

# **The Shanghai World Expo: capitalist extravagance on top of social misery**

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The World Expo in Shanghai highlights once again the glaring contradictions of Chinese capitalism presided over by the Chinese Communist Party (CCP). The lavish extravaganza, designed to advertise China's economic achievements to the world, is the polar opposite of the grinding poverty facing the hundreds of millions of workers on whose brutal exploitation all this depends.

Determined to have the biggest and best, the CCP is spending an unprecedented \$US59 billion on the Shanghai Expo, far more than similar events in other countries and twice the sum spent on the 2008 Beijing Olympic Games. The Expo budget is larger than the annual GDP of nations such as Ecuador and Bulgaria, even though the average income in China is lower than either country.

No expense has been spared. The opening ceremony featured a huge fireworks display, an array of celebrities and a cast of thousands of dancers and other performers. In their craving for success, the organisers claimed to have marshalled in one place the greatest ever battery of searchlights, the largest collection of multi-coloured lasers and the world's biggest LED screen.

The most cynical aspect of the opening ceremony was the use of two orphaned victims of the recent earthquake in Yushu County, Qinghai Province to demonstrate that the regime cared about those who had suffered. The two children from poverty-stricken Qinghai, where 2,200 people died when the quake flattened the primitive mud and timber houses, were entirely out of place amid the gleaming, ultra-futuristic architectures at the Expo. Qinghai's annual GDP is just

one quarter of the Expo budget—an obvious reason for the lack of infrastructure and medical services that contributed to the disaster.

To clear the way for the Expo's display of Chinese prosperity, the organisers forcibly evicted the residents of 18,000 homes. The myth of China's "harmonious society" was enforced by the police, who harassed and detained political dissidents, cleared small vendors off the streets and locked up more than 6,000 of the city's poor as part of a crackdown on "theft, gambling, prostitution and selling pornographic materials".

The world's major corporations are enthusiastic participants in the Shanghai showcase—testimony to the global economic importance of China, its huge reserves of cheap labour and growing markets. Many, such as General Motors, built their own pavilions. While GM was forced into bankruptcy in the US, the corporation is booming in China, where it is the largest foreign automaker. Volkswagen plans to double its production in China to two million units by 2012.

Billions have been spent to transform Shanghai into a major global financial hub by 2020. The historic area of the city known as the Bund—known prior to China's 1949 revolution as the "paradise of adventurers" where comprador capitalists, bankers and imperialist investors had their headquarters—has been revamped. As a symbol of economic optimism, a replica of Wall Street's Bronze Bull was unveiled in the city's financial district.

This grotesque celebration of Chinese capitalism is not a betrayal of the CCP's program and of Maoism but its logical outcome. Following the defeat of the

1925-27 revolutionary movement, Mao Zedong came to the leadership of the party on the basis of the bankrupt Stalinist perspective of “socialism in one country” and the “two-stage theory” that made a capitalist China the immediate goal and relegated socialism to the distant future. Having taken power in 1949, Mao and his successors, despite their tactical differences, shared the same perspective of transforming China into a “great power”—the long-held dream of the Chinese bourgeoisie.

Premier Wen Jiabao gave voice to this sentiment when he declared that the Shanghai Expo would show the world that a “sleeping lion” was awakening from being a weak and oppressed nation 100 years ago. Chinese capitalism rests on the ruthless exploitation of the country’s vast reserves of low-cost labour, which were opened up to foreign capital in 1978 when the CCP junked Mao’s peasant radicalism and openly embraced the capitalist market. As the CCP leaders are acutely aware, the extraordinary wealth of the emerging bourgeoisie rests on vast masses of workers who eke out an existence on poverty-level wages.

Expressing the bureaucracy’s fear and contempt for the working class, former Shanghai mayor Xu Kuangdi recently told the *Nation* magazine that democracy was incompatible with China’s huge social inequality, because “the poor people want to divide the property of the rich people”. If we had direct elections today, he said, “people will say, ‘I want everyone to have a good job.’ Someone will say, ‘I will divide the property of the rich people to poor people,’ and he will be elected.”

In Shanghai itself, these class tensions lie just below the surface. The city is not only a commercial centre but a major industrial base with a huge working class. In the 1920s and 1930s, Shanghai was known as a stronghold of militant workers and revolutionary intelligentsia. In April 1927, at the height of the revolutionary movement, Chiang Kai-shek and the Kuomintang, with the political assistance of Stalin, brutally suppressed a working-class uprising in the city.

Following the 1949 revolution, Shanghai remained a hotbed of political unrest. During Mao’s misnamed “Great Proletarian Cultural Revolution” in the 1960s,

broad layers of workers revolted against the CCP bureaucracy and established their own autonomous Shanghai Commune. Terrified that his dispute with factional rivals was getting out of control, Mao called in the army to suppress the commune and the working class.

Today, Shanghai is a city of about 20 million—most are workers concentrated in some of China’s most modern plants and offices. While China boasts the greatest number of dollar billionaires outside the United States, the average monthly wage for workers in Shanghai—just \$522 last year—showed the lowest growth for a decade in 2009. In a bid to pacify the city’s working class before the Expo, Shanghai authorities lifted the minimum wage and unemployment benefits, and doled out free tickets to the city’s residents.

The Shanghai Expo was opened on May 1—the day of international working class solidarity. Referring to a May Day speech by President Hu Jintao, the *People’s Daily*, the CCP mouthpiece, quoted Marx and Engels declaring that the “future belongs to the working class” and that the capitalist class was doomed. It hailed the labour of the proletariat as the basis for China’s economic achievements, from its massive steel industry and manned space flights, to the Three Gorges Dam and the staging of the World Expo.

The newspaper, of course, did not quote the relevant passages of the Communist Manifesto explaining that the proletariat was the gravedigger of capitalism. Notwithstanding the glitzy fantasy world of the Shanghai Expo, the working class in China will be propelled amid the worsening crisis of global capitalism into a struggle for genuine socialism against the CCP police state.

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