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The Chinese Civil War, and the First Phase of Communist Rule (1945-1953)

The Communists under Mao Zedong and the Nationalists under Chiang Kai-shek had fought over who would rule China since the late 1920s. The intensification of the war against Japan, starting in 1937, caused the two parties to form a united front against the Japanese. Soon after the Japanese surrender in 1945, the civil war between the Communists and the Nationalists resumed, the Communists ultimately prevailing in 1949/50. As the People's Republic of China (PRC), the country was now reunited, under Mao Zedong, for the first time since the Revolution of 1911. The governing structure consisted of the party (the Communist Party of China, the CCP), the bureaucracy, and the army. The CCP dominated the bureaucracy and the army. The Korean War had negative consequences for China's development, among them the separation of Taiwan under American protection.

Mao Zedong proclaims the founding of the PRC, Tiananmen, October 1, 1949 (*Wikipedia*: retrieved on 11 November 2023 from

https://en.wikipedia.org/wiki/Proclamation_of_the_People%27s_Republic_of_China#/media/File:Mao_Proclaiming_New_China.JPG)

The Chinese Civil War, and its Aftermath

American efforts to broker peace between the Nationalists and the Communists

The world that emerged from the cataclysm of World War II was a profoundly changed place. The United States emerged as the wealthiest and most powerful nation, though the Soviet Union would compete with it as a second superpower, after the Communist country also acquired nuclear weapons. The old European colonial powers, greatly enfeebled by the war, would find it impossible to reclaim their former colonies in Asia. China, no longer fettered by the unequal treaties, came out of the war on the winning side, as a fully sovereign nation. Although the Nationalist regime under Chiang Kai-shek was exhausted by eight years of fighting against the Japanese from China's hinterland, his government was, nevertheless, the internationally recognized government of China, and it could count on the friendly support of America. The Nationalists were no longer troubled by two of their pre-war enemies: the Japanese and the Chinese warlords, but the third, the Chinese Communist Party (CCP), was very much alive. The Chinese Communist regime in Yan'an had more than survived the war: it had become stronger and reinvigorated during the war years,

becoming a far more formidable enemy to the Nationalists than it had been before the war. Was a renewal of civil war inevitable, or could the Nationalists and Communists cooperate to form a national government of a united China, and rebuild this war-torn country?

While the United States had no wish to be involved in a Chinese Civil War, it took upon itself to help the ill-prepared Nationalists, at the abrupt end of the war, to reclaim large parts of China that had been lost to Japan. With Chiang's agreement, the United States expeditiously moved its marines at the war's end to occupy a number of key cities up and down China's east coast, in addition to Tianjin and Beijing. Even before Chiang re-established the Chinese central government in Nanjing, American planes rushed 110,000 of Chiang's best American-trained troops by airlift to key cities, to accept the Japanese surrender. The process continued until a total of half a million Nationalist troops had been transported, with American help, by air or sea to the east coast and other parts of China, to occupy the major cities there. When Japan surrendered, a large number of Japanese still remained in China: 2.1 million military personnel, including 900,000 in Manchuria, and 1.75 million civilians. Though most found their way back to Japan, 1.2 million were transported back to that country with American help. For about a year and half after the war, American officials, and even some U.S. military forces, remained in China, endeavouring to help the Nationalists, and to promote peace between the Chinese Nationalists and the Communists.

The Nationalist regime's acceptance of the Japanese surrender involved, apart from some formal ceremonies, taking over from the Japanese and their puppet governments an enormous amount of assets including land, factories, equipment, and other types of properties, movable or fixtures, which had to be given back to the former owners, private or public. With little preparation, and with a reputation for inefficiency and corruption, it was not surprising that the Nationalist government mismanaged this mammoth task, leading to scandals, disruptions, and public dissatisfaction.

Perhaps even more serious was the regime's failure to stabilize the exchange rate between its currency, the *fabi*, and the notes issued by the various puppet governments, during the transition. As a result, a considerable difference in exchange rate developed among the different areas in China. For example, a given puppet currency might be exchanged at 40 per yuan in Wuhan, 150 per yuan in Shanghai, and 200 in Nanjing. The exchange rate between the U.S. dollar and the yuan also varied from city to city. At one point, when 1 U.S. dollar could exchange for 700 yuan in Tianjin, the rate ranged from 1500 to 2500 yuan in Shanghai. This chaotic situation encouraged speculation on the exchange rate. Because of the continuing high military costs, the income of the government continued to run far short of its expenditure, as had been the case in Chongqing, and again the Nanjing government resorted to printing money, which led ultimately to runaway inflation, as we shall see later.

While the Nationalists were accepting the Japanese surrender, and mismanaging the reconstruction of large parts of China, the Communist troops were instructed by their Commander-in-Chief, Zhu De, to force the Japanese to surrender to them when possible. Some clashes took place, because the Japanese military had been told to surrender only to the Nationalists. Despite lacking the Nationalists' advantage of recovering land and assets from the Japanese and their Chinese collaborators, the CCP was growing stronger, and mobilizing popular support for war against the Guomindang, a contest that would determine which of the two parties was to rule China.

Before the renewal of the civil war, the CCP leaders had been making plans and formulating strategy for the coming military confrontation with the Nationalists. They decided on a strategy of focusing their military strength on developing the northern theatre. They also made an important shift in tactics, changing from guerrilla to conventional warfare. In the past, guerrilla tactics had suited them well because of their relative military weakness. The CCP leaders realized that if they were to defeat their enemy decisively, they had to be able to engage him in conventional warfare, fighting pitched battles on open plains, or assaulting the enemies' cities or other strongholds. To prepare themselves for this type of war, they had to strengthen their military by increasing its manpower, equipping their troops massively with arms and ammunitions, and training their officers and soldiers for positional warfare.

While the Communists were strengthening themselves for the showdown, Chiang Kai-shek, for his part, was ready to destroy his enemy. In August 1945, he had an army of some 3.6 million troops, and an abundance of arms, ammunition, and military equipment, received as aid from America or abandoned by the Japanese and their puppet armies. He also had an air force and a small navy. The Communists had no navy or air force, and their army of less than 900,000 was far smaller and not so well-equipped. Furthermore, the Nationalists controlled China's major cities, her industrial base, and large areas in the south. Chiang's government appeared to be in a favourable position to dominate China, and to eliminate their Communist rivals by force. Although a strong China, free of Communists, was what the United States desired most, it saw avoidance of civil war through a democratic coalition government between the Nationalists and Communists as the best course for China.

Despite evidence that Chiang's government was functioning poorly, and was only intent on annihilating the Communists, the United States continued to give Chiang aid, and urged him to negotiate with the Chinese Communists, to explore how the two parties could work together in a coalition government instead of going to war. With this purpose in mind, in August 1945 the American Ambassador, Patrick Hurley, personally accompanied Mao from Yan'an to Chongqing to confer with Chiang. Their meetings continued until 10 October, when they announced that they both agreed in principle on the need for political democracy, a unified national army, equal legal status for all political parties, local government elections,

and various freedoms, such as speech, press, assembly, and religion to be guaranteed by the government. They also discussed the idea of convening a national assembly soon, to end the current period of political tutelage, and to introduce democracy. Such a procedure was in accord with Sun Yat-sen's ideas, which both Mao and Chiang claimed to follow. If they had sincerely agreed and tried to implement this political agenda, Chinese history would have taken a very different turn.

Since, in fact, neither Mao nor Chiang believed in democracy, were they engaged in this exercise to win America's goodwill, or just playing for time? The Nationalists certainly had an interest in American goodwill, but the Communists were playing for time to build up their military strength. Instead of going ahead to form a unified army as the two leaders had agreed, their respective troops were jostling for advantage and sparring against each other. The Communists, having captured Kalgan (Zhangjiakou), a rail junction with a railway line that ran to Manchuria, did offer to pull out from southern China to appease the Nationalists. This was, in any case, in accord with the CCP's strategy of focusing on developing the northern theatre. After the return of Manchuria to China, the Chinese reverted to its old designation: *Dongbei* (Northeast), or the Three Eastern Provinces, which stood for Liaoning, Jilin, and Heilongjiang. To avoid confusion, Manchuria will continue to be used here. Having his mind fixed on dominating or controlling the whole of China, Chiang promptly despatched many of his best troops to Manchuria through the Shanhai Pass, to engage the Communist forces in combat during November 1945. Because he had not yet consolidated his hold over southern and central China, Chiang's decision to extend his power to Manchuria turned out in retrospect to have been a serious strategic error.

With the resumption of civil war, Ambassador Hurley resigned in late November. Discouraging as the situation appeared in China, the Truman administration still did not abandon the hope that Chiang might be persuaded to share power with the Chinese Communists and others, to form a broadly based government of China united in peace. In December, President Truman sent General George Marshall, who would later become identified with the famous Marshall Plan, as his personal envoy to China, to pursue the prospect of political reform, peace, and unity in China. Marshall managed to get the two sides to agree to a cease-fire on 10 January 1946. His efforts led to a political consultative conference being held in Nanjing. It had 38 delegates, including 8 from the Guomindang, 7 from the CCP, 5 from a new Youth Party, a pressure group for China's peaceful reconstruction, 2 from the Democratic League, representing China's liberal intellectuals, and others belonging to smaller political associations, or unaffiliated. During the 10 days of discussion, the delegates agreed on all the major issues concerning constitutional government, unified military command, the national assembly, and other important matters related to democratic governance. Press reports on the conference provided a glimmer of hope for the Chinese reading public.

The Guomindang's Central Executive Committee, however, high-handedly made substantial changes to the conference agreements. The Communists and Democratic League members then refused to cooperate unless the original agreements were restored. Instead of doing so, the Guomindang leadership decided to dispense with them altogether. In late 1946, it went ahead with its own National Assembly, which drafted a constitution without the participation of the Communists, the Democratic League, and others, who all repudiated both the Assembly and the Constitution. Chiang Kai-shek's presidential powers, unchecked by a lawfully constituted cabinet, were reaffirmed. The Nationalist Party clearly sabotaged this new attempt to unite China through democratic reconstruction. As ever, the Nationalist authority also continued to persecute, or even to assassinate, its prominent liberal or left-wing critics.

Even though the January cease-fire failed to hold, Marshall persuaded the two sides to declare another one in June 1946. The Nationalists broke the new cease-fire in July, by attacking the Communists in Manchuria. The point had been reached when the Communists were no longer inhibited by the need to strike a compromise with the Guomindang. They reorganized their army with the symbolic name of the People's Liberation Army (PLA). They dropped their united-front policy of rent reduction, and instead moved to actively enforce land reform in terms of confiscating landlords' holdings so as to redistribute them to landless peasants and tenant farmers. Land reform was implemented not only in their base area in Shaanxi, but also in other Communist territorial pockets in Hebei, Jiangsu, Shandong, Henan and elsewhere. Violence was inevitable in this type of social revolution, where personal animosity and old scores were also settled. If an area that had undergone land reform was retaken by a Nationalist army, the landlords or their relatives might return to take back their land and avenge themselves on the peasants who had been given their land.

Land reform attracted the peasants to the Communist cause and facilitated the CCP's drive to recruit large numbers of them into the PLA. From the start of the civil war, the Communists succeeded not only in boosting the number of their soldiers, but also in capturing a huge number of weapons, and training their forces for positional warfare.

While trying to function as a neutral broker for peace, the United States continued to offer all kinds of assistance only to the Chinese Nationalists, one of the two parties vying for political-military control of China. As the civil war broke out afresh, the party that was deprived of American aid, the Communists, became increasingly hostile to the American presence. By the second half of 1946, anti-American propaganda and physical attacks against Americans were making America's position in China increasingly untenable. Unable to stop the Chinese Civil War, and with no desire to become involved in it, the United States discontinued its effort at mediation, when Marshall returned to America early in January 1947.

The race to control Manchuria

Unlike other parts of China, where the Nationalists and Communists troops interpenetrated, Manchuria was free of the Nationalists' presence at Japan's surrender on 15 August 1945. This was because, during the war, the Nationalists were fighting far from this region. The Communists, who infiltrated this region, had to hide their political affiliation and remain inactive underground, after the Japanese, working through the puppet Manchukuo, enforced a ruthless policy of destroying the homes of the 5 million or more peasants in isolated areas, and resettling them into 10,000 or so 'collective hamlets'. There, living under police surveillance, they were not able to give shelter to Communist guerrillas. The Communist guerrillas did come out into the open when the Soviet forces streamed into Manchuria following the provisions of the Yalta Agreement. This was eight days before the Japanese surrendered.

Following the strategy of 'north first then south', a top priority for the CCP was getting control of Manchuria, an area of 45 million inhabitants, with rich natural resources, considerable food reserves, and large industrial cities. Almost immediately after the war ended, the CCP rushed one of its most capable commanders, Lin Biao, to this region, with 100,000 seasoned fighters of the Eighth Route Army from Yan'an by land, and from northern Shandong by sea, using junks. When Lin Biao and his army arrived in the fall of 1945, they were joined by the former guerrillas, which had formed a People's Self-Defence Army of around 125,000 men through active recruitment. They also found that the Soviet forces had been occupying the main industrial cities, the railway lines, and the mines since August 1945. The Soviets allowed the Communists to take a large stockpile of Japanese weapons and equipment, and hindered the Nationalist forces from moving speedily to take over Manchuria.

In March 1946, the Soviet Union withdrew its troops from Manchuria. By the time they left, they had stripped a large amount of machinery and equipment from many factories, mines, hospitals, and laboratories, which they took back with them, together with a large amount of food and gold worth US $3 million. Since it was no longer conceivable for the Russians to receive what Roosevelt and Churchill had offered them at Yalta, the Russians seized these rewards for themselves as war reparations or booty. As the internationally recognized government of China, and with the help of the American air force, the Nationalists seized the positions that were vacated by the Russians. They took over the big cities and industries developed by Japan with an estimated 11 billion yen of investments. These included the big Anshan Steelworks, the Fushun Coal Mines, the Liaoyang Cotton Mill, and many hydroelectric stations.

Chiang's government mismanaged the takeover of the assets of this region through corruption, abuse of power, favouritism, and private profiteering at the public expense. The Nationalists' mistrust of the locals led them to appoint outsiders to all the key posts in the three provinces of Liaoning, Jilin, and Heilongjiang,

who were viewed as a species of ‘carpetbaggers’ by the natives. Uncertain of the loyalty of other groups, they worked with landlords and former puppet officials. Their lack of presence in the countryside left the rural population to be readily mobilized by the Communists for social revolution and for war against them. Chiang’s decision to create a separate currency for Manchuria instead of using the highly inflated *fabi* further exacerbated the economic problems of this region. Instead of setting Marshall Zhang Xueliang free, after 10 years under house arrest on account of the Xi’an Incident, and letting him join his younger brother, who was commanding 25,000 Manchurian troops still loyal to Zhang, Chiang shipped Zhang to Taiwan. Chiang’s policies profoundly alienated the people of this region.

As the civil war intensified by the middle of 1946, most of the major cities in Manchuria as far north as Changchun fell into the hands of the Nationalists. In March 1947, the Nationalists also captured Yan’an, the CCP’s capital during World War II, and held it for a year until Peng Dehuai recaptured it in March 1948. The Nationalist armies cleared large areas of north China and Manchuria as corridors for movement of troops and supplies. From the middle of 1946 to that of 1947, Chiang’s forces seemed to have the upper hand.

Lin Biao, who had led his army northward, held on to Harbin, a large industrial city of 800,000, located north of the Songhua (Sungari) River, which they made their base. Apart from Zhangjiakou (Kalgan), where they developed a model city government, the Communists were relatively inexperienced at administering large urban centres. In Harbin, the Communist leaders registered the residents, and organized the city into districts, which were subdivided into street governments, at which level the people took responsibility for the security of their locality and the reporting of criminal activities. They had specially trained cadres using modern media, such as newspapers, magazines, films, and radios, to spread their revolutionary messages to the people of the city. To support their government, they levied a sales tax at different rates, low for necessities and high for luxuries. They also solicited contributions from the people for their war effort.

A challenge soon emerged to test the Communists’ ability to run a municipal government. At the conclusion of the war against the Japanese, rather than destroying the flea-infested rats carrying bubonic plague from their germ warfare, the Japanese released them. As a result, after a period of incubation, bubonic plague broke out in Harbin in 1947. Effective quarantine and inoculation measures limited the spread of the disease and the death toll to 30,000. Later, when they took over other large cities, they could draw from the experiences they gained from administering Zhangjiakou and Harbin. As the war progressed into contests for major cities, their good reputation for orderly city administration stood them in good stead, winning some of these cities and the confidence of the local people.

From Harbin, Lin Biao sent out 12,000 cadres to the countryside to win peasant support by implementing land reform through confiscating first the Japanese and puppet estates. This led to a colossal amount of land

available for redistribution to the peasants. Peasant support enabled Lin Biao to increase the size of his army to 400,000 by 1947, while trying to fend off Nationalist attacks during the previous year and a half.

After being driven by the Nationalists further to the north between 1945 and 1946, but while still holding on to Harbin, Lin Biao reassembled his forces in November 1946 and surprised the Nationalists with a lightning strike targeting their winter quarters, after crossing the frozen Sunghua River. In order not to give his enemies a breathing-space, Lin kept up the attacks, early in 1947, with a such a momentum that, by May 1947, he was assaulting the railway junction town of Siping with 400,000 troops. Although he was pushed back with heavy losses by his opponents' extraordinary concentration of forces, supported by air power, he was able to regroup and return to destroy the railway lines, and extend CCP control to most of Manchuria's countryside. In doing so, he was carrying out the Communist strategy that aimed at rendering the Nationalist-held cities isolated from relief, reinforcements, and supplies, except by air. Lin's success allowed him to assemble forces to surround these cities, some of which, like Shenyang (Mukden), had 200,000 well-armed Nationalist troops, supported by tanks and artillery, and put them under siege. American observers, who were pessimistic about Chiang's chances in holding on to Manchuria, advised him to pull his forces back to concentrate on defending north China. But Chiang had invested too much in Manchuria to heed such advice.

The tide turns in the Communists' favour

While Lin Biao was isolating the key Nationalist-held cities in Manchuria, Communist forces overran much of the countryside of northern China. By the middle of 1947 they had crossed the Yellow River into the North China Plain, where they carried out similar tactics to those of Lin Biao in Manchuria. They isolated the key Nationalist-held cities, such as Luoyang, Kaifeng, Xi'an, and Jinan in Shandong, before surrounding and capturing them. Peasant guerrillas continually disrupted the Nationalist supply lines. The contests over these cities could be very fierce. Luoyang, for example, changed hands three times before the Communists clinched their hold on it in April 1948. The relentless Communist pressure, and attendant gains, were demoralizing for Chiang's officers and troops. Large groups of many divisions at a time surrendered or defected to the Communist camp with their weapons and military equipment. By the middle of 1948, the Nationalists had lost the edge, the Communists having caught up with them in military power: the two sides had reached parity in the number of troops and military hardware. During the second half of 1948, Communist forces captured most of the major cities of the ancient North China Plain, including centres of

transportation and communication. By November 1948, Lin Biao's brilliant campaigns led to the fall of the last of the Nationalist strongholds in Manchuria - Changchun and Shenyang - and the surrender of a third of a million of Chiang's best troops.

In November 1948, Zhu De, the Commander-in-Chief of the PLA, decided to seize the railway junction near Xuzhou, an area between the Huai River and Longhai Railway. The Battle of Huaihai would be a decisive contest in conventional warfare between the two antagonists at a critical juncture. Each side committed around 600,000 troops, and assembled enormous amounts of ammunition, armaments, and equipment. On the Nationalist side, their ground forces had the advantage of air support. On the Communist side, Deng Xiaoping mobilized as many as two million peasants from four provinces to provide ancillary support for the PLA for this campaign. During the 65-day conflict, the Communists out-manoeuvred the Nationalists, whose generals had to cope with contradictory orders from Chiang Kai-shek, issued at some distance from the front. The Communists prevailed, after cutting off 300,000 Nationalist troops and forcing them to surrender. This battle took the momentum out of Chiang's military machine in northern China.

While this campaign was going on, Lin Biao captured Tianjin in January 1949. Threatening Beiping with a large force, he persuaded the commanding officer of that city to surrender. On 31 January, Communist forces entered this ancient capital, the name of which would change from Beiping (Northern Peace) back to Beijing (Northern Capital) under Communist rule. By the spring of 1949, the Communists were in control of Manchuria and northern China all the way to the east coast, with the Yangtze River separating, like a moat, the PLA on its northern bank and the Nationalist army along its southern bank.

Chiang Kai-shek, with his capital in Nanjing, was considering the option of using the Yangtze as a natural barrier and holding on to the territory south of this great river. He was also exploring other options, such as retreating to Yunnan, or to the coastal provinces in southern or eastern China, or across the sea to Taiwan. In January 1949, Chiang resigned his presidency but continued to be the leader of the Nationalist Party and of its military forces.

Li Zongren, the former Guangxi warlord and Guomindang general, succeeded Chiang as President of the Nationalist government. Li tried in vain to persuade Mao to modify the eight-point terms for the Guomindang to surrender. Since acceptance of these terms would have stripped the Guomindang of its military power, its law-making capacity, and the wealth of its leaders and supporters, Li refused.

When the Communists commenced their southward campaign in April 1949, the Nationalist armies were too demoralized to put up a good fight. Within two months, Nanjing, Hangzhou, Wuhan, and Shanghai fell with little resistance. The armies of Lin Biao and Peng Dehuai, after converging in Wuhan, went in different directions. Lin's men streamed rapidly south to Changsha, then along the Xiang River to occupy

Guangzhou, before turning up the east coast to conquer Xiamen, where they met tough resistance from the Nationalist forces retreating to Taiwan. Peng's forces moved rapidly through the northwest all the way to Xinjiang, like 'breaking bamboo'. Apart from a combative Muslim general in Gansu, the Nationalist commanders guarding that region all surrendered to Peng without a fight. Another branch of the PLA drove through the southeast to capture Chongqing, Chiang's wartime capital. By the end of 1949, the PLA had driven almost all the Nationalist forces from mainland China.

On 1 October 1949, the People's Republic of China (PRC) was inaugurated following the Communists' triumph in the Chinese Civil War. China was now once more united, following its fragmentation after the Revolution of 1911. Unlike its Qing predecessor which had signed away China's sovereignty through the unequal treaties, which had continued to tie the hands of the Chinese to some extent during the Republican period, the PRC was now a sovereign and independent state. This historic achievement prompted Mao Zedong, who would dominate China until his death in 1976, to proclaim to the world, from atop the Tiananmen Square in Beijing, the capital of the PRC, that China 'will no longer be a nation subject to insult and humiliation. We have stood up'.

At this stage, the areas remaining for the PLA to reclaim were Tibet and the islands of Hainan and Taiwan. Since Hainan was only about fifteen miles off the coast of Guangdong province, the lack of a modern navy did not prevent the PLA from transporting more than 100,000 troops by junks to the island between March and April 1950, and secretly landing them, with the support of Communist guerrillas already there. The Nationalist troops were easily overwhelmed. We will return to Taiwan in a later section.

Factors contributing to the KMT's[1] loss of mainland China to the CCP

From the end of World War II in August 1945 to the first months of 1947, the Chinese Nationalists appeared to have significant advantages over their Communist adversaries. Then, before the end of 1949, the military situation turned decisively against the Nationalist forces. The rapidity with which the CCP-controlled forces accomplished the conquest of all of mainland China was surprising even to the Communist leaders, who had expected a much longer war. Even after winning the decisive Battle of Huaihai, Stalin advised the CCP to keep to the north of the Yangtze River and let Chiang's government rule the southern half. But the scent of victory was too strong for the CCP to heed Stalin's advice. What were the factors contributing to the Nationalists' defeat, or the Communists' victory, in the civil war?

[1] We shall use this conventional abbreviation for the Guomindang, based on the previous spelling 'Kuomintang'.

The actual military engagements were obviously crucial, and the speed of the Communist takeover was related to these. Experts who analyse the disastrous military performance of the Nationalist forces focus on their poor military leadership, and the lack of cohesion among their top leaders, while the opposite was true of the Communists. The latter had outstanding generals, who repeatedly outmanoeuvred their Nationalist counterparts. The Communist commanders in the field coordinated with each other through the CCP central command, controlled by Mao.

The Nationalists were thought to have committed a major strategic error when they tried to recover Manchuria, before consolidating their position in northern China. While the Communists often took the offensive, the Nationalists were content to play a defensive role. As a consequence, the Communist forces were able to surround the Nationalists, and then force them to surrender. Also, the Nationalist soldiers suffered from low morale, brought on partly by the fact that they were paid too little, while their corrupt officers enjoyed a luxurious lifestyle at their expense. In contrast, the morale of the well-behaved and strictly disciplined Communist soldiers was high. Their lifestyle was not very different from that of their officers. Like the Nationalist soldiers, they had been recruited from the peasantry, but unlike the Nationalist soldiers, they had been indoctrinated with a revolutionary ideology that motivated them to fight for the CCP, which promised them a better life through land reform.

Besides losing the hearts and minds of the peasants, the Nationalists also alienated China's urban population by the corruption, favouritism, nepotism, injustices, and other abuses accompanying their takeover of the industries and other assets surrendered by the Japanese. By contrast, after the Chinese Communists took over from the Japanese cities like Zhangjiakou (Kalgan) and Harbin in Manchuria, the effective administration they provided for these cities inspired confidence. These positive examples probably calmed the fears of city-dwellers in other parts of China and helped their subsequent orderly takeover of other large cities, most notably Beijing.

On the political front, students and liberal intellectuals in China blamed the Nationalists for the failure to form a democratic coalition government with the CCP and other Chinese political parties, and also for starting the civil war. In the future, the Communist regime would turn out to be even more repressive than the Nationalists towards critics, dissidents, or any groups that challenged their monopoly of political power, but at that time the Nationalists appeared to be doing all the repressing. Police harassment and violence against left-wingers and student demonstrators, who protested against their dislocation by the civil war and their conditions of life, contributed to the Nationalist government's loss of popular support. The Communists, who were winning the propaganda war, exploited this and other Nationalist weaknesses in the media to win the hearts and minds of the people. Many covert Communist sympathizers in the Nationalist controlled areas were prepared to sabotage the Nationalist cause, if given a chance.

The most important campaign for winning the hearts and minds of the largest segment of the Chinese population was the Land Reform Movement. Land tax was the foundation of state support, and most of it was collected from farmers or peasants with small landholdings in 'feudal' China. Redistribution of land was not new: every dynasty started with some redistribution, but landlordism and large aristocratic, official, or merchant estates remained a major part of the system. The Communist revolution eliminated landlords and privately owned large estates. The state or the public (the people as a whole) became the new owner of all the land, which was parcelled out to all the farmers to tend. The crops grown were retained partly by the growers and partly given to their local government as taxes. These revolutionary social and economic measures that the Communists conducted during the civil war contributed to their winning the support of the masses of poor tenant farmers and landless peasants.

In addition to the peasants, a Communist revolution was intended to benefit the workers or proletarians. The Communists succeeded in infiltrating some labour unions during the civil war, working towards the workers' emancipation. Women were encouraged to support the CCP on account of its policy of giving women land in the redistribution, and its marriage laws, which provided women certain legal rights in marriage, divorce, and custody of children.

The last but not the least cause of the Nationalists' loss of China was their inability to manage the economy, particularly in connection with government finance and monetary policy. After moving to Chongqing, their tax-based shrivelled, while their military expenditure ballooned. With expenditure continually outpacing income, the government's desperate measure of printing money only led to inflation. While inflation had been a problem during the Sino-Japanese war, it spiralled completely out of control during the last years of the civil war. The government's attempts to impose price controls, cap the workers' wages, and distribute essentials such as food and fuel at artificially low prices, and finally to abolish the *fabi* and substitute this currency with a gold-yuan note, all failed, leading to hyperinflation which became uncontrollable. Attempts to borrow from the United States for currency stabilization met with rebuffs. Some observers believed that the disastrous hyperinflation destroyed the Nationalist regime even more than its military defeats.

Some have attributed the Nationalists' failure to insufficient financial and military support from the United States. But in the light of the relative strengths and weaknesses of the two antagonists, more American aid to the Nationalists might not have made a significant difference to the outcome.

Chiang Kai-shek's retreat to Taiwan

When the tide of war was going inexorably against the Nationalist forces during 1949, Chiang Kai-shek looked increasingly to Taiwan, an island some 100 miles East of the coast of Fujian province, as a possible safe haven for him from an enemy that lacked naval and air power. Before the end of World War II in 1945, this beautiful subtropical volcanic island of 14,000 square miles (36,000 km^2) had been ruled by Japan for fifty years, as a colony since the end of the First Sino-Japanese War in 1895. The Cairo Conference in 1943, attended by Generalissimo Chiang, the U.S. President Franklin D. Roosevelt, and the British Prime Minister Winston Churchill, declared that 'all territories Japan has stolen from the Chinese, such as Manchuria, Formosa[2], and the Pescadores, shall be restored to the Republic of China'. This statement was confirmed by the Potsdam Declaration in 1945 that laid down terms for Japan's unconditional surrender. The recognition by China's powerful wartime allies that the above-named territories were indeed Chinese land seized by Japan, smoothed the way for officials of the ROC (then represented by the Nationalist government of Chiang Kai-shek) to receive the Japanese surrender of these areas, together with the Japanese assets in them.

Soon after World War II ended in August 1945, thousands of Nationalist officials from mainland China led by Governor Chen Yi (not to be confused with the Communist Marshall Chen Yi) descended on Taiwan like a new occupying power, to take over the government of the island, and the huge amount of its assets which included farms and forest lands, real estate, and factories that were formerly owned by the Japanese. Before long, the newcomers from mainland China had a monopoly of political, administrative, and security posts, as well as managerial positions in former Japanese-owned land and enterprises, both governmental and private. The native Taiwanese who, apart from one or two percent of aboriginal Pacific islanders, were mostly descendants of the seventeenth century Ming dynasty loyalists who had fought against the Manchu invaders and retreated to Taiwan, welcomed the Chinese Nationalists as liberators at first. They soon became alienated when they found that they were excluded from political power and the economic opportunities which were available only to the newcomers from mainland China. The Taiwanese elites became further enraged when they discovered that they were not trusted by their new Nationalist rulers, who treated many of them as potential or actual collaborators with either the colonial Japanese, or the Communist Chinese.

This unhappy start, in addition to the corruption and abuse of power of the Nationalists officials, led to a native Taiwanese uprising on 28 February 1947. (The Taiwanese historian Huang Zhangjiang's *Er Er Ba Si Jian Zheng Xiang Kau Zheng Kao* (Draft of Investigation into the Truth of the 228 Incident), published

[2] In 1542 Portuguese sailors sighted the uncharted island and noted it in their maps as 'Ilha Formosa', meaning 'Beautiful Island'. For a short time in 1895, before the island was ceded to the Japanese after the defeat of China in the Sino-Japanese War of 1894 -1895, the island was proclaimed as the Republic of Formosa.

by the Academia Sinica of Taipei, Taiwan, in 2007 provides a collection of documentary sources for examining the facts on this incident.) Chen Yi immediately declared martial law, and falsely reported the incident to Chiang as a Communist plot. Determined not to have Taiwan tainted by Communism, Chiang sent a division of his troops from mainland China to Taiwan on 9 March to join the local garrison and quell the revolt. The violent suppression of this widespread Taiwanese rebellion took a toll of an estimated 18,000 to 28,000 lives before peace was restored a few weeks later. This bloody episode, remembered by the native Taiwanese as the 228 Incident or 228 Massacre, prompted Chiang Kai-shek to make some concessions to them, such as the establishment of the Taiwan Provincial Government, in which the local people could take leading positions through election or appointment.

As the civil war raged on in the mainland, by December 1949 Chiang Kai-shek was indeed forced to carry out his plan of evacuation to Taiwan, with his one million or so armed forces. His retreat was accompanied by officials of the Nationalist government, supporters of the Nationalist cause, or anti-Communists from the business and professional communities. The influx of some two million people from mainland China constituted a large addition to the existing population of that island, whose population numbered a little over five million around that time. The Nationalists also brought to Taiwan a major collection of China's art treasures, together with foreign reserves and gold worth hundreds of millions of U.S. dollars.

The arrival of Chiang's military forces, with gunboats, planes, and tight defensive measures rendered attacking Taiwan across its strait a truly formidable challenge to the PLA which, though massive in manpower, could not lay claim to having either a navy or an air force at that time. Furthermore, in October 1949, a Communist attempt to occupy Jinmen (Quemoy), one of the two small islands lying about two miles off the coast of Fujian in the Taiwan Strait, was soundly defeated by the Nationalists. This failure must have made Mao and the PLA generals pause before contemplating the launch of an attack on Taiwan itself.

In retrospect, however, it seems that Mao made a major mistake in not having pressed on to take Taiwan then, despite the difficulties, before the U.S. became involved in the security of the island. On 5 January 1950, President Truman issued a statement, declaring that the United States had 'no predatory designs on Formosa'. It also declared that the U.S. had 'no desire to obtain special rights or privileges or to establish military bases on Formosa', and furthermore, the U.S. had no intention to 'provide military aid or advice to the Chinese forces on Formosa'. Most significantly, the American strategic 'defensive perimeter in the Pacific included only Japan, Okinawa, the Ryukyus and the Philippines'. It left out both Taiwan and South Korea. But after the start of the Korean War in June 1951, the United States made an abrupt change from its former position. The Truman administration placed its Seventh Fleet on patrol in the Taiwan Strait. This American move effectively put Taiwan out of reach of the PLA, a situation which persists to this day.

China from the Communist Revolution of 1949 until 1953

The first urgent tasks for the CCP after replacing KMT rule

Having seized power in China by force, the CCP feared internal subversion, and possible invasion by the Nationalist forces who had retreated to Taiwan and Burma. To guard against these dangers, the new regime promptly divided China into six temporary military regions (later renamed 'Theatre Commands'), to be administered by the top PLA generals.

To legitimize the regime as a 'People's Democratic Dictatorship' led by the CCP, Mao convened, in September 1949, the Chinese People's Political Consultative Conference (CPPCC) as a united front assembly. The delegates of this assembly were drawn from a wide political base of twenty-three parties that represented associations composed of peasants, workers, the 'urban petty bourgeoisie', the 'national bourgeoisie', young people, women, and members of the Democratic League. Unlike the similarly named conference which met in 1946, and was dominated by the Guomindang, this one was dominated by the CCP. It excluded Guomindang agents, who were branded as politically reactionary, or counter revolutionary. The CPPCC named Mao Zedong as the formal head of state, established government structures, and issued legislation. It adopted the Common Programme, which guaranteed basic human rights, including the rights of the minority peoples, pledged to continue the revolutionary land reform, outlined a plan for industrial development along the lines of the Soviet Union, promised equality to women, and stressed universal education.

After eight years of war against Japan and four of civil war, the China Mao took over was in a state of chaos. The country was plagued by hyperinflation, massive unemployment, a broken-down transportation system, stagnant agriculture and industry, a floating population of refugees and demobilized Nationalist soldiers, and many other social ills. During the first months of the PRC, the new rulers moved promptly to restore order, and to bring the country back to functioning normally. Chen Yun, the head of the Finance and Economic Committee, implemented a number of effective measures that tamed the hyperinflation by the mid-1950s. These measures included creating a unified fiscal system, increasing the revenue of the central government, and controlling its expenditure to achieve a balanced budget, controlling prices, indexing wages, carrying out currency reform, and selling bonds. The new government replaced the different Nationalist era notes with a single uniform currency, the *renminbi* (People's Currency). Land tax was collected for the central government throughout the country for the first time since 1928, when the Nationalists had consigned this income source to the local powerholders.

Chen Yun also successfully carried through the restoration and expansion of the railways and roads and other infrastructure. Temporarily setting aside their socialist economic agenda, the CCP leaders endeavoured to win the cooperation of the technical and managerial elites and business owners, including foreigners who had not joined the exodus of capitalists fleeing China, to continue with their commercial and industrial activities. Teachers and local government employees were mostly allowed to keep their jobs, though they had to undergo political re-education, such as studying the works of Mao Zedong.

The Communist leaders were surprised by the enthusiastic support they received from the urban middle class: students in particular responded to their call for national reconstruction. There were elements in the CCP agenda that appealed to the nationalism, and desire for modernization, of members of the urban middle class. The CCP had far more difficulty winning the support of the proletarians and peasants in its newly liberated south, than that of the urban middle class, which it labelled as 'bourgeois' or 'petty bourgeois'. College students helped to implement social reform in the cities, by participating in campaigns for public health, against prostitution, and in re-educating social offenders. Student activists volunteered to join agricultural production, to help the PLA in the front, to spread literacy among poor workers and peasants, and to serve the CCP as cadres.

In order not to disrupt food production, the new regime at first exercised restraint in its land reform in the newly conquered south, by allowing middle or rich peasants to keep their land. Apart from landlords, who lost their land, if not also their lives, and before the CCP started their purges against the counterrevolutionaries and the capitalist class, Chinese people found reasons to rejoice under the new regime. After all, it brought China the peace and unity they had been longing for. In the countryside, more peasants had small plots of their own. In the cities, they saw inflation coming down, public order and services restored, prostitutes, criminal gangs, opium-smokers, and beggars rounded up to be reformed, corruption stamped out, and foreign privileges abolished. The new marriage laws made men and women equal partners in marriage, and a woman could petition for divorce. The initial first year of the founding of the PRC was a honeymoon period between the CCP and the Chinese people, but it would not last long.

Foreign policy

As the new regime strove to make itself militarily secure, claim legitimacy, establish government structure, and administer all the territory in its control within China, it felt itself weak, and vulnerable to possible attacks from enemies outside China. These enemies included the United States as the foremost imperialist power, and the Nationalist forces that had retreated to Taiwan and Burma. As a Communist regime, the CCP naturally looked to the Soviet Union and Stalin, the dictator of the Communist bloc, not just for

military protection, but also for economic aid and technical assistance. Although the young CCP had been almost destroyed through yielding to Stalin's directives in the 1920s, and the more mature CCP had to put up with Stalin's neglect, contempt, imperialistic behaviour, and his policy of maintaining Soviet ties with the Guomindang to the very end, Mao had no better option than to follow a foreign policy of 'leaning to one side', meaning forging close ties with the Soviet Union.

Since Mao was too much tied up with directing the civil war during the early part of 1949, Liu Shaoqi, the number two in the CCP hierarchy, was sent to Moscow in June of that year with a number of objectives. Besides seeking Stalin's approval of Mao's political thinking and policies, he was to give a comprehensive report to the Kremlin boss on the current state of the revolution in China, and on the CCP policies, both foreign and domestic. Furthermore, he was to seek wide-ranging Soviet assistance, from setting up the new Chinese state to financing China's economic development, as well as to explore the possibility of an alliance between the two Communist neighbours. In Stalin's view, China had just undergone an anti-imperialist and anti-feudal 'national-democratic' revolution. Therefore, the power of the new Chinese state rested on a coalition of the CCP with the more progressive elements of the Chinese bourgeoisie. Even though the revolution led by the CCP was not a socialist proletarian revolution, it was still sufficiently important from the point of view of Soviet security, and international class struggle, for Stalin to aid the CCP. Liu returned to China towards the end of August 1949, bringing with him 220 Soviet experts in many different areas as advisers, together with Stalin's promises of financial and other aid to China.

Liu's successful visit paved the way for Mao to take the ten-day train journey across Siberia to Moscow in December 1949, ostensibly to pay respects to the Kremlin boss on his seventieth birthday. Stalin's initial tardiness in opening negotiation on the important issues which Mao had come to discuss and settle, in his first and only trip outside China, with the leader of the Communist camp, tried Mao's patience sorely. When the Russians finally signalled their readiness for talks at the beginning of 1950, Mao immediately summoned Zhou Enlai, who came well-prepared to take part in negotiating a new treaty between the two countries. Russian insistence on extracting from their Chinese neighbours concessions on territorial issues in Xinjiang, Mongolia, and Manchuria appeared imperialistic, contrary to Marxist principles, and to the solidarity of brotherly Communist countries.

After days of hard bargaining over details of the treaty, Stalin retained his railway and naval concessions in Manchuria, though Lushun and Dalian would return to China by 1952. The Chinese were obliged to exclude non-Soviet foreigners from Manchuria and Xinjiang, where Sino-Soviet joint ventures were to be introduced. Mao had to accept the independence of the Mongolian People's Republic, a vast arid land between China and Russia. Czarist and Soviet imperialism had rendered this region, which had been a part of the Qing empire, a Russian satellite, when Qing authority declined and China broke apart. Although the

Sino-Soviet Treaty of Friendship, Alliance, and Mutual Assistance signed on 14 February 1950 gave Mao less than he hoped for, he did receive the assurance of Soviet military protection in case of attack, ostensibly by Japan, but really by America; also, a loan of about $300 million in instalments over five years, other military aid, and the Soviet leader's official acceptance of the CCP as a legitimate member of the Communist bloc. The treaty strengthened Mao's foreign policy of 'leaning to one side'.

In keeping with this policy, Britain's offer to recognize the PRC in January 1950 was rejected by the Chinese, who gave as the reason Britain's formal diplomatic ties with Chiang Kai-shek's Republic of China (ROC) in Taiwan. The British move was made in the interest of keeping the status quo in Hong Kong, and in developing trade with the PRC. Mao's China, fearing foreign interference, was interested neither in diplomatic ties, nor in trade with the imperialist power.

However, recognition from the Communist countries, especially the Soviet Union, was extremely important to the Chinese Communists: it was a prize they had been fighting for. They also wanted the USSR, as Stalin had promised, to be the first of the People's Democracies to recognize the PRC. After the USSR extended formal recognition to the PRC on 2 October 1949, other members of the Soviet bloc - Czechoslovakia, Poland, Hungary, Bulgaria, Romania, and Yugoslavia - followed suit within the next few days. By the middle of January 1950, in addition to the Communist countries, Southeast Asian nations including Burma, India, Pakistan and Ceylon, the Scandinavian countries, Israel, and Afghanistan, recognized the PRC.

As regards membership in the United Nations, Chiang's ROC in Taiwan still represented China. Although Mao did not regard replacing the ROC by the PRC in the UN as matter of high priority, he nevertheless asked Stalin's help, in August 1949, to expel the representatives of the ROC from the UN so as to seat those of the PRC. He did so to satisfy the CCP's allies in the People's Consultative Conference, who desired such a mark of international approval of the new Chinese state. Content to see China's place in the world as a part of the Soviet bloc, Mao was not unduly perturbed when U.S. opposition defeated Stalin's effort to make the change.

While deferring to Stalin's overall leadership of the Communist world, Mao saw a role for China to take the lead in guiding and supporting revolutionary movements in Asia. The Communist-led revolution in North Vietnam under Ho Chi Minh, and his war of liberation against the French colonialists, fitted Mao's idea of a weaker Asian nation in need of China's help. The CCP had aided the Vietnamese Communists in a limited way as early as 1946. After the PRC was established, the Chinese government assisted North Vietnam for over twenty years from the spring of 1950, with military advisers and PLA units. Ironically, Mao did not at first regard Communist-dominated North Korea and its leader, Kim Il-sung, in the same light. The Chinese treated North Korea as if it were a Soviet satellite, until by the autumn of 1950 China was manoeuvred into joining the Korean War, as a surrogate for the Soviet Union.

Completing the military takeover

Before that time, with the assurance of Soviet protection against US attack, Mao made haste to finish the military takeover of the remaining territories claimed by China. As we have seen, the island of Hainan soon fell to the Communists. The recovery of Taiwan was a different matter. This island was separated from mainland China by a strait of over 110 miles. It would be a truly formidable task to try to take this island, to which the Nationalists had retreated, with a navy consisting of a few surrendered KMT vessels and no air force, facing an enemy who had both a navy and an air force. In October 1949, Mao's attempt to capture the small offshore island of Jinmen (Quemoy), as a stepping-stone towards invading Taiwan, met with utter disaster. Over ten thousand of his best troops in this campaign either surrendered or were mown down the enemy's heavy artillery. After this defeat, any further military action against Taiwan was delayed. Chiang's regime was definitively saved after the U.S. positioned its Seventh Fleet in the Taiwan Straits, at the start of the Korean War in June 1950.

After taking over Xinjiang in the autumn of 1949, the CCP was able to turn its attention to assert China's claim over Tibet. The collapse of the Qing dynasty in 1911, had encouraged the British, who had twice invaded Tibet (1888 and 1903), to made fresh attempts to detach Tibet from China. Relying on the British offer of protection, the Tibetan government declared independence in 1913. The government of the Republic of China (ROC) rejected the British scheme to separate Tibet from China, by refusing to sign the Simla Convention which had been arranged by the British government for this purpose. Although a succession of central governments of China, from those dominated by warlords to the regime of Chiang Kai-shek, continued to claim Tibet as a part of China, civil war and the war against the Japanese invaders left them little spare capacity to exercise control over Tibet. Britain and the United States dealt with the government of Tibet directly without reference to China during the years from 1911 to 1951, but they continued to validate Tibet's political subordination to China during this period. Having united China, the CCP-dominated central government under Mao was the first Chinese regime after 1911 to have the power to assert its claim over Tibet.

When his forces were poised to liberate Tibet in 1950, Mao's fear of foreign intervention, mainly from Britain and the United States, did not materialize. Both countries responded negatively to the Tibetan government's solicitation for aid. In October 1950, just as China entered the Korean War, the PLA advanced from Sichuan into Tibet, threatening Lhasa. In the winter of that year, the young Dalai Lama, after receiving no support from Britain and the U.S. for his plea for military, financial, and other assistance against a possible Chinese military takeover, decided to negotiate with the Chinese Communists. In the spring of

1951, negotiations between the Dalai Lama's representatives and the Chinese authorities in Beijing concluded with the signing of the Seventeen-Point Agreement, in which Tibet accepted Chinese sovereignty while China promised not to change the existing political and religious systems of Tibet. After the conclusion of this treaty, the Dalai Lama did not see the need to go into exile, as the Americans had exhorted him to do. That would not be the end of the Tibet story, however.

Establishing government institutions and consolidating control

One of the most urgent tasks for the new Communist rulers of China was the replacement of the old regime with their brand of government institutions, and the consolidation of their own control over the people of China. The vastness of China, and the shortage of trained cadres, obliged the new regime to rely at first on the administrative personnel of the previous KMT government. Before long, as the revolution spread and more trained Communist cadre became available, this situation would change.

State power in the PRC was vested in the CCP, which structured and ran the government of China. Although the CCP and the KMT were both modelled on the Leninist-style party organization from the 1920s, the CCP evolved into a much more tightly disciplined and centrally controlled hierarchical institution, ruled by committees. From the party centre in Beijing, information and commands travelled upwards and downwards through the six regional Commands to the twenty-nine provincial committees, and then down to the approximately 2,500 county or city committees, which guided or controlled lower level and other units down to the ordinary Party members. Each Party Committee had a Secretariat with a Secretary in charge of it. Because of the Party's hierarchical structure and centralization of power, the General Secretary, as the head of the Secretariat in Beijing, had opportunities to network with lower Party leaders to influence them and build a personal power base. Deng Xiaoping held this post in the early 1950s.

At the national level, the Central Committee in Beijing was the governing body, which over the years contained several tens to several hundred regular and alternate members, who were elected by the Party Congresses. These Congresses met irregularly, about once every four or five years or so. Although the Central Committee convened more frequently than the Party Congresses, it was too large and met too irregularly to run the country on a day-to-day basis. Instead, the Central Committee elected the one to two dozen members of the Politburo (Political Bureau), which formed the apex of the pyramid of party power, or its nerve centre considering the Party as an organism. Inside the Politburo, there was an even more powerful and prestigious group: the members of the Standing Committee. The Politburo with its Standing Committee produced legislation, formulated policies, and made the decisions that governed China.

In 1949, the eleven members of the Politburo, besides Mao Zedong, who was the formal head of state, and the Chairman of the Central Committee, included Zhou Enlai, Liu Shaoqi, Zhu De (head of PLA), and Chen Yun (economic expert). In the mid-1950s, in addition to the above, Deng Xiaoping, and three top military commanders - Lin Biao, Peng Dehuai, and Chen Yi - were also included. In 1969, Liu, Deng and Chen Yun were left out of this centre of power, but Mao's position in it was always secure.

The central government in Beijing and its subordinate provincial, city, and county governments existed as a separate establishment from the Party, though government officials were, more often than not, Party cadres, and the leading government officials were normally Party leaders also. The one rule that governed their relationship was that the Party dominated the government. The ministries, agencies, and other organs of the government carried out the will of the Party and performed the tasks it assigned to them. The Party needed a state bureaucracy to manage agriculture, industries, the public utilities, and transportation systems; to collect taxes, conduct foreign relations, provide education, public health and security, entertainment, and other services - in short, all the necessary activities to keep a modern national socialist system running. At the head of the central government was the premier, who presided over the State Council, a cabinet type of organ, under which were placed the various ministries. For many years since 1949, Zhou Enlai, who was also a member of the Politburo and its Standing Committee, served as the Premier.

The military establishment of the PRC constituted another hierarchical organization that was also under the authority of the CCP. As Mao had observed, in the China of his time power appeared to have sprung out of the barrel of a gun, but he also insisted that the military in China must submit itself to the civilian Party control. A Party Committee existed in every military unit. The top military commanders all had important Party posts. Although the Minister of Defence was usually a military man, the chairman of the powerful Military Affairs Committee inside the Politburo was normally a civilian, who, like Mao Zedong or Deng Xiaoping, was the head of the Party or state. Through its General Political Department, this Committee guided the Party Committees of the army units to instruct, indoctrinate, and propagate the party line among the officers and soldiers.

It is not difficult to detect a superficial resemblance between the old Nationalist and the new Communist regimes, since each structured itself on the basis of a party, a government bureaucracy, and an army. But despite their similarities in the 1920s, the KMT and CCP developed into very difference political animals. The Nationalist Party never achieved the ascendancy over its government and army which the CCP did. While the KMT limited itself to establishing provincial and local branch offices so as to increase its political influence and party membership outside the capital, the Communist Party Committees, with the support of cadres and members, constituted themselves as 'Party factions' among the leaders and staff of factories, commercial establishments, educational institutions, agricultural and military units, and mass organizations,

in addition to government offices throughout China. Their dual role as staff of the organizations, from which they drew their pay, and as members of the CCP, conveniently relieved the Party from the financial responsibility of having to support them. Never before had a Chinese political party penetrated so broadly and deeply into the socio-economic life and public spaces of its people. To maintain such a ubiquitous presence as it took over China, the CCP needed a large number Party activists. Its membership grew from 4.5 million in 1949 to 10 million in 1955, when the total population of China was reaching 600 million. In 2010, the number of Party members grew to over 80 million in a population of 1,328 million. Over the years, CCP membership did not grow uniformly and linearly, because it depended on the Party's recruitment drive and other factors, political as well as socio-economic. During the last sixty years from 1949, it grew from less than 1 percent to over 6 percent of the total population of China, though on average it represented between 2 and 3 percent of the people.

There are certain striking similarities between the members of the gentry in imperial China, and members of the CCP, despite their ideological differences. The gentry facilitated imperial rule, by playing the role of an intermediary between the common people and officialdom. The members of the CCP likewise facilitated the rule of their Party by playing the role of Party activists in the organizations to which both they and other members of the public belonged. On behalf of their Party, they monitored and policed their colleagues, and helped to promote the party line and conduct mass campaigns. To do this well, they needed to participate in political studies, to conduct meetings for self-criticisms and for criticizing others, and to carry out the Party's directives. At least, this was what they were required to do in China prior to Mao's death in 1976. After that, Deng Xiaoping ushered in major reforms.

Being part of the ruling elite, like the gentry, Party members enjoyed certain privileges. These included greater opportunities for material benefits, career mobility and advancements, access to education and medical services, and many other advantages of networking with others inside the power structure. After Deng Xiaoping's economic reform and opening of China from the 1980s, members of the CCP were less involved in the politics of revolution, and more in getting ahead economically. Big membership increases from that time were likely to be connected with the new economic opportunities CCP members enjoyed. Those who had connections with, or who could network with, the holders of power had access to privileged information, to capital at preferential rates of interest, to the best land to develop and build on, and many other business opportunities. They were in positions favourable for amassing great wealth, as China developed into a modern economy. After a short-lived experiment with egalitarianism, the new regime freely sanctioned the age-old practice of converting political power into wealth. Those living in the PRC, who might find the situation unfair, could look across the strait to Taiwan, and see an example of a modern economy with a political system apparently far more transparent and accountable to its people.

The Korean War

Japan annexed Korea in 1910, and it subsequently existed as a Japanese colony until the end of World War II. Before Japan surrendered on 15 August 1945, the two victorious powers, the United States and the Soviet Union, agreed to take over the Korean Peninsula from Japan, with the Russian army occupying the north and the American the south, each side stopping at the Thirty-Eighth Parallel. American hopes for a united Korea to emerge through international cooperation and help from the UN, were thwarted by the coming Cold War. By the time the Soviet and American forces withdrew from Korea in 1949, North Korea, calling itself the Democratic People's Republic of Korea, had become a Soviet-dominated Communist regime under the leadership of Kim Il-sung, while South Korea had elected a staunchly anti-Communist party led by Syngman Rhee, a Korean ultranationalist. After having spent many years in the United States as a Korean political activist in exile, Rhee returned to South Korea in 1945 and, in 1948, became the President of the Republic of Korea.

During the ensuing decades, and before the dawn of the twenty first century, South Korea developed into a rich East Asian manufacturing power with a democratic government. By contrast, the poverty-stricken and economically stagnant Communist dictatorship in the north has experienced recurrent difficulties in providing sufficient food for its own people, without help from China and South Korea. But in 1950, the North, with its mineral and hydroelectric resources, and with an army equipped by the Soviets for offensive warfare, was the stronger state industrially and militarily. Anxious to reunite Korea under Communist rule, Kim Il-sung invaded South Korea in June 1950, with Soviet approval, if not also encouragement. Stalin misguidedly believed that the United States would not support South Korea militarily with massive forces of its own. It is possible that the United States unwittingly misled the Soviet Union with the statement issued by Dean Acheson, the U. S. Secretary of State, earlier in 1950, that Korea and Taiwan were not considered to be within the American defensive perimeter.

Since October 1949 Mao had been aware of Kim Il-sung's agitation for Soviet support for a pre-emptive strike against the South, but he did not want it to come so soon. If a war for the reunification of Korea by force could not be avoided, especially if Chinese help were needed, Mao would have preferred it to be postponed to at least a year later, after his regime had completed the takeover of Tibet and Taiwan, consolidated and expanded its rule over China, and deepened the reform there. For these reasons, Mao exhorted the North Korean leaders in May 1950 not to make any hasty military moves against Seoul. In the event, given only a few days' notice of the North Korean invasion, the Chinese leaders could only watch as spectators, with serious misgivings, the start of a war on 25 June 1950 which they did not want, in a

region that rendered China's most industrially advanced provinces (in Manchuria), as well as their Beijing capital, vulnerable.

Although the American-led response to the Korean crisis was fairly rapid, it was not swift enough to prevent the army from the North from first capturing Seoul, and then overrunning almost the whole of South Korea. Within a few weeks, the outnumbered South Korean and American forces were pushed into a small area around Busan, a port in the southeast corner of the country. Since the North Koreans were doing well by themselves, and since massive American military intervention was not expected, the PRC leadership thought they might not need to be involved, at least in sending in troops. If help were needed, the implication of Mao's policy of 'leaning to one side', and the CCP's role as the mentor of other East Asian Communist states, would oblige it to support the North Koreans.

After the start of the war, the Chinese stepped up the movement of troops to the border areas (Manchuria and Shandong) near Korea, but by early August there was still little sign of any preparation for military intervention. Up to that time, the Chinese press reports on the war, apart from angry criticisms of the U.S. Seventh Fleet patrolling the Taiwan Strait - a situation characterized by Zhou Enlai as 'armed aggression against the territory of China' – were relatively subdued.

To the surprise of the Soviet bloc, President Truman, unwilling to allow Communism to triumph through military aggression, committed large U.S. forces from Japan to assist South Korea. At this time, the Soviet Union was still boycotting the United Nations Security Council because of the UN refusal to seat the PRC instead of Taiwan, and the other members of the Council promptly passed a motion that condemned North Korea's aggressive act. Under the auspices of the United Nations, a multinational force was formed, with fifteen nations participating, in addition to the United States, in support of the South Korean cause. The United Nations war effort was dominated by the United States, which supplied one-half of the ground forces - compared with South Korea's two-fifths - as well as naval and air power. General Douglas MacArthur, the commander of the American occupational forces in Japan, was the commander in chief of the United Nations forces.

After assembling troops and weapons, the U. N. forces were scoring major victories against the northern invaders by late August. When the North Koreans concentrated in Busan were pushed back, they found themselves threatened by a massive amphibious force which landed on 15 September at Inchon, by order of General MacArthur. After inflicting a spectacular defeat on the North Koreans, the U. N. forces recovered the South Korean capital, Seoul. At this point, the Korean War could have ended without Chinese intervention, had the U.N. forces refrained from crossing the 38th parallel. Zhou Enlai warned the United States against invading North Korea, for such a move would lead to Chinese intervention. However, General MacArthur's troops were not only poised to cross the 38th parallel, which they did on 7 October,

but in a bid to reunite Korea by force, they captured North Korea's capital Pyongyang on 19 October, and then pushed further north towards the Yalu River on China's border.

The northward march of the victorious U. N. forces alarmed Stalin, who on 1 October pressed the Chinese to save the Communist regime in North Korea through military intervention. This meant that Stalin was asking China to go to war against the most powerful imperialist nation in the world on Russia's behalf. Many of the CCP leaders in the Politburo, both civilian and military, voiced reservations about confronting America's military might in Korea. But Mao argued strongly in favour of Chinese military intervention. His considerations included the threat to China's security posed by the U.S. invasion of North Korea, and the mentoring role China had assumed towards the Asian Communist-led movements in the Soviet bloc. After several days of intense discussions, his colleagues deferred to his wishes. Mao's prestige, if not his arguments, won the case for China joining the war. The support of the Russian air force had been a major point in Mao's arguments in favour of entering the Korean War, but he did not change his position even after Stalin refused the Russian air cover he had promised earlier.

From mid-October, large numbers of the 'People's Volunteer Army' poured across the Yalu River into Korea as combatants. Marching long distances at night, and hiding themselves from air reconnaissance by day, they started to join the North Koreans in skirmishes after their arrival in Korea. In late November, after over 300,000 Chinese troops had moved into North Korea, in the severely cold winter conditions of that country in late November, they started a massive offensive against General MacArthur's forces. Surprised by the flank attacks of the Chinese, the two columns of the American northward thrusts, separated by 50 miles of impenetrable mountains, were forced into a headlong retreat, over a distance of 275 miles, to the south of Seoul. By January 1951, the front was pushed back south of the 38th parallel. After the initial Chinese victory, the U. N. forces counter-attacked, and the Chinese southward drive was halted by the superior U. N. firepower at about the 38th parallel. When General MacArthur, who was in favour of widening the war by attacking China, publicly disagreed with President Truman's policy of pursuing a limited war only, the President dismissed the General in April 1951. Although the war had reached a stalemate, painfully fierce fighting continued along a chain of hills just north of the 38th parallel for over two years, with heavy casualties on both sides. The belated arrival of Soviet MiGs led to dogfights between the American and Soviet jet squadrons during this phase of the war. Truce talks started in July 1951 at Panmunjom, and the negotiations dragged on during the next two years, with 575 acrimonious meetings on various points of contention. Finally, on 27 July 1953 an armistice was concluded, which fixed the border between the two Korean states roughly along the same 38th parallel that had separated them before the war.

Costs and consequences of the Korean War

The total American casualties in the Korean War, with 54,000 deaths, 103,000 wounded, and 5,000 missing, reached nearly 160,000. This was a high figure, roughly half the total American casualties in World War I. Before the Korean War, the United States and the PRC were not exactly on friendly terms, but the war made their relationship worse. It locked the two countries into a state of enmity that prevented them from having formal contact and communication with each other for nearly two decades. During that period, American journalists, scholars, and students were unable to obtain passports to visit China. Hostile propaganda in both countries damaged the perceptions of the people of China and America towards one another. The intensification of American anti-Communism, a likely consequence of this war, culminated in the fanatical anti-Communist witch-hunt of Senator Joseph McCarthy, which intimidated and wronged many Americans, and discouraged for some time any fresh approach to the relationship with China.

The CCP sent to Korea 2.3 million troops, which was equivalent to two thirds of its field army, as well as two thirds of its artillery and air force, and all its tanks. The Chinese soldiers were underfed, underclad and insufficiently armed, while pitted against an American-led modern army, equipped with overwhelming firepower from the ground and the air. To fight the American forces to a standstill, the Chinese had to pay a very high price in terms of human flesh and blood. The Chinese dead, wounded, or missing reached 900,000 according to an American figure. (Since the fighters were 'volunteers', official casualty figures were not available from the Chinese.) Mao's first son Mao Anying by his first wife Yang Kaihui was killed in the war. The 6.2 billion yuan spent on the war placed a heavy burden on the Chinese central government's budget, surely set back China's economic reconstruction, and rendered China even more dependent on Soviet aid. Since the war demonstrated the Chinese loyalty to the Soviet bloc, Stalin was more willing to assist China with credits, but all loans had to be paid for. Isolation from America and other Western nations deprived the PRC of the richness of commercial, scientific, and cultural exchanges with these countries.

The American Naval Patrol of the Taiwan Strait which prevented the PRC from recovering Taiwan was another major consequence of the Korean War. Chiang Kai-shek's regime, having been given a new lease on life by American intervention, flourished after implementing certain important economic reforms. Having allied itself with the United States against the PRC during the Cold War, it became a recipient of American economic, military, and other aid during the 1950s and 1960s. In 1954, the United States and the Republic of China (ROC) on Taiwan concluded a mutual security treaty, as a part of the U. S. policy of containing the PRC. Until 1971, American support enabled the ROC to represent China instead of the PRC in the U.N. Security Council. Taiwan would remain a major irritant and challenge to the leaders of the PRC until the present day.

Not all the consequences of the Korean War were unwelcome to the leaders of the PRC. For the first time since losing the Opium War to the British, early in the 1840s, the Chinese state had been able to stand firm and hold its own militarily against the strongest imperialist power in the world - in this case America rather than Great Britain. In addition to raising China's national self-respect, it also enhanced the standing of the PRC internationally. Of particular importance to the CCP leaders was the respect of the Soviet Union and its leader, Stalin.

The mass campaigns

The leaders of the CCP launched a number of mass campaigns during the Korean War period (1950-1953). Apart from the 'Resist America and Aid Korea' campaign, they were mostly not directly related to the war. However, the heightened emotional atmosphere during the war period played into the hands of those CCP leaders who promoted these movements, with the aim of speeding up the revolutionary changes, reorganizing society, and gaining control over the different segments of the Chinese people - farmers, workers, intellectuals, businesspeople, and bureaucrats.

The first of this series of mass campaigns, 'Resist America and Aid Korea', started at the beginning of the war. It was aimed against Westerners, as they were mostly foreigners from countries associated with imperialism. Although large numbers of Westerners had already left China in 1949 or 1950 before the Korean War, there were some who had stayed behind, largely for business or religious reasons. The mass campaign began with police searches for alleged spies, and investigations of public associations that included or had contacts with foreigners. Some foreigners, including missionaries, were arrested and charged with taking part in espionage, and some even confessed to spying, most likely as a result of the physical or mental pressure exerted on them by their accusers. In December 1950, the Chinese authorities froze foreign business assets. Many foreign businesspeople were pressured into liquidating their companies or were obliged to give up their assets to meet the demands for high 'back taxes' imposed on them by the Chinese authorities. Public meetings were staged for Chinese workers of foreign companies to denounce their employers. There were huge public rallies in Guangzhou, in early 1951, directed against a small number of foreign nuns, who were accused of murdering 2,000 Chinese babies in the orphanage they ran. The foreign nun episode was strangely reminiscent of the Chinese gentry-led agitation, in 1870, against the French Sisters of Charity, who ran an orphanage in Tianjin, and who were accused of outrageous acts against Chinese children. Eighty years had elapsed, and Communists cadres had replaced the gentry, but the perception and hostility towards foreign missionary activities among some of the Chinese did not seem

to have altered that much. Though foreigners, including the nuns, were not killed, the regime's systematic persecution effectively drove almost all foreigners out of China by late 1951.

Following closely after the mass campaign against foreigners, was one against domestic 'counter revolutionaries' or enemies of the regime. Who were they? Among those suspected were millions of people who had worked in the Nationalist Party, army, or youth organizations, and who were not able to, or chose not to, go to Taiwan in 1949 or soon after, whether they acted against the regime or not. Others included secret society leaders, who still exercised power over workers and coolies, 'criminals', 'bandits', and people who belonged to a religious sect of which the CCP disapproved - the Yiguandao or I-Kuan Tao ('Society of the Way of Basic Unity') in Tianjin. In the summer of 1951, the CCP launched mass rallies in the major Chinese cities, where neighbourhood committee members searched for and ferreted out the spies and 'counter revolutionaries' to be confronted by the masses and undergo 'struggle' sessions. Tens of thousands of people were rounded up in these violent and terrifying campaigns, and many were executed. Members of the Yiguandao were given a chance to save themselves by leaving the sect.

In the spring of 1951, when the campaign against 'counter revolutionaries' began to be stirred up, the thought control movement aimed at well-educated Chinese elites or intellectuals also intensified. The modern well-educated Chinese elites could be defined roughly as those who had studied to university level or abroad. Mao and many top CCP leaders actually fell easily into this category. Mao had higher education, wrote poetry and a large body of theoretical works on revolution. Chen Boda was a professor at one point. Zhou Enlai, Deng Xiaoping, and Zhu De went to Europe for advanced education. Chinese schools and universities in the first decades of the twentieth century, not to mention the missionary schools and colleges, were products of China's efforts at modernization, which was sometimes synonymous with Westernization. Since Western influence was pervasive in the Chinese educational system, those who went through it, even those who did not go abroad to further their education, were to some extent cultural hybrids of East and West. The CCP might not like the well-educated Chinese because of the Western influence in their educational makeup, but did Mao and his colleagues not realize that they were also educated in a similar environment? Even Marxism-Leninism itself had been developed in the West.

What then accounted for the CCP's antipathy towards the Chinese intellectuals? One reason was that they tended to think for themselves too much. While many were critical of the Nationalists, they also rejected Communism as being too radical. They yearned for peaceful reform, but not violent revolution. Mao was known to speak approvingly of peasants, because their minds were like blank sheets on which he could draw pictures of his beautiful utopian world. While the humble uneducated peasants and workers might imbibe Communist indoctrination readily, the well-educated people would prefer to think more critically and independently, and to draw their own conclusions. Being extremely intolerant of anyone who did not

conform to its way of thinking, or adopt its worldview, the CCP tried to reform and control the thoughts of the intellectuals, through techniques it had used in Yan'an in Mao's Rectification Campaign of 1942 and had since perfected.

The CCP would first subject the targeted person to investigations. After he had been persuaded to describe himself and his life experiences sufficiently for the other participants in a group to criticize, rebuke or admonish him, his self-confidence might be undermined. Then he would be 'struggled' with in mass meetings, where an unfriendly, and often jeering crowd, representing the community, would accuse him of wrongdoings, and humiliate him. Since he was brought up in a culture where the esteem of authorities and his fellows was essential to his self-respect, this technique was aimed at destroying his self-respect and his standing in the community. After these emotionally charged and high-pressure mass meetings broke down his resistance, he would write confessions to bad conduct, and state his desire to change. If his confessions were finally accepted, after his former sense of self had been obliterated through further trials and tribulations, which might include a period of solitary confinement, his new utterly contrite self might be embraced by the Party, whose guidance he would willingly accept. He might even feel grateful to the Party for his rebirth, which was like conversion to a new religion. Unless he could convince the CCP authorities of his whole-hearted conversion to the Party's teachings, he would remain under suspicion, and might be subject to further excruciating thought reform struggles.

The traditional Chinese literati's disdain for manual labour was a negative aspect of the elites' value system, which Mao had the power to address. Periodically, Mao sent Chinese students and university professors down to the countryside to be reformed through labour. It was his injunction that the educated Chinese ivory-tower theorists must do practical work and serve the people.

Because of the traditional respect accorded to the educated elites, they were, like landlords, rivals for social leadership. Being intensely jealous of its authority, the CCP could not tolerate such rivals. Unlike the counterrevolutionaries, the CCP did not intend to kill the intellectuals, but it wanted to curb their freedom of thought and control their expressed opinions. The Chinese educated elites who treasured these freedoms or other Western norms were castigated as 'bourgeois intellectuals', people not to be trusted. Although the bourgeoisie was officially accepted as a part of the democratic united front, this was intended as façade only, behind which was the iron fist of the dictatorship of the proletariat led by the CCP, to which the intellectuals must submit themselves, or suffer the kind of social disgrace and mental torture that some of the victims might regard as worse than death itself. The Party sought first to crush, and then to dominate and control the well-educated Chinese elites.

The intellectuals who were most exposed were creative people like writers, artists, and filmmakers whose works could be easily seized upon for criticism by the official media. Even fame did not guarantee their

immunity, or perhaps it rendered them more vulnerable as foci for the Party's attention. Those who produced works of which the Party disapproved might be labelled as reactionary, bourgeois, or simply counter revolutionary. They might be struggled with and forced to abase themselves through self-criticisms and confessions.

The 1951 movement against intellectuals began with a campaign criticizing a privately made film called *The Life of Wu Xun*, which told the life story of a nineteenth-century beggar, who became a wealthy landlord. He then turned to philanthropy, devoting his wealth to establishing schools for children of the poor to enable them to rise up in society. He even persuaded the imperial government to help. The state-controlled press lost no time in denouncing this seemingly innocuous film, telling an apparently feelgood story, because its message implied that an idealistic reformer could change China through his actions as an individual. Marxism, on the other hand, taught that society could only be truly changed through revolutionary class struggle. Apolitical works, or private expressions, had no place in film productions. The Party insisted that all those who produced works in the area of cultural and entertainment for the public must serve the revolution with their works.

For a time, woodcuts and posters depicting revolutionary scenes or triumphs of the PLA or the Party dominated the artistic landscape. Writers had to be attuned to the mass line and write simply on subjects appealing to the masses – that is, to the Party. During the Mao era, which lasted from 1949 to his death in 1976, politics dominated the area of culture and entertainment, and those who worked in these areas had to toe the party line or pay a terrible penalty.

After the intellectuals were suitably subdued, in 1951 the CCP unleashed the Three-Antis Campaign (against corruption, waste and bureaucratism) directed at the Party's cadres. Since the highly centralized authority of the CCP depended on the effectiveness of the various horizontal layers of cadres to execute its will, the Party needed to make sure that these functionaries were performing well and being adequately controlled. In addition to the normal procedures in the CCP's bureaucratic management, such as regular study groups, personnel files, and annual assessment, a mass campaign with its well-developed techniques was at times deemed necessary to monitor cadre performance and to weed out bad elements. Several rectification campaigns aimed at disciplining the cadres took place from 1942 to 1951. Overly rapid growth of Party membership between 1946 and 1952, from less than 1.5 to around 6 million, appeared to have created problems for the Party. The people who had joined the Party motivated, not by high ideals, but by personal interest in career advancement or material gain, tended to exploit their authority and prestige when they became Party officials. When rural cadres were transferred into big cities, many became corrupted by the temptations of urban life. The Three-Antis Campaign exposed these and other failings of the bureaucrats through criticisms, self-criticisms, and mass struggles, in the more serious cases. Some were punished

through censure, demotion, or expulsion from the Party. When the campaign finished in 1952, about 10% of the Party members had been expelled.

The Five-Antis Campaign (against bribery, tax evasion, stealing state property, cheating on government contracts, stealing government economic data) that took place in the big cities in 1952, was aimed at subduing the businesspeople or the bourgeoisie. When the Communists took over China in 1949, they needed the help and cooperation of the businesspeople to keep the economy of the cities running smoothly. At that time, Liu Shaoqi reassured the business community in Tianjin that the transition to socialism and the elimination of private enterprise would take a long time. But in less than three years the time had come.

The Party committees that organized and orchestrated the Five-Antis Campaign directed inspection teams to scrutinize the books of the business concerns, and mobilized their workers, in the name of class struggle, to confront their employers at mass meetings. Public accusations and denunciations by workers produced public confessions from the employers. The press, posters in public places, and demonstrations in the streets with banners and loudspeakers, were all a part of the process of putting public pressure on the capitalists. Repentant businesspeople together with their relatives were also recruited to persuade other company owners and members of their families to provide adequate confessions. After a half-year ordeal, some committed suicide; most businesspeople made confessions and paid fines, back taxes, and compensations. From the 450,000 businesses targeted in the ‘struggles’, the government collected 1.7 billion U. S. dollars. In the end, the private sector was seriously undermined, because the penalties were so large that from then on, the business concerns depended on government loans and other support to survive. The once powerful and influential capitalist ‘tigers’ were rendered into socialist lambs, managing their battered enterprises on behalf of the government. The campaign not only destroyed the power and prestige of the Chinese bourgeoisie; it also raised much needed revenue for the government.

This was not good enough for Mao, who was determined to transform China into a more thoroughgoing socialist society. In October 1955, Mao engineered a high tide of socialism in industry and commerce, by summoning a group of businesspeople to Shanghai and asking them for advice on how fast the nationalization of private enterprises should proceed. Taking their cue from the Chairman, they urged speed. A few weeks later, they were taken aback by being informed that their companies were to be nationalized within 6 days. The capitalists, working as managers of their expropriated companies, were given bonds as compensation. They had no choice but to participate cheerfully in the huge celebrations staged for the transition to socialism. By the end of 1956, the government, through its discriminatory tax and credit policies, made sure that private enterprises were either taken over or reorganized as cooperatives, to achieve complete socialization of commerce and industry. Some small businesses in retailing, handicrafts, and various service sectors, remained in private hands.

Ironically, the National Resources Commission (NRC), an institution the CCP had inherited from the Nationalists, facilitated the change-over to the state monopoly of industry in the PRC. In 1949, the top leaders of the NRC together with 200,000 of its staff stayed in mainland China, and they were enthusiastic about building a state-controlled economy along Soviet lines. They helped take control of two-thirds of China's industrial investment under the Nationalists. Until the Great Leap Forward of 1958, it was the NRC engineers who led the initial drive for industrialization in the PRC.

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