

Top official Bo Xilai dismissed by Chinese Communist Party

John Chan
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Last Wednesday, Chinese Premier Wen Jiabao publicly warned that China could face social turmoil like the Cultural Revolution of the 1960s. This was followed by the dismissal of Chongqing Party Secretary Bo Xilai, once a rising political star poised to join the nine-man Politburo Standing Committee in this autumn's 18th Chinese Communist Party (CCP) congress.

Bo's dismissal reflects the CCP leadership's fears that his superficial invocation of neo-Maoist rhetoric, designed to assuage popular anger over rising social inequality in China, might unintentionally provoke political opposition in the working class. The CCP is highly sensitive to any sign of popular opposition, as it is now considering a wide-ranging free-market restructuring in the interests of China's "red capitalists" and Western finance capital.

At the press conference immediately after the closing of the National People's Congress (NPC), Wen declared that certain mistakes of the Cultural Revolution had not been addressed. He then said that amid rising social inequality and official corruption, "such a historical tragedy as the Cultural Revolution may happen again."

Mao Zedong launched the "Great Proletarian Cultural Revolution" initially as a student movement to purge a section of the bureaucracy, the so-called "capitalist roader" faction, in 1966. However, Mao's populist appeals against privileged bureaucrats and against the threat of capitalist restoration unexpectedly unleashed the working class into a mass revolt, demanding democratic forms of proletarian power. These revolts were ultimately suppressed by the army.

Wen's warning reflects fears that, once again, political shocks from infighting inside the CCP could drive the working class into struggle against the bourgeoisie that is emerging from the CCP bureaucracy.

At his press conference, Wen acknowledged that 2012 could be "the most difficult year," as the European debt crisis hit China's economy. With housing prices still very

high despite Beijing's "macroeconomic regulation," Wen apologised for failing to address the masses' housing needs. He also took personal responsibility for the social problems that had worsened during his 9-year administration, claiming he was "sorry."

Just days before his ouster, Bo appeared before journalists, boasting of his "Chongqing model" and using neo-Maoist rhetoric: "As Chairman Mao said as he was building the nation, the goal of our building a socialist society is to make sure everyone has a job to do and food to eat, that everybody is wealthy together. If only a few people are rich, then we'll slide into capitalism. We've failed. If a new capitalist class is created then we'll really have turned into a wrong road."

Such comments are entirely empty and false, however, as Bo himself and other top CCP bureaucrats have drawn massive profits from the explosion of social inequality in China that followed the restoration of capitalism in the 1980s.

Bo's "Chongqing model" involved boosting social spending such as medical insurance coverage of the local population and providing free meals to 1.3 million "left behind" children of migrant workers. This spending is dwarfed by corporate profits made under a 10-fold increase of foreign investment presided over by Bo—from giant sweatshops like Foxconn, to auto joint ventures with transnational corporations, and international banks setting up headquarters in Chongqing to exploit the cheaper labour in impoverished Sichuan province.

Bo made his name by "singing the red and smashing the black," a campaign to encourage a return of public singing of Mao-era revolutionary songs, while rounding up thousands of businessmen and officials allegedly involved in organised crime. One of the Chongqing police chiefs was executed for colluding with the mafia. Bo's "red culture" gained support among a layer of the middle classes, especially those whose careers were blocked by

state job cuts and who felt marginalized by the rising wealth of the new bourgeoisie.

Last month, at a gathering of 1,200 children of top CP officials, speaker Hu Muying—the daughter of former Politburo member Hu Qiaomu, a “left” ideologue in both the Mao and Deng eras—declared that 30 years of market reform “were followed by class polarisation, rampant corruption, a public spiritual vacuum, chaotic moral decline, prostitution, drugs, Triad [mafia gangs], and so on. These evils that were exterminated at the founding of New China [i.e., after the 1949 Revolution] have made a comeback and may even have grown worse.” She asked: “Is this the New China our fathers sacrificed their blood to fight for and establish?”

Immediately after Bo’s removal, several neo-Maoist web sites such as *Utopia* and *Maoflag*—which for years were allowed to voice criticisms of the ruling “capitalist roaders” and their market-reform policies—were shut down or unavailable.

The “new left” aims not to return to the nationalised property forms and central planning of the deformed workers state established after the 1949 Revolution, but to strengthen state protection for certain corporations, especially joint-stock companies created in the 1990s restructuring of nationalised enterprises. Some have made super-profits by extorting consumers through monopolisation of key industries such as electricity and telecommunications. This enabled them to pay their CEOs up to 400-500 times more than average workers. While many raised capital in international markets with the help of American investment banks, they are resisting any further opening of the markets.

Despite China’s entry into the World Trade Organisation (WTO) in 2001, Western capital has not been granted full entry into key sectors such as banking. While Western multinationals made huge profits from cheap Chinese exports, many basic industries and banks were left in the hands of the state, and certain limits placed on the free flow of capital. After the eruption of the global financial crisis in 2008, however, such arrangements between international capital and the CCP’s capitalist cronies are no longer tolerable.

A World Bank report, “China 2030,” published just before the NPC, which was endorsed by Wen and his successor Li Keqiang, called for the breakup of state monopolies and easier market entry to private and foreign enterprises. This new round of “reform” will result in a major assault on the social conditions of Chinese workers.

The dismissal of Bo—a move that would have required

President Hu Jintao’s endorsement—was clearly aimed to pave the way for the new leadership headed by Vice President Xi Jinping and Vice Premier Li.

They represent what is widely seen as the most rapacious layer in the new bourgeoisie, headed by the children of the senior leaders—the “princelings.” This corrupt social type, including Bo himself, are set to become the biggest beneficiaries in a new restructuring by completely converting major state corporations they already controlled into fully private property.

Bo’s own son, for instance, is rumoured to have an opulent lifestyle in UK and America and was seen driving a red Ferrari in Beijing. Bo was forced to deny the story during the NPC.

Millions expressed their anger and disgust online over the NPC being a “billionaires” congress, as journalists captured shots of wealthy delegates cattyng luxury handbags or wearing fashions worth several times ordinary workers’ monthly, or even annual income.

The 70 richest delegates had a net wealth of nearly \$US90 billion last year, a gain of \$11.5 billion from 2010. However, those in the Chinese People’s Political Consultative Conference (CPPC) held along with the NPC are even wealthier. A body set up by Mao initially in the 1949 revolution to incorporate sections of the national bourgeoisie, it has been revived to its former function to be an advisory body of the capitalists to the regime. The 70 richest delegates of the CPPC had a net worth of \$100 billion in 2011.



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