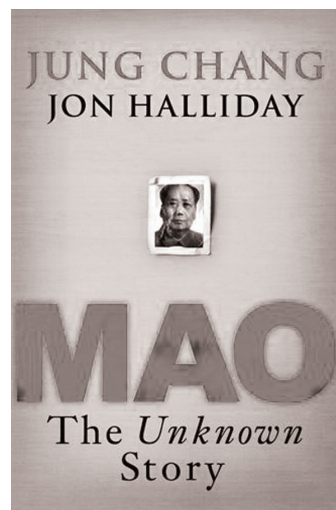


# Mao – The Abhorrent Tyrant and How His Economic Legacy Has Been Overcome



## Mao, The Unknown Story

by Jung Chang and Jon Halliday  
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Reviewed by Wolfgang Kasper

**T**his volume does not make for comfortable reading. The opening sentence—‘Mao Tse-tung... was responsible for well over 70 million deaths in peacetime, more than any twentieth-century leader’—foreshadows the grim content. However, friends of freedom ought to labour through this thoroughly researched, well-written case study in tyranny; they will then better understand what the complete suppression of all freedom really means—fear, poverty, dehumanisation and death.

As soon as it appeared, we heard dismissive comments of the book as one-sided and vengeful. How could the two authors—the bestseller author of the Chinese family chronicle *Wild Swans* and her British husband—know so many unsavoury details about the Great Helmsman? Once reviewers had time to read the account, the knee-jerk criticism subsided. The story is backed by no less than 177 pages of documentation: who was interviewed, what

literature and archival material has been studied, and how various assertions are documented. Of course, the Chinese archives remain closed, but ex-Soviet and private sources proved most informative. This is the result of years of arduous research, no doubt motivated by a sense that at least one survivor must get even.

Having myself spoken to numerous Chinese victims of the terror campaigns, I am sure that millions will be grateful for Chang’s and Halliday’s travails to unearth and describe the awful crimes of the biggest murderer in the most murderous century in human history.<sup>2</sup> The book appears a bit

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zealous in sheeting the guilt home to this abhorrent, cowardly schemer and cold-blooded tyrant. On the whole, however, this image of Mao will stand up to scrutiny and paints a more credible picture than recent books that cast him as personally less culpable than, say, Stalin.<sup>3</sup> His aging admirers in the West will either have to correct their story and recant their past writings and deeds, or at least shut up.

### A ruthless egotist

*Mao, The Unknown Story* focuses narrowly on Mao. It avoids telling the sad overall history of China in the 20<sup>th</sup> century or discussing other leading figures in more detail than is necessary to deal with Mao Zedong.<sup>4</sup> Because he was such a dominant figure, the narrow focus seems appropriate. Mao rarely had to compromise or let himself be influenced by others. Readers who are unfamiliar with the broad outline of China's history in the 20<sup>th</sup> century will sometimes struggle to place certain events in context, may at times wish for a little more help with geographic and cultural terms, and may wonder why certain myths are being so meticulously exposed.

Mao came from a comfortable rural background and took some time to become a communist. The troubled condition of China in the first decades of the 20<sup>th</sup> century and, above all, the opportunity to gain power attracted young Mao to the communist religion, whose 'sacred texts' he apparently failed to read. Once he came near the seat of power, he strove recklessly to get to the top. But that took quite a long time.

There are many Mao myths that the book debunks: He was not a founding member of the Party, or its Chairman for a long time. Nor did he walk on the Long March. Indeed, the young troublemaker was nearly not allowed to join; and then, he had himself carried by coolies in a litter. Some heroic battles on the Long March (such as across the Dadu River in Sichuan) were obviously complete fabrications, eagerly retold by toadies, such as American journalist Edgar Snow.<sup>5</sup> In reality, Chiang Kai-shek's forces herded the communists into remote northwest China. Another myth, which this book attacks, is that the communists fought the Japanese; they hardly ever did. Indeed, Mao never partook in battles, but rather preferred to observe from a safe distance. The communists were able

to take over China because the Russians handed them Manchuria and captured Japanese weapons and manpower, and the Americans shackled the Nationalists. Chang and Halliday attribute the rapid collapse of the Nationalist government also to the careful and patient placement of communist saboteurs in the Nationalist military and administration, apart from the Guomintang's

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corrupt mismanagement and hyperinflation. When the myths are stripped away, Mao comes across as a ruthless and sometimes incompetent leader, who happily sacrificed potential rivals and their troops and who sought and obtained personal comforts and privileges.<sup>6</sup>

After the Revolution, Mao's personal lifestyle became even more extravagant and more scandalous as he drove millions into starvation and penury. The unifying theme of his 27-year rule was the secret pursuit of superpower status. I did research and taught at the Australian Defence Force Academy about the history, politics and economics of post-1949 China, but I had not fully realised that all these campaigns were ultimately driven by Mao's iron will to turn China in record time into a military superpower with advanced jet fighters, nuclear bombs, ICBMs, and hundreds of nuclear submarines. Yet, this storyline in the Chang-Halliday book is cogently documented and entirely plausible. Communist China had to pay the USSR and East European governments for factories, military technology and weaponry with what little they got, mainly food. This was forcibly extracted from the population in centrally planned campaigns, such as the forced collectivisation of industry, the Great Leap Forward and the Cultural Revolution. From the 1960s onwards, a surprisingly large share of the national product ('an unbelievable 6.92 per cent (in 1973)', p. 400) was handed out to buy sympathy for the Maoist cause from Third World opportunists. Mao despised, and happily sacrificed,

the peasantry. Record forced savings in China's national accounts meant years of mass starvation, a fact that few foreign observers noted, not even during the calamitous Great Leap Forward—with the honourable exception of Australian economist Colin Clark,<sup>7</sup> who was relentless attacked for this by Mao's Western sympathisers.

Mao enforced his will by one means only: terror. Whereas Hitler and Stalin sometimes attracted people by their aura, held out carrots to motivate the population and had propaganda depict them as benevolent father figures, Mao ruled exclusively by fear and the total withdrawal of individual liberties. People were relocated and private homes were regularly invaded by tightly controlled gangs of thugs, for example to beat them up or place demeaning posters in people's homes. When the

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communes were formed, peasants were moved into barracks and lost the right to cook their own food. Torture was widespread, as were public killings. Very few of these crimes were spontaneous, but instead were supervised and directed by henchmen.

Some of Mao's closest mates were eventually revolted by the brutality of it all or pointed to the futility of his costly, inept superpower schemes, most notably President Liu Shao-chi. Even so prominent and old an ally and his wife were demeaned and eventually killed. Nonetheless, it is hard for an outsider to understand why millions of people denuded the local forests and melted down their iron bedsteads, farm implements and knives, because Mao had decreed that China had to overtake Britain in iron and steel production. There was sullen compliance and complete resignation in the face of such madness. People became faceless, expendable, passive numbers with no rights and no dignity. Only the beatings, public self-criticism sessions and killings can explain why there was no rebellion, and only one (inept) attempt at tyrannicide. The horrors only subsided when Mao

became physically feeble and repeated purges had thinned the ranks of his enforcers. Towards the end, army 'conservatives' (led by Deng Xiaoping) could prevail. Mao's policies were quickly undone; though even now, Mao remains a venerated figure in the PRC, officially and by many privately.

The authors single out Zhou Enlai as a spineless servant of the Master, an obedient enforcer without any personal pride or honour. He was not the charming good cop to the bad cop Mao. Others, who have earned the authors' contempt are those Western admirers and fellow travellers, such as Edgar Snow, Han Suyin, Simone de Beauvoir and Jean-Paul Sartre, who were propagandists for Maoism. As far back as the early 1950s, the French philosopher Sartre had preached that terror could be the 'midwife of humanism'. He and many of his followers in the 1968 generation saw Mao as their hero. Chang and Halliday also heap scorn on those credulous and uncritical Western supporters of Mao's, such as Field Marshall Bernard Montgomery, US General George Marshall, US Secretary of state Henry Kissinger and—yes—President Richard Nixon. According to the two authors, the aged Mao cunningly baited and manipulated the latter two American visitors to suit his purposes. In the book, they get no credit for the subsequent opening of China to the world.

Virtually all people who came into personal contact with Mao suffered awful fates because of him: his children died without any sympathy from their father, he treated his four wives cruelly and destroyed them, most of his deputies and close collaborators were purged and/or murdered. His daughter-in-law, who married his eldest son, was not told for years that her husband had been killed in the Korean War. Indeed, Mao toyed with her for years, making her believe that her husband was still alive somewhere. Even his abominable fourth wife, Madame Mao, suffered greatly.

### Undoing Mao's economic legacy

The book raises hard questions about the human consequences of tyranny—the millions of deaths by murder, starvation and torture. And there are the economic consequences, on which the book does not dwell much. When people are turned into totally demoralised and intimidated serfs, they cease to be productive and innovative.

Under Mao, hardly anyone had a chance to feel in control of his life, all became passive survivors who worked when coerced. Of course, the production statistics submitted to Beijing looked impressive, but were often faked. High savings, extracted by the knout, may have allowed big capital-goods purchases, but the state slaves could not make capital productive. Much has been, rightly, written about the impossibility of efficient production and distribution under central planning.<sup>8</sup> That impossibility finally brought the Soviet Union to its knees. However, economic management under Mao was even more inept and wasteful of talent and resources. Initially, the regime could live off the substance of what it inherited. Despite the wartime depredations and hyperinflation, parts of China

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had well-developed modern industries. Industrial centres like Shanghai, where foreign investors cooperated with Chinese managers, skills and labour, were far ahead on the development ladder of most other countries in the Third World—a fact that China's regime still refuses to acknowledge. It was not the communists who brought the centuries of decline in China's economy and culture to a halt. The turn-around happened earlier; and the politically demeaning foreign concessions played an important role in triggering modernisation before the PRC was founded. As a matter of fact, Mao's disruptive campaigns of expropriation and re-orientation in the 1950s and 1960s brought China's economy to its knees. Enormous effort and paid-for Soviet foreign assistance generated much useless output. Collectivisation—the communes, which so many (often bribed) foreign observers discussed admiringly—was in reality extremely wasteful, but of course allowed an even tighter control of the population and greater exploitation.

In 1980, when I was invited to travel throughout the PRC to study industry and to give a series of lectures, the gross destructiveness of Maoism was immediately obvious to me. As part of the trip, I

was invited to Sichuan province (then some 100 million inhabitants), where food riots had forced the provincial government to, for all intents and purposes, re-privatise the farms. Within two years, agricultural output went up by 50%, and people visibly enjoyed the modest choices available to them in the spontaneously emerging markets.<sup>9</sup> The joy of the women was palpable at wearing individually made clothing, after many years in Mao uniforms. For the first time in many years, ordinary people were able to buy peaches, a fruit of special import in Chinese tradition. Ponderous central planning had not been able to handle such perishables. I asked a farmer what had happened with peaches under Mao. Initially, he was terrified, since he had probably never seen a blue-eyed white face before, and speaking with foreigners had been a punishable offence. But eventually, he admitted with a grin that – while happy to earn money for the fruit – they had in their Commune enjoyed the sly peach grog.

The gross misallocation of resources was visible in every factory I visited. The yards were crammed with rusting, undelivered products, and other firms desperately improvised and bribed to keep their operations running. No one was mad enough to suggest obvious improvements or over-fulfilment of quotas. By contrast, the first few industrial enterprises in Sichuan that were taken out of central planning and run for the benefit of the workers looked ship-shape. The managers gave me the impression that they enjoyed the challenges of the new age. One CEO told me how much harder he and his staff now had to work and how difficult it was to innovate. I asked him why he was nevertheless so content with his new entrepreneurial fate. He replied: 'Life has become interesting. I now like to come to work every morning because I can now make a difference.' Then, I knew that a bourgeois counter-revolution had begun. When I said so, most China experts in Canberra were horrified that I might offend the Chinese and detract from a positive image of Maoism.

How different the Sichuan spirit was in the early 1980s from the sullen drudgery elsewhere in China, where the property-rights reforms had not yet been instituted! Little could the Chinese (and the China watchers in the West) know at the time that the brave and intelligent Zhao Ziyang was about to implement the Sichuan institutional reforms

throughout the entire economy.<sup>10</sup> In what was to become the biggest privatisation in the history of humankind, 600 million farmers regained control of their land and considerable autonomy in what to do with it. The Western press hardly noticed when the much-admired Peoples' Communes disappeared. This and parallel industrial reforms turned the Chinese into the most optimistic nation on earth, apart from allowing many to become rich quickly, and many more affluent and secure. By now, more and more parts of China are leaving the Third World to join places like Shanghai in the First World.

Of course, it is debatable whether landholders (and shareholders) in China enjoy genuine property rights. It is hard to generalise, but on the whole land-owners are able to exclude others from what they possess. Thirty-year land-holding certificates do not always protect the people from corrupt takings. But then property rights in Australia have also become less secure and comprehensive, and owners have to fear regulatory confiscation. In practice, owners may use the land as they see fit, including building houses on it and passing title on by inheritance. Owners cannot use their assets as collateral for loans. In short, property rights are less secure and comprehensive than in the West, and hence less useful for economic development. However, farmers increasingly stand up for their rights, as is testified by a growing wave of rural protests and rising compensation payments for expropriation. What also matters when Westerners discuss Chinese institutions is that much law rests on millennia-old informal institutions, rather than on black-letter codes and judicial enforcement. After all, China's civilisation is built on codes of conduct that make for harmony and effective informal coordination. This institutional infrastructure, more than anything else, underpins the recovery from the statist terror of the Mao era.

Mao's terror was possible only because the people were first deprived of all property rights. Once farmers could again decide what to do with their land and produce, in other words once they had a modicum of economic freedom, the people were on the path to more civil and political liberties. Admittedly, one cannot be sure yet as to whether civil and political freedom will spread, given that precious few safeguards against

government abuses are in place. We only know that inconsistent sub-orders (for example, a free capitalist economy alongside a repressive political order) are unstable and inefficient. When economic freedom is allowed to grow, people become more prosperous and, sooner or later, have the means to demand non-economic freedoms.<sup>11</sup> This has happened in the small, open economies of East Asia. Democracy and a more certain rule of law followed economic liberalisation within a generation, as it had happened before in Europe and as Milton Friedman has always asserted.<sup>12</sup> In our time, it is one of the most fascinating questions whether the same sequence will come about in China. There is nothing automatic about this, because ruthless political power brokers may well accept economic decline as a price for entrenching a power monopoly and suppressing economic freedom. That eventuality seems, however, less likely than alternative scenarios. The elites of present-day China are deeply aware that, because of the one-child policy, the population is rapidly aging. The Chinese must become rich before they become old. More importantly still, the memories of Mao's cruel, criminal policies and economic ineptitude are being passed on to the younger generation—like memories of 'The War' in Britain. The lessons of the Mao history are therefore unlikely to be forgotten and repeated.

In all of China's subcutaneous drama between economic diversity and private autonomy on the one hand and collective control on the other, the Chang-Halliday book will, in all likelihood, play an important role. I am not suggesting that *Mao, The Unknown Story* will be on China's bestseller lists anytime soon. But I bet my bottom dollar that someone, somewhere is already translating the book, to put it on the internet or CDs, which can be read on millions of computers. Not so long ago, I saw a stewardess on an Air Yunnan flight read, totally absorbed, Jung Chang's *Wild Swans*; and I can already picture thousands studying this great, new *Mao* book on their laptops.

**Endnotes**

- 2 S. Courtois *et al.*, *The Black Book of Communism. Crimes, Terror, Repression* (Cambridge, MA: Harvard University Press, 1999) concludes that the total number of murders by socialist governments in the 20<sup>th</sup> century approached 100 million (He estimated 65 million killings by Mao's regime). Never before have governments been driven so much by collectivist ideologies; never before have governments committed so many crimes against humanity.
- 3 For example, a biography by BBC correspondent, P. Stoner, *Mao* (London: Critica, 2004).
- 4 One very useful achievement of Mao's regime was the adoption of *pinyin* transliteration of Mandarin words. It is phonetic and therefore a great help to communication. Chang-Halliday could not get themselves to make consistent use of *pinyin*. Their hope was to make names distinctive. I find this practice regrettable in that a confusing medley of spelling styles makes oral communication more difficult for us ignorant foreigners.
- 5 E. Snow, *Red Star over China*, new and enlarged ed. (Harmondsworth UK: Penguin, 1961, first ed. 1937) was based on what Snow was told while he stayed with the Communists at Yen-an. It became the most influential apologia for Mao in the West.
- 6 Mao's ruthless self-indulgence and sexual appetites are documented in other sources, such as the account of one of his personal doctors: Li Zhisui, *The Private Life of Chairman Mao* (London: Chatto-Windus, 1994) — a book that is, oddly enough, not mentioned by Chang and Halliday. This book, too, was initially dismissed by a still Mao-adoring press as one-sided or invented.
- 7 C. Clark, "Economic Development in Communist China", *China Quarterly*, no. 21, 1965; 148-167.
- 8 L. von Mises, "Economic Calculation in the Socialist Commonwealth" (1920), reprinted in I.M. Kirzner (ed.), *Classics in Austrian Economics*, volume 3 (London: W. Pickering, 1994), 3-30. F.A. Hayek, *The Fatal Conceit, The Errors of Socialism* (Chicago: Chicago University Press, 1988).
- 9 W. Kasper, 'The Sichuan Experiment', *Australian Journal of Chinese Affairs*, no. 7, 1981, 163-172. The article was promptly translated into Chinese and circulated to other provinces as a convenient means for the 'Sichuan mafia' to broadcast within China what they were doing so successfully. Among Western China experts, my article was initially dismissed as one-sided and disrespectful of Mao's achievements. Many of them considered the Sichuan liberalisation at the time as a passing fad.
- 10 W. Kasper-M.E. Streit, *Institutional Economics* (Cheltenham, UK: E. Elgar, 1998), 422-429.
- 11 W. Kasper, "The East Asian Challenge: What Can Australians Offer Their East Asian Neighbours?", in H. Hughes *et al.*, *Australia's Asian Challenge* (Sydney: Centre for Independent Studies, 1994).
- 12 M. Friedman, *Capitalism and Freedom* (Chicago: Chicago University Press, 1962), esp. "Introduction". See also Friedman's dialogue with CCP General Secretary Zhao Ziyang, and Chapter 10 in: M. Friedman, *Friedman in China* (Hong Kong: The Chinese University Press, 1990).