

BREAKING THROUGH

The Birth of China's Opening-Up Policy

突围——国门初开的岁月

LI LANQING

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LI LANQING
Former Vice Premier of China

Preface to the English Edition

Foreign friends often ask me about China. This gives me the impression that the world has never been so keen on my country as it is today. It is therefore my great pleasure to tell people what I know about my motherland. I hope that my book about the early years of the opening-up policy will be of some help to those who want to know what has happened in China over the last three decades.

To know China, one must first know its changes. About a century ago, the Chinese abolished autocratic monarchy, cut off their pigtailed and unbound their feet, while opening their doors to modern civilization and beginning to incorporate Western democracy and science. Born of a semi-feudal, semi-colonial society 60 years ago, New China adopted the socialist system, gradually put together an industrial and economic setup, and laid the groundwork for development in the contemporary world. Thirty years ago, the Chinese embarked on the road of reform and opening and began learning to build a market economy, run joint ventures with foreign partners, and boost international trade, and to play its role in international commerce, thereby vastly accelerating its process of industrialization and modernization.

Today, the 1.3 billion Chinese relish their first taste of affluence, nine-year compulsory education is the norm for school-age children, some 300 million are learning English, nearly 100 million are producing for the world market, and more than one million are studying in foreign countries. The Chinese market, consuming US\$1 trillion worth of foreign commodities annually, has so far attracted a total of US\$1 trillion of foreign direct investment. With its rate of contribution to the world economic growth exceeding ten percent, China today is in an age of all-round openness to the world.

What has made these colossal changes possible? As I see it, the answer boils down to the opening-up policy. A look at Chinese and foreign history reveals the inexorable law that a nation thrives whenever it embraces the world, and declines whenever it shuts itself behind closed doors. China's opening-up process over the last three decades is a good case in point. The road of reform and opening designed by Deng Xiaoping, the chief architect of the opening-up policy, has turned out to be a thoroughfare to national rejuvenation.

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Throwing their doors wide open to the world community, the Chinese have thrown over old dogmas and closed-mindedness to learn and assimilate the advanced accomplishments of world civilization, executed the opening-up policy to stimulate reform, development and institutional innovation, and put a premium on mutual benefit and win-win results, while enhancing economic collaboration and trade with other nations, thereby pumping new vitality into both Chinese and world economies.

The opening-up policy, however, has been no cakewalk. Such a dramatic transition entails a long-term process of exploring, learning and maturing. To understand the recent 30-year Chinese history under this policy, we have to remember the four milestone years: 1978, the year the nation adopted the opening-up policy and began groping its way into the outside world and running special economic zones through trial and error; 1984, when Deng Xiaoping, convinced that special economic zones really worked in this country, opened up 14 more coastal cities to foreign investment, a move that put an initially introverted China on the world map; 1992, the year the opening-up endeavor gained all-around momentum after Deng, in remarks made during a south China itinerary, set the goal for the nation to establish a socialist market economy; and 2001, in which accession to WTO along with a maturing world-oriented home economy ushered China into a new stage of opening up to the outside world.

In short, by exploring the mutually beneficial relationship between opening up and self-reliance throughout the last 30 years, my country has been better able to push domestic economic growth through expanding global economic ties. Jiang Zemin and those of us who later entered the top-echelon of national leadership had the good fortune to work at the forefront of the opening-up policy in its early years, an experience that battle-tested our mettle and wisdom. Opening up has been a great education for every man and woman involved in it.

I became an executive of the opening-up policy right after it was adopted in 1978. In looking back at what I had gone through, I initially felt that all the historical events I had experienced or witnessed were worth writing down. However, as the Chinese saying goes, "The first step is the hardest." I decided to focus my narrative, therefore, on that episode of Chinese history that began in 1978 and

ended in 1984, the year the opening-up policy took root after standing the severe test of the previous years.

I believe that no discussion of that piece of history can be complete without noting the decision-making process of the national leaders and the efforts of those who fought to carry out these decisions alongside the broad masses of people. And I chose to relive history in a storytelling fashion. Sticking to the Chinese historian's tradition of telling nothing but truth, I asked myself to write only what I knew or did, and use only those materials whose truthfulness had been double-checked and validated.

Writing this book put me in mind of the entire process in which Deng led the Chinese people to dismantle ultra-leftist taboos and dogma, central planning and, ultimately, "closed-doorism." It was a process in which the nation effected a monumental switch from seclusion or self-seclusion to a progressively thorough openness to the outside world. It was a "breakthrough" in ideological and institutional terms. That is why the title of the book is "Breaking Through," a term that reflects the harsh reality of the early years of the opening-up policy, symbolizes the daring spirit of the pioneers, and justifies the decisively trailblazing significance of the opening-up policy to the future of China.

When you have broken through an encirclement, the way out is directly ahead of you. Each minor progress in the opening-up endeavor triggered a giant stride forward in national development and brought the country much closer to the outside world. Today, the concept of openness to and respect for new approaches has been deeply engrained in our hearts. It has also become the hallmark of present-day China, and part of the Chinese spirit.

The policy of opening up to the outside world will remain a basic state policy for a long time to come. The younger generation, growing up in an open China, will have an even more open mindset as they work hand in hand with their peers in the rest of the world to begin a new page of history in which civilizations respect one another in harmony and seek common progress while preserving their differences.

As the Chinese proverb goes, "Understanding is the harbinger of love." You are bound to be touched by China if you keep observing with an open eye.

A Dialog With the Author

***Publisher:** We understand that you have engraved hundreds of seals since you began learning seal-cutting at age 71, including two seals carved in honor of Deng Xiaoping. What was it that you carved on them and why?*

***Li:** After I retired in the spring of 2003, I had time to catch up on art and culture and to pick up the hobbies I had loved since childhood. After learning the skill, I felt inspired to carve some seals for Deng. One of the two pieces I did for him was the “Seal of Deng Xiaoping, Chief Architect of Reform and Opening,” and the other was the “Seal of Deng Xiaoping, Quartermaster for Science and Education.” Deng had held quite a few important Party and government leadership positions with official stamps from central authorities. Only these two important “posts,” “Chief Architect” and “Quartermaster,” were non-official. The first one was an honorable title bestowed on him by the entire Party membership and the Chinese people in recognition of his monumental contributions to Chinese history, and particularly to the great cause of reform and opening up to the outside world. He chose the second title for himself for his post-Cultural Revolution mission to end disorder and to set things right, restore the Chinese tradition of respecting teachers and valuing education, and address people’s worries and problems in developing science and education. He set a splendid example for us by approaching these missions with grace and style. I believe these two non-official titles were as important as his official ones. It was with a mixture of admiration and nostalgia that I carved these two seals in memory of his historic and worthy contributions.*



Seal of Deng Xiaoping, Chief Architect of Reform and Opening



Seal of Deng Xiaoping, Quartermaster for Science and Education

Publisher: *It can take a few centuries, at least, to accomplish the cause of reform and opening, whereas Deng's leadership over this cause lasted less than two decades. In what ways should we see him as the chief architect of the reform and opening policy?*

Li: It's true that reform and opening, the inevitable choice to guarantee success in developing socialism the Chinese way, is a long historical process. However, as the old Chinese saying goes, "The first step is the hardest." To that I would like to add: "It's even harder to begin a great cause." The reason Deng will go down in history with the honorable title "Chief Architect of Reform and Opening" is because the road that he charted to national rejuvenation holds great promise for the Chinese people.

Publisher: *What prompted you to write this book?*

Li: The other day, when you asked me for an interview on Deng and the 30th anniversary of the adoption of the reform and opening policy, I was absorbed in cultural interests. That is why I was slow in answering you. It was due to your repeated urging that I gradually pulled my mind back to old familiar scenes, including my involvement in the nation's foreign economic relations and trade. My treasured memories of Deng and my admiration for him also prompted me to write down the historical facts, however sporadic in my memory, about the great cause of opening up to the outside world that was initiated by the second-generation central leadership led by Deng, however patchy they were in my experience. As I began to write, memories kept flooding back, and I did not stop until I had written down everything I remembered.

Publisher: *We know you became a member of the central policy making echelon in the 1990s. Why didn't you write about the main events of your career, instead of things that happened a lot earlier, back to the days when the reform and opening policy was still in its infancy?*

Li: If you look at the history of China and foreign countries, it is clear that a nation thrives when it is open to the world and goes downhill when it cannot resist the temptation to turn inward. To mark the 30th anniversary of the reform and opening policy, we

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have got to write about that trailblazing episode of Chinese history as thoroughly as we can. No book of this kind would be complete without mentioning the top leaders' decisions and actions, and the process by which government functionaries at all levels carried out the decisions. A book like this should also tell stories about our pioneers who toiled right at the forefront, and in particular, about the masses of people who dared to venture into the unknown. Everyone involved in this effort should be acknowledged, regardless of their field of work; every historical fact concerning these people is valuable. These considerations moved me to write down what I knew or personally experienced in the early days of the reform and opening efforts. On the other hand, history can be put into proper perspective only when it is observed at a distance. That is why I must leave to other writers the story of the contributions of the third-generation central leadership led by Jiang Zemin.

***Publisher:** It is 30 years since the beginning of the reform and opening. As someone who was a long-time leader in helping the country to advance this policy, what is your take on this mighty historical process?*

***Li:** That is a rather big question. The National Party Congresses held since the Third Plenary Session of the 11th Party Central Committee have made important summaries of the historical process and national experience in that context. My own personal sense is that the 30-year opening-up effort has been a process of ceaseless exploration, study and development, but some of the years, in particular, were pivotal to this process. These included 1978, the year the country began exploring ways to open up and went on to run special economic zones on a trial basis; 1984, the year Deng affirmed the practice of the special economic zones and decided to open 14 seaboard cities to foreign investors, bringing about an initial pattern for the opening-up policy; 1992, when the top leadership made the decision to build a socialist market economy following the remarks Deng had made during a previous south China tour – a decision that called for speeding up the opening of the Pudong District in Shanghai, adopting a strategy to open the nation's coastal regions to foreign investment, and pursuing the opening-up policy in an all-round way; and 2001, which witnessed our nation's accession to the World Trade Organization (WTO), constant progress in a highly*

world-oriented economic system, and the beginning of a new stage in the opening-up effort. Thanks to three decades of exploration through trial and error, we have – while upholding socialism and properly balancing the needs for opening up and for national independence and self-reliance – become more keenly aware of the need to develop home and foreign markets and resources, and we are more capable of advancing home development through stronger global economic ties. My book, however, is focused on what happened in the few years before 1984, although for the sake of clarity or thoroughness I extend my narrations on some events to circumstances before or after that period. During those years, despite all the hardships, the opening-up effort got underway, and some of the experiments scored initial success. Many of us working at the forefront at the time would later enter the ranks of central leadership; we could not have gradually deepened our understanding of reform and opening without those years of valuable practice. The opening-up years have been a period of real learning and growth, both for the nation and for those closely involved in it.

Publisher: Many books have been written about the reform and opening. What new things does your book bring to the table?

Li: I joined the opening-up effort right after it began in 1978, so this book is mainly about what I experienced and knew as a participant at the time. To make it more readable, I have written it in a storytelling fashion. The stories are meant to reconstruct that episode of history in which Deng led us to brave all obstacles and put China on the world stage. Because I was just one participant and executive, I was well familiar with some of the central authorities' decision-making processes, but ignorant of many others. Because I could only write about what I knew, my accounts cannot reflect the whole picture. Furthermore, the reform and opening form an integral whole in Deng's strategy, whereas my book is mainly about the opening-up process alone. I do mention some of the reforms, but they are all associated with the opening-up efforts touched upon in the book. The reforms, on the whole, covered a much wider spectrum of efforts. I was not in a position to write about these because my knowledge of some of them, such as rural reform, came only from reading documents and newspapers. Given the limits of my knowledge and

BREAKING THROUGH

改革开放是我国发展史上的
重大转折我们要沿着邓小平同志
为中华民族开创的这条道路坚持
不懈地奋勇前进

江泽民

二〇〇八年八月一日

The adoption of the policy of reform and opening up to the outside world was a major turning point in Chinese history of development. We should forge ahead valiantly and without letup along the road Comrade Deng Xiaoping charted for the Chinese nation.

Jiang Zemin
August 1, 2008

experience, my book cannot give a complete account of the multi-faceted opening-up effort, which involves economic, political and cultural dimensions, among many others.

***Publisher:** The title of your book, "Breaking Through," is easy to remember. It will strike a strong chord with readers. How did you come up with it?*

***Li:** I was using a different title in the beginning. In the course of my remembrance and writing, one fact kept coming back to me. In its early days, the reform and opening effort came up against ossified ways of thinking, established institutions, and the nation's rather flimsy economic base. People were thwarted by one obstacle after another to whatever they wanted to accomplish. The going was really tough, the risks were huge and everyone was under enormous pressure. It was under Deng's leadership that we were able to break through ideological stereotypes and central planning, to end our nation's self-imposed isolation and blaze a trail to a new age of international openness. Every small step we made in this effort meant a quantum leap forward for national economic development. I finally settled on this book title because I wanted to*

A Dialog With the Author

reflect all the trials and tribulations we had gone through, and to do justice to the boldness of the pioneers.

Publisher: I understand that you devoted a lot of time and energy to researching and collating facts and figures for your book. And you also went to see quite a few places. Could you tell us something about the process of writing the book?

Li: Well, to begin with, I wrote a hundred thousand or so words at a stretch. Then I spent some time digging into archives for new clues, and on this basis, I revised and added to the manuscript to come up with a second draft. After the editorial work began, I sorted out photos I had collected and talked to people to verify certain facts and figures. This refreshed my memory and enabled me to add a lot of newly discovered valuable documents and historical data to my book. Li Gu (93-147) of the Eastern Han Dynasty once said, "Of the multitude of things, nothing is more important than this single action*, for the nation's destiny hinges upon it." In my opinion, opening up is one such "single action" because it is pivotal to our effort to make our nation strong and prosperous. Therefore, I wrote my book in all seriousness, in which my writing ability was secondary. The authenticity of historical facts was foremost on my mind because I did not want to say anything that might mislead our readers.

Publisher: You have said that you wrote this book mainly for the younger generation. What do you want to say to those people who grew up in the years of reform and opening?

Li: China's opening-up policy is a fundamental, long-term state policy that still has a long way to go. While some problems remained unsolved as of today, new ones will inevitably crop up. Coming to grips with all these problems calls for the unremitting

* "This single action" refers to Li Gu's abortive cause of choosing a wise and upright prince to succeed the throne after the child emperor Liu Zuan (138-146) of the Eastern Han Dynasty (25-220) was poisoned to death by his all-powerful uncle and regent, Liang Ji (?-159). Instead, Liu Zhi (132-167), who was to marry Liang's sister, was enthroned. As a result, Li was dismissed as defender-in-chief, the de facto prime minister, and beheaded at the age of 54.

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efforts of one generation after another. Our young people today were born after the 1960s. They were too young to experience those years mentioned in my book. I wanted to tell them some of the things that people of my generation have gone through and help them understand the historical background and process of Deng's opening-up strategy, as well as the relevant problems and solutions, so they will cherish the hard-won accomplishments of the reform and opening policy and carry forward Deng's great cause.

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Introduction

In 1958, the First Auto Works produced China's first domestic car – a Dongfeng model. Director Rao Bin and I had the good fortune to accompany it to Beijing's Zhongnanhai, the seat of the central government, for the nation's top leaders to take a look at it. The Second Plenary Session of the Eighth Party Central Committee was in session at Huairen Hall, and our car was on display on the lawn behind it. While Director Rao attended the session as a delegate, I, together with some colleagues, including the chief car designer, Shi Ruji, waited on the lawn in case any central leaders or delegates came to see the car. That task kept us there for the duration of the session, and gave us the chance to see almost all the national leaders. Ye Zilong, director of the Confidential Division of the General Office of the Party Central Committee, went out of his way to arrange for us to attend the session as guest observers the day Chairman Mao made his keynote speech.

On one of those afternoons, two leaders came by, and we immediately knew who they were. The tall man was Peng Zhen, vice chairman of the Standing Committee of the National People's Congress and Mayor of Beijing, and the short one was Deng Xiaoping, General Secretary of the Party Central Committee. Both took a close



As the author (*first row, second from left*) looked on, Deng (*first row, right*), Peng Zhen (*center*) and other top leaders marveled at the First Auto Works' Dongfeng brand car on display at Zhongnanhai, Beijing, 1958.