

# Chinese government preparing for greater social unrest

By John Chan  
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Over the past several months, the Chinese regime has made a series of announcements that indicate it is anticipating the eruption of greater political unrest and preparing to meet it with mass repression.

On July 28, *People's Daily*, the mouthpiece of the ruling Stalinist Communist Party, ran a front-page editorial headlined "Maintaining stability to speed development". The comment warned: "Protecting stability comes before all else. Any behaviour that wrecks stability and challenges the law will directly damage the people's fundamental interests."

The *People's Daily* left little doubt that the "fundamental interests" it was speaking of were the wealth and property of those who have benefited from the past two decades of free market economic policies. The editorial declared: "It is unavoidable that different people and different groups enjoy the fruits of [market] reform and development to differing degrees."

The comment was published in the wake of a widely reported riot in the city of Chizhou, in Anhui province. Following the beating of a young student by a local businessman, workers and unemployed fought street battles with police. (See: "Another angry protest in China")

The incident was not an isolated event. Last month, Public Security Minister Zhou Yongkang told Reuters that 74,000 "mass incidents" involving over 3.8 million people had taken place in 2004, an increase from 58,000 protests the year before.

In response to escalating social tensions, the Chinese government announced on August 18 the formation of specialised, heavily-armed "anti-terror" and riot police units in 36 major cities, including Beijing, Shanghai, Chongqing and Tianjin. The first 500-strong squad has been sent to Zhengzhou, the capital of impoverished Henan province.

Zhengzhou was selected for the first deployment because it is in one of the country's most volatile regions. On July 31 last year, paramilitary police with teargas and shotguns put down a protest by villagers in a nearby town over the illegal sale of land by local officials. Three months later, the authorities declared martial law in a county of Henan when tensions between ethnic Han Chinese and Hui-Muslims escalated into a violent clash. (See: "Martial law declared as unrest deepens in rural China")

The elite police squad is being sent to the area in anticipation of more disturbances. An officer in charge of training units in Henan told the *Taipei Times* on August 19: "We're training for real combat, so in our day-to-day exercises we require of our people that they behave as if they were in a sharp situation."

The Chinese government already possesses a million-strong paramilitary force, the People's Armed Police. The new units, however, considerably enhance the ability of the police to suppress large-scale urban unrest. They are being formed in large part because the regime no longer feels confident it can rely on the peasant conscripts in the People's Liberation Army.

The mass anti-government movement in May-June 1989 was mainly confined to the cities and dominated by the urban working class. After army units in Beijing would not fire on the huge crowds in the streets, the regime was compelled to bring in fresh troops conscripted from rural provinces to carry out the Tiananmen Square massacre on June 4, 1989.

Today, the peasantry is one of the most rebellious social layers in China. Free market restructuring in the countryside over the past 20 years has led to tremendous inequalities. A minority of wealthy farmers connected to the regime control the most profitable land and local industries, while most peasants barely

eke out an existence or have been driven off the land altogether. Millions of farmers have been forced to migrate to the cities to find work. As a result, the size and social weight of the working class has grown enormously.

If a social movement erupts in China's cities, it is highly likely that sections of the rural poor would join with workers in raising grievances against the regime. There are fears in Chinese ruling circles that sections of the army might also turn against the government. Last month, the *People's Liberation Army Daily* was forced to issue warnings to its two million soldiers—mostly peasant conscripts—that they would be “severely penalised” if they took part in demonstrations. Former soldiers have held protests outside the military headquarters in Beijing this year, demanding improvements to their poverty-level pensions.

Noting the developments in Beijing, the *New York Times* commented on August 24: “No one is ready to predict that this is the beginning of any great unraveling of an authoritarian state...[but] the response by the Chinese authorities, a mixture of alarm and seeming disarray, is a clear indication that whatever is brewing here is being taken with utmost seriousness at the summit of power.”

Wu Guoguang, a former government adviser and *People's Daily* editorialist, told the *Times*: “There are a great many socio-economic factors to stimulate protest, such as the increasing gap between rich and poor and many land and environmental factors. But the masses are angry basically because of abuse of power by party officials. If the government were clean and efficient, things would be much calmer. But the perception is that the officials don't want to pursue the state's interests, so much as pursue their interests—both legal and illegal.”

The animosity toward government and party officials is inseparable from their role in impoverishing masses of people and enforcing the ruthless exploitation of tens of millions of workers by transnational and Chinese corporations.

As industry restructured in the 1990s, at least 40 million workers were laid off from state-owned enterprises, while another 30 million workers are paid as little as \$US12 per month by bankrupt state-run firms that have not been officially liquidated yet. Tens of millions of peasants who lost their land or could not

support themselves by farming have been forced to migrate to the coastal industrial areas to work as super-exploited cheap labour.

There is every prospect that the situation for Chinese workers and peasants will deteriorate over the next period. While the flood of foreign direct investment has generated an average of 8-9 percent of economic growth since 1990s, the rising price of oil and raw materials, the revaluation of Chinese yuan as well as government measures to control an investment bubble have created serious instability in the economy.

Despite 9.5 percent of growth in the first half of this year, State Development and Reform Commission figures show that Chinese-based industrial enterprises' profits climbed only 19.1 percent—22.5 percentage points lower than the same period last year. There were major contradictions within the figure however. While industries such as coal mining, metal and petroleum industries registered substantially higher profits than a year ago due to rising raw material prices, the losses reported across Chinese industry soared 59.3 percent to \$13.25 billion—the highest level since 1999.

The only means of reversing the pressure on profitability is to cut wages and conditions and eliminate more jobs. To attract investment, the Chinese government will be compelled to ignore the rising demands of the population for measures to stop pollution and the resistance to the rezoning of farming land for new industrial and real estate projects. Beijing is preparing to meet the inevitable intensification of protests with naked state violence.

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