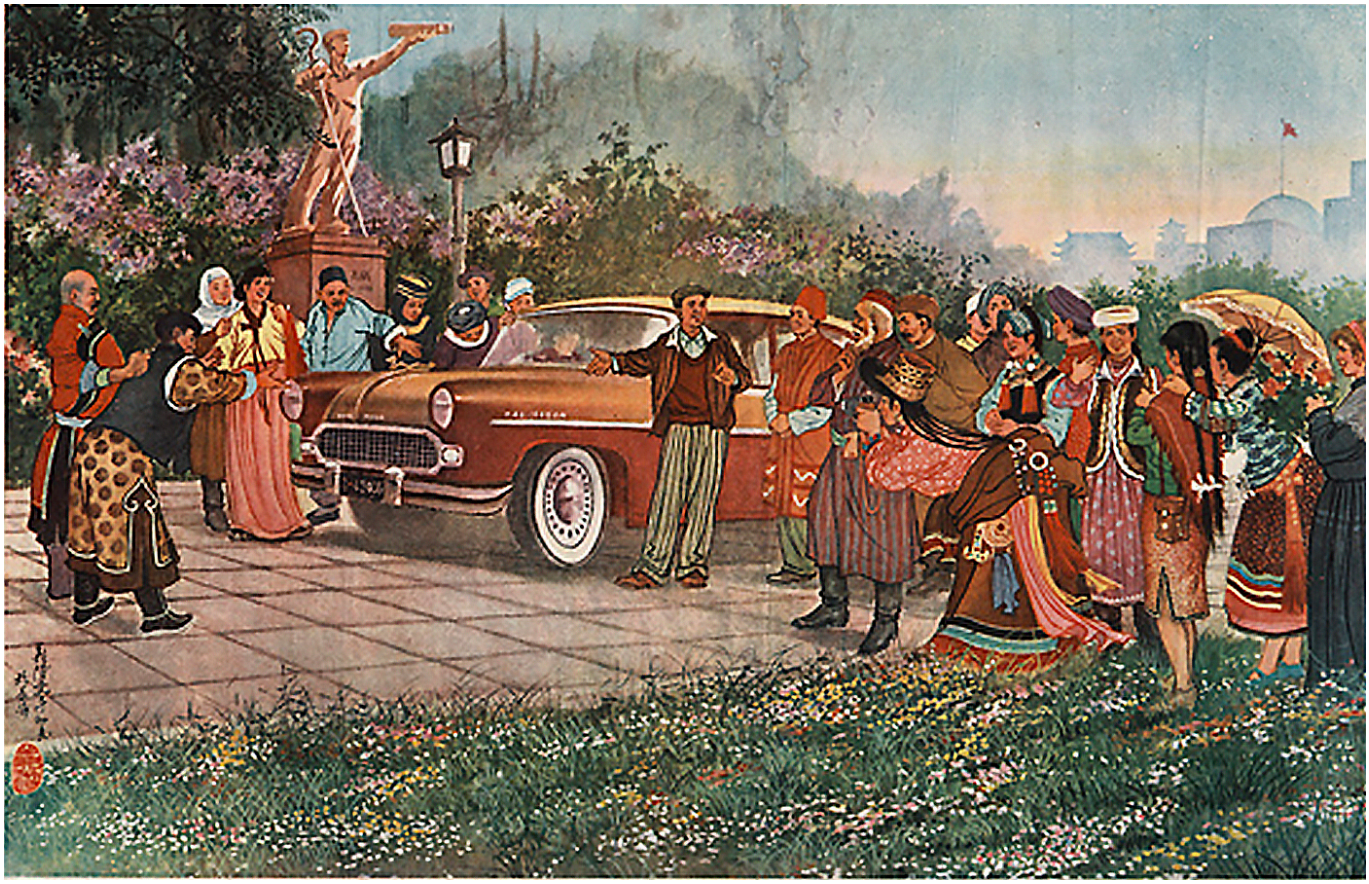
Greetings from the desk of **Tricontinental Asia**.

In 1954, Mao Zedong said, 'We cannot deny that we are still unable to produce motor cars. We are still very far away from being industrialised'.

Mao was speaking to an audience of Chinese industrialists and merchants at a time when the country was desperately poor, its resources stretched by decades of Japanese invasion, civil war with the nationalist Kuomintang, and ongoing US aggression in Korea, where China had intervened in support of the forces of national liberation.

Yan Jun (China), *Work hard to complete the national plan – Build a great socialist motherland,* 1954

Four years later, in 1958, the first Chinese passenger automobile, Dongfeng CA71, rolled off the assembly line of the aptly named state-owned enterprise First Automobile Works in Changchun – a product of China's first five-year plan. Dongfeng means 'east wind' in Mandarin, and, for China, it was a source of national pride. After a century of humiliation, the Chinese people under the leadership of the Communist Party of China (CPC), were able to organise themselves to produce an automotive machine. Dongfeng CA71 was a milestone in the transition from semi-feudal and semi-colonial status to modernity.



Zhang Wenrui (China), *The Dongfeng sedan car*, 1959.

In 2024, First Automobile Works, now known as China FAW Group, sold 3.2 million vehicles – 819 thousand of which were self-owned brands. China is now widely considered to be a leader in the transition from internal combustion engine vehicles to electric vehicles – around two thirds of global sales of electric vehicles are in China. The rapid development of China's automobile sector has been spectacular, but it is part of a much broader story of China's modernisation **set in motion** since the establishment of the People's Republic of China in 1949.

It is not immediately clear that there is such a thing as a Chinese model for economic development, let alone a 'Beijing consensus'. Deng Xiaoping's famous exhortation to 'cross the river by feeling for the stones' – said in the context of China's reform and opening up process – leaves a great deal of ambiguity when trying to understand how China developed in the past decades. China itself is still engaged in deep debates to clarify its modernisation process. Chinese literary critic Li Tuo, in an essay titled '**On the Experimental Nature of Socialism and the Complexity of China's Reform and Opening Up**', which is published in latest issue of the international edition of Wenhua Zongheng, argues that before President Xi Jinping's heralding of a 'new era' during the 19th National Congress of the CPC in 2017, the flagship success stories of the reform and opening up period focused on the successes of private entrepreneurs rather than the ambitious state-led infrastructure projects which could not simply be explained by the profit motive. In 2020, during the 20th National Congress of the CPC, President Xi intervened to offer further clarity, emphasising that, 'Chinese modernisation is socialist modernisation pursued under the leadership of the Communist Party of China'. This statement does

not provide a theory of China's development; however, it is a significant step in explaining the political foundation and original aspiration of the modernisation process.

China's development and the threat it poses to the Global North's monopoly on technology has given impetus to a growing academic literature on 'industrial policy', which attempts to empiricise China's economic policies. This literature does not adequately engage with President Xi's assertion that Chinese modernisation is socialist in orientation and led by a Communist Party – instead, it tries to isolate policy from politics.

Attempts at state-led industrialisation in the Global South are not new. In both Tsarist Russia and Qing dynasty China, there were attempts to initiate modernisation from the top down. Post-independence states such as India, Indonesia, Egypt, and Ghana made valiant efforts to industrialise. But such projects yielded limited results as they were unable to confront the external challenge of imperialism, and the internal social structures that militated against the development of productive forces.

Xiao Zhenya (China), *Take over the brush of polemics, struggle to the end*, 1975.

First, the political elites in the state, who were closely tied to the old society, often failed to do away with the parasitic classes such as the landlord, merchant, and usurer. Second, and closely related to the preceding point, the political elites of these projects grew increasingly distant from the masses, leading to bureaucratisation of the state. Third, the embryonic industrial capitalists who grew in these projects quickly consolidated into rent-seeking interest groups satisfied with consolidating domestic market share rather than competing internationally through innovation. This in turn left them, and the nation, dependent on foreign technology.

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Meng Jie, a professor at the School of Marxism at Fudan University, Shanghai, has spent decades doing fieldwork on factory floors and local government offices to make sense of China's economic system. One could say that he is trying to find a pattern to the stones that Deng Xiaoping said to feel for. His essay, '**Industrial Policy with Chinese Characteristics: The Political Economy of China's Intermediary Institutions**' (also in the latest issue of Wenhua Zongheng), co-written with Zhang Zibin, draws on both Marxist-Leninist theory and the literature on industrial policy to explain China's development. The authors emphasise that 'the CPC relied on the popular demand for independence to seize power, and that political independence was a pre-condition for establishing China's industrial system'. They argue that it is this historical, social, and political context that helps ensure that, 'whenever industrial development faces fundamental strategic choices, the CPC's ideology will guide policies back toward independence'.

Li Hua (China), *Roar!*, 1938.

Indeed, confronted with US-led attempts to curb technological development, through the banning of Chinese telecommunications companies and the control of exports of, and investment in, semiconductors, China has responded by doubling down on efforts to build an independent industrial chain and develop 'new quality productive forces'.

In 1933, as the CPC was embroiled in a bloody civil war with the Kuomintang, Chinese poet Lu Xun was invited to contribute to the magazine *Modern Woman*. He wrote an untitled poem which strongly criticised the nationalist's repressive campaign against the Chinese people:

> War and floods are nothing new in our land,
>
> In the desolate village remains but a fisherman.
>
> When he wakes up from his dream in the dead of night,
>
> Where is the place to find him a decent living?

Warmly,

Shiran Illanperuma, Tricontinental Asia

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