

The Determinant(s) of China's Foreign Aids
during the "Great Famine"

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Abstract:

Why did China still give a huge amount of foreign aids to other countries when she suffered from the "Great Famine?" What was the determinate factor of the allocation of China's foreign aids at that time? Based on the existing researches on OECD countries and via going through both Sino-DPRK aid case and historical archives, I argue that hedging against the potential risk posed by the Union of Soviet Socialist Republics (USSR) rather than competing for the leadership within the Communist Bloc is one of the major factors.

Keywords: Foreign aid, Sino-USSR relations, Sino-DPRK aids

Introduction

Supported by both Chinese government and scholars, the “Great Famine” is undeniably a humanitarian disaster, although the reason why such an event happened is still in controversy.¹ Also, even though the debate over the actual number of total death is still going on, almost all scholars as well as officials believe this event has accurately reflected the difficulties faced by Chinese government at that time, because millions of ordinary people died as the result of food shortage.²

On the other hand, according to the documents of Ministry of Foreign Affairs of the People’s Republic of China (MOFAC), up to 1961, China had invested more than 4 billion yuan for foreign aids, including food aids, labor training and aids in construction such as building factories.³ Given the fact that the most important program of China in 1950s, the First Five-Year Plan, merely took 40 billion yuan as claimed by the *China Statistical Yearbook*,⁴ it is fair to say China has invested very heavily on foreign aid. Another evidence comes from the number of recipient countries. Also based on the documents of MOFAC, 22 out of 38 countries which had established the official relationships with China have become the recipient countries, including Iraq, Afghanistan, Egypt and so on.⁵ Apart from the above, China has actually enlarged the number of recipient countries by adding more countries such as Cuba on the list from the late 1950s

¹ For the reason, Chinese government claims although the wrong policies of CPC did exacerbate the disaster, the worsening relations with the USSR and the weather factors share at least the even importance. Contrary to government’s stance, scholars tend to believe this disaster is more like a man-made disaster since China was still capable of exporting food at that time. See National Bureau of Statistics of China (NBSC), *China Statistical Yearbook (1983)*, Beijing: Zhongguo Tongji Chubanshe, 1983, esp. Chapter 8 Import, Export and Tourism; Jung Chang and Jon Halliday, *Mao: The Unknown Story*, New York: Anchor Books, 2006.

² Chinese government has officially published one report in 1995, namely *1949-1995 Zhongguo Zaiqing Baogao (Report on China’s Disaster from 1949 to 1995)*, claiming that slightly over 10 million civilians unnaturally died during the “Great Famine”. Scholars, on the other hand, believe the actual situation was much worse and the total number can reach 32.5 million. Check NBSC and Ministry of Civil Affairs of the People’s Republic of China, *1949-1995 Zhongguo Zaiqing Baogao (Report on China’s Disaster from 1949 to 1995)*, Beijing: Zhongguo Tongji Chubanshe, 1995; Shuji Cao, “The deaths of China’s Population and its contributing factors during 1959-1961,” *Chinese Journal of Population Science*, Vol. 1, 2005, accessed at 2015/06/15, recited from Gongshi Net, at http://www.21ccom.net/articles/ljsd/lccz/article_2010080915280.html

³ “Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy),” Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm

⁴ NBSC, *China Statistical Yearbook (1953-1957)*, Beijing: Zhongguo Tongji Chubanshe, 1953-1957, recited from “Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy),” Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm

⁵ Those 22 countries included Vietnam, Laos, Yemen, Guinea, Indonesia, Mongolia, DPRK, Cambodia, Nepal, Burma, Mali, Uganda, Congo, Cameroon, Iraq, Syria, Egypt, Afghanistan, Sudan, Algeria, Albania and Czech. Archives of MOFAC, No. 102-00015-01(1), “Jinianlai de Duiwaijingjijishu Yuanzhugongzuo – Zai Disici Quanguo Waishi Huiyi shang Liqiang Tongzhi de Fayan (Report on Foreign Aids over Last Few Years: Li Qiang’s Report on Forth National Meeting of Foreign Policy),” July 1st, 1960, pp.1; MOFAC, “Zhonghuarenmingongheguo Yu Geguo Jianli Waijiao Guanxi Riqi Jianbiao (The table of the date when China has established the official relationships with other countries),” accessed at 2015/07/04, at http://www.fmprc.gov.cn/mfa_chn/ziliao_611306/2193_611376/; “Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy),” Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm

to the early 1960s.⁶ In terms of traditional recipients, China has increased the total amount of foreign aids by offering new aids. For instance, China agreed to offer more aids on cotton and coal to DPRK in the late 1950s while rejected her own statement that China could not offer any new aids until the end of the Second Five-Year Plan in 1956.⁷

Hence, by comparing those facts, one question gradually becomes clear, that is, why China still gave a huge amount of foreign aids to other countries when she faced the extreme domestic difficulties.

After going through several researches on the determinate factors of foreign aids, instead of merely focusing on OECD countries, this article tries to unearth the aid motivation in the authoritative countries such as China and crystalize the blurred concept. By taking the limitation of the capability of Chinese government into consideration and rechecking both Sino-DPRK aids and Sino-USSR relations from the late 1950s to the early 1960s, we have found out that aid allocation was used as the means to hedge against the potential risk posed by the split between China and the USSR rather than competing for the leadership within the Communist Bloc.

Literature Reviews

The motivation of giving aid is not a new topic in the field of International Political Economy, and many scholars have come up with numerous concrete conclusions. Theoretically, studies in the realist paradigm tend to emphasize the function of foreign aids as one means of guaranteeing the national security.⁸ Unlike realists, scholars operating within the idealist paradigm are far more optimistic about the foreign aid, claiming aids are driven by the humanitarian need.⁹ From a more class-oriented perspective, neo-Marxist scholars believe foreign aids actually reflect the calculations of donor states and enlarge the gap between donors and recipients.¹⁰

⁶ As reported by the official news, Xinhua Net, during the late 1950s and the early 1960s, China has started to give foreign aids to Uganda, Guinea, Cuba and other countries. See "Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy)," Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm.

⁷ Jie Dong, "Zhongsu Fenliehou Zhongguo dui Chaoxin de Yuanzhu (the Sino-DPRK aids after the split between China and the USSR)," *Foreign Affairs Review*, Vol. 4, 2014, accessed at 2015/07/11, at http://www.cssn.cn/zgs/zgs_gs/201412/t20141229_1460598.shtml; Zhihua Shen, "Zhongchao Guanxi Jingtian Neimu (Report on the Sino-DPRK relations)," Gongshi Net, accessed at 2015/06/11, at http://www.21ccom.net/articles/qqsww/zlwj/article_2013082790746.html

⁸ See, for instance, Lloyd D. Black, *The Strategy of Foreign Aid*, Princeton: D. Van Nostrand, 1968

⁹ See, for example, David Halloran Lumsdaine, *Moral Vision in International Politics: The Foreign Aid Regime, 1949-1989*, Princeton: Princeton University Press, 1993

¹⁰ Robert E. Wood, *From Marshall Plan to Debt Crisis: Foreign Aid and Development Choices in the World Economy*, Berkeley: University of California Press, 1986, accessed at 2015/05/25, at <http://www.ucpress.edu/op.php?isbn=9780520058682>

Empirically, many scholars have tested those theoretical assumptions by using the data from OECD countries. In Alesina and Dollar's paper, they have pointed out four major determinants of aid allocation, namely political and strategic consideration, economic needs, policy performance of the recipients and the colonial past.¹¹ Similarly, Schraeder, Hook, and Taylor also believe the aid allocation is not determined by altruism interests such as humanitarian needs; instead, strategic interests, ideological preference and trade are the possible determinants, although the importance of each factor varies accordingly in each country.¹²

More focusing on China herself, scholars also have come up with many conclusions for the motivation of China's foreign aids. From the ideology of Marxism, many scholars, especially Chinese scholars, emphasize the importance of proletariat internationalism¹³ in China's aid allocation.¹⁴ Apart from proletariat internationalism, since the decision making process of China foreign policy at that time was highly centralized around top leaders, some studies also explore the role of Mao Zedong in China's aid allocation.¹⁵

To some extent, all the above conclusions have generally answered the question why certain country gives aids to another or why China gave aids when she was suffering. However, as criticized by some scholars, the concept of motivations is not well defined and varies from study to study.¹⁶ For instance, the frequently mentioned "political and strategic interests" is a too comprehensive concept. Working together with the USSR and giving aids to Egypt in 1956 matched China's political and strategic interests.¹⁷ However, when it comes to DPRK, aids after 1957 were more colored by hedging against the USSR. Obvious as it can be, the broad concept of "political and strategic interest" does not properly explain China's seemingly opposite behaviors. Accordingly, more detail-oriented research is needed.

Except the "political and strategic interest" explanation, other conclusions such

¹¹ Alberto Alesina and David Dollar, "Who Gives Foreign Aid to Whom and Why?" *Journal of Economic Growth*, Vol. 5, 2000, pp. 33-63

¹² Peter J. Schraeder, Steven W. Hook and Bruce Taylor, "Clarifying the Foreign Aid Puzzle: A Comparison of American, Japanese, French, and Swedish Aid Flows," *World Politics*, Vol. 50, 1998, pp. 294-323

¹³ Proletariat Internationalism means that China should work with all the potential powers which were fighting against the capitalism. Only in this way can China finally liberalize herself, her people and the people all over the world. See Zedong Mao, "Jinian Baiqiuen (Commemorate Norman Bethune)," in Zedong Mao, *Selected Works of Mao Zedong*, Beijing: Renmin Chubanshe, 1991, pp.659

¹⁴ See, for example, Tian Wu, "Zhongguo Duiwai Yuanzhu Zhengce Fenxi (The Analysis on China's Foreign Aid Policy)," Master Dissertation of China Foreign Affairs University, accessed at 2015/05/17, at <http://cdmd.cnki.com.cn/Article/CDMD-10040-2004071159.htm>

¹⁵ Check, for instance, Hongxi Li, "Mao Zedong Guanyu Duiwai Yuanzhu de Lilun yu Shijian (Mao Zedong's theories and practices regarding foreign aids)," CCCPC Party Literature Research Office, accessed at 2015/05/11, at <http://cpfd.cnki.com.cn/Article/CPFDTOTAL-ZYWX201309006010.htm>

¹⁶ Alberto Alesina and David Dollar, "Who Gives Foreign Aid to Whom and Why?" *Journal of Economic Growth*, Vol. 5, 2000, pp. 35

¹⁷ "Zhongguo Duiwai Yuanzhu 60nian De yu Shi (the gaining and losing of China's foreign aid policy over last 60 years)," Tencent News, accessed at 2015/06/15, at http://www.360doc.com/content/12/0109/09/481379_178229774.shtml

as economic needs made by International Political Economy scholars face challenges from the constraint of the “Great Famine.” As mentioned above, during the “Great Famine,” China was seriously suffering from the problem of shortage. However, the motivations like economy needs or colonial past require donor countries to have plenty of capital or resources in advance. Consequently, those explanations are highly questionable in this context.

In terms of proletariat internationalism, although it partly explains why China was willing to give foreign aids, this explanation does not reflect the change of China’s attitude to offering foreign aids to certain countries, and this will be discussed in Sino-DPRK aids. For the explanation which emphasize the importance of Mao Zedong, like the problem faced by “political and strategic interest” factor, it is too vague and does not directly answer the question why Mao as the leader believes China should give aids even though she gravely suffered from the problem of shortage.

To sum up, undeniably, many scholars have devoted themselves into the field of the motivation of aid and came up with many concrete conclusions. However, as mentioned by Schraeder, Hook, and Taylor, since too many factors can affect the final allocation of aids, no two cases were alike and detailed scrutiny of the individual case deserves our efforts.¹⁸ Consequently, this research tries to crystalize the concept of “political and strategic interest” in the context of China’s foreign aids during the “Great Famine.”

The late 1950s: Risk and Opportunity

Although the USSR was undeniably the leader of the Communist Bloc in terms of military and economic capability, due to the conflicts between the USSR and other communist countries and the coup within USSR hierarchy¹⁹, the influence of the USSR was rapidly decreasing and many communist countries thought it was hard to understand the action of the USSR according to the reports from Chinese embassies at those countries.²⁰ More precisely, as Mao mentioned, the new guideline and thoughts came up by Nikita Khrushchev in the 20th Congress of the Communist Party of the Soviet Union have caused many serious problems

¹⁸ Peter J. Schraeder, Steven W. Hook and Bruce Taylor, “Clarifying the Foreign Aid Puzzle: A Comparison of American, Japanese, French, and Swedish Aid Flows,” *World Politics*, Vol. 50, 1998, pp. 319

¹⁹ This refers to the “June Incident” in 1957. After the 20th Congress of Communist Party of the Soviet Union, many high rank leaders within the communist party were not satisfying with Khrushchev’s new guideline and thoughts. In June 18th, 1957, those dissenters, by taking the chance that Khrushchev was on his vacation, announced dismissing Khrushchev from the leadership on a regular Politburo meeting. Although Khrushchev regained his position in an urgent meeting of Politburo, the controversy never ended even within the USSR itself. Within the Communist Bloc, many countries were too shock to understand what was happening, and large part of them were waiting for China’s response to this incident. See Zhihua Shen, “Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957),” *History Studies*, Vol. 6, 2007, pp. 83-111

²⁰ Archives of MOFAC, No. 109-01138-01, pp. 1-9; No. 109-01124-08, pp. 91-94

within the Communist Bloc.²¹ Since the USSR unwisely used military power to suppress the dissenters such as what she did in Hungarian Revolution of 1956, such a behavior has profoundly damaged the reputation of the USSR in return.²² Apart from the military actions, in Hungarian Revolution case, the conflicts between the USSR and Yugoslavia around the problem how to deal with the Hungarian leader Imre Nagy exacerbated the tension among communist countries.²³

Contrary to the dilemma of the USSR in those events, China has significantly amplified her influences by helping the USSR reconcile with other communist countries. As Zhe Shi, the Russian translator of China top leaders such as Mao Zedong and Zhou Enlai, reported, in the Poznań 1956 protests, Khrushchev asked Liu Shaoqi as the delegate of Communist Party of China (CPC) go to Warsaw and mediate the conflicts between the USSR and Poland.²⁴ Although the process was not very satisfying, in the eyes of other communist countries, China has successfully solved this incident.²⁵ In terms of Hungarian Revolution, as argued by some scholars, whether the USSR resent her troops to Hungary was profoundly affected by Mao's attitude. Hence, it is Khrushchev who brought China into the European Communist Bloc by asking the help of Chinese government in both Poznań 1956 protests and Hungarian Revolution.²⁶

Acknowledging the rise of China and the fall of the USSR in terms of influence, the Moscow Meeting in 1957 became very crucial since both Chinese leaders as well as leaders of the USSR have clearly realized that they have some fundamental differences regarding the guideline of foreign policy for the first time.

On the side of China, as Mao Zedong said in a meeting of all standing members of Politburo of CPC when he had come back from the USSR, "although everyone was satisfying with the final outcome, there were two questions left untouched. One is the problem of peaceful coexistence and the other is the problem of Social Party But, using the Principles of Peaceful Coexistence came up by USSR as the general line of foreign policy is wrong As the general line, we can not

²¹ Zhihua Shen, "Sugongershida, Feisidalinhua jiqi dui Zhongsuguanxi de Yingxiang (The 20th Congress of the Communist Party of the Soviet Union, Destalinization and their influences on Sino-USSR relations)," *Cold War International History Studies*, Vol. 1, 2004, pp. 28-70

²² Bing Zhou, "Mao Zedong yu Xiongyali Shijianhou de Yishixingtai Lunzheng (Mao Zedong and the Ideological debate after the Hungarian Revolution)," *Modern Philosophy*, Vol.4, 2014, pp. 44-53

²³ Johanna Grainville, translated by Yuefeng Zhou, "Tibo and the Nagy Incident in 1956," *Issues of Contemporary World Socialism*, Vol. 2, 2000, accessed at 2015/06/11, at <http://euroasia.cass.cn/news/544312.htm>

²⁴ Zhe Shi and Haiwen Li, "Boxiongshijian yu Liu Shaoqi Fangsu (Poznań 1956 protests, Hungarian Revolution and Liu Shaoqi's visiting to the USSR)," in Zhe Shi and Haiwen Li, *Shizhe Huiyi Lu (Memoir of Shi Zhe)*, Jiuzhou Chubenshe, 2015, pp. 439

²⁵ Zhihua Shen, "1956: Boxiongshijianzhong de 'Zhongguo Yinsu' (1956: 'Chinese Factor' in Poznań 1956 protests and Hungarian Revolution)," *Tongzhougongji*, Vol. 1, 2011, accessed at 2015/07/01, at <http://blog.ifeng.com/article/14229270.html>

²⁶ Ibid.

merely talk about the peaceful coexistence. Instead, we should focus on World Revolution and Proletariat Internationalism.”²⁷ Other evidence is also founded in Deng Xiaoping’s explanation of Mao’s words. Deng claimed, “USSR was only talking about the peaceful coexistence. This is very awful. Only focusing on that war is not inevitable while never touching the question what we should do if war happens [is not correct].”²⁸ Apparent as it is, the fundamental difference between the stance of the USSR and China’s is well understood by Chinese leaders.

Similarly, although Moscow was happy with the fact that almost all communist countries could reach the consensus at the end of Moscow Meeting in 1957, many hints still showed that leaders of the USSR were aware of the fundamental differences with CPC. For instance, when Mao Zedong talked about his opinion on the possibility of Nuclear War between two blocs, the whole meeting room sunk into the silence, which shows the dissatisfaction from probably all the participants.²⁹ Also, based on the declassified archives, scholars have founded out that the USSR believed that China actually tended to use the military force as the means to solve the conflicts between the Communist Bloc and the Capitalist World, which is almost completely opposite to the principle of Peaceful Coexistence.³⁰ Moreover, shortly after the end of Moscow Meeting, Khrushchev openly criticized Mao’s statement when he joined the reception meeting held by Chinese Embassy at Moscow, claiming such a statement was redundant and unnecessary.³¹ Clearly, the USSR was aware of such a huge difference between its stance and China’s, and by Khrushchev’s words, it also let China know that it was not satisfied.

Facing such a situation, it was natural for China to consider the hedging strategy. Originally from Finance, hedge means making an investment to reduce the risk of adverse price movements in an asset. Normally, a hedge consists of taking an offsetting position in a related security, such as a futures contract.³² In the field of International Relations, hedge is an effective way to deal with the potential dissenters when the interests of two sides do not match and avoiding over reaction enjoys the priority.³³

In Sino-USSR case, on one hand, it is indubitable that the USSR was the dominating power within the Communist Bloc in the field of economy and

²⁷ Lengxi Wu, *Shinian Lunzhan (The Ten Year Debate)*, Zhongyang Wenxian Chubanshe, 1999, pp.150-153

²⁸ Zhihua Shen, “Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957),” *History Studies*, Vol. 6, 2007, pp. 108

²⁹ *Ibid*, pp. 106

³⁰ *Ibid*, pp. 107

³¹ Wenhan Zheng, *Mishu Rijili de Penglaozong (Peng Dehuai in His Secretary's Dairy)*, Beijing: Junshi Chubanshe, 1998, pp. 214-215

³² “Hedge,” accessed at 2015/07/09, at <http://www.investopedia.com/terms/h/hedge.asp>

³³ Regarding the researches on the application of hedge strategy in International Relations, see, for instance, Dong Wang, “Xianxi Meiguo Duitaizhengce de Yanbian jiqi Jlbentedian (Reviews on the US Policy to Taiwan and Its Basic Features),” *International Studies Quarterly*, Vol. 2, 2012

military capability, and China relied heavily on the USSR trade and aids to import the advanced machines and boost her economy. Accordingly, adding the fact that Sino-America confrontation was at its peak due to the Korean War, it was irrational to publicly fight against the USSR.

Table 1 Sino-USSR Machine Import and Trade from 1950 to 1960³⁴

Unit: Billion-dollars/%

Year	Machine Import	Percentage on Total Import	Trade Volume of Sino-USSR trade	Percentage of Sino-USSR trade
1950	0.037	10.6	0.238	29.8
1951	0.099	22.6	0.809	41.4
1952	0.141	27.7	1.064	54.8
1953	0.145	23.1	1.258	53.1
1954	0.179	26.2	1.291	53.1
1955	0.207	30.7	1.790	56.9
1956	0.273	41.6	1.524	47.5
1957	0.244	49.9	1.365	44.0
1958	0.256	51.2	1.539	39.8
1959	0.538	62.6	2.097	47.9
1960	0.454	61.6	1.664	43.7

On the other hand, although the economic ties with the USSR were crucial, the fundamental difference regarding the guideline of foreign policy posed substantial risks on CPC. For instance, the Strait Crisis in 1958 largely demonstrates such risks. As Henry Kissinger claims in his book, *On China*, the Strait Crisis in 1958 demonstrated Chinese ideological and strategic vigilance against the U.S., contrasting with the USSR quiescence in the face of a strategic American move in the Middle East. Such quiescence, in the eyes of Mao, had made the USSR a problematic ally and perhaps even a potential adversary. Consequently, Mao was partly using the Strait Crisis to push Khrushchev to choose between his new policy of peaceful coexistence and his alliance with China.³⁵ As it turned out, Khrushchev harshly criticized Chinese government and ended the cooperation on Nuke with China.³⁶ This crisis exacerbated the problem of Sino-USSR relation.³⁷

Combining the benefits and the risks, although Chinese government must take necessary steps to response the potential risk, openly disputing with the USSR

³⁴ Nanquan Lu and Baorong Liu ed., *Duisu Maozi Zhinan (Reviews of Sino-USSR Trade)*, Beijing: Zhongguo Caizheng Jingji Chubanshe, 1991, pp. 76; NSBC, *Zhongguo Waimao Tongji Nianjian (China Statistical Yearbook of Trade)*, Beijing: Duiwai Jingji Maoyi Chubanshe, 1984, pp. 889

³⁵ Henry Kissinger, *On China*, New York: Penguin Press, 2011, esp. "The Second Taiwan Strait Crisis" in Chapter 6

³⁶ Ibid.

³⁷ Zhiqiang Han, "Dierci Taihaiweiji' dui Zhongsuguanxi de Yingxiang (The Impact of the Second Strait Crisis on Sino-USSR Relations)," Master Dissertation of Inner Mongolian Normal University, 2013;

seemed to be an inferior way. Hence, hedge, as a more defensive and neutral strategy, was an alternative.

Unlike the defensive strategy, hedge, the other alternative of Chinese government is more aggressive. As reported by both CIA of the US and the intelligence agency of the State Council in the late 1950s, although the USSR had advantages in the field of hard power, China shared at least the even importance in terms of influence within the Communist Bloc, if not exceed. Meanwhile, with the winning of Korean War, China gradually became the only one which was capable of challenging the USSR.³⁸ Accordingly, there is the possibility that China tried to promote her own understanding regarding foreign policy by replacing the leading position of the USSR. This also gains the support from Khrushchev's memoir. When he evaluated the actions of CPC in the Moscow Meeting, he claimed, "If all other parties believe one party can be the leader [of the whole communist bloc], this 'head' is actually changeable. Today, we have one 'head' while we can have another one tomorrow. We believe China was paving the way for her own leadership."³⁹ Another evidence comes from the comments of the Yugoslavia delegate to the Moscow Meeting, stating, "the war of leadership between China and the USSR finally begins."⁴⁰

Given the fact that offering aids to another countries is usually considered as an effective way of gaining influences over recipient countries,⁴¹ no matter which strategy China might choose at that time, we should expect her increase the total amount of aids as China did in the late 1950s. Consequently, in order to answer the question why China still gave a huge amount of aids even though she was suffering, we need to figure out which strategy, hedging against the USSR or the competition for the leadership, takes the dominate role.

Hedging against the USSR

In terms of China's foreign aids in the late 1950s, Sino-DPRK aid was very important since DPRK, along with Vietnam and Mongolia, shared over 3.5 out of 4 billion yuan of China's aid.⁴² Moreover, as mentioned above, during the "Great Famine," China has actually enlarged the total amount of aids to DPRK by offering new aids such as cotton.⁴³ Consequently, detail scrutiny of Sino-DPRK

³⁸ Zhihua Shen, "Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957)," *History Studies*, Vol. 6, 2007, pp. 83, 92

³⁹ "Hehuxiaofu Huiyilu xuanyi (Selected Translation of the Memoir of Khrushchev)," in *Zhonggong Dangshi Ziliao (Material of CPC History)*, Vol. 71, pp. 192-193

⁴⁰ Zhihua Shen, "Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957)," *History Studies*, Vol. 6, 2007, pp. 83-111

⁴¹ Guilin Qiu, "Xinzhongguo Ershishiji 50-70niandai de Duiwaiyuanzhu Shuping (Reviews on China's Foreign Aids from 1950s to the end of 1970s)," Master dissertation of Xiangtan University, 2006

⁴² "Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy)," Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm

⁴³ Jie Dong, "Zhongsu Fenliehou Zhongguo dui Chaoxin de Yuanzhu (the Sino-DPRK aids after the split

aids in the late 1950s will help us to explain the reason why China still gave a huge amount of aids during the difficult period and, to some extent, alleviate the problem of vagueness.

Due to the Korean War, Sino-DPRK aids started in as early as the late 1950, and from then on, China has consistently given food aids, labor training and aids in construction to DPRK.⁴⁴ However, in spite of traditional friendship, Sino-DPRK relation frozen and the aid was almost completely cut off by Chinese government around 1956 due to the “August Coup.”

After establishing the DPRK, although Kim Il-sung was chosen as the leader of Korean Workers Party, he had to balance the opinions among different factions, for instance Yanan Faction which was more pro-China and the USSR Faction which had deep relations with Moscow.⁴⁵ Under the influence of the 20th Congress of Communist Party of the Soviet Union and the improper policy of Kim, two factions worked together and tried to remove Kim from his position at the 2nd Plenary Session of the 3rd Central Committee in 1956. Due to various reasons, Kim successfully quashed the attempt. As the result of such a failure, many leaders from Yanan Faction and the USSR Faction was executed or exiled to other counties like China.⁴⁶

Although the “August Coup” was the competition for the leadership within Korean Workers Party, it led to the huge impact on both Sino-DPRK relations and the USSR-DPRK relations since both countries were not happy with the way Kim dealt with the dissenters. Even though DPRK has repeatedly asked Chinese government to hand over those exiled leaders, China consistently rejected all the requests. Moreover, as recorded in the archives, both China and the USSR tended to overturn the decision made by Kim and recover the position of those exiled leaders. For instance, when Peng Dehuai, the delegate of CPC, and Anastas Mikoyan, the head delegate of the USSR met Kim at Pyongyang in September, they claimed, “the decision made by the Plenary Session in August was wrong we should have another Plenary Session to correct the mistake.”⁴⁷

After the “August Coup,” the relations between China and DPRK were frozen. What was worse, the delegate of DPRK promoted in November that we should let

between China and the USSR),” *Foreign Affairs Review*, Vol. 4, 2014, accessed at 2015/07/11, at http://www.cssn.cn/zgs/zgs_gs/201412/t20141229_1460598.shtml; Zhihua Shen, “Zhongchao Guanxi Jingtian Neimu (Report on the Sino-DPRK relations),” Gongshi Net, accessed at 2015/06/11, at http://www.21ccom.net/articles/qqsww/zlwj/article_2013082790746.html

⁴⁴ “Zhongguo Duiwai Yuanzhu (China’s Foreign Aids),” accessed at 2015/07/11, at http://www.360doc.com/content/13/0521/10/631999_286969831.shtml

⁴⁵ Zhihua Shen, “Zhongchao Guanxi Jingtian Neimu (Sino-DPRK Relations),” Gongshi Net, accessed at 2015/07/21, at http://www.21ccom.net/articles/qqsww/zlwj/article_2013082790746_2.html

⁴⁶ See Andrei N. Lankov, *Crisis in North Korea: The Failure of De-Stalinization, 1956*, Hawaii: University of Hawaii Press, 2007; Andrei N. Lankov, *From Stalin to Kim Il Sung: The Formation of North Korea, 1945-1960*, New Brunswick: Rutgers University Press, 2002

⁴⁷ Zhihua Shen, “Zhongchao Guanxi Jingtian Neimu (Sino-DPRK Relations),” Gongshi Net, accessed at 2015/07/21, at http://www.21ccom.net/articles/qqsww/zlwj/article_2013082790746_2.html

the UN decide the final peaceful settlement of Korean War. After hearing this news, Mao was very surprising at DPRK's action and had a meeting with the USSR ambassador Eugene in November 30th, telling him "Did you see the resolution of DPRK [about the final peace settlement with the Alliance]? In my opinion, he sooner or later will betray communism There are two ways to deal with Kim: first, China have 400,000 army in DPRK right now which enables us to help him to correct all the wrongs; Second, we withdraw all army, and let he do whatever he wants to."⁴⁸ Clearly shown in the conversation, the promotion of DPRK greatly exacerbated the tension between China and herself.

As the result of frozen relations, Chinese government cut off almost all aids to DPRK in 1956 and 1957. When DPRK government asked Chinese government to give extra 50 million yuan as the foreign aid shortly after the "August Coup," CPC directly refused this requirement.⁴⁹ Similarly, when it came the negotiation for the 1957 food aid, despite DPRK repeatedly argued she needed at least 200,000 tons of food to meet the demand, Chinese government only agreed to give 90,000 tons.⁵⁰ Apart from those negotiation processes, hints are also founded in the conversations among leaders. As Kim stated in the conversation with the USSR ambassador at Pyongyang in the late 1956, China was reluctant to offer any new aid until the end of the Second Five-Year Plan.⁵¹

Demonstrated in those negotiations and conversations, Sino-DPRK aids were profoundly affected by the frozen relationship between two countries to the point where China almost stopped her aids. Contrary to such a situation, China became overly eager to offer aids to DPRK after the Moscow Meeting, regardless the question whether DPRK needed more aids or not.

In the early 1961, since the "Great Famine" had caused many difficulties in China, Sino-DPRK aids encountered the problem of delay in the field of food and coal. Acknowledging the difficulties, Kim told the USSR ambassador that he could imagine the domestic problem of China, and hence, he did not want to urge Chinese government to fulfill all the requirements.⁵² Unlike Kim's attitude to aids, Chinese government treated the problem of delay very seriously. On January 20th, 1961, Chinese State Council sent an emergent order to all the related departments, naming four major coal producers which should send the

⁴⁸ Zhihua Shen, "Zhongchao Guanxi Jingtian Neimu (Sino-DPRK Relations)," Gongshi Net, accessed at 2015/07/21, at http://www.21ccom.net/articles/qqsww/zlwj/article_2013082790746_2.html; Zhihua Shen and Yafeng Xia, "China and the Post-War Reconstruction of North Korea, 1953-1961," Working Paper for North Korea International Documentation Project, May 2012, pp. 14

⁴⁹ Hongle Lou, "Jiemi Liushinianlai Zhongchao Guanxi (The Sino-DPRK Relations over Past Sixty Years)," Gongshi Net, accessed at 2015/06/17, at <http://www.21ccom.net/articles/sdbb/2013/0220/77366.html>

⁵⁰ Ibid.

⁵¹ Zhihua Shen and Yafeng Xia, "China and the Post-War Reconstruction of North Korea, 1953-1961," Working Paper for North Korea International Documentation Project, May 2012, pp. 15

⁵² Jie Dong, "Zhongsu Fenliehou Zhongguo dui Chaoxin de Yuanzhu (the Sino-DPRK aids after the split between China and the USSR)," *Foreign Affairs Review*, Vol. 4, 2014, accessed at 2015/07/11, at http://www.cssn.cn/zgs/zgs_gs/201412/t20141229_1460598.shtm

required amount of coal to DPRK before the end of January.⁵³ Shortly after this order, Chinese State Council sent another order, claiming since the Iron and Steel industry of DPRK usually imported coal from us, if we could not meet the demand in time, the whole economy of DPRK would be profoundly damaged. Hence, the coal export to DPRK was a political task.⁵⁴

Besides the above, other evidences are easily founded in the conversation between Kim and Chinese top leaders in the November of 1958. As reported, during the Kim's visiting to Beijing, Mao Zedong promised Kim that China would offer cotton aid as long as it was needed in DPRK.⁵⁵ Meanwhile, Zhou Enlai suggested that China and DPRK should jointly construct dams to solve the energy problem. Considering the fact that DPRK was in trouble, all the fees could be paid by Chinese government in advance.⁵⁶

Apparent as it can be, the attitude of China to Sino-DPRK aids changed dramatically from the late 1956 to 1958. Since the time period is extremely short, if the general assumptions such as Proletariat Internationalism hold, such a dramatic change is unexpected. On the contrary, considering what had happened at Moscow Meeting in 1957, it is highly possible that Chinese government was using the foreign aid as the means to buy the support of DPRK. This also gains the support from what happened later. After the split between the USSR and China gradually becoming public within the Communist Bloc, the official newspaper of DPRK, *Labor News*, announced in 1963 that DPRK was against any partial attack on CPC.⁵⁷ Moreover, when Kim met the USSR ambassador at Pyongyang, he directly criticized the action of the USSR in 1956 and openly claimed that he could not accept the attack on China.⁵⁸

Taking all the above into consideration, it becomes clear that Chinese government used the foreign aids to DPRK as one of countermeasures against the potential risk posed by the split between the USSR and China. In other words, foreign aids to DPRK during the "Great Famine" were driven by the idea of hedging against the USSR.

⁵³ "Guanyu Qiangyun dui Chaoxian Chukoumei de Jingjitongzhi (The Emergent Order regarding exporting coal to DPRK)," 1961/01/20, No. 907-5-222, recite from Ibid

⁵⁴ "Guowuyuan Guanyu Xiada 1961nian Diyijidu dui Chaoxian Meitan Chukou Jihua (The Order from State Council: the Plan of Exporting Coal to DPRK for the First Quarter of 1961)," 1961/01/26, No. 907-5-222, recite from Ibid

⁵⁵ Hongle Lou, "Jiemi Liushinianlai Zhongchao Guanxi (The Sino-DPRK Relations over Past Sixty Years)," Gongshi Net, accessed at 2015/06/17, at <http://www.21ccom.net/articles/sdbb/2013/0220/77366.html>

⁵⁶ Ibid.

⁵⁷ "Chaoxian 'Laodong Xinwen' Yiyuesanshiri Fabiao Shelun Weihu Shehuizhuyizhenying, Guojigongchanzhuyiyundong de Tuanjie (*Labor News* Published Editorial on January 30th, Claiming Maintaining the Cooperation within both the Communist Bloc and International Communist Movement)," *People's Daily*, January 31st, 1963, the front page

⁵⁸ Archive of MOFAC, "Haodeqing Zhi Zhonggongzhongyang bing Waijiaobu Dian (The Telegraph to the Central Committee of the Communist Party of China and Ministry of Foreign Affairs of the People's Republic of China)," No. 106-00718-01, pp. 39-44, recite from Jie Dong, "Zhongsu Fenliehou Zhongguo dui Chaoxin de Yuanzhu (the Sino-DPRK aids after the split between China and the USSR)," *Foreign Affairs Review*, Vol. 4, 2014, accessed at 2015/07/11, at http://www.cssn.cn/zgs/zgs_gs/201412/t20141229_1460598.shtm

Competing for the leadership

Via detail scrutiny of Sino-DPRK aids from 1956 to the early 1960s, it seems to be fair to say that hedging against the USSR as the one matched China's political and strategic interests at that time indeed propelled Chinese government adjust its aid allocation. However, considering what happened in the late 1960s when China labeled herself as the "center of the World Revolution"⁵⁹ and the comments of leaders from other countries such as Yugoslavia,⁶⁰ competing for the leadership as a more aggressive strategy was not excluded.

Back to DRPK case, the "competing for the leadership" argument also gains support. After the split between China and the USSR, the USSR has increased her trade with DPRK. In the September of 1960, the USSR and DPRK signed a long-term trade agreement, claiming the USSR would try to balance the trade with DPRK by annually offering facilities and finished products. As to the trade deficit of DPRK, the USSR was willing to transform it into the loan to DPRK.⁶¹ Apart from the trade, Moscow tended to ameliorate the relationship with DPRK by vilifying China. In the summer of 1960 when Kim Il-sung visited the Moscow, Khrushchev showed the record of the conversation between Mao Zedong and the USSR ambassador on the November 30th of 1956 to Kim, aiming at posing negative impacts on Sino-DPRK relations and ameliorating the USSR-DPRK relations.⁶²

In terms of foreign aids to DPRK, up to certain degree, the competition between China and the USSR did exist. But, whether China's aids were driven by such a competition was still questionable, especially considering what happened around the Moscow Meeting in 1957. Although the influence of CPC had been significantly increased due to Poznań 1956 protests and Hungarian Revolution, China appeared to be very cautious about the problem of leadership.

Shortly before the Moscow Meeting, due to the tension between the USSR and

⁵⁹ Under the influence of extreme leftism, Mao Zedong believed China replaced the USSR as the center of the World Revolution since the USSR had chosen the revisionism during the "Culture Revolution." See Chengyao Yu, "Mao Zedong Shidai Zhongguo de Shijie Geminguan (China's perception of the World Revolution during Mao's Era)," Master Dissertation of Renmin University, 2010

⁶⁰ As mentioned in the section, "The Late 1950s: Risk and Opportunity," Yugoslavia delegate of Moscow Meeting in 1957 commented, "The war of leadership between China and the USSR finally begins."

⁶¹ Archives of MOFAC, "Suchao Changqi Maoyi Tanpan Qingkuang (Report on the Long-term Trade Negotiation between the USSR and DPRK)," 1960/10/11, No. 109-02090-02, pp. 36-37; "Zhusu Shangwucanzan zhi Waijiaobu, Waimaobu dian (The Telegraph from Commercial Counselor at Moscow to MOFAC)," 1960/12/28, No. 109-02090-02, pp. 40-41; "Chaoxian dui Sulian he Dongou Liuguo Maozi Ziliao (Archives of DPRK Trade Situation to the USSR and Six Countries of Eastern Europe)," 1963/08/19, No. 106-00720-02, pp. 164-185, recite from Jie Dong, "Zhongsu Fenliehou Zhongguo dui Chaoxin de Yuanzhu (the Sino-DPRK aids after the split between China and the USSR)," *Foreign Affairs Review*, Vol. 4, 2014, accessed at 2015/07/11, at http://www.cssn.cn/zgs/zgs_gs/201412/t20141229_1460598.shtm

⁶² Zhihua Shen, "Zhongchao Guanxi Jingtian Neimu (Sino-DPRK Relations)," Gongshi Net, accessed at 2015/07/21, at http://www.21ccom.net/articles/qqsw/zlwj/article_2013082790746_2.html

other communist countries, whether still maintaining the USSR leadership became a hot topic. As the direct victim of Poznań Incident, Poland openly disagreed with the USSR leadership during the Meeting.⁶³ Also, other communist countries kept silence on this problem as the result of “June Coup.”⁶⁴ Facing the pressure from the Communist Bloc, the USSR tried its best to avoid mentioning the USSR leadership within the Communist Bloc at the beginning. Moreover, when CPC sent the revised final document to the USSR, claiming we should stick to the USSR leadership, Khrushchev was very surprised and asked CPC whether it would be more proper that we replaced this statement with “the joint leadership of the USSR and China.”⁶⁵ Apparently, the USSR leadership was at risk.

Contrary to the opposite attitude of Poland or the blurred stance of other communist countries, China was the only one which firmly supported the USSR leadership. Besides the revised draft of final document, when Khrushchev directly asked CPC, Mao said although the USSR had made some mistakes, it still was the only suitable one. Meanwhile, on November 14th, when the Opening Ceremony of Moscow Meeting was held, Mao specifically emphasized the advantages and necessity of the USSR leadership, and repeatedly mentioned that the USSR had already been aware of the problem of its past policies, aiming at appeasing the opposite sentiment from other communist countries, especially Poland.⁶⁶ Apart from the above, China also tried to persuade Poland accept the leading position of the USSR during the Moscow Meeting. To some extent, without the support and help of China, the leading position of the USSR could not appear in the final document of the Moscow Meeting in 1957.⁶⁷

At the same time, considering the recipients of China’s aids, the competition argument is seriously in doubts. As what mentioned in the introduction, 3.5 out of 4 billion yuan of China’s aids went to Asian countries such as Vietnam, Mongolia and DPRK. More precisely, offering facilities⁶⁸ as one of major kind of aids merely covered very limited European countries. According to the report of vice Minister of Foreign Trade, from 1955 to the middle of 1960, China had agreed 182 programs, among which 165 went to communist countries. For those 165 programs, Albania only got 3 programs and Czech took merely 1 program, accounting for 2.4% of total aid.

⁶³ Zhihua Shen, “Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957),” *History Studies*, Vol. 6, 2007, pp. 93

⁶⁴ For “June Coup,” see annotation 19

⁶⁵ Lengxi Wu, *Shinian Lunzhan (The Ten Year Debate)*, Zhongyang Wenxian Chubanshe, 1999, pp.131-132

⁶⁶ *Jianguoyilai Mao Zedong Wengao (Mao Zedong’s Works after the establishment of People’s Republic of China)*, Vol. 6, Beijing: Zhongyangwenxian Chubanshe, 1992, pp. 625-628

⁶⁷ For more details regarding the debate, see Zhihua Shen, “Mao Zedong, Huluxiaofu yu 1957nian Mosikehuiyi (Mao Zedong, Khrushchev and the Moscow Meeting in 1957),” *History Studies*, Vol. 6, 2007, pp. 98

⁶⁸ This kind of aid means China will offer series of production machines such as complete production line to the recipient countries while the aids in construction are more comprehensive which also includes building factories or hospitals.

Table 2 Facility Aid from 1955 to the middle of 1960⁶⁹

Country	DPRK	Vietnam	Mongolia	Albania	Czech
Total Number	8	100	53	3	1

Given the fact that Stalin had reached consensus with Mao that CPC would mainly deal with the communist movement in Asia while the USSR concentrated on European communist activities,⁷⁰ what China did after the Moscow Meeting in 1957 did not exceed this consensus. On the contrary, considering the actions of the USSR to DPRK in the early 1960s, it seems that the USSR was more aggressive.

Undeniably, in terms of foreign aids, the competition between the USSR and China indeed existed as shown in the DPRK case. However, considering the behaviors of China during the Moscow Meeting in 1957 and the arrangement between two countries, it is fair to say that the enlargement of China's aids to DPRK during the "Great Famine" was the response to a more aggressive USSR. Consequently, combining what discussed in the last section, hedging against the USSR instead of competing for the leadership was the determinant of China's aid allocation at that time.

Conclusion

Via detail scrutiny of the Sino-DPRK aids from 1956 to the early 1960s and the Sino-USSR relations around the Moscow Meeting in 1957, this article tries to crystalize the concept, "political and strategic interest," in the context of the "Great Famine." More specifically, based on China's cautious attitude to the leadership within the Communist Bloc and her enlargement of Sino-DPRK aids after the Moscow Meeting, it is reasonable to say that China's aid allocation was mainly colored by hedging against the USSR rather than competition for the leading position.

However, such an explanation has limitations not only from the case selection, but also from the period itself. Since DPRK was the major recipient of China's aid in the 1950s and the early 1960s, this research almost completely relies on Sino-DPRK case to explain China's abnormal behavior during the "Great Famine."

⁶⁹ Archives of MOFAC, "Jinianlai de Duiwaijingjijishu Yuanzhugongzuo - Zai Disici Quanguo Waishi Huiyishang Liqiang Tongzhi de Fayan (Report on Foreign Aids over Last Few Years: Li Qiang's Report on Forth National Meeting of Foreign Policy)," 1960/07/01, No. 102-00015-01(1), pp.1

⁷⁰ Zhihua Shen, "1956: Boxiongshijianzhong de 'Zhongguo Yinsu' (1956: 'Chinese Factor' in Poznań 1956 protests and Hungarian Revolution)," *Tongzhougongji*, Vol. 1, 2011, accessed at 2015/07/01, at <http://blog.ifeng.com/article/14229270.html>

But, as discussed in the introduction section, China actually not only increased her aids to those traditional recipient countries such as DPRK or Vietnam, but also enlarged the number of recipients. Among those newly added recipients, African countries like Sudan took the dominant role. Consequently, whether such an explanation is also applicable beyond the limitation of the Communist Bloc deserves our attention. On the other hand, even within the Communist Bloc, this conclusion also faces the challenge from other cases, for instance Sino-Mongolia aids. According to the Archives of MOFAC, Mongolia was the first country which received China's foreign aids, and consistently received various aids, including labor training and aids in construction until the early 1960s.⁷¹ With the split between China and the USSR, unlike what China did in the DPRK case, China unilaterally cut off almost all aids to Mongolia. Hence, whether China's behavior was also influenced by the idea of hedging against the USSR needs more explanations.

Apart from the problem of case selection, the other significant flaw stems from the period itself, namely the "Great Famine." Since the "Great Famine" was a very abnormal period in the history of People's Republic of China, the capability of Chinese government was strictly constrained. Contrary to such a situation, with the end of the "Great Famine" and the amelioration of shortage problem, China became more capable of offering foreign aids. For instance, although only 22 countries received China's aids in the early 1960s, more than 110 countries were on the list of China's aid in the end of 1976.⁷² Consequently, to what extent the conclusion explains the motivation of Chinese government in the different context also needs more detail-oriented research.

⁷¹ "Waijiao Dangan Jiemi (Declassifying the Archives of Foreign Policy)," Xinhua Net, accessed at 2015/07/01, at http://news.xinhuanet.com/world/2006-07/29/content_4891534_2.htm

⁷² "Zhongguo Duiwai Yuanzhu (China's Foreign Aids)," accessed at 2015/07/11, at http://www.360doc.com/content/13/0521/10/631999_286969831.shtml