

China's booming economy: Prospect and problems

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DURING the late 70s China focused on the four-modernization programme of agriculture, industry, science & technology, and national defense. This is known as reformation of China. We are well informed that the former USSR collapsed due to Gorbachev's policy of Glasnost and Perestroika. Glasnost related to the political reform and Perestroika the economic reform. Gorbachev wanted to bring changes in both the sectors at a time. That was the great mistake by Gorbachev. A country, which was practicing communist system in both economy and in politics for more than seven decades, was bound to face upheavals if changes were brought in both sectors, and the eventual demise was obvious. And unsurprisingly that's what happened to the former Soviet Union. As Gorbachev introduced Glasnost and Perestroika in 1985, it collapsed in 1991. China initiated reformation before USSR. But it could survive because it adopted only Perestroika not Glasnost. But how long can she absorb the changes that is the question? But we can predict the possible future of China by analysing its history and the present economic and political situation.

China is a country of 1.32 billion of people, the highest in this globe, more than one fifth of world population. China is one of the largest areas in this world, about three times larger than India and about 77 times larger than Bangladesh. The people of China consist of 55 different ethnic minorities. For many centuries,

especially from the 7th through the 14th century AD, China had the world's most advanced civilisation. Chinese culture spread throughout the world; predominantly in Japan, Korea, Thailand, Indochina, Malaysia and Indonesia. Inventions such as paper, printing, gunpowder, ceramics, silk, and the use of compass, originated in China and then spread to other parts of the world. But China was never in a very economically sound position till the early 1990s. Only a few years ago its per capita income was only \$260 and in rural areas it was as low as \$60. But after initiating economic reform, the per capita income has increased dramatically and it now stands at more than \$1000, increasing day by day. But what could be the side effects of this economic reformation? That is the matter of concern for China.

In 1911 China became Republic of China through nationalist revolution under the leadership of Sun Yet Sen. This nationalist revolution abolished the dynastic regime in China, which reigned over China for centuries. In 1949, nationalist government was also expelled from power in a communist revolution. Mao Se Dong, who was the president of China for the next 25 years, directed the revolution. As he was the father of communism in China, no reformation could occur in China during his lifetime.

Deng Xiaoping, who succeeded Mao as president of China, introduced economic reform, often called economic liberalism. He introduced the principle 'to earn according to his

China has to concentrate on domestic politics. As already there were two major movements against the government in Beijing government (Democracy Wall movement in 1978 and 1979 and the revolution of Tiananmen Square) in China. The first was to protest against political corruption, injustice, and lack of political freedom. The next movement was to support freedom of the press, educational reforms and an end to political corruption. The Chinese government thwarted both movements. So it has to concentrate to improve her citizen's life status and to those objectives for which both movement were conducted. The Chinese Communist party is still in power that could be possible because the PLA is loyal to the Communist government. If they would lose their faith to the party then communist regime would not survive any more.

work' to stimulate farm initiative and enthusiasm; hence, 'more pay for more work and less pay for less work' had become a basic rural economic policy. In the early 1980s Deng allowed to keep small business under individual ownership. Likewise, the economic conditions of common Chinese people were being gradually improved.

Meanwhile, China also opened its market for all foreign goods and services to the outside world. To quicken the pace of modernisation, the state encouraged foreign investment and the import of advanced technology. In 1980s China began establishing special zones for foreign investment. This policy created millions of employment opportunity and China was gradually turning from agricultural based, to industrial based economy. And eventually, the contribution of industry to GNP dramatically increased.

After 15 years of negotiations, China formally became a member of the WTO in December 2001. Joining the WTO, China agreed to reduce import tariffs, eliminate state subsidies for farmers and state-owned firms, drop many

restrictions on foreign investment, and abide by WTO standards for protection of patents, copyrights, and intellectual property. After China's entry in the WTO, the United States normalised trade relations with China, in accordance with legislation passed by the U.S. Congress in 2000. A normal trade relation, formerly known as most-favored-nation (MFN) status, is the favorable tariff treatment the United States extends to all but a small group of countries.

China is trying to recruit herself as G-8 member. She has also substantial trade agreement with the European Union. The concept of globalisation and free trade agreement with overseas countries is helping to create strong market for Chinese products throughout the world. The common characteristics of the product of china are: minimum price, quality, novelty, diversity of product, production of essential goods. That is why, worldwide, China has a strong market. Now China is one of the highest GDP growth countries, and if the development continues like present, by between 2020 its GDP would be higher than that of the

United States. Therefore, in China there is emerging local elite class. After 20 or 25 years there will be thousands of multimillionaires. And by 2035 China will be the most economically powerful country participating 30% of total world trade. If she can protect herself and can increase her involvement in world's political affairs, she will be the super power at that time.

China possesses nuclear weapons legally and is a permanent member of Security Council. So we can assume that if china can gain the projected economic power, she will try to increase her military power, already China possesses the largest armed force in the world. If she can establish amity with neighboring Russia, Japan, North Korea, India and Pakistan; and can promote military and economic relations among these countries then this alliance would be the most powerful bloc considering both military and economic perspective. But all of these depend on the foresight of politicians of this region.

Through the above discussion we only get the concept of positive impact of reformation. But as

there is a shadow of every lamp, therefore, there are some possible negative impacts also. Since the Chinese people will have plenty to spend, presumably they will try to interfere in politics and will try to gain power. So we can easily assume that some possible events may happen in future China, which might impact upon the current Chinese political structure.

Through modern communication the Chinese people are being introduced with western luxurious life style. Eventually their living standard and life expectancy is rising day by day. Still china is a country of cheap labour, but after five years their living standard will go up to such a level that they would not be prepared to work on low wages like in India or Bangladesh. That is the growing concern for China's leaders. There are some other side effects too, that we can't see.

But after few years, those effects will be visible. Western neo-imperialist powers are sowing the seeds of hatred against the communist system of government. Through electronic and print media, western powers are proclaiming on behalf of

democracy, as Chinese people would be inclined to democracy rather than communism.

The long held paramont position of the US in world politics made itself despotic. The US emerged as a world policeman since the Second World War. And this is evident from the Vietnam War to Afghanistan war and finally the Iraq war. To keep its own position intact in world politics, America would be inclined to take any type of action. In the first week of July of this year President Bush and Indian Prime Minister Manmohan Sing met in Washington to form a counter force against China in this region. This apparent US tilt in policy towards India is of course a matter of grave concern for China. So the policy makers and the population of China have to be more meticulous about their future and have to be aware of United States. So they have to prepare themselves to tackle any kind of jolt which is likely to appear on China's economic and political arena. Considering this, we can assume that if China were to become a super power then there would be some sort of symmetry at the global level. And in this order there is less threat in terms of conflict or war.

Apart from the above, China has to concentrate on domestic politics. As already there were two major movements against the government in Beijing government (Democracy Wall movement in 1978 and 1979 and the revolution of Tiananmen Square) in China. The first was to protest against political corruption, injustice, and lack of political freedom. The next

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The US President George W Bush is very much concerned about the trade deficit with China; therefore he intends to reduce this deficit by adopting some policy which would be detrimental for Chinese economy. And finally Bush could convince Chinese premier Hoo Jin Tao to adopt some policy like increasing the price of Yuan (Chinese currency) against US Dollar and make Chinese market more free for US product. The concern is if China does so then a substantial part of export would diminish. Eventually it would fall in tremendous economic crisis in near future. It should, therefore have the foresight to anticipate any economic emergency. It is very much apparent that the US would not initiate any agreement with China, which would be of benefit to China than her own interest. One wonders whether China, on its part, would endorse any agreement which would be bad for her economy.

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British playwright speaks about US imperialism

BRITISH playwright Harold Pinter, this year's Nobel laureate for literature, delivered a brave acceptance speech to the Swedish Academy on Wednesday, 07 December.

Harold Pinter, is the well-known author of such plays as *The Homecoming* and *The Caretaker*.

Pinter spoke peremptory against the war in Iraq and the spoliations of American imperialism in the Balkans, Central America and elsewhere that preceded it.

Pinter's speech gave a critique of the entire course of US foreign policy since World War II, and incalculating Britain for its role as Washington's junior partner and accomplice. Speaking plainly, Pinter called Bush and Blair war criminals, and intensely call for political resistance to militarism and war.

The 75-year-old playwright, screenwriter, poet, actor and antiwar activist gave his address in the form of a videotape, made in Britain and shown on screens to the assembly in Stockholm.

Pinter's address, entitled "Art, Truth and Politics," manumitting in its honesty and candid about the calamitous impact of US subversion, violence and aggression for many decades and in many parts of the world.

He said, "Political language, as used by politicians, does not venture into any of this territory since the majority of politicians, on the evidence available to us, are interested not in truth but in power and the maintenance of that power. To maintain that power it is essential that people remain in ignorance, that they live in ignorance of the truth, even the truth of their own lives. What surrounds us therefore is a vast tapestry of lies, upon which we feed."

He continued: "As every single person here knows, the justification for the invasion of Iraq was that Saddam Hussein possessed a highly dangerous body of weapons of mass destruction, some of which could be fired in 45 minutes, bringing about appalling devastation. We were assured that was true. It was not true. We were told that Iraq had a relationship with Al Qaeda and shared responsibility for the atrocity

in New York of September 11, 2001. We were assured that this was true. It was not true. We were told that Iraq threatened the security of the world. We were assured it was true. It was not true."

Pinter then spoke of Washington's record of international subversion: "In the main, it has preferred what it has described as 'low intensity conflict.' Low intensity conflict means that thousands of people die but slower than if, you dropped a bomb on them in one fell swoop. It means that you infect the heart of the country, that you establish a malignant growth and

"President Reagan commonly described Nicaragua as a 'totalitarian dungeon.' This was taken generally by the media, and certainly by the British government, as accurate and fair comment... The totalitarian dungeons were actually next door, in El Salvador and Guatemala. The United States had brought down the democratically elected government of Guatemala in 1954 and it is estimated that over 200,000 people had been victims of successive military dictatorships..."

"The United States finally brought down the Sandinista government. It took some years and considerable

shrewd propaganda methods, Pinter said: "Language is actually employed to keep thought at bay. The words 'the American people' provide a truly voluptuous cushion of reassurance... This does not apply of course to the 40 million people living below the poverty line and the 2 million men and women imprisoned in the vast gulag of prisons, which extends across the US."

Pinter continued: "The United States no longer bothers about low intensity conflict. It no longer sees any point in being reticent or even devious. It puts its cards on the table

Iraqi people and call it 'bringing freedom and democracy to the Middle East.'

"How many people do you have to kill before you qualify to be described as a mass murderer and war criminal? One hundred thousand? More than enough, I would have thought. Therefore, it is just that Bush and Blair be arraigned before the International Criminal Court of Justice. Nevertheless, Bush has been clever. He has not ratified the International Criminal Court of Justice. Therefore if any American soldier or for that matter politician finds himself in the dock Bush has warned that he will send in the marines. However, Tony Blair has ratified the Court and is therefore available for prosecution. We can let the Court have his address if they are interested. It is Number 10, Downing Street, London..."

"The 2,000 American dead are an embarrassment. They are transported to their graves in the dark. Funerals are unobtrusive, out of harm's way. The mutilated rot in their beds, some for the rest of their lives."

In conclusion, Pinter said: "Many thousands, if not millions, of people in the United States itself are demonstrably sickened, shamed and angered by their government's actions, but as things stand they are not a coherent political force yet. But the anxiety, uncertainty and fear which we can see growing daily in the United States is unlikely to diminish..."

"I believe that despite the enormous odds which exist, unflinching, unswerving, fierce intellectual determination, as citizens, to define the real truth of our lives and our societies is a crucial obligation which devolves upon us all. It is in fact mandatory. "If such a determination is not embodied in our political vision we have no hope of restoring what is so nearly lost to us the dignity of man."

Harold Pinter was unable to attend the event in Stockholm because he has been recovering from cancer of the oesophagus and his doctors did not let him travel.

Billy Ahmed, Columnist & Researcher.

Sri Lanka After Elections: New President, Old Challenges

N MANOHARAN

MAHINDA Rajapakse, the newly elected President of Sri Lanka followed Sri Lanka's political tradition of reining Prime Ministers becoming Presidents. Thanks to the poll boycott by the Tamil community in the North, "Mahinda Chintana" will guide Sri Lanka for next six years at least. But, what is of concern is the nature of the election outcome and its ramifications on the issues confronting the island in the days to come.

With the abstention of the largest minority community from exercising their franchise, one can question whether it is a true reflection of the people's mandate. The slim majority secured by the victor -- 28,632 votes above the magic mark of 50 per cent -- further extends this argument. The numbers of voters who abstained from voting (701,938 registered voters in Jaffna district alone) and whose names were missing from the electoral register, especially in the northeast, far exceed this margin of victory. It was for this reason that runner-up Ranil Wickremasinghe demanded a re-poll, but rejected by the Election Commissioner. It is important, however, to note that given the reasons and forces behind the boycott, any number of re-polls would not bring the abstainers to polling booths. However, the issue of missing names should be thoroughly investigated. Irrespective of disputes, however, Mahinda's victory is constitutionally valid [Article 94 (2)].

Given this backdrop, it is difficult to be optimistic about the future of the peace process. In the pre-poll agreement, Mahinda agreed to all the 12 conditions imposed by the JVP for its support for his candidacy. The conditions inter alia include full revision of the ongoing ceasefire agreement, reconsideration of Norway as facilitator, rejection of P-TOMS (Post-Tsunami Operational Management Structure) and Interim Self-Governing Authority (ISGA), and inclusion of Tamil parties other than the LTTE in the process. Since none of these conditions are acceptable to the LTTE, the new President will find it hard to move even an inch forward. What will be the terms of a new ceasefire agreement? Who would be the new 'facilitator' acceptable to both the parties? Through what mechanism -- other than P-TOMS -- is the government going to distribute tsunami aid to the northeast? What will be the starting point of the new peace process? Unless the government finds answer to these questions, Sri Lankans have to accept the existing stalemate to prolong ad infinitum. The appointment of hardliner Ratnasiri Wickremnayake as

the new Prime Minister has shifted the balance further towards the right.

This realignment is much to the liking of the LTTE. It was perhaps for this reason the Tigers -- clearly in the know about what the Rajapakse's choice would be -- covertly opted for Mahinda by restraining the Tamil community from voting. In case Ranil became President, he would not have to start from the scratch, but from where he left when he lost the parliamentary election last year. With an all-powerful Executive Presidency in his reins and ably assisted by the "international safety net," he would have been in a better position to negotiate with the LTTE. But, as a "prisoner of an already agreed agenda" with the JVP and the JHU, Mahinda is falling into the LTTE trap.

Revision of present CFA is demanded to take "care of national security." This implicitly means imposition of more restrictions on the movement of the LTTE cadre. This would push the Tigers further away from the negotiating table. What can be considered is to upgrade powers of the Monitoring Mission, which is now minimal. By doing so, the government can indirectly have a tab on LTTE activities and at the same time, the Tigers would not object fearing criticism from the international community. Removing Norway would be the unwise move the new government could make. Norway is now acceptable to all the countries, near and far. By asking Oslo to "quit," Mahinda would be taking a huge risk of losing what Kadirgamar built over the years. If there is a need for a facilitator, Norway is the only bet. Dragging on P-TOMS nearly a year after the devastation wreaked by the 26 December tsunami shows the amount of politicisation. If this is not acceptable, then the government should come up with a viable alternative. So is the case with the ISGA.

The harder the stance taken by the government, the easier it will be for the LTTE to convince the international community and its own constituency, the Sri Lankan Tamils. To the former, the LTTE can appeal by pointing out the lack of seriousness of the government for a negotiated settlement and to the latter the LTTE can state that Mahinda is a "Sinhalise President" who is not to be trusted. LTTE ideologue Anton Balasingam's observation, "JVP and JHU are our best allies," makes more sense now than ever.

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