

COMMUNIST CHINA

14 March 1963

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NOTICE

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INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

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CAPTAIN BRADY: Gentlemen: Now and up to this point of Unit VI we have been concentrating on NATO and war-pact nations. Today we turn our attention to Communist China.

We are indeed fortunate to have as our speaker today Dr. Harold C. Hinton, who will address on the subject of Communist China.

Dr. Hinton, it is a pleasure to welcome you back to the Industrial College.

Dr. Hinton.

DR. HINTON: Thank you very much, Captain Brady. It is good to be back. I hope this is going to be a better talk than I gave to your ancestors in this program last year, for two reasons. In the first place, the subject of the talk is now a year older, and there is more to say about it. Secondly, I hope, at least, that my own understanding of it has improved in the interval. Anyhow, this is a wholly different talk, and completely up to date, so far as I can make it so.

Perhaps to your surprise, I am going to organize it exactly along the lines of the blurb in your syllabus, beginning with a discussion of the economic and political objectives, and so forth, the point being that the subject is so vast that if I don't follow your outline, on the assumption that you know what you want better than I do, there is no telling what I would do.

Under the heading of objectives, I think the first and most obvious one, perhaps, is the maintenance of their domestic political control. I won't even elaborate that--I mean, it is so elementary when you are dealing with a highly authoritarian or totalitarian regime that I think that is probably sufficient.

Secondly is the massive, heavy industrialization of the country, primarily, of course, through the squeezing of an already impoverished

agriculture, but also, in addition to that, through the importation from abroad of needed skills, of capital equipment, of some industrial raw materials, and, to the extent possible also, of course, credits, primarily from the Communist bloc, and in exchange for this the export of agricultural products, minerals, and, to a surprising extent, consumer goods. This is the classic pattern. The recent variations in it I will come to later on.

Thirdly, under the heading of objectives, clearly we have security against attack by any dangerous combination of potential aggressors, meaning, principally, of course, the United States and/or the Chinese Nationalists. I say so because even an initially unassisted attack by the Nationalists upon the mainland of China is regarded by the Communists with very grave apprehension, for the obvious reason that, regardless of whatever intentions or commitments might be present at the beginning of the operation on our part, the thing could escalate to the point where we would in effect have no choice but to come in. I think this is a perfectly reasonable objective statement of the problem without any access to any inside information. The Communists regard an unassisted Nationalist attack as something to be deterred.

Therefore, in the spring of last year, 1962, they roughly doubled their troop strength opposite Taiwan precisely for the purpose of deterring a possible Nationalist attack.

Along the same line, the Chinese clearly want to deter or in some way avoid an escalation of local wars near the borders of China. This would take into account such things as the Korean War in 1950, approaching dangerously close to their borders, as they saw it, or the Indian probes along the frontier in the summer and early fall of last year, which evoked, you recall, a Chinese counter-offensive.

Next, and somewhat more ambitious is a rollback of the whole American military position in the Far East and the Western Pacific. This is, of course, a very large order, but it is quite obviously one of their major objectives. They say, and I think they believe, that Japan, under which they would include Okinawa of course, for obvious reasons, has become the main and they almost say the only major American base in the Far East. It is clearly against our position in Japan that their principal ploys, primarily political rather than military, of course, are directed.

Now, how do the Chinese attempt to go about promoting these security objectives? The ideal way, of course, from their point of view, would be to have their own independent strategic deterrent, with all that that implies--their own delivery systems, hardening, dispersal, et cetera, et cetera. Since this is obviously not available yet, and will not be for some time, the next best thing--and I don't say it is an alternative to these, and ideally they could have all of these--is that they will have to fall back in practice for the time being on the deterrent protection of the Soviet Union. But this is a highly unreliable quantity. Khrushchev, as you know, has a way of making very loud, threatening noises but not doing very much, when confronted with the opportunity to do something. The Chinese have aptly summarized this approach in one of their recent trumpet blasts against Khrushchev by referring to certain comrades who are outwardly as tough as bulls but inwardly as timid as mice. In view of the fact that they are dealing with such a mouse on the other side of the Sino-Soviet border, in practice they have to employ very great caution. This obviously is the third thing to which they are in effect driven back because of the absence of the first and the reliability of the second.

Therefore, they have to adopt primarily political rather than military approaches to what is necessarily a long-term problem of attempting to weaken, to dislodge, and eventually to eliminate our threatening posture vis-a-vis them in the Far East and Western Pacific.

Going beyond security to the question of influence, under this heading they clearly aspire to hegemony in what they call the East, a term which is obviously rather vague, but it seems to me to imply everything from Pakistan through Japan inclusive, and up to but not including the Soviet border. Next to that comes Chinese influence in the whole of the underdeveloped world, not only Asia but beyond that the Middle East, Africa, and Latin America.

When they think along these lines, their strategy is primarily to work on and through local Communist parties and other leftwing movements, either led by Communists or at least sympathetic to Communist goals, such as Castro's United Revolutionary Organization in Cuba.

Beyond that, as for their objectives toward the Communist bloc and the international Communist movement, they quite clearly at the present time aspire to coleadership of the bloc, that is co-leadership

with the Soviet Union, and they have been working toward that end, I would say, quite actively since 1956, and quite openly since about the end of 1960.

Beyond that it is quite possible that they aspire eventually to sole leadership of the bloc and the movement, displacing the Soviet Union. This could be done conceivably in one or more of a number of ways if the Soviet Union, for example, committed some blunder so colossal on the international scene as to discredit itself almost totally and permanently--something like the Cuban gamble on a somewhat larger and even more unsuccessful scale. Or, at a little bit longer range than that, perhaps they could effect a reorganization of the international Communist movement in such a way as to proportion voting strength to party membership. There are approximately 18 million Communist Party members in China at the present time out of the world total of a little over 42 million. Figure it out for yourselves. There are only about 10 million in the Soviet Union. Or another way would be for the Chinese to exhort and aid to power a large number of militant Communist regimes in underdeveloped countries which, because of being militant and because of being supported, at least verbally, by the Chinese, would tend to be oriented toward China rather than toward the Soviet Union. This would be another way of enhancing their own influence within a presumably expanding bloc at Soviet expense.

Next, they certainly aspire to super power status with all that that implies--strategic forces, space capability, obviously the Chinese seat in the United Nations, and along with that the permanent seat in the Security Council--everything which might be implied by that term. This has a very high price tag attached to it, obviously. It seems to me that in actual practice they may have to fall back reluctantly on a somewhat more modest role for a couple of generations at least, namely, the role of attempting to play the part of balancing power between the United States and the Soviet Union. This would mean, of course, a considerable modification in their outlook on their own ideology, the extent to which their own ideology would govern their behavior. It would also, presumably, mean a posture of equidistance as between the United States and the Soviet Union. They would presumably have to improve their relations with us somewhat, or at least put themselves in some sort of position to play this tricky role. This is not yet in the cards, but I submit it may eventually be the role upon which they will have to fall back, unless they are to abandon their program for super power status.

Finally, and this is not a very significant objective, really--it's more a slogan--there is the worldwide triumph of communism. This, of course, is a vague enough term to begin with and is somewhat differently defined by the Russians and the Chinese anyhow, and by the time it occurs, if it ever does, it certainly will mean something different from what it does now to either the Chinese or the Russians. So I don't rate this very much more than a sort of pie-on-earth type of thing.

Next, under the heading of progress toward industrial economy, here the regime has proceeded with great industry and ruthlessness along the line that I mentioned earlier--squeezing the peasants and supplementing indigenous resources through foreign economic relations, mainly with the Communist bloc. By 1952, approximately, the regime had restored the Chinese economy to very roughly its best prewar level, which is saying a good deal when you consider the terrible chaos and damage which had overtaken the Chinese economy during the interval from about 1937, when the Japanese invaded, to 1949, when the Communists took over. Then, in 1953, they launched into a major industrialization program. They inaugurated at that time their first five-year plan, which ran from 1953 through 1957. By the end of that period, in 1957, they were producing, to take only one of the most obvious indicators, about 5 million tons of finished steel per year, roughly five times more than China's maximum capacity before 1949. This is certainly a respectable, although not overwhelming, success.

During the latter years of the first five-year plan, their gross national product was growing approximately at the rate of 6 to 7 percent per year, highly respectable, obviously, but it was a somewhat lopsided rate of growth, with industry, particularly heavy industry, growing very fast, roughly 14 or so percent, and agriculture growing at a much slower rate of perhaps 3 percent or a shade less than 3 percent.

Also in the last years of the first five-year plan they did make a rather halfhearted effort to grapple with what is clearly one of their major problems, namely, population. I mean not population per se, obviously, but the very perilous and unstable balance between population and resources, particularly food.

By 1957 they found themselves in a state of crisis, notwithstanding their very respectable economic performance during the period of the first five-year plan, and much that has happened since

1957 can be understood only in the light of a correct understanding of this 1957 crisis, as they saw it. In the first place, 1957 saw an ending of Soviet credits. The Chinese have not received so much as one ruble from the Soviet Union in long-term development credits since the end of 1957. The collective farms that had been established only in the very recent past, as of 1957, had proven highly unpopular with the peasantry and had proven inadequate from the regime's standpoint for the principal purposes that the regime wanted them to accomplish. For instance, the collectives had proven inadequate in scale for large-scale capital construction projects in the rural areas. The Chinese regime, you see, does not like to allocate large quantities of scarce capital funds to essentially rural construction projects--irrigation and that sort of thing. Therefore, the peasants are supposed to do it themselves, with minimum aid from the central government. The collectives were not adequate for mobilizing manpower and local resources on that scale. Also, the collective farms had proven inadequate as a method of mobilizing what the regime laughingly calls a surplus in Chinese agriculture for the purposes of the state. In other words, in state collections and state purchases, not enough was forthcoming through the instrumentality of the collective farms.

There was also an external aspect to this crisis. The Chinese Communists had been becoming increasingly afraid since 1954, and with fairly good reason from their standpoint, of the following scenario, which I submit to you as their No. 1 nightmare: They are attacked in this scenario by either the United States or the Nationalist Chinese or, worst of all of course, both in combination, with weapons up to and including tactical nuclear weapons, and meanwhile the Soviet Union stands aside. They perhaps issue some propaganda blasts, saying, "He who touches the People's China will die the death," or something like that, and they proceed to do nothing about it. This, from the Chinese standpoint, was an entirely possible scenario. We did just enough during this period to lend color to this theory.

For example, the spring of 1957 saw the announced sending to the Far East of nuclear-capable missiles by the United States and their stationing within striking distance of Chinese territory--United States surface-to-surface missiles. So they felt that they had a very serious problem about which something had to be done.

The answer as they saw it was what they called the Great Leap Forward, and most particularly the so-called people's communes which were set up in large numbers in the summer of 1958. The communes, which were really the core of the Great Leap Forward, were in effect nothing but amalgamated collective farms. About two dozen collectives, on the average, made up one commune. Each commune was nominally, and to the extent possible actually, equipped with local industries and with a militia, a militia designed both as a labor force and as a security force. The idea, in other words, was to mobilize manpower in the rural areas far more intensively than before, and by creating a network of relatively self-sufficient, local economic entities to maximize the chances of survival and of viability, in the event that the major industrial installations and command-and-control centers should be knocked out by a U.S. strategic attack. So there were these dual purposes, with reference to the internal economic situation and with reference to the external security situation, and the solution to both was substantially the same, as they saw it.

As for the result of this gigantic twitch into which China threw itself in 1958, agriculture, which was already rather badly overstrained, almost collapsed under the impact of increased demands for labor and of increased demands for investment funds. In other words, agriculture was squeezed more even than before to provide funds for increased investments in other sectors of the economy, principally industry.

Another unfortunate aspect from the Chinese point of view was that the long-simmering, Chinese dispute with the Soviet Union came to the boil, partly at least as a result of Soviet objections to the Great Leap Forward, and to various implications which it conveyed for the Soviet Union that were most distasteful to Moscow.

Therefore, in 1960 the Soviet Union withdrew its technical assistance from China, having, as we have seen, terminated its credits in 1957. Most Soviet exports of capital equipment to China also came to an end during 1960. To make matters even worse, the 1960 harvest in China was poor. In effect, the Great Leap had reduced agricultural output to about 15 percent below the best levels attained before the Great Leap. Meanwhile, of course, population had continued to rise by an unknown but certainly a considerable rate.

I might add that, although this was an extremely serious situation, it was not as bad in a sense as the state to which Stalin brought Soviet agriculture in the early 1930's by his even more brutal approach to Soviet agriculture. The reason why China looked to be in about as bad a condition in 1960 and 1961 as the Soviet Union in 1933 or so was that China started, obviously, from a far lower base. There was much less a gap between where they were when they started and where they could be just barely without starving than was the case in the Soviet Union. So the result was not much better, although the actual drop in production was not as bad as in the case of the Soviet Union.

It must be said to the credit of the regime that, once they realized the full magnitude of the catastrophe that they faced, they took very energetic and rapid measures to cope with it. Beginning in November of 1960--and incidentally, this is a footnote, the first directives on this went out a few days before our election, showing that they had decided that even as massive a problem as U.S. policy toward China could wait, that their economic situation required urgent action. You may recall the differences on China policy between President Kennedy, then Senator Kennedy, and Mr. Nixon, and the fact that Mr. Nixon had advocated in the spring of 1954 American intervention in Indo-China, which had strong anti-Chinese implications. But never mind--they didn't wait to find out.

They halted food exports except to Hong Kong, where they earned massive foreign exchange by continuing to export food. They inaugurated a substantial program of food imports, now totalling somewhere in the neighborhood of 10 million tons of grain. They shut down large numbers of marginal industries and they conceded free markets in certain commodities and also private plots of land to the peasantry, something that they had not enjoyed while the Great Leap Forward was in effect.

In 1961 they proceeded to decentralize the communes, abolishing them, in fact, in everything but name, and breaking them down to the lowest component units, smaller than the original collectives, these smallest units being called production teams. They also revived their somewhat halfhearted population-control campaign, which had fallen very much into the background in 1958 at the time of the beginning of the Great Leap.

Nevertheless, it was characteristic of the regime not to execute a complete, unequivocal retreat. During 1961, which was the worst year in terms of their food situation, they still continued to exert on the peasantry all sorts of covert and quasi-legal pressures in order to keep the level of state grain collection up as high as they could without seriously damaging production or total output. These are two variables--the total output and the share of the total output, whatever it may be, which the state actually succeeds in collecting through one means or another. Obviously the collection is of more concern to the state, but it cannot ignore the total production picture, either.

Partly at least as a result of these measures, which were very energetic and bold, by Communist standards, and, I think, as much also because of the enormous resiliency of the Chinese peasant--you merely have to take your hands off his windpipe for a minute and he's up again and working and doing pretty well--the level of agricultural output has improved very considerably. The 1962 harvest, last year's harvest, is believed to have approximated 180 million tons, which is significantly better than 1961, which in turn was somewhat better than 1960.

What has happened, of course, is that the peasantry, given their private plots and their limited freedom to dispose of the produce of those private plots on the free market, have joyously gone in for capitalist tendencies. Kulaks or rich peasants are beginning to emerge, and the regime is seriously worried. It's torn then, between, then, the interests of collection and ideology on the one hand and the interests of production on the other. How do they trade these two things off? It's their problem and I won't attempt to solve it for them.

Under the heading of strengths, clearly China's natural resources are a significant element of strength. Thinking only in absolute terms and not dividing iron ore by 700 million--which is a rather foolish exercise anyhow--Chinese resources are quite adequate to support a very sizable industrialization program. The two main critical items that are in rather short supply are petroleum and copper. With those two major exceptions, other things are in reasonable supply. It's obvious that no industrial power has to have everything. After all, the Japanese have virtually nothing in the way of their own resources, and they do all right.

Under the heading of human resources, which I submit are more important, anyhow, than natural resources from the standpoint of economic development, China has excellent human resources, somewhat too many of them, to be sure, but still of good quality. If its population can be fed--a very large if--if its consumption can be held down to not much more than subsistence levels--and the regime, of course, is endeavoring to see to it that that is done--if the productivity of this fund of human resources can be significantly increased, through training, through investments of various kinds, and I would say, through incentives--and here I may not see eye to eye with the Chinese Communist regime--then I think the prospects over the long term--not the short term--are considerable.

Now, one further thing, of course--it would be highly desirable and perhaps essential to do something to cut the rate of population growth. From the standpoint of the discussion in which I am now engaged, it doesn't matter how. They can take every fifth person out and shoot him. It really is immaterial. But the point is somehow to keep population growth down to levels which can be accommodated without devoting the entire resources of the nation simply to feeding, clothing and housing the annual increment of population plus the existing population. So I am being fairly coldblooded, you see, leaving aside all political considerations. If they can do this--and it's a very big if--then I think their prospects are by no means hopeless. They could in time, it seems to me, perhaps duplicate the performance of the Japanese economy, or at least its performance, let us say, up to World War II, leaving aside its joyous expansion in the consumer sector since World War II.

This would involve an enormous increase of agricultural productivity, of course, which would presuppose a great increase in investment and, I think, at least, greater incentives than the regime has been willing to allow up to now.

Still under the heading of strength, I think the political controls that the regime has and exercises are effective. They've come through a very difficult period of strain in the last couple of years with comparatively flying colors, from their standpoint, and I see no reason to believe that this system of political control is not a very significant asset from their point of view.

Finally, I think that the strategy or the outlook that we call Maoism, for lack of a better term--in other words, the political-military strategy that Mao evolved for his party in the 1930's and

1940's--is an asset. It is a highly complex, sophisticated, flexible strategy. It is not irrational or suicidal in its nature as is often thought. The reason why it is often so considered is that the Chinese Communists like to talk very tough and give the impression that they are quite ready and willing to do all sorts of foolish and suicidal things. Then they end up not doing these things. The advantage, of course, is that it induces a certain quivering of the backbone on the part of the opposition, and even on the part of their allies. The drawback to this approach is that they have gotten themselves tagged with the label of the war party in the Communist world. They now find this a very great political embarrassment. It has been used very effectively against them by such opponents as Tito, who refers to their Genghis Khan policy, and they are now doing their best to wipe off this particular smear that they have to extent painted on themselves. But, with this major exception, Maoism in general is, I think, an asset and a source of considerable strength to them.

The weaknesses are, I think, fairly obvious--well, perhaps not so obvious, at that. The first one that I would list is that the Chinese people have for a couple of millenia been putting very heavy and increasing pressure upon the ecology of their country. Timber has been cut down, and there has been erosion, lowering of water tables, and so forth, and so on. The situation has clearly gotten worse and not better under the Communists with their total ignoring of such a pedestrian consideration as that. We, after all, ignore this problem usually, and Communists do even more so.

Secondly, there is the failure by the regime to recognize or, at least, to act upon the precarious balance between resources and population soon enough. They have not been totally blind to it but recognition has come rather late and I think it has been insufficient. Also the regime has seriously overstrained agriculture in the country. Resilient though it is, it has been subjected to pressures which it should not have been asked to bear. The regime also has a highly overdeveloped urge to industrialize. It seems to me that if they were wise from their own standpoint for the next 20 years or so, whenever they felt the urge to industrialize coming on, they should lie down until it passed away and then, having devoted the next 20 years or so to improving their ecological and agricultural base, and to some extent their living standards, they would, I think, be in a far better position to push ahead on the industrial front.

Finally, it is quite clear that the bad state of Sino-Soviet relations, for which the Chinese are certainly mainly to blame, has been a serious source of economic and military weakness to them. It's a cost that they seem to have been willing to pay, but it nevertheless has been a serious cost.

Under the heading of Chinese interests and influence in the developing countries--and the term "developing" may be a shade optimistic, so I think I'll call them the underdeveloped countries--the concept of a Chinese Communist model for these areas goes back to the 1930's, and it implies, certainly, actual Chinese political leadership of that portion of the underdeveloped areas that falls in the East, Asia. Beyond that, exactly the degree of Chinese influence that is implied is a little vague. We don't really know what the Chinese expect, if anything.

This model, so-called, is allegedly a do-it-yourself model. The Chinese almost never refer in their propanganda to the underdeveloped countries to the Soviet aid that they have received themselves, and which has been very helpful to them, or was very helpful to them while they were getting it. They imply that they did the whole thing themselves. They say, "You, too, can have an economy like ours if you follow our model." Their model consists, obviously, of subjecting agriculture, which in an underdeveloped country is already impoverished, to be sure, to just enough pressure to extract the resources needed for industrialization. The Chinese claim that this works, and actually it does, as long as you do not go to the lengths that they have gone in their own case. I don't say this is the best model. I merely say that it is a workable model if it is not used to excess.

Now, in terms of enhancing its own influence in the underdeveloped areas, Communist China has and uses a rather wide spectrum of violent, semiviolent, and nonviolent instrumentalities. The violent ones are, of course, usable only in adjacent countries of Asia today, and even there they have been applied only with very considerable caution, and invariably with very great ambiguity, so as to befuddle the opposition and minimize the chances of American retaliation, which is what they are principally afraid of.

The nonviolent and semiviolent instrumentalities are applied throughout the underdeveloped areas--Asia, and all the rest of it--to the extent that conditions permit and that it appears to be worth while. Very often this Chinese program is in direct competition with Soviet interests and the Soviet program.

It is interesting, by the way, that for both economic and political reasons Communist China normally refrains from giving aid to relatively large and stable underdeveloped countries, such as India. They haven't given the Nehru regime one penny of aid, whereas the Soviet Union is perfectly willing to aid Nehru or comparable regimes. The price tag, of course, is high, but the political benefits, apparently, from the Soviet standpoint, are great, or potentially great. The Chinese want no part of any such arrangement as that. When they do aid a country they make sure that it is a weak, unstable, vulnerable country, and normally a small one, so that its effective appetite for aid will not be too great. They have aided and are aiding approximately 10 such carefully selected countries from Cambodia at one end to Cuba at the other.

Now, as for their efforts to promote Communist seizures of power in these areas, the Chinese tend to incite and aid to a limited degree extreme leftwing regimes and movements, in other words, regimes in power and movements not yet in power. The former are called national and democratic movements. Castro would qualify as a national democratic movement from the Chinese standpoint. The other movements, those not yet in power, are known as national liberation movements. The Algerian FLN, prior to its coming to power, was a classic example of a national liberation movement.

What do they attempt to incite them to do? I think it is very important to realize the limitations on this incitement. The Chinese incite them to a low level of violence, potentially lasting for a very long time. The Chinese say, "After all, it took us 20 years. Why should it take you less?" This low level of violence is against the "imperialists"--the United States, Britain, and whoever it may be--and also against the indigenous so-called national bourgeoisie, a group for whom the Chinese have practically no use, whereas Khrushchev is willing to aid and work with the national bourgeoisie in many cases.

Exhibit A under the heading of national bourgeoisie is Nehru. He is precisely the sort of person who is referred to by this term. However, it is also true to say that from time to time the Chinese will woo diplomatically certain individual regimes which they consider to be national bourgeois in character, for particular advantage. Sukarno's regime has been the object of intensive Chinese Communist wooing since 1960 or 1961. But in general they despise these people and prefer to undermine them rather than to support them.

Another limitation on the Chinese role in the underdeveloped areas is that they invariably prefer to avoid dangerous gambles. Even if they had had the missiles to do it, I doubt very much that they would have sent missiles into Cuba in the way that Khrushchev did. They have gotten a great deal of mileage, by the way, out of Khrushchev's really astonishing performance in Cuba. They have accused him of adventurism in sending the missiles in and of capitulationism in pulling them out. As a matter of fact, both charges have a great deal of substance, when you think about it.

To repeat then, the reason for keeping the level of violence low, basically low, is to keep it below the threshold at which, from the Chinese standpoint, American intervention in the area in question, or, worse still, American retaliation against China itself, appears likely. This is the principal reason for keeping it low.

I have indicated already that one of the main Chinese reasons for working so industriously in the underdeveloped areas is to out-flank the Soviet Union. This, I submit, is in many ways their most important single motive in so doing. I think they feel that the United States, an imperialist power by their definition, is really too inept in the long run to offer them serious competition in the underdeveloped areas. The Soviet Union, being a socialist power, is less inept and more of a long-term competitor.

Now, as to the future of the Chinese role in the underdeveloped areas, my crystal ball is somewhat clouded, but it seems to me that the militant Chinese line--militant as compared with the Soviet line--does tend to appeal to most Communist parties in Asia, which find their own conditions and their own emotions, so to speak, rather closely attuned to the Chinese wavelengths. The militant Chinese line also appeals to elements in most other Communist parties throughout the world. There are very few, in fact, which are totally pro-Soviet, in the sense that there is not even so much as a coherent fraction within the party that seems to favor the Chinese line, and in the underdeveloped areas the pro-Chinese fractions tend to be bigger than they do within the Communist parties in the more developed countries.

If the relatively moderate Soviet approach to the underdeveloped areas, stressing long-term economic penetration and attraction, does not seem to pay off--and I suspect that it will not pay off from the Communist point of view--then the appeal of the Chinese line may become very, very great indeed, even outside Asia. It will

not necessarily lead to a degree of Chinese influence equal to what the Chinese would like, but it will almost certainly lead to a considerable receptivity on the part of leftist leaders in the underdeveloped areas to the Chinese strategic and tactical formula.

Suppose the Chinese formula doesn't pay off either, looking dimly and a little hopefully into the future, suppose guerrilla warfare splutters in the back country but gets nowhere in the average case, then what? Well, then it seems to me there may be some hope for the underdeveloped areas.

On that note of qualified optimism, I suggest that we have a break.

CAPTAIN BRADY: Dr. Hinton is ready for your questions, gentlemen.

QUESTION: With the troubles that the Chinese have been having in the last two or three years, could you give us a percentage or ratio as to how much of their efforts they are putting into agriculture versus industry?

DR. HINTON: I don't have that information, if you mean up-to-date figures. They haven't published any details since 1960. Let me check to see what I can give you that might be of some help. By the way, I am looking at the latest issue of "Problems of Communism," which has an excellent article in it on the Chinese economy, if you are interested in checking. He has some figures here, but they are not going to answer your question, unfortunately. I think I had better bypass that one. Some information which may help you might come out later on, but I can't answer your specific question. I'm sorry.

QUESTION: How do you assess Peking's reported invitation to Khrushchev to visit China? Do you relate it at all to their maybe taking psychological advantage of the so-called disarray in the Western alliance?

DR. HINTON: They are taking advantage of the psychological disarray in Moscow, actually. This Cuban thing has been very bad for Khrushchev. The Iraq business is not helping any, either. In fact, both of them are somewhat comparable. His Cuban policy was a drastic failure, let's say, on the front of dealing with the

so-called imperialists, as one major front of his policy, and in Iraq, on the front of dealing with the national bourgeois regimes, what's happened to the Kassem regime. The Chinese are well aware of this and of the fact that Khrushchev has very considerable internal opposition. I realize some of you may not agree with that statement, but I have been checking into this lately, and there is considerable of it. The Chinese are pressing him just as he pressed them back in the fall of 1961, at the time, actually, of their worst economic situation, by bringing out the Albanian problem into the open at the Twenty-second Party Congress in October. So the Chinese I don't think are as interested in the disarray in the Western alliance as they are in the Soviet predicament.

The way in which they have been approaching the Soviet Union is very, very skillful, in my opinion. They've got Khrushchev backed into something of a corner. They have published what he has had to say in their press. He obviously is not going to publish, or is very reluctant to publish, what they have to say in his press. The contrast is very bad for Khrushchev and is relatively good for the Chinese.

The Chinese are the more orthodox of the two parties. There is absolutely no question that Lenin, if he should somehow rematerialize and look at these two programs side by side on paper, would say, "Now, the Chinese line, comrades, is the one that is closer to what I believe. Khrushchev is a modern revisionist," or some such thing, which is what the Chinese have been calling Khrushchev. There's absolutely no question about it. This gives the Chinese an enormous advantage.

As to why the Chinese are so orthodox on paper--as I say, in practice the Chinese are not so orthodox; they experiment, they are highly flexible, as I have indicated, and quite imaginative. Why, then, this sort of wooden insistence upon the letter of the law, on paper, but not necessarily in practice? The answer occurred to me recently, and it is this: The Chinese regard ideology and interpret it as the main binding force within individual Communist parties and among the parties as a whole. They want the movement to be comparatively unitary, not polycentric or diffused, but they want it to be held together by the strength of an alleged common ideology, since it cannot be held together by pressure and force any longer. Therefore, they hope eventually, you see, to sort of come in behind the Russians and knock them on the head, take over, and be able to exert this kind of control by ideology. This is why the letter of the law must be maintained from the Chinese standpoint.

I am not sure that that answers your question, but this is roughly the way in which I view this situation now.

QUESTION: Dr. Hinton, I think that you indicated that action on the Indian border was a result of Indian probing, that is, the Chinese launched a counteroffensive. I may have been reading the wrong newspapers, but I thought the Chinese were trying to secure the border and especially a road that they built up in the Ladakh area close to their territory. Would you comment on the reasons behind your statement?

DR. HINTON: Yes. Of course, who struck the first blow depends on how far back in the past you go. I was speaking about the immediate past. The Indians had been moving up precisely toward that highway which you mentioned, which is a very sensitive one from the Chinese standpoint. The Indians established 43 new check points in the general vicinity of that highway, within, let us say, 100 miles or so of it, from about the beginning of 1961 down until about the middle of 1962 or so. The Chinese regarded this with increasing apprehension, particularly when their situation in Tibet is still very difficult. There is a massive revolt going on. They are very sensitive about the security of Tibet, as well as about their highway, to which you refer.

The Chinese, in the spring of 1962, last year, you recall, had this sort of crisis that didn't quite come to be a crisis on the Taiwan Strait. While that was on they were in no position to move on the Indian frontier. We reassured them very considerably in late June of 1962 that we would not, repeat not, back a Chinese Nationalist invasion of the mainland if one should be attempted. Within two weeks of that they began to raise the counterpressures on the Indians in the Ladakh area, the one you are talking about. Then the Indians in turn, you see, raised their ante a bit, and began to move forward, and on the 12th of October last year the Indian Government announced that its forces were under orders to clear all Chinese forces off all soil claimed by India. They didn't say quite when. They didn't say, "Home by Christmas," but it was roughly that sort of thing. The response was very identical on the Chinese side to the response to the "Home by Christmas" affair in 1950.

As far as I am concerned the Indians precipitated this latest affair, not the Chinese. I am not defending what the Chinese did. I am merely saying that in terms of strict historical accuracy and fairness, that's what happened.

QUESTION: Why did the Chinese Communists allow their differences with the Soviets to boil over at the same time that they had their most serious economic problems?

DR. HINTON: Let me think. That's rather a hard one to answer. I haven't thought of the two as being quite that closely related. Actually, I'll answer it this way: The Chinese do not as a rule let any economic difficulties they may have deter them from doing what they regard as the absolutely necessary things, both in defense of their own security and in pursuit of their own influx. If it becomes, of course, a question of survival, that's different. I am talking about merely accepting very great stringency. So there is no necessary connection between these two things, no necessary trade-off to the extent that you imply.

Actually, their relations with the Russians began to become pretty tense in 1956, worse in 1958, when the Chinese were feeling very confident, of course, on the economic front, and after that it was really a case of not being able to turn back the tide. They continued simply to worsen it from then down to the present. By now things have gotten to the point, in my opinion, where the Chinese will settle for nothing less than Khrushchev's political scalp. They want him out of there, and they want somebody else in. I don't think they care who, just so it's another guy. What they want is to keep the Soviet leadership turning over every year or so. They want to kick the rascals out, whoever they may be.

QUESTION: Sir, will you discuss the pros and cons of U.S. recognition of Red China? Do you support it?

DR. HINTON: Well, I might start by saying that I feel about it like Calvin Coolidge's preacher about a reference to sin--I'm agin it. The pros are roughly as follows--I haven't gone into this exercise for some months and I am a little rusty--that you can't ignore 600 million people, or 700 million now, really; that they are in control of the Mainland of China; that there is at least one very important, in fact majority, school of opinion in international law that holds that you should recognize de facto governments; that they have not behaved any worse on the international scene than, let us say, the Soviet Union--after all, Hungary was pretty blatant, and the Chinese haven't done anything quite that blatant, recently, anyway. This would be the general line which the prorecognition school would take. If, of course, you are talking to a person who has an anti-American or a very left neutralist point of view to begin

with, he'll think up some more arguments, such as, the United States is reactionary and imperialist, and so forth and so on. This would be a fairly sober argumentation of why this ought to be done, it would seem to me.

As against it there is the argument--well, I assume you know roughly what our official line is--that communism is not necessarily here to stay in China, that we "hope to hasten its passing," which is the phrase used in one of our original pronouncements on this subject, by economic--blockade is not the word I am looking for--embargo--nonintercourse, let's say, by refraining from any kind of contact with it in fact other than a mere diplomatic exchange at the unofficial, nonrecognition level, in Geneva or Warsaw, as the case may be; by attempting to contain its expansion through a network of bases, pacts, and the like; and by, of course, aiding its potential targets or victims; and the antirecognition policy would also say that nonrecognition of Communist China makes this policy a little bit easier, perhaps significantly easier. Or, putting it the other way around, to recognize would make it significantly more difficult to continue to maintain this policy which must in any case be maintained, regardless of the question of recognition.

As far as I am concerned, this antirecognition argument is persuasive. I don't say it is 100 percent valid, but it's about 90 percent valid, as far as I am concerned. I see no reason why in the national interest of the United States Communist China ought to be recognized.

QUESTION: Doctor, you spoke of a nightmare that the Chinese had in the past, about four or five years ago, that the United States and Nationalist China would attack them separately or in combination, using tactical nuclear weapons. There has been described to this group a recent nightmare of the Soviet Union, in fact a current one, that the Chinese Communists will make a breakout into southeast Asia within the next 24 months under the assumption that the Soviets will assist them with their nuclear umbrella. The evaluation is that the Soviets will not do such a thing, and this is a nightmare to the Soviets. Would you comment on these two points?

DR. HINTON: Well, you are assuming a degree of childlike trust in the Russians on the part of the Chinese. I see no basis for it. In fact, I see no evidence that the Chinese feel this way. The Chinese have been executing, you might say, very limited probes of the Soviet position, trying to see what its limits are. They've

got a pretty darned good idea what the limits are. I can assure you that, as of now, unless the situation changes, the Soviet Union has made no commitments whatsoever to support Chinese offensive action of any sort. This is true even of Taiwan, which the Russians certainly conceive to be Chinese territory in principle. How then, on earth, would the Russians have committed themselves to give active support or deterrent protection to the Chinese in the event of a thrust against southeast Asia where the Russians have very great interests of various kinds, political and economic?

It seems to me to make absolutely no sense. Why the Chinese would ever expect the Russians to do this, I don't know. It could be, of course, that the Chinese will press the Russians for this, and, as you implied, probably fail to get it. Whether if they tried to get it and failed they would then go ahead, I think this is most unlikely, extremely unlikely. The whole scenario strikes me as pretty unrealistic.

Furthermore, even if the Chinese had the military power to do the things that you are mentioning, which they don't really--that is to say if we threaten or execute retaliation, they've had it, obviously-- I still don't think they would do it. This is not the way in which China or any other Communist state at the present time, typically or ideally, goes about expanding its influence. This sort of thing belongs to the 19th century, or at the very latest to World War II, or the Korean War--let's say to the death of Stalin, coming close to the present. It is 10 years out of date at the minimum. I just don't see it.

QUESTION: Two questions ago you mentioned that you can't ignore 600 or 700 million people. You brought into focus the fact that when we talk about China being the core of the Communist Party it's like the mouse and the elephant--the mouse can scare the elephant but he can't make him go up a tree. Early in your talk you mentioned the matter of incentives that will reinforce the fact that the Communists would like an idealistic unity, and ideological unity. You referred to incentives. What incentives do you have in mind for the average Chinaman to get him aboard and make him move?

DR. HINTON: That's very simple--the restoration of private farming. This is what Tito and several of the other Eastern European regimes have either done or at least approached very closely to doing. I am not saying the Chinese Communists are going to do that. Conceivably, if they found it necessary they would, while

obviously saying they were doing something else. This is an old story. You do what is necessary and you pretend that you are not doing it or that you are doing something else altogether, which is more respectable from your own standpoint.

But they are in my opinion sufficiently flexible in fact, although not, as I say, on paper, to do the necessary even if it means going as far as that.

QUESTION: During our studies on China I have been given a lot of information that seems to conflict. We are told about the massive illiteracy. We are told that the Chinese Communists destroyed the whole educated class, that they have great difficulty with their pictured disadvantage in carrying technical subjects, and yet on the other hand we are told about this great progress in technology. These just don't add up. Will you please try to straighten me out?

DR. HINTON: I'll try. It's a very good question, incidentally. You are dealing with two slightly different things in the same question. One is the question of popular mass education illiteracy, which is desirable, but not obviously absolutely essential if you are going to have limited progress in certain technological fields of interest to the state. Secondly, and much more vital, obviously, is the training to a very high level of a very small corps of highly educated scientists and other skilled personnel. These two are related but nevertheless distinct.

Now, as far as the training of highly skilled personnel is concerned, this is no particular problem, because, difficult though the Chinese language is, it is not in itself a bar to this. When you get a highly educated person the characters present no problem. As a matter of fact, the Chinese language, even the written language, is in many ways rather good for science and technology. It has very precise ways of rendering things, better than many Western languages, in fact. They are proceeding to educate and train a limited number of very skilled personnel.

Since the retreat on the front of the Great Leap in 1960, they are giving these people more freedom and less ideological control than they had up to that time. Obviously this is necessary to get the maximum out of these people.

The mass aspect of it, mass illiteracy, is more difficult. Here what you say, your general picture, is quite correct. They have no

better, I would say, than 35 percent literacy. Taking the population as a whole and defining literacy as the knowledge of 800 or 1,000 characters--which, by the way, is not enough to enable them to read a Chinese Communist newspaper--the "People's Daily" uses about 3,500 characters, and is not easy reading, by a long shot--here the answer is a long-term approach to the Chinese language to eliminate its various complexities, or at least to modify them.

In the first place, they will establish a uniform spoken language throughout the country, not necessarily as the first language for everybody, but as the second language--everybody learns in school at the elementary level--and this universal language or would-be universal language will be based upon the Peking dialect--the Parisian French, so to speak--and will be the standard. Then there will be a simplification of the written language. This has already been done, simplifying the way in which you write about 800 of the most complicated characters. This helps, although it is not obviously the answer to everything.

Next will be the equipping of the language with an up-to-date vocabulary, which simply has to be coined when necessary for modern terms and concepts.

Then, finally, presumably in 10 years or so, there will be an abandonment of the characters altogether and a going over to the Latin alphabet or perhaps a slight modification of it to take account of the phonetic qualities of the Chinese language. This they have made some conscious probes toward, but they have backed away each time because of the tremendous cultural inertia in existence which this arouses. But they will be back in time. There is no doubt that their program is very far-reaching and very fundamental and does extend to all these things sooner or later.

As a matter of fact, not many years ago their Premier, Chou En-lai said, "We feel that some day all the people in the world will speak a single language." I think I can guess what language he had in mind.

QUESTION: Our national policy provides that we embargo trade with Red China, but the fact is that other countries do not. Should we put more pressure on other countries not to trade with China? Or is our policy wrong?

DR. HINTON: Obviously, as you know, our policy is one thing and the policies of other governments closely allied to us are something else. The answer to the question as you phrased it is no, in my opinion. I think the present situation, while not ideal, is all right. The Chinese do not benefit all that much from it. In the first place, we have no basis for pressuring our allies, and much less neutrals, to embargo anything but so-called strategic materials, which I admit is a fuzzy term and can be defined in various ways, but let's assume that it is not too difficult to define. That is the only controversial issue, and actually nobody is shipping strictly military equipment, other than Communist countries, so you are left with POL and things of that sort. I can't really see that this is all that critical. It would not be worth the diplomatic unpleasantness that we would have as a result, in my opinion.

I might add, furthermore, that we have seriously contemplated, and have done more than contemplate, a certain relaxation of our own controls, a very partial relaxation. This has proven politically feasible. More than that I can't say, in view of certain restrictions on my freedom to discuss this, but our policy is not necessarily total and iron-clad forever.

QUESTION: Are there any interesting differences between the Soviet Union and the Chinese with respect to the way in which the Communist hierarchy and the state administrative apparatus are meshed together--that is, the arrangements for running things--differences that might suggest a weakness or a vulnerability in China?

DR. HINTON: I'd say that the Chinese system seems to work better than the Russian. I am not at all sure that the Soviet system could have come through as difficult a crisis as the Chinese have just come through with the system as comparatively intact as it appears to be. The Chinese, after all, had a lot more experience with organizing and manipulating large numbers of people before coming to power than the Soviet party did. They had to sort of extemporize after they were nominally in power in 1917. The Chinese had about 20 years of this behind them. As far as I am concerned, their approach to ideology and organization as levers for moving people around is very sophisticated and very effective.

The differences are along this line. The Russians have a more conventional approach, so that administrative orders and decrees are police-controlled, and so forth. The Chinese have these, but

they have an additional dimension, which I have attempted to hint at for you.

If you mean also any differences in the way the regimes are organized at the top, yes, there are some very interesting ones, reflecting Mao's peculiar desire for prestige and stature, reflecting the differing experience of the Chinese party, and perhaps most of all the refusal of the Chinese to simply follow the Soviet lead. Every time the Soviet Union overhauls its apparatus a lot of other parties will do the same, the Chinese won't. The Chinese still retain an organization that goes back to the time of Stalin. So they ostentatiously refuse to change it in line with the Soviet evolution.

QUESTION: Doctor, going back to your comments on education, Edwin Jones, who wrote the article that you referred to, in "Problems of Communism," stated if I remember correctly, that China in 1961, as the result of a great deal of emphasis on higher education, had as many college graduates as the United States did in 1949. This is a great wave of young intellectuals coming into the society. Will you comment on the possible effects this may have and also on the quality of the education?

DR. HINTON: As for the quality of education, it is poor, certainly, excepting only in the particular technical speciality that the person is assigned to go into. Even there there is considerable reason for believing that only the very highest levels of people are thoroughly competent by Western or Soviet standards. But, nevertheless, the Chinese do improve like everybody else, and there is no reason to think that this will be permanently the case. The implications are very interesting for the long term, because presumably it's only a question of time, perhaps considerable time, before the Chinese begin to mellow, as the Russians have begun to mellow. I assume that this is one thing that you have in mind. These people will begin to demand greater freedom of expression, and so forth, and they and also their less educated fellow countrymen will get higher living standards and a better deal all around. I think this is the main long-term implication for a Chinese society. They are about a generation behind the Russians in this, but they will presumably get there eventually.

However, things are going to get worse before they will get better, because a lot of the politically oriented younger Chinese, the ones who are trained as party cadres, and this sort of thing, are terribly fanatical and tough, and it will take either tremendous

shocks or a long period of time in order to wear this away. So I am speaking in terms of two or three generations.

QUESTION: Could you give us your views on the impact of this Sino-Soviet ideological split on the Eastern European satellites?

DR. HINTON: Well, I don't accept the adjective "ideological" as very useful. It's what the press uses. "Split" is also a little bit dangerous. Let's say dispute. It has many aspects of which ideology is only one, and not the most important, either. It is having a very considerable impact, obviously. The Albanians, who can't stand the Russians, mainly because they can't stand the Yugoslavs, who can stand the Russians--you see what I mean--are all for the Chinese. They wish the Chinese would do more for them, obviously, but nevertheless they are on the Chinese side. Apart from that, the other Eastern European parties are more or less in the Soviet camp, some of them enthusiastically and wholeheartedly and others with some reservations.

I have a funny feeling that the East Germans are rather soft from the Soviet standpoint. If there were not 22 or 30 divisions, or something like that, on East German soil, plus, obviously, many more where those came from, the East Germans would find themselves making rather pro-Chinese noises, as in fact they have on occasion in the past. I think Khrushchev realizes very well that it takes a lot of hard work and the sort of enormous, overwhelming presence of the Soviet Union right there, which obviously he has, and doesn't have to work on, to keep these parties in line. And the Chinese are by no means to be written off in any section of the world.

The New Zealand Party has come out for the Chinese, and the Norwegian Party has come out for the Chinese, and they have in several other more or less Western parties substantial cliques of loud supporters. I assume that even in Eastern Europe, although this is obviously snowed under by party political controls, there would still be certain tendencies of this kind.

QUESTION: Doctor, could you comment on the program the Chinese Communists have in other countries throughout the world--underdeveloped countries--in pushing their programs?

DR. HINTON: Do you have some particular thing in mind? That's a rather broad question.

STUDENT: We know that the Russians have agents in various areas. How are the Red Chinese pursuing this problem? Do they have agents in Cuba and South America?

DR. HINTON: Yes. Clearly it's a great advantage to have an embassy in a given country, if you want to work on that country. It makes it much easier. The Chinese Communist diplomatic representation in the underdeveloped areas is more limited than apparently many people would realize. In Latin America they have only one today. Of course that's Cuba. In Africa--I haven't, frankly, got a current count, but I suspect at the most they have 8 to 10. The Chinese Nationalists have been doing better than many people realize in getting relations with the new African countries as they come up.

What happens, you see, is that if Urundi, let's say, becomes independent on such and such a day, it will be recognized on the same day or the next day by both Chinas, and it has to make up its mind what on earth to do. It couldn't care less, really, about either one, and a lot of them try to recognize both, to have their cake and eat it, too. This has never worked yet.

Laos for a while had both a Nationalist and a Communist mission on its soil. The Nationalists withdrew subsequently. In the Middle East the Communists have a handful of embassies but not by any means universal recognition. Whether they have embassies or not they may, of course, in about ten or a dozen countries, have economic-aid missions of various sizes and shapes. They also have the so-called New China News Agency, which is very industrious. The total number of hours of Chinese radio broadcasting to the Middle East I believe are now No. 1. I think they have now passed Radio Moscow, the Voice of America, and BBC. If they are not No. 1, they are second only to Radio Cairo. This I am not positive of. There is an enormous amount of this kind of thing going on.

Many, many African and Eastern newspapers take a lot of NCNA stuff and insert it quite regularly in routine fashion. In addition to that you have drama troops and all manner of cultural missions and scientific missions, and so forth, and, obviously, delegations from the countries in question to China very often have their expenses paid if they are sufficiently sympathetic to the regime.

There is no doubt that, considering the limited economic resources of China, this is a very large-scale effort.

QUESTION: What resources does Tibet offer to China?

DR. HINTON: You mean mineral resources?

STUDENT: Yes.

DR. HINTON: Well, it hasn't really been explored, as far as I know, to any great extent. The Chinese have trained lots of what they call geologists. These really aren't much more than people who know how to dig a hole in the ground. There has been a lot of exploration, but, you see, most of Tibet has been inaccessible to them, really. As you know, archeology is held up when there are bandits in the area. You can't work properly. Similarly with geology. There has been a great deal of turbulence in many parts of Tibet over the last several years. I suspect, although I can't prove, that there are significant mineral deposits. Exactly what they are, where, and so forth, I really can't say. But I do think this is a significant consideration.

QUESTION: You mentioned that the Chinese didn't necessarily follow the Russian methods. So far as their planning is concerned, the Chinese Communists, do they have something similar to the Gosplan and means of establishing overall production and goals, or have they found something better?

DR. HINTON: Your implied comment on Soviet planning is interesting. Yes, they have all the external trappings. They have a state planning committee or commission--you can translate it either way--established in late 1952 just prior to the time the first five-year plan went into effect. The picture is, of course, that they are behind the Russians, because they are a younger regime, working with a larger population, with less modern industry, and so forth. They are simply in many ways at a disadvantage. Also they have the self-imposed disadvantage. Also they have the self-imposed disadvantage of 1958 when they went into the Great Leap Forward--they virtually threw out the window what was becoming a fairly respectable, although rather immature, statistical reporting and planning apparatus. The Great Leap Forward simply superseded for most practical purposes their second five-year plan, from 1958 to 1962. Very little more was heard about the second five-year plan.

As a matter of fact, very little has been heard about the third. The first public mention of the third that I have seen was a very offhand reference to it not long ago, sometime this year, in the early months of this year. The indications are fairly clear that they haven't yet really formulated the third five-year plan. It's in effect but the actual details are not yet fully worked out. It will presumably stress agriculture to a much greater extent than the first or the second. I don't mean more than industry, but the balance will be tipped somewhat more in the direction of agriculture investment. They have published no information on it that I am aware of, so I can't give you a quantitative reading on it.

QUESTION: Doctor, if we consider that things will go on pretty much the same, that is, that the breach with the Soviet Union will not be warmed over, what is your ball park estimate of the time in which the Chinese may be able to repair their agriculture and eventually get their industry going, so that they could come out to what we call now a developed, industrialized nation, as opposed to an underdeveloped nation?

DR. HINTON: Their own timetable for that has been about the end of this century. Their timetable has been roughly that they would recover and rehabilitate by 1952. This they substantially did. By 1957, after three five-year plans, they expected to have a substantial industrial economy, fully socialist, of course, but not as yet will all the attributes of a major industrial power. The latter state they never expected to attain really before the end of this century. Whether they still expect to attain it by the end of this century, frankly, I have no idea. I think the end of the century is still far enough off so that they probably do hope to regain lost ground as a result of the Great Leap, and then take off to this point. Whether they can make it, which is obviously the \$64 question, I have serious doubts, as I have indicated. I don't think they are going to make the grade. They will have to fall back on other less satisfactory ways.

The trouble with the Chinese is that they are very good at extracting maximum political and military mileage from a fairly modest economic base, at least in their foreign relations. So it may not be much comfort to us, even if they don't succeed in achieving their own goals.

That's about the best that my crystal ball can produce.

QUESTION: Doctor, you haven't mentioned much about Japanese-Chinese relations. Which way is the Japanese Communist Party tending these days? What is the outlook for Japanese-Chinese relations?

DR. HINTON: Two questions. As far as the Japanese Communist Party is concerned, the leadership and the majority of the rank and file are pretty solidly pro-Chinese. They are not as outspoken on the Chinese side in the Sino-Soviet fracas as, for example, the North Koreans and a few others, but they have strong pro-Chinese leanings. I'll put it that way. These are clearly detectable in their pronouncements and are tending to become more so.

There is a small minority in the party which is pro-Soviet, as you would expect, and which has been expelled from the party and is now making loud, rude noises in the wings, so to speak, accusing the main leadership of having sold out and abandoned true Marxism, and so forth. So at the moment the Chinese have a very strong position as far as the Japanese Communist Party is concerned.

Of course, to lend some reality to the discussion, I should point out that the Japanese Communist Party is a very minor element of the Japanese political scene, actually. It isn't anything except a potential future menace. If you are talking about present reality it's a pretty small operation.

As far as the overall question of Sino-Japanese relations is concerned, the problem there is almost dwarfed by Soviet-Japanese relations. The Soviet Union is building counterweights to China, political and economic counterweights, in India and Indonesia, and has been doing so for several years. It has begun to do so apparently in Japan since 1961. Actually, in 1958 Khrushchev announced a very ambitious seven-year plan, of which one of the most interesting, important, and original notions is a massive industrial buildup of the Soviet Far East, I think in order to make the Soviet Union a real Far Eastern power for the first time, which it really has never been, except in a potential sense, up to now, and also to give it tremendous leverage on China, Japan, and all countries of the area--economic leverage, that is. For this purpose they need Japanese capital equipment of various kinds, and even, perhaps, technical assistance. I don't know for sure on that, but it could be.

I think they also reason that, by starting with the aspect of the relationship in which the Japanese will be most approachable, namely

economic, they can eventually get around to settling thorny political questions, of which there are a whole hatful, in Soviet-Japanese relations, and in this way make Japan side with them to a degree, without necessarily going Communist, rather than having too many relations with China.

The Chinese have seen this, and, anyhow, wanting trade with Japan for valid economic reasons, they are doing their best to raise their own trade level with Japan right now. But it's a pretty poor second as compared with the Soviet effort.

CAPTAIN BRADY: Dr. Hinton, on behalf of all of us here at the College, thank you very much for being with us this morning.