A Centrally Planned Economy Will Inevitably Create Inequality

By Qiu Feng July 1999

Corrupt officials are truly remarkable these days. In order to satiate their colossal appetites for money, they openly defy the law, with no qualms about morals, and an enormous sense of self-righteousness. However, once the legal system catches up with them, these same people can easily turn around and offer profound self-reflections and self-criticisms. For instance, right after the arrest of Xu Bingsong, the former Vice Governor of Guangxi Autonomous Region, Xu quickly repented and admitted his evil doings. He proposed to the government that he "be turned into a peasant to make up for his sins."

Some people will rightly remark: "Look at the quality of our senior party officials. After so many years of training by the Party, so many study sessions on Mao Zedong's Selected Works, Historical Materialism, and Dialectical Materialism—the documents and books he went through can probably fill up a few trucks—he still lacked the ability to recognize the damage his conduct has done to the Party and the people. And now he even has the nerve and thick skin to want to be a peasant, as if anybody could become a peasant, and as if they were only second-class citizens."

But unfortunately the peasants in China *are* second-class citizens, whose social status is probably just a few notches above that of imprisoned criminals.

Before the Cultural Revolution, the main penalty, apart from imprisonment, with which the Party punished its worst enemies, such as the anti-Party elements like the Rightists and the Rightist Opportunists, was to send them to the countryside to undergo hard labor. It was given a rather nice-sounding name: "re-education by the peasants." The prevailing theory of that time was: "The poorest are the most revolutionary. Since the peasants are the most revolutionary, they must be the poorest group in society. Therefore, suddenly exiling those city people who were quite used to modern urban conveniences to the poor countryside would probably put them through enough misery that they may indeed become 're-educated.""

During the Cultural Revolution, tens of millions of so-called young people - probably only slightly more educated than the illiterates of today's standards were sent down to the countryside to be re-educated. When the policy was later changed, most of these youths left the fields overnight. Numerous literary works published over the years have described the intense suffering, pain, and hardship that they endured. These works show that, for these youths, going to the countryside meant punishment.

Most of us can still remember the slogans of that time calling for an end to the "Three Major Gaps." After several decades, it seems that the gaps are still here and have become even more pervasive. Ever since the 1950s, we have witnessed many policies, regulations, and schemes concerning urban residency registration, grain collection by the state, and collective ownership of the land. These rules, made by rulers accustomed to living in the cities, gradually locked the peasants to a land that could scarcely feed them. The peasants were told that they had been liberated, while in fact they had been turned into slaves of the twentieth century. They were

blocked from the modern civilization exhibited mainly in cities. Of course they had made contact with modern civilization, but only with the "social dregs" of modern civilization like the "Rightists." They were unable to freely voice their political concerns, and their interests were completely replaced by the so-called national interest.

But that was supposed to be a time of equality, a time for the people to be masters of the country. Or at least that was a time when the dominant ideology repeatedly promoted the concept of equality. The result, however, is an inequality of extraordinary magnitude, rarely seen in the history of mankind.

However, the result may not be all that unusual. Any time a country under a centrally planned economy must make political decisions, the interests of some will come at the expense of others. To satisfy the desires of the strongest, sacrifices must undoubtedly come from the weakest, even if they are the ones who actually need the most protection from the government. Because the means of production have always been concentrated in the cities, urban dwellers have been continually taxing the wealth of the peasants to improve their own living conditions. For several decades, the peasants have been seriously exploited by the deliberately suppressed prices of agricultural products. Therefore, no matter how good the theory might sound, a centrally planned economy will inevitably hurt the weak; in China's case, the peasants. Furthermore, a centrally planned economy rarely deviates from a fixed pattern of distribution, which means the fate of the weak is almost forever doomed. This is the most evil and inhumane aspect of a centrally planned economy and its matching political system. The fact that many cities have now launched campaigns to crack down on peasants who have migrated to the cities strongly supports this argument.

The latest example is the fact that charges for telephone calls in the countryside are typically 6 or 7 times higher than those in the cities. Out of despair, many peasants started to dissemble their telephone lines right after installing them because they simply cannot afford to make phone calls. Thus far, the responsible departments have shown no intention of altering the unfair pricing policy. References about this can be found in the recent editions of *Southern Weekend* newspaper.

There has always been inequality in human society. Inequality is always evil, but the biggest evil is an inequality deliberately created by a government.

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