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Communist China in Latin America: Political Idealism and Economic Stratagems

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Abstract

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Historically, literature on the Chinese Communist Party (CCP) under the leadership of Mao Zedong has focused on China's closed door policy in which the nation attempted to limit foreign ties and trade. However, my study explores the party's attempt in the 1960's to spread violent revolt in Latin America as well as develop trade relations with multiple nations in the region. China's interest in the region stemmed largely from the Sino-Soviet split in which China and the Soviet Union's ideologies began to diverge in the 1950's until they reached non-alliance by the early 1960's. After the Sino-Soviet split the CCP began looking for allies in other regions. Throughout the 1960's the CCP developed an identity as leader of the third world which included Africa, Asia, and Latin America. Latin America was included as a member of the third world primarily as a result of its non-alliance with the Soviet Union and the United States during the Cold War. The CCP also saw many similarities between itself and the region as its largest economic sector was agriculture and much of the population resided in the peasantry. One aspect of China's attempt to gain allies with the region included spreading Chinese Communist thought, known as Maoist-Leninist Communism. However, the CCP proved largely ineffective at espousing its political rhetoric by the end of the decade. On the other hand, the party's economic endeavors led to stronger ties in the region. This led to official diplomatic recognition of the CCP as the legitimate governing body of China. Therefore, this suggests that the CCP's foreign policy throughout the 1960's was more *Realpolitik* than previously suggested. In examining the CCP's relationship with Latin America I also focus on the development of Maoist communism as well as Latin America in relation to the Third World.

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COMMUNIST CHINA IN LATIN AMERICA: POLITICAL IDEALISM AND ECONOMIC STRATAGEMS

Introduction

Previous literature on China's foreign policy under the leadership of Mao Zedong focuses on the Chinese Communist Party's (CCP) closed door policy, in which China was largely opposed to developing strong relations with other nations. However, on the contrary China's political and economic interests of the 1960's included an interest in developing official diplomatic relations and trade relations with nations in the third world. ¹ This study will explore China's expanding interest in Latin America, a region the CCP considered a strategic part of the third world.² Within the CCP's surprising interest in developing relations with Latin America, China's political rhetoric regarding Latin America in the 1960's often contradicted their economic interests. This study will first explore the CCP's limited success in spreading violent communist revolution in the region. Second, I will argue that despite a lack of actualized trade between borders the Chinese remained having an interest in establishing significant economic relations with many nations in the region through trade exhibitions and multiple negotiations over trade agreements. Finally, I argue that as a result of China's domestic failures regarding the Cultural Revolution, the CCP abandoned support for violent revolution in favor of furthering its economic ties in the region.

Despite current literature that shies away from labeling Latin America as a member of the third world, most Chinese literature from the 1960's expresses a deeper relationship between the two as members of the third world. To best understand China's conceptions of Latin America it

¹ Here third world refers to the commonly used term during the Cold War to refer to nations that were not in the West (first world) or Eastern Bloc (second world).

² Latin America includes Central America, South America, and the Caribbean

is best to begin with China's migration to the region. The first wave of Chinese immigration to the West took place when Latin America was still under Colonial Rule in the early to mid 19th century. Colonial Latin America lacked the large labor pool necessary for extracting raw materials and Chinese Labor proved to be a great source. The decline of the Qing Empire from rebellion and famine affected large parts of Eastern China. The Empire, therefore, chose to allow its citizens to travel overseas for work. The Chinese Diaspora continued to grow in parts of Latin America as relatives began to send for their families and new generations of Chinese were born and raised in the region. However, immigration from China ended by 1950 when the new communist regime places severe restrictions on the movement of its people. Currently, around 1.7 million former immigrants and their children live in Latin America, residing primarily in Peru, Brazil, Cuba, and Panama. However, other than migration China's relations with Latin America were minimal.

In contrast, Latin America's contact with the United States and Europe was stronger than its relationship with China. While Europeans were the first to colonize the region, the United States established dominance over the Americas in 1823 with the Monroe doctrine.³ This was greatly expanded by the Roosevelt Corollary in 1904 which extended the United States' ability to intervene in the region.

The United States' influence in the region negatively affected China's ability to make strong, long-lasting contact with governments in Latin America. After WWII, President Truman increased the US's influence and control over their alliances in Latin America fearing the spread of communism. After the Chinese Civil War ended in 1949 the Chinese Communist Party led by

³ The Monroe doctrine state that further European efforts to colonize the Americas would be seen as an act of aggression by the United States and would result in US military intervention.

Mao Zedong formed the People's Republic of China. The Soviet Union's influence over the eastern hemisphere as leader of communism became a greater fear of the United States after China became communist. As a result, President Eisenhower's Secretary of State John Foster Dulles created the anti-China containment policy. This policy "sought to take maximum advantage of the U.S air and sea power, and also of U.S economic strength, to defend what was called the free world." After China's entry into the Korean War in 1950, Latin America adopted the anti-China Containment Policy. This included non-recognition of the Chinese Communist Party by every nation in the region throughout the 1950's as the United-States led boycott of Chinese business was accepted, at least in principle, by most of Latin America. ⁵

China's evolving foreign policy in the 1950's was influenced greatly by its relationship with the Soviet Union. By 1953 Mao and the CCP had established a strong alliance with the Soviet Union including a flow of arms and political advisors to China from the USSR. The USSR was responsible for aiding China in the creation of its first five year plan. However, after what China considered its victory against the United States in Korea, Mao and the CCP were accepted by both the Chinese and the rest of the world as a strong communist force. After the Korean War, the CCP's values began to diverge from the Soviet Union's and China began considering alliance with nations in Africa and Asia. As the CCP redefined its alliances, the Chinese began striking out more diligently against the West by means of militant anti-imperialism. The first sign of dispute between China and the USSR followed shortly after the death of Joseph Stalin, the undisputed Soviet leader from 1928-1953. The USSR chose a path of revisionism which apologized for Stalin's often brutal policies and relaxed control over the

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⁴ He Li, Sino-Latin American Economic Relations (New York: Praeger, 1991), 10

⁵ Li, 12

⁶ Peter Van Ness, Revolution and Chinese Foreign Policy. (London: University of California, 1970), 13

Eastern Bloc in Europe. The CCP's open disapproval of revisionism came when Nikita Khrushchev, who served as premier from 1958-1964, denounced Stalin in 1956.

By 1958 both Soviet and CCP policies began showing signs of the Sino-Soviet split. By the late 1950's the CCP was forging a path of its own. The Chinese began focusing more on its peasant population than following the Soviet tradition of a well developed industrial sector. As the CCP's relationship with the Soviet Union suffered, China looked toward developing alliances with the third world by promoting popular revolution against imperialism and "Soviet revisionism." Thus, China would begin to develop its role as the leader of the third world.

China initially focused its attention on Africa and Asia most likely as a result of Latin America's close ties with the United States. Also, prior to the Cuban Revolution of 1959 most of Latin America did not show any sign of leaning toward socialist or communist revolt. While Cuba was not a representative, leader, of supporter for the spread of Chinese communism, it did provide a gateway for China into the region. The Cuban Revolution also provided evidence that Communism might have had a place in the region. As the People's Republic of China, controlled by the CCP, continued to be ostracized as an illegitimate nation by the West and its allies, gaining recognition became an important goal and focus of Chinese foreign policy. After the Chinese Civil War, the CCP's opposition, known then as the Nationalists, fled with their leader, Chiang Kai Shek, to Taiwan. With the support of the United States, Chiang Kai Shek and the nationalists moved to the Republic of China (ROC). Taiwan, supported by the United States, France, and Britain continued as the legitimate and recognized government of China in the United Nation. This position was particularly important to the PRC as after WWII China was given a permanent seat on the UN Security Council. Thus, after the Cuban Revolution in which

Castro recognized the CCP as the official government of China, over the Nationalists of Taiwan, China began to understand the untapped source of support against Taiwan in Latin America.

This work will also explore China's political ideology developed by Mao and the CCP in the late 1950's and the subsequent attempt to implement the ideology in Latin America in the 1960's. The Selected Works of Mao Zedong, published by the CCP, develops Maoist-Leninist Communist philosophy. The Selected Works began in the 1920's and continued until the death of Mao in 1976. However, the extent to which the various pieces were actually written by Mao is unclear. Within the Selected Works the CCP's governing principles are explained. These principles help to understand the motives behind Chinese foreign and domestic policies. Other significant primary sources I will be drawing from include newspapers and journals. Most significant is the New China News Agency which was the official press agency of the CCP reporting along the party lines. They reported via broadcast radio, television and periodicals worldwide. In the *People's Daily*, a Chinese domestic newspaper, I found important statements made by Mao and other Communist party officials in support of revolutionary activity in Latin America. The *Peking Review* was a monthly journal published in English as well as Spanish and Portuguese by the CCP. The Peking Review reported on foreign and domestic issues the Communist party wanted to draw international attention or sympathy to. Another important primary source is a publication out of Hong Kong titled China Notes. China Notes is a periodical published weekly by most likely a British or American government agency located in Hong Kong. The publication comments on reports made in various newspapers and radio broadcasts the week prior to publication.⁷

⁷ China Notes was located in Emory University library. Publications are available from January 1963 until December 1968. Who published the documents however remains unknown.

By assessing these major works as well, Chinese foreign policy objectives in Latin America can be better analyzed. Previous studies on Chinese foreign policy in Latin America have done little to explain the inconsistencies in China's political and economic relationship with Latin America. By comparing the CCP's economic and political objectives in Latin America important trends in the party's policies in the 1960's can be explored. During this time, Mao Zedong and the Chinese Communist Party began espousing Maoist-Leninist Communism which focused on spreading people's revolt in Africa, Asia, and Latin America. While the CCP's foreign publications display a strong Chinese political presence in Latin America, China's main activity was fueled by economic interests and developing alliances. By the death of Mao in 1976 the CCP chose to abandon spreading violent revolt to gain allies and focused more heavily on developing economic ties with the rest of the world.

Chapter 1: New Strategies, New Challenges: The Emergence of Maoist Communism

Mao and the CCP's stand against Khrushchev's new revisionist policies marked a momentous shift in policy accompanied by CCP's need to gain allies as it moved further away from the Soviets. In the 1950's the CCP began implementing a unique style of Communism as well as anti-imperialist and anti-revisionist policies. The CCP then looked toward Latin America for allies after the 1959 Cuban Revolution which opened the door for communist thought. As a result China's foreign policy changed greatly throughout the 1950's altering the relationship between China and the Soviet Union greatly.

In the 1950's the CCP grew to be a stronger communist government than it had been immediately after the Civil War. After the Chinese perceived victory in Korea, Mao Zedong began taking a stand against the United States and its imperialist tendencies. This new outlook of the Chinese occurred alongside the death of Stalin in 1953. As George Malenkov, and later Khrushchev, became the leaders of the USSR, the policies of the Politburo transformed. Khrushchev made amends for Stalin's oppressive leadership, for example the purges that took place in the politburo. On the other hand, the CCP became a more defiant Communist force against capitalism and imperialism. For example, in 1955 under the leadership of Mao, the Chinese military attacked the islands Quemoy and Matsu in the Taiwan Strait, a stand the CCP took against the US presence in Taiwan. As Khrushchev himself stated "it was getting harder and harder to view China through the eager and innocent eyes of a child... China was China, and the Chinese were acting in an increasingly strange way." 8

Mao and the CCP saw Khrushchev's leadership as abandoning Communist philosophy. However, as the differences between the Chinese and the Soviets grew, the alliance momentarily remained. For example, in 1955 the Soviets promised the CCP help with developing an atomic program. However, by 1959 the Soviets reneged on their promise. By 1959 it was clear that the Soviet Union would not provide assistance to China with a nuclear program. By the late 1950's, Khrushchev was attempting to relieve some of the tension that had developed between the Soviet Union and the United States after World War II. Mao, a strong believer of Soviet superiority over the United States, did not understand why the Soviet Union was so timid toward the US. This led Mao to perceive Khrushchev's new peaceful approach as an abandonment of Marxism-

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⁸ John Gaddis, We Now Know. (New York: Oxford University Press, 1997), 55

Leninism. Thus, as Mao continued to support Communist revolutions in third world countries he did so after abandoning allegiance to Moscow in order to promote violent revolution.

In "On Contradiction", Mao began developing what became known as Maoist-Leninist Communism interpreting dialectical materialism. ⁹ Dialectical Materialism was first developed by Karl Marx in *The Communist Manifesto* published in 1848. ¹⁰ In *The Communist Manifesto* he explained that the driving force behind the events of the past can always be described by class struggle. At the time Marx wrote his manifesto, he believed the world to be in a state of struggle. The struggle was between the bourgeoisie i.e. oppressive middle class and the proletariat i.e. the working class. Marx suggested that the only way to overcome this struggle would be for the proletariat to rise against the bourgeois. After the violent overthrow of the bourgeois by the proletariat Communism would prevail and class struggle would no longer exist. After the 1917 Russian Revolution, Lenin read and interpreted Marx to establish the Communist Soviet Union. "On Contradictions" draws primarily from Lenin's interpretation of Marx and how Communism had applied to the USSR.

In "On Contradictions" Mao theorizes the Communist Party's political ideology and develops Maoism. With it he laid out the four major contradictions, principle conflicts that existed in the world. They included the Socialist and imperialist camps, the proletariat and the bourgeoisie in capitalist countries, oppressed nations and imperialism, and among the imperialist nations themselves.¹¹ Mao states that when capitalism exists these contradictions are at war with one another; however, under Communism these contradictions will be at peace. It is the third contradiction that applied most to China's relationship with the Unites States and its view

⁹ Mao Tse-tung, *The Selected Works of Mao Tse-Tung.* (Vol. 1-5. Peking: Foreign Language Press, 1926-1971)

¹⁰ Karl Marx., *The Communist Manifesto.* (New York: W.W. Norton and Company, 1988)

¹¹ Mao Tse-tung, Selected Works of Mao Tse-Tung. (Vol. 1-5. Peking: Foreign Language Press, 1926-1971)

toward the US's relationship with Latin America. Mao perceived the United States to be the strongest imperialist force in the world and he viewed Latin America to be a region oppressed by the United States' imperialism.

Later, in June of 1957, the CCP published Mao's "On the Correct Handling of the Contradictions among the People" in the *People's Daily*. Here, Mao establishes the CCP's views on both internal and external enemies. Internal enemies included capitalist and bourgeois forces within China and external enemies included imperialist and capitalist nations. Violent means are proposed to suppress both.

"the contradiction between the working class and the national bourgeoisie will change into a contradiction between ourselves and the enemy if we do not handle it properly and do not follow the policy of uniting with, criticizing and educating the national bourgeoisie, or if the national bourgeoisie does not accept this policy of ours...What is the dictatorship for?... to suppress the reactionary classes and elements and those exploiters who resist the Socialist revolution, to suppress those who try to wreck our Socialist construction."

Mao argues that Khrushchev and the Soviet forces ultimately failed in handling the Hungarian Incident in 1956. Due to Khrushchev's relaxing of dictatorial control in Eastern Europe, counter-revolutionary forces were able to develop in Hungary. Despite the defeat of the uprising, Mao puts forth a comparison with China. "After [the Hungarian] occurrence there was some unrest among a section of our intellectuals, but there were no squalls. Why? One reason, it must be said, was our success in eliminating counter-revolutionaries fairly thoroughly." 13

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¹² Mao Tse-Tung, On the Correct Handling of Contradictions. (Beijing: People's Daily, 1957)

¹³ ibid

Clearly, the CCP began developing a stronger position against its enemies, while it viewed the Soviet Union as not being harsh enough.

This difference between the two Socialist camps would eventually turn them into enemies. However, in 1957 Mao for the first time suggested departing from Soviet policies. As he states:

"The main thing is still to learn from the Soviet Union. Now there are two different attitudes... One is the dogmatic attitude of transplanting everything, whether or not it is suited to our conditions. This is no good. The other attitude is to use our heads and learn those things which suit our conditions, that is, to absorb whatever experience is useful to us. That is the attitude we should adopt."¹⁴

With this new stand against allying blindly with the Soviet Union, the CCP wanted to establish other stronger alliances. Mao thus focuses on "the Asian and African countries and all the peace-loving countries and peoples," stating, "we must strengthen and develop our solidarity with them. United with these two forces, we shall not stand alone." ¹⁵

The CCP's decision to ally with the "third world" was the result of multiple motives. One was opportunism. Van Ness points out, the Chinese disagreed with the Soviet Union and its desire to "maintain the status quo and avoid nuclear war." Thus, in the Chinese interpretation of Marxism-Leninism imperialism must be dead for real peace to exist and it was best to attack imperialism with the very nations the United States and Europe attempted to control. The means

¹⁴ ibid 15 ibid

¹⁶ Van Ness, 34

in which this would be attempted was through violent revolution which would rid Asia, Africa, and Latin America of imperialist presence.

The Chinese also viewed the third world strategically for other reasons. Geographically, the significant role played by the agriculture sector in the economies of Asia, Africa, and Latin America was true also for China. Thus, according to Mao, would lend naturally to political alliances. Next, as Van Ness suggests,

"The Chinese apparently saw the third world as the area of greatest political opportunity on the contemporary world scene. It was a world in flux... an area where new friends could be won, old balances of power upset, and powerful new alliances established...

The Peking government saw in the volatile conditions in Asia, Africa, and Latin America its best chance to influence world politics." ¹⁷

Later the CCP's policies included an anti-revisionist (anti-Soviet) attitude. This was due to the growing antagonism between the two nations in the 1960's due to Soviet withdrawal of support for the Chinese. Anti-revisionism, similarly to anti-imperialism, became a synonym for the Soviet Union in official Chinese press releases. The anti-revisionist attitude also shows CCP's disapproval of the Soviet Union's lack of support for violent revolution. Violent revolution was an important distinction in Maoist-Leninist philosophy.

When the CCP first began to assess strategic alliances, Latin America was not always taken into consideration. In 1948 the Organization of American States adopted the "Doctrine of Limited Sovereignty" which gave the United States hegemony in the region. This included economic hegemony in which the United States had a strong and lasting relationship of trade and

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¹⁷ Ibid, 15

US owned enterprises. Latin America became a strong ally of the United States and as Stalin pointed out in 1951 the region was "the most solid and obedient army of the United States." Prior to 1959 China made limited reference to the region in large part due to its distance from the PRC as well as its close relationship to the United States. Latin America was also further developed than most of Asia and Africa.

Another reason for China's initial lack of interest in the region was the overwhelming support for Taiwan by the west, which resulted in a political advantage for The Republic of China, particularly in the United Nations. This support was initially driven by the United States and its relationship with the ROC but was also fostered by alliances Taiwan sought with Latin America. Every nation in Latin America that voted in the UN voted in favor of the ROC to occupy China's seat in the UN, until 1959 when Cuba voted for the PRC.

Cecil Johnson in <u>Communist China and Latin America</u>: 1959-1967, argues that China was less opportunistic in developing its relationship with Latin America and rather wanted to free the third world of imperialism. Cecil states that Chinese interest in the region began in the 1950's with the recognition that, like China, the vast majority of the population resided in the peasantry. The CCP also became increasingly aware of a strong "anti-American" sentiment in the region stemming from "gunboat diplomacy", "dollar diplomacy", and the "Good Neighbor Policy" which "generated a deep hatred among many Latin Americans for the Colossus of the North." However, this was not a widespread belief among the policy makers in the region throughout the 1950's. The American invasion of Guatemala in 1954 did spark greater attention to the region by the CCP. In 1954 Jacobo Arbenz Guzman was democratically elected as

¹⁸ Li 12

¹⁹ Cecil Johnson, Communist China & Latin America, 1959-1967. (New York: Columbia UP, 1970), 3

President of Guatemala. Arbenz's government sought to nationalize industries in Guatemala, particularly the United Fruit Company-a strategic and profitable American business. Subsequently the United States Central Intelligence Agency (CIA) organized a coup d'état overthrowing Arbenz and replacing him with the military dictator José Miguel Ramón Ydígoras Fuentes. The 1954 coup against Arbenz added to the view that,

"the United States [was a] protector and defender of reactionary and corrupt regimes throughout Latin America, intervening, in various ways, to maintain the 'stranglehold' of the 'bloodsuckers' on the economy of the countries concerned. Needless to say, the Chinese interest in Latin America ha[d] been greatly enhanced as a consequence of their discovering the prevalence of such ideas."²⁰

Despite points made by Johnson, it seems more plausible that China did not believe that the anti-American attitude in Latin America was strong enough to affect change until the Cuban Revolution of 1959. Only after the Cuban Revolution did China see an opening into the region for Communist thought. This explains why the CCP did not begin promoting Maoist Communism in the region or establishing economic agreements until the 1960's.

There were two major events that coincided before China began to seek an alliance with Latin America. The first was the Sino-Soviet split. After the Sino-Soviet split Maoist style Communism was developed advocating violent revolution and a strong stand against the United States and Soviet revisionism. This stand against the USSR put China in a vulnerable position. Without the Soviet Union as an ally, the CCP needed to seek new alliances elsewhere. The second was a greater awareness of discontent in the region towards the "imperialism" of the

²⁰ Li, 23

United States. The struggle of Cuba and Guatemala against the United States in the 1950's created a common enemy for China and the region. As Mao applied his theory "On Contradictions" the relationship between the United States and Latin America described the contradiction between oppressed and imperialist nations.

Chapter 2: Third World Revolution

In the 1960's the CCP supported violent revolution in Latin America. The CCP sent low-level government officials to the region to promote Maoist Communism. The CCP published documents in Spanish and Portuguese and developed pro-Maoist parties. In Latin America the CCP endorsed revolution either by spreading Maoist rhetoric or through military and economic aid. In this chapter, I focus on the CCP's support of violent revolution. In the 1960's the CCP was relatively successful at spreading Chinese style Communism to the region and supporting Communist revolt.

One of the most effective methods of Chinese propaganda in the region was the New China News Agency (xin hua). The agency was active in various nations throughout Latin America and was under the direction of the Propaganda Department of the Central Committee of the Chinese Communist Party. The NCNA broadcasted news to Latin America that appeared in Radio Peking or *People's Daily* (a widely-circulated Chinese newspaper). Johnson even suggests that the members of the CCP that ran the NCNA often acted as diplomatic representation in nations where official representation did not exist. For example, "at times they made travel arrangements and took care of cultural exchanges... they were known to have passed

money to groups having pro-Chinese Communist parties, movements, and front organizations in Latin America."²¹

The *Peking Review* also included anti-US and anti-Soviet rhetoric. For example, the article "The First Afro-Asian-Latin American People's Solidarity Conference" stated, "the conference witnessed a sharp struggle between two lines. It marked a tremendous upsurge and victory for the Afro-Asian and Latin American peoples' cause of solidarity against U.S. imperialism. It was a damning exposure and heavy defeat for the new Soviet leaders' capitulationism and divisive schemes."²² The article demonstrates strong sympathy from the CCP to the people of Latin America. Throughout the 1960's the CCP's propaganda suggest great success in Latin America.

The CCP endorsed the Cuban Revolution of 1959. In 1961 Che Guevara visited Beijing, a peak in the Sino-Cuban relationship.²³ However, initially the PCC was adamant about Cuba remaining independent of other Communist forces. However, Cuba was in no position to turn down help after the 1963 US embargo on trade. Naturally, Cuba looked toward the Soviet Union, being the more powerful Communist nation. However, In March 1963 Castro spoke to a French journalist expressing agreement with Mao's ideas on imperialism.²⁴ However, by 1965 the Sino-Cuban relationship began to weaken. Mao denounced Castro for his alliance with the Soviet Union and revisionism, an abandonment of Marxism according to Mao. Unfortunately for China, Cuba would remain the only nation throughout the 1960's to develop formal political ties.

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²¹ Johnson, 10

²²The First Afro-Asian-Latin American People's Solidarity Conference. (Vol. 4 Beijing: Peking Review, 1966), 19

²⁴ F. Parkinson, *Latin America, The Cold War, and The World Powers, 1945-1973.* (Vol. 9. London: Sage Publications, 1974), 176

The CCP was initially successful at promoting Maoist Communism in Brazil. China began seeking political ties with Brazil in 1961. At the time Janio Quadros was president and Joao Goulart was Vice President and a member of the Brazilian Labor Party (PTB). In 1961 Quadros resigned his post as President in what some speculate was a "self-coup". Goulart then became president. Goulart had strong left wing and nationalist tendencies as well as sympathy toward Communist factions. During Goulart's term as president, which ended with a coup in 1964, the PRC developed its closest relations with Brazil. According to a New China News Agency (NCNA) commentator "the Joao Goulart government enter[ed] into diplomatic relations with China, activities of political parties and social developments...Chinese trade personnel [made] arrangements for a commodity exhibition, trade connections and deals." Because Goulart was a Communist sympathizer the PRC developed a better relationship with Brazil.

Many of the Communist factions in Latin America had Stalinist supporters who were perturbed after the 1956 denunciation of Stalin by Khrushchev. In Brazil, the Communist party leaders, many who had been handpicked by Stalin himself, found themselves angry at Khrushchev and sympathetic to Mao's anti-revisionism. In 1961 the party found itself at a disagreement that could not be overcome. Therefore, in 1962 the Pro-Chinese developed a separate faction. Mauricio Grabois, founder and leader of the Brazilian Communist Party until 1973, stated, "the conditions of the struggle in Brazil are in some respects similar to those of the Chinese people's struggles before they defeated their enemies and gained final victory. That is why in the light of Brazil's specific conditions, the road travelled by the Chinese Communist Party is a reliable chart for the Brazilian people in their struggle for national and social

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²⁵China Notes, *China and Brazil*. (Peking: New China News Agency, Sept. 29th 1964)

emancipation."²⁶ The Brazilian pro-Chinese Communist Party is first an example of Mao's ability to effectively promote his doctrines globally and second the appeal of Maoist Communism to Latin America.

In the 1960's China expressed support for many nations in their struggle against imperialism; however, not always in a consistent fashion. In 1964 Mao Zedong, via the New China News agency, released a statement in support of the riots taking place in Panama. Riots over the Panama Canal Zone were not uncommon. Beginning in 1960 Panamanians rioted and appealed to the US Canal Zone officials to allow Panama's flag to be flown in the Canal Zone. Late that year, on September 21st, 1960 with support from the US Department of State, Panama's Flag was raised in one location along the Canal Zone. However; this did little to appease the Panamanians as the US flag continued to be raised in multiple locations. An agreement was finally made in late 1963 that the two flags would be flown side by side in multiple locations. Angered, students from the American High school of Panama chose to raise only the American Flag on their campus. Outraged, two days later, on January 9th, 1964, nearly two hundred Panamanian students marched into the Canal Zone with their flags. A struggle ensued and eventually thousands of Panamanians rushed the border resulting in twenty deaths. Rioting continued for three days. On the third day of rioting Mao released his statement. The statement read as follows:

"The heroic struggle now being waged by the people of Panama against the U.S. aggression and in defense of their national sovereignty is a great patriotic struggle. The Chinese people firmly support their just action in opposing the U.S. aggressors and

²⁶ Mauricio Grabois, *The World Revolution's Vanguard and Leading Force*. ("A Classe Operaria", July 1-15, 1963, as excerpted in "Peking Review", August 10, 1963), 27

seeking to regain sovereignty over the Canal Zone. U.S imperialism is the most ferocious enemy of the World's people. It has not only committed the grave crime of aggression against the Panamanian people and painstakingly and stubbornly plotted to strangle Socialist Cuba, but has continuously been plundering and oppressing the people of the Latin American Countries and suppressing the National-democratic revolutionary struggles there."²⁷

Despite Mao's support for the Panamanian armed struggle against US control over the Panama Canal, the riot was not a Socialist or Communist struggle. In this case the CCP was more strictly interested in undermining US control and influence in Panama.

Similar to Brazil, the CCP experienced success in Latin America when the Peruvian Communist party split in January 1964 and developed the pro-Chinese faction. The pro-Chinese Peruvian party was established at the Fourth National Conference of the Peruvian Communist Party (PCP). ²⁸ The pro-Chinese Communists in Peru emulated their CCP mentor by supporting anti-imperialism and anti-revisionism and rejected the Soviet ideal of "peaceful coexistence."

The CCP also approached Communist leaders in Peru. The level of Chinese political leaders that met with the Peruvian delegates as well as the presence of the visit in the Chinese press suggests the importance of these meetings to the CCP. On October 24th 1964 the NCNA published:

"Lin Feng, Vice Chairman of the National People's Congress Standing Committee, this morning received and had a cordial talk with Peruvian delegation of members of the

²⁹ Johnson, 212

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²⁷ Mao Tse-tung, Statement on Panama. (Beijing: New China News Agency, 12 January 1964)

²⁸ Both the pro-Soviet and pro-Chinese Communist parties of Peru are named the Communist Party of Peru

parliament and intellectuals led by Augusto Grandez Lopez, member of the Lower Chamber of the Peruvian Parliament. Present were Wu Hsin-yu, member of the NPC [National People's Congress] Standing Committee, and Lien Kuan, Vice President of the Chinese People's institute of Foreign Affairs."³⁰

At the time of the visit by Peruvian delegates Peru was led by the Accion Popular, a centrist liberal democracy. However, Peru's pro-Chinese Communist faction most likely encouraged the PRC to seek relations with Peru.

The PRC also approached former Guatemalan Communist Manuel Galich. Galich was a writer, playwright and politician during the Jacobo Arbenz government. During Arbenz's rule he held positions such as Foreign Minister and Education Minister of Guatemala. After the Coup d'état in 1954 he was exiled to Cuba. On October 3rd 1964 the NCNA reported on Galich's visit to Beijing.

"Manuel Galich, former Foreign Minister and Education Minister of Guatemala, playwright, Vice President of the "Home of the Americas" in Cuba and Professor of American History at Havana University, and his wife today left Peking by air for home after their visit to China. Among those seeing them off at the airport was Chang Chihhsiang, Vice President of the China-Latin America Friendship Association."³¹

The China-Latin America Friendship Associations was primarily responsible for organizing such occasions. These meetings were clearly important to the CCP if they devoted time and energy into arranging and reporting on them.

24th 1964)

³⁰ China Notes, *Guatemalan Guests Leave Peking for Home.* (Beijing: New China News Agency, October 3rd, 1964)
³¹ China Notes, *Vice Chairman Lin Feng Receives Peruvian Guests.* (Beijing: New China News Agency, October

The next armed struggle in Latin America supported by the CCP took place in the Dominican Republic. In 1963 Juan Bosch was inaugurated as President of the Dominican Republic. He then attempted land reform. For wealthy land holders and the military, Bosch's constitutional and economic reforms were seen as radical. A military coup on September 25th 1963 ousted Bosch from his presidency. Soon after a military Junta (military government) was established. However, divisions within the Junta soon formed. In April of 1965 a group of army officers attempted a coup against the military government. It was not long before the US military intervened. The CCP responded with outrage against the United States, who remained in occupation of the Dominican Republic from April 28th, 1965 until September 1966. Mao made a public statement against the intervention of the US. On September 12, 1965 the New China News Agency published Mao's statement:

"The patriotic Dominican people are now waging a heroic fight against the U.S. aggressor and his lackeys. The Chinese people firmly support the Dominican Republic in the patriotic armed struggle against U.S. imperialism. I am convinced that the Dominican Republic, with the support of the people of the world is sure to win final victory... The people in the Socialist camp should unite, the people of every continent should unite, all peace loving countries and all countries subjected to U.S bullying, control, interference and aggression should unite, and form the broadest united front to oppose the U.S imperialist policies of aggression and war and to safeguard world peace." 32

People in cities throughout China demonstrated on behalf of the Dominican Republic. Johnson suggests that the uprising in the Dominican Republic gave China hope for further revolution in

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³²Mao Tse-Tung, Statement on Dominican Republic. (Beijing: New China News Agency, 12 May 1965)

the region. After five years of limited political breakthrough, the attempted coup in the Dominican Republic motivated Mao and the CCP to continue promoting revolution.

Chinese support for pro-Communist splinter parties became increasingly popular by 1965. Pro Chinese parties were established in Brazil, Peru, and Bolivia in April 1965. As Van Ness explains, "Peking's approach to the new pro-Peking splinter parties seems to be based on two separate considerations: Chinese support for Latin American revolutions and the Sino-Soviet dispute." The second helps to explain China's involvement in the Venezuelan guerrilla movements. Venezuela had experienced a long history of revolutionary activity. One organization at the center of the revolutionary activity was the Communist Party of Venezuela (PCV), created in 1931. After gaining legality as a political party in 1958, the PCV comprised of 3.2% of the votes in Venezuela's 1958 election, approximately 85,000 votes. By 1960, the PCV had launched a guerrilla movement against Romulo Betancourt's government. The PCV got most of its support from the peasantry. However, Betancourt's centrist political stand prevailed and ultimately gained more lasting support than the more radical PCV.

On February 11th 1965 China mentioned the PCV in a press release. The CCP mentioned a "mysterious meeting of Latin American Communist Parties" which "endorsed the furtherance of revolution by 'all means' including the 'active aid' to freedom fighters in a number of Latin American countries including Venezuela." China's support for the PCV was perplexing. The PCV had distinct ties to both the Soviet Union and Cuba, two nations with which China had increasingly estranged relations. It is likely that China was hoping the PCV might produce a splinter group that showed stronger ties to Maoist Communism. However,

³³ Pro-Chinese guerilla movements were also established in Colombia, Ecuador, Chile, Dominican Republic, and

Mexico but received little to no attention in the Chinese Press.

Van Ness, 151
 China Notes, China's Communist Subversion in Latin America. (Hong Kong, Feb. 11, 1965)

China's relationship with the PCV shows inconsistencies in the CCP's relations with Communist factions in Latin America.

The CCP also effectively espoused Maoist Communism to Argentina. In 1965, according to Van Ness, the CCP had interest in "people's guerilla forces" operating in armed struggle in Argentina. However, there was no further discussion of said armed struggle by the Chinese. Although, as late as July 17th 1968 the NCNA reported strikes in Argentina and Colombia adding "workers, students and teachers in several Latin American countries are persisting in their struggle against U.S. imperialist aggression."36 In 1967 and 1968 the Communist party of Argentina split as a result of the aggression between China and the Soviet Union. In 1969 the Revolutionary Communist Party of Argentina was created. In the Peking Review article "Studying Chairman Mao's Works Movement in Latin America" an Argentinean Communist party leader suggested, "the study and application of Chairman Mao's Tse-tung's works in a creative way should become regular activity in our organization."³⁷ The mention of Mao's teaching by an Argentinean Communist leader shows that the CCP was effective in spreading Maoist communism to the region. However, the Communist parties in Latin America remained small and not influential throughout the 1960's. Van Ness suggests that, the "pro-Peking CP's were not in control of the more effective revolutionary movements in Latin America."38 The Chinese also showed inconsistencies in their support for armed struggle. After the American intervention in the Dominican Republic, the Chinese endorsed twelve revolutionary efforts in Latin American in 1965.³⁹ However, by the end of that year the Chinese spoke of only eight in their publications (excluding Argentina and Bolivia). Later on July 10th 1968 the People's Daily

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³⁶ Communist Subversion in Latin America

³⁷ Studying Chairman Mao's Works Movement in Latin America. (Beijing: Peking Review, 1969), 23

³⁸ VanNess, 151

³⁹ China endorsed revolutionary activity in Argentina, Bolivia, Brazil, Colombia, Dominican Republic, Guatemala, Haiti, Honduras, Nicaragua, Paraguay, Peru and Venezuela

mentioned revolutionary activity in Latin America regarding "the recent vigorous revolutionary student movements in Latin America." The NCNA also mentioned student movements on July 13th 1968 in Brazil and again on July 17th and July 20th 1968 the NCNA reported on strikes in Argentina, Colombia, Peru and Ecuador. Throughout July the NCNA also reported student movements in Uruguay, Chile, Colombia, Ecuador, Brazil and Venezuela. However. "this revival of interest [came] at a time when the Chinese [were] anxious to present a picture of weakening American administration so as to discourage the North Vietnamese from accepting a negotiated settlement."⁴¹ Furthermore, by 1968 Chinese efforts in Latin America had won "few recruits in the countries concerned."42 Thus, as the revolutionary efforts in Latin America were not producing official political ties for the CCP, they opted for a more practical approach that would better benefit them.

Chapter 3: Quid Pro Quo: Chinese Aid to Latin America

Official documents produced by the CCP during the 1960's espoused Maoist Communism and supported violent revolution. Yet, China's economic intervention in the region suggests the CCP was more interested in developing alliances and trading partners. Throughout the decade China offered aid to multiple nations in Latin America in the form of both monetary and material assistance. While some of China's aid to the region went to supporters and allies of Chinese Communism, the rest went to strategic nations often contradicting the CCP's official reasons for expanding foreign policy.

⁴⁰ China Notes, Renewed Chinese Interest in Latin America. (Hong Kong, July 25, 1968)

⁴² ibid

After the Sino-Soviet split, the CCP's economic diplomacy included aid to the third world, in hope of gaining allies in return. Although Latin America was China's lowest priority in the third world, coming after Africa and Asia, various nations in the region still received aid in the 1960's. From 1954-1989 China provided 314 million USD to Latin America. During the 1960's Latin America accounted for 3.2% of China's total aid to developing nations. Major recipients in the region included Cuba, Brazil, Ecuador, Chile and the Dominican Republic. Aid to Latin America was not as high a priority as Africa and Asia because it was economically more developed. Most of the aid that went to Latin America, however, was not in hard currency but rather in the form of goods and technical advisors. Although aid to the region was minimal, China's overall aid to the world was small. More important than the amount of aid is the fact that China found the region important enough to receive aid.

The CCP hoped its aid program would first, create more Socialist and Communist sympathizers, and second, that a more economically sufficient and developed Latin America would provide China with a valuable market. Most of China's aid was provided to nations that were politically and strategically important. A less substantial amount of aid went to sympathetic governments. The Kommunist, a Soviet periodical, argued on May 7th 1964:

"Having set themselves the monstrous goal of splitting the Communist Movement, the Chinese leaders began to form little groups out of various renegades, apostates and adventurists, calling them 'Parties', and to counter-oppose them to the Marxist-Leninist Parties. Such groups have been formed in Belgium, Brazil, Australia, Ceylon, Great Britain and some other countries. The Chinese Leaders are supplying these groups with

⁴³ However, from 1972-1985 aid to the region dropped as a result of the CCP's domestic pressure from Cultural Revolution. At this time China had also developed official diplomatic ties with many nations in the region allowing trade to become a higher priority than aid.

⁴⁴ Li, 8

money and printing presses, and are distributing factional material throughout the world."45

The CCP's aid to Ecuador is an example of providing material assistance. On June 18th, 1964 *China Notes* stated:

"It has been reliably reported from Ecuador that Jose Maria Roura, member of the CC [Central Committee] of PCE [Communist Party of Ecuador] visited London and various East European countries, including the USSR. On his return to Quito in May, 1963, he was arrested when \$27,000 were found in his luggage. He subsequently admitted that he had been invited to go to London by the International Library of Peking to study the possibilities of printing various books and leaflets in Ecuador."

The same publication reported that Brazil was receiving some \$3,000 to \$16,000 dollars every month to bodies like the IUS (International Union of Students). More important than the amount of aid is the fact that China was pursuing such activities, an aspect largely overlooked in literature regarding China's foreign interactions in the 1960's.

The sympathetic governments to which China gave aid included Peru, Guyana, and Jamaica. On November 2nd 1971 Peru and China developed official political ties. Just three weeks later the Chinese sent a \$42 million loan. This loan surpassed that of the Soviet Union which granted Peru \$28 million.⁴⁷ In 1971 the CCP and Guyana, under Prime Minister Forbes Burnham, signed an agreement on the Mutual Assignment of Commercial Offices. After

⁴⁷ Li, 48

⁴⁵ China Notes, *Chinese Financial Aid to Dissident Groups*. (Hong Kong, June 18th 1964)

⁴⁶ Ibid

Guyana's recognition of the PRC in 1972, China offered a \$26 million interest-free loan.⁴⁸ The CCP was the first Communist government to have such interactions with Guyana. Jamaica also recognized the PRC in 1972 under the Presidency of Michael Manley. In 1976 China then began providing Jamaica with monetary aid. In addition to China's financial aid and technical advice, they also offered disaster relief aid after the Valdivia earthquake of 1960 to Peru, Chile, and Bolivia, who had yet to even recognize the PRC.

Some of the more strategically and politically significant nations that China provided aid to included Chile, Nicaragua, and Cuba. Under Salvador Allende in 1972 China provided \$65 million dollars in aid. Under Allende, Chile was a socialist nation. He embarked upon policies such as collectivization and nationalization of private businesses. The United States feared another left-wing government in Latin America and in 1973 a CIA organized coup d'état ousted Allende and aid from China to Chile ended. In the late 1970's China loaned \$22 million to the Sandinistas, a pro-Chinese party. However, China's largest aid recipient in the region, during the 1960's was Cuba, a politically strategic nation for China.

Cuba was strategically important to China for two reasons. First, when Cuba initially declared its independence, it was a neutral nation which the CCP hoped would support it before the Soviets. Second, Cuba was viewed as an important access point for the Chinese to the rest of the region. In 1963 Beijing donated rice, wheat, corn, cotton cloth, cement, and steel to Cuba. Despite China's generosity, they did not have the resources to trump that of the Soviet Union. Therefore, Cuba was forced to turn to the USSR after the US embargo on Cuban sugar. This contributed to the deterioration of Sino-Cuban relations after 1965. In 1966 Cuba and China

⁴⁹ Li, 47

⁴⁸ This figure is disputed. Some articles report that the loan was upwards of \$52 million

publicly disagreed over the aid China had promised. Castro stated China backed out of its agreement to purchase 800,000 tons of sugar from Cuba and for not delivering 250,000 tons of rice. Castro denounced the PRC referring to their actions as a "criminal act of economic aggression." The CCP replied in the *Peking Review* stating,

"If the Cuban side, truly because of difficulties in foreign relations, genuinely hoped that China would export more rice to Cuba in 1966, it could very well have raised the matter in negotiations at a higher level as it did in the past. But at a time when the preliminary negotiations between the delegations of the Ministries of Foreign Trade of the two countries are still going on, the Cuban side has unilaterally and untruthfully made public the contents of the negotiations and tried to shift on to China the responsibility for the cut in the rice ration for its population. This really compels us to suspect that in doing this the Cuban side is after something else." ⁵¹

The disagreement over Chinese aid eventually led to a decline in Sino-Cuban relations over the second half of the decade. However, the Sino-Cuban relationship suffered more as a result of China's inability to compete with the Soviet Union as an economic powerhouse.

Throughout the 1960's and into the early 1970's China embarked upon developing economic ties with Latin America in hope of developing official diplomatic ties. One method of doing so was through aid and loans. The CCP hoped that with China's aid Latin America could become a major trading partner. However, in many respects China was either unwilling or unable to provide the necessary aid that would enable the underdeveloped nations to trade at a higher level with China. On September 16th 1964, *China Notes* argued that

⁵⁰ Castro's February 6 Anti-China Statement. (Beijing: Peking Review, February 25, 1966), 22

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⁵¹ A Responsible Official of the Chinese Ministry of Foreign Trade. *Further Remarks on Sino-Cuban Trade Question*. (Beijing: Peking Review, 1966), 15-16.

"The Chinese, for their part, since they can no longer rely on obtaining technical aid and equipment from the Soviet Union and Eastern European countries, can ill afford to give much help to other countries while their own industrial development falls short of their goal. They may also calculate that the hope of financial aid may render leaders more tractable than the possession of it." 52

Even though the CCP experienced delays and failures in its implementation of aid to the region, in some nations the mere promise of economic support from the CCP assisted in developing diplomatic relations. China's pragmatic approach to aid and loans to various nations suggests a desire to create alliances with sympathetic and strategic nations rather than to spread violent revolution and Maoist Communism. The CCP's desire for alliances is also visible in the trade relations with the region.

Chapter 4: Bridges Across the Pacific: China's Trade Policy Develops with Latin America

The CCP's official press releases in the 1960's focused on Latin America's potential for Communist revolt, the CCP also began to build economic ties with various nations. Unlike China's political activities in the region, their economic activities were more pragmatic in that they often disregarded the CCP's political ideology in favor of forming alliance with strategic nations. China's trade relations with Latin America show a clear strategic interest in gaining access to the regions valuable resources. China's need to break out of the United States "containment" policy became even more desperate after their split with the Soviet Union. China was also interested in developing economic ties in hope that it would lead to Latin American

⁵² China Notes, *Delays and Failures in the Implementation of Chinese Foreign Aid.* (Hong Kong, September 16th, 1964)

nations recognizing the CCP as the legitimate governing body of China. Therefore, many of China's largest trading partners were not necessarily left wing sympathizing governments. As a result, China's trade initiatives with the region led to long-lasting economic ties well into the 1970's.

Throughout the 1960's China's major trading partners in the region included Cuba, Argentina, Mexico, Chile, and Brazil. Unlike some of the nations that were receiving aid from China, the PRC's major trading partners were economically more developed and politically influential. For much of the 1960's China's efforts focused on establishing trade agreements in the region. Thus, overall trade only reached \$2 billion USD, \$200 million annually, throughout the entire decade. This comprised only 0.3% of China's total trade and when excluding Cuba0.1%.⁵³ However, the foundation the PRC developed during the 1960's arguably allowed the Chinese to continue trading with Latin America into the 1970's despite the effects of the Cultural Revolution.⁵⁴

In October 1960 the PRC announced its desire to further trade with Latin America to access its "rich industrial raw materials and mineral products, particularly nitrate and copper." In return China would export tea, resin, medicinal herbs, animal products, textiles, medical supplies, radio equipment, and laboratory equipment. However, as the effects of the Great Leap Forward set in, China found itself experiencing widespread famine and for the first time since

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⁵³ Li, 23

The Cultural Revolution was a nationwide effort by the CCP to make widespread social, political and economic changes. The Cultural Revolution resulted in damage to the Chinese economy.
 Li, 23

⁵⁶ The Great Leap Forward was an economic and social movement from 1958-1961 in which China attempted rapid agriculturalization, industrialization, and communilization. The Great Leap Forward was overall a failure on behalf of the CCP resulting in the death of millions of Chinese from famine.

1949 began importing grain. As a result, despite China's desire for access to the region's mineral resources throughout the 1960's, their main imports were wheat, maize, and cotton.

The figure below shows China's trade with Latin America for the years 1950, 1960, 1970, and 1980.

China-Latin American Trade Balance, Export and Import Values (In millions of USD)⁵⁷

Year	1950	1960	1970	1980
Total	1.96	31.3	1,331	1,605
PRC's exports	0.05	10.3	75.2	488
PRC's imports	1.91	21.0	70.6	843
PRC's Balance	-1.86	-10.6	4.6	-355

The above table suggests that China was successful in increasing trade with the region as trade increased by 4200% from 1960-1970.

In 1962 China turned to Argentina for nearly 10% of its wheat supply.⁵⁸ From 1960-1969 trade between Argentina and China remained one-sided. In 1966 trade between the two nations reached its highest point for the decade at \$108 million. However, in 1966 the Argentine Revolution took place establishing a military junta. Argentina then became more cautious of developing greater economic ties with China because it was a Communist nation. By 1968 bilateral trade between the two nations fell to nothing and in the subsequent year rose to only \$70,000. In the mid 1960's China attempted to increase the amount of imports of grain it

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⁵⁷ Li, 23

⁵⁸ China Notes, *China's Grain Problems*. (Hong Kong, May 2, 1968)

received from Argentina. According to Lima Radio on March 21st 1968 Argentina "signed a contract selling between 500,000 and one million tons of wheat and corn a year to China."59 This came after China's report of a record harvest in 1967. This shows the CCP's desire to maintain trade relations with Argentina despite its less friendly government and China's record harvest.

In the early 1960's China proactively sought trade agreements with Brazil. Under the leadership of Janio Quadros and Joao Goulart, Brazil became increasingly left wing. In fact, after Ouadros quit. Goulart became President of Brazil while he was visiting China. During his trip Goulart signed a trade agreement with China. In 1963 China began preparing for an economic trade exhibition in Brazil which was finally approved in 1964 when Goulart's administration moved even further to the left. Until 1964 trade between China and Brazil seemed promising. However, Goulart's government was overthrown in 1964 and Castelo Branco's military regime was ushered in. Soon after the coup in April 1964 nine Chinese newsman and trade personnel were arrested on the grounds of trying to start a mass revolution. After their indictment the NCNA released a statement on behalf of the nine arrested men. The NCNA claimed:

"The nine Chinese arrived in Brazil when President Joao Goulart was in office. Wang Wei-chen was been residing in Brazil for more than two years in conformity with Brazil's legal requirements. It was with the Brazilian government's approval that Hou Fa-tseng went to prepare for an exhibition in Brazil. The written approval was published in Brazil's Government Gazette on June 12, 1961. Wan Yao-ting arrived in Brazil on January 14, 1964, for trade negotiations and preparations for the establishment of a

⁵⁹ ibid

representative 's office of the China Council for the Promotion of International Trade in Brazil." ⁶⁰

Here the NCNA are defending the CCP's actions and denying any attempt to start mass revolution. This contradicts the party's line of supporting violent revolution in Latin America suggesting that maintaining economic relations outweighed espousing Maoism. Nonetheless, relations between Brazil and China soon ended with the change in Brazilian government.

Another major trading partner of China was Mexico. While Argentina supplied China with the majority of its wheat from the region, another source was Mexico. In 1964 China imported 450,000 tons of wheat, amounting to \$30 million. However, imports from Mexico were overall minimal. More importantly, China spent most of the 1960's attempting to develop trade agreements with Mexican delegates in hopes of strengthening China's trade with Mexico. These often included discussions on what would be traded, quantities that would be traded, and on many occasions China hoped to have a trade exhibition in Mexico. This desire to develop close economic ties is often ignored in literature regarding Chinese foreign policy.

The only nation China established significant two way trade with during the decade was Chile. Throughout the decade China imported copper, nitrate, and iodine from Chile and in return exported textiles and light industrial products. While Chile was interested in trading with a "great power" and gaining access to the Chinese market, eventually the lack of official diplomatic relations and the beginning of the Cultural Revolution impeded upon greater trade between the two nations.

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⁶⁰ China Notes, NCNA Commentator on Brazilian "Indictment" against Chinese. (Hong Kong, Sept. 29th 1964)

While Argentina, Chile, and Brazil were significant trading partners in the region for the PRC throughout the 1960's, China's most significant economic relations developed with Cuba. By 1965, China accounted for 14% of Cuba's total trade. This made China Cuba's second largest trading partner, after the Soviet Union, and amounted to more than the entire Eastern Bloc. Two way trade between China and Cuba consisted of sugar from Cuba and rice from China and throughout the decade Cuba was 77% of China's total trade with the region. Despite the deterioration in political relations between China and Cuba, trade between the two remained into the 1970's. This seems to suggest that China's interest in developing economic ties with Latin America may have diverged from its well publicized critique of Cuba as being a Soviet sympathizer.

Similar to China's aid policy, their development of trade agreements with the region did not rely upon official political ties or agreement between political ideologies. For example no nation that China either provided aid to or traded with recognized the PRC as a legitimate governing body of China except for Cuba. However, even in the case of Cuba, trade continued despite the deterioration in their political relationship.

Politics was not necessarily a significant part of China's decision making with whom to trade. According to *China Notes* on September 17th 1964, "Communist China [was] capable of pursuing simultaneously two contradictory policies towards individual nations." ⁶¹ China's dispute with the Soviet Union and the resulting effect on relations with Eastern Europe led "the Chinese [to begin] looking elsewhere for allies, and, more important still, for new sources of the technological equipment they need[ed] and could no longer obtain from East Europe." ⁶² Mao

⁶¹ China Notes. *Peking's Two-Faced Policy Towards "Reactionary Regimes"*. Hong Kong, September 17th, 1964.

Tse-tung stated to a group of Latin American Communists "China has no legal status on the world arena. For the West China is an illegitimate state. That gives us freedom to act in defiance of the law designed to restrict us. We can do as we wish." With such a *Realpolitik* philosophy consistency among the CCP's foreign policy and its treatment of various nations could not be expected.

The CCP's *Realpolitik* philosophy is most apparent in its trade relations. One reason China turned to Latin America was its need for a wheat supply after the widespread famine caused by the Great Leap Forward. However, his does not explain China's desire to create long term trade agreements with Cuba, Chile, and Brazil. During the 1960's the PRC was staunchly practicing a "closed-door" policy in which the CCP pursued a self-sufficient economic strategy. Therefore the question remains, why was China interested in creating trade agreements in the region?

China hoped to develop trade relations with Cuba, Argentina, Mexico, Chile and Brazil which are all influential nations, politically, economically, and culturally in the region. Other than Cuba and Brazil, none of the nations expressed any great deal of interest in trading with China, and other than Cuba, none of the nations recognized the CCP as a legitimate governing body in the 1960's. It can therefore be inferred that China did not desire to trade with these nations out of an interest to promote development, as suggested by Johnson, as the PRC was targeting more developed nations in the region.

An even greater inconsistency in China's economic policies was the types of trade agreements the PRC was hoping to develop. China at this time practiced a "closed door policy" a policy that would be extended even further in the late 1960's. However, China was reaching

out to Mexico, Chile, and Brazil in the form of trade exhibitions. These exhibitions took place in Mexico and Chile. Li suggests that "Beijing used the occasion to sharpen the average Chilean's awareness of China's economic achievements and to foster a sympathetic impression of the political system that stimulated such rapid advances." On multiple occasions officials from all three nations were invited to Beijing to discuss the question of trade. Thus, it appears that the CCP was not necessarily always interested in spreading violent revolt in Latin America, but rather had the more pragmatic desire to gain allies and sympathizers.

One reason China was interested in developing allies in Latin America was its rivalry with Taiwan. Taiwan was a trading partner for many Latin American nations who were more comfortable with the ROC's more conservative politics. Therefore, it would make sense for China to attempt to undercut that relationship. Secondly, if the Chinese could gain allies and sympathizers by promising rapid economic growth by way of their industrial methods Mexico, Brazil, Chile and Argentina may be more inclined to vote in favor of the PRC. On a related note, smaller nations in the region may also be swayed by the way in which the more influential nations allied themselves. Lastly, China continued to trade with Cuba despite the deterioration in the political relationship. This suggests that China may have been weary of disturbing relations with the one nation that did recognize the CCP.

Thus, it seems that China had multiple reasons for developing trade relations with Latin America. However, arguably none of these reasons were driven by the desire to spread violent revolt in the region, which was the official policy of the CCP at the time. This discrepancy between China's actions and what the CCP was espousing suggest that China was strategizing against Taiwan, the US, and the USSR to gain greater world influence. However, ultimately,

63 Li, 29

China would realize by the end of the 1960's and into the early 1970's that they could not compete with the US and the USSR. Therefore, economic initiatives alone were not the most effective approach to gaining allies in the region.

Chapter 5: Domestic Failures; Foreign Successes: China in the early 1970's

By the end of the 1960's and early 1970's China's approach toward Latin America began to change drastically. China had made little significant gains in the promotion of violent revolution and trade. Cuba remained the only nation that recognized the PRC in Latin America. For multiple reasons China began to alter its foreign policy including its relationship with the United States. One major reason for the change in China's political attitude was the Cultural Revolution, which took its toll on the Chinese and the CCP draining China's resources economically and politically. Latin American nations were not China's major trading partners in the 1960's as the United States and the Soviet Union continued to have a strong hold on the region. However, China's interest in the region's resources led to a strong foundation for an improvement in relations in the mid to late 1970's.

A general trend in China's policies toward Latin America shows moderate development throughout the early 1960's and around 1966-1968 a sharp decrease in political and economic ties. While China's approach toward violent revolution did not gain much support in the 1960's, it is likely that China's domestic policies began to greatly interfere with their international standing. Around 1966 Mao began to focus on strengthening the CCP and its control over the development of a strong Socialist society in China.

The Cultural Revolution began in 1966; however, Mao had been building upon his "Contradictions" theory as early as 1965. LaFeber suggests "foreign policy setbacks" in the

1960's led to a decline in China's diplomatic leverage, which in turn "influenced Mao to launch a Cultural Revolution in China that transformed foreign policy and enabled [Mao] to eliminate personal enemies within Beijing" ⁶⁴ Mao had come to believe that China's lack of strategic gains globally was a result of internal contradiction "between the working class and the national bourgeoisie... between ourselves and the enemy." ⁶⁵As Mao and his Red Army began to purge the nation of all signs of bourgeois activity, Chinese efforts to support revolution abroad took a back seat. Chinese resources began to spread thin. Latin America, a region where China saw the least gains, became the first region to lose Chinese support. For example in 1967 the Chinese ambassador to Cuba was withdrawn as China could no longer afford to have high level officials overseas. Many NCNA members also left the region to return to China. Clearly, the Cultural Revolution limited Chinese ability to partake in revolutionary activity abroad.

Another startling political development for the CCP was détente between the PRC and the United States. The Cultural Revolution left China drained, militarily and economically, and fighting US anti-imperialism became a burdensome challenge. The Chinese were unable to compete with the United States and the Soviet Union in multiple third world frontiers. Tension between the Soviet Union and China had also increased throughout the 1960's. In 1969 the Soviet Union sent one million troops to the Sino-Soviet border. As clashes occurred between the Soviet and Chinese armies at the border "China's fear of the Russian's jumped." (1966)

President Nixon also had multiple reasons for desiring a cooling of tension with China. The United States economy was beginning to suffer by 1972 and the US military and economic might had been drained by the Vietnam War. Nixon and Mao needed on another in hopes of

⁶⁴ Walter LaFeber, America, Russia, and the Cold War, 1945-2006. (New York: Cornell University Press, 2008)

⁶⁵ Mao Tse-Tung, On the Correct Handling of Contradictions.

⁶⁶ LaFeber, 281

putting Soviet power in check. As early as 1969 the two nations began to send one another subtle hints of a desire to develop official political relations. In 1972 President Nixon and Secretary of State Henry Kissinger visited China. While there they signed a Friendship Treaty. Nixon then became the first US president to visit China and his trip was considered a great success. Within months of signing of the Friendship Treaty the PRC was made a member of the United Nations and Taiwan was expelled.

The first nation in Latin America to recognize the PRC after Cuba was Chile in 1971 under the leadership of President Allende, a known socialist. However, it was not until after the United States developed political ties with the PRC that other nations in Latin America did so as well. By 1977, twelve nations in Latin America had developed official diplomatic ties with the PRC. China's swift change in political values suggests motives outside of spreading violent people's revolt in the third world. Rather it seems that the PRC desired allies in the region and recognition over Taiwan.

Another driving force in China's foreign policy of the 1960's was a desire to obtain trade with Latin America for resources China did not have. Once China had established formal diplomatic relations with multiple nations in Latin America trade began to take-off. In 1960 China's trade with Latin America was a mere 31.3 million USD. Some growth occurred by 1970 as trade increased to 145.8 million USD. However, in the decade following, China's trade with Latin America in 1980 had grown to 1.331 *billion* USD. ⁶⁷ China's ability to increase trade by over a billion dollars in a single decade was aided by its economic endeavors the decade before.

⁶⁷ Li, 40

However, it is important to note that in 1978 China made a drastic change in its organization of the economy. After Mao's death in 1976, Deng Xiao Ping became the Premier of China. In 1978, after decades of practicing a closed economic policy, Deng created the "Open Door Policy" in which China began reforming its trade strategy. Initially in the late 1970's the "Open Door Policy" has a minimal effect on the PRC's trade with Latin America. In 1978 China began to focus on opening its doors to trade primarily with the United States. This policy truly took effect in Latin America in the late 1980's when trade jumped from 1.6 billion USD in 1986 to nearly 3 million in 1989. Therefore, it appears that China experienced some success economically in the region in the 1960's, the effects of which were not felt until the late 1970's and 1980's.

Clearly, the 1970's was a time of great change for the PRC. The Cultural Revolution, devastating domestically, forced China to relax its policy of not developing international relations. The promise of better US-China relations after Kissinger's visit in 1971 helped put Soviet power in check, an enemy which had become an increasing threat to China throughout the 1960's. The PRC was recognized as the legitimate governing body of China in 1972 and allowed a seat in the United Nations while the ROC was ushered out, a strategic and powerful shift. These events then led to an increase in official diplomatic ties with many nations in Latin America. The seemingly swift change of ideals on behalf of Mao in the late 1960's as well as China's aid and trade policies suggests that China's interest in Latin America was more pragmatic than ideological.

Conclusion

A decade after the CCP secured control over the People's Republic of China, Mao and the rest of the Communist Party were no longer allied with the Soviet Union or looking to the USSR for assistance. Therefore, the CCP began looking toward the third world to develop alliances to secure a stronger place in world politics. In the 1960's the CCP began to seek alliances Latin America. The CCP sent low level officials and press to various nations in Latin America in an attempt to spread Maoist Communism and provoke violent revolt against oppressive forces in Latin America, most often viewed as the United States and those who supported them. Chinese press releases during this time, both international and domestic, focused primarily on the CCP's efforts and successes at spreading Communism. The CCP expressed an altruistic approach to developing political ties with nations in Latin America. The CCP repeatedly endorsed and supported revolts in the region against the United States' imperialist efforts. In press releases by Mao he wrote repeatedly about Chinese Communist followers needing to take a strong stand against bourgeois, capitalist and imperialist forces.

However, the CCP's efforts in the region also included trade and economic assistance to various nations. By looking at the CCP's economic interest in the region a different story is told than what the Chinese press was espousing. The CCP repeatedly disregarded their political stand and traded with Argentina, Mexico, and Chile. In the 1960's these nations did not express strong sympathies toward the Chinese Communist party nor did they express any interest in allying with the CCP. However, they were economically strategic for China. Chile had mineral resources while Mexico and Argentina provided wheat. Clearly, throughout the decade China's economic

policies were often not in accord with their political ideologies. Their political interactions with the region expressed a strong anti-imperialist sentiment and a desire to spread violent Communist revolution. However, the CCP's ideological viewpoint was often disregarded in favor of developing relations with politically strategic nations through economics. This was in part due to China's need to gain allies in the region by any possible means to secure goods for the Chinese people as well as to gain recognition as the official ruling party of China. However, by the end of the decade the CCP was unable to achieve either goal. When looking at both the CCP's economic and political policies it becomes clear that China was practicing a *Realpolitik* philosophy.

In 1966 CCP embarked upon the Cultural Revolution to rid the nation of any bourgeois influence. The Cultural Revolution resulted in social, economic, and political upheaval and widespread persecution of both citizens and political officials. By 1968 the Cultural Revolution had effected the PRC's participation in world affairs. The CCP was no longer able to endorse or support revolution in Latin America and trade between China and various nations began to decline. By the early 1970's China's economy was greatly weakened by the effects of the Cultural Revolution. Politically and economically the CCP could no longer afford to take a strong stand against the United States. After the CCP began developing friendly relations with the United States the rest of the world began to follow suit and the PRC became a member of the United Nations on October 25th 1971. By the early 1970's China had abandoned its efforts to spread violent revolution in the third world, except in Vietnam and Cambodia. Chinese support of Vietnam ended along with the Vietnam War in 1975 and in Cambodia in 1979 with the fall of the Khmer Rouge.

In the 1970's China's trade endeavors began to take off. From 1970 to 1977 a period of normalization of relations between China and Latin America occurred. This was due largely to the diplomatic recognition of the CCP in various nations in Latin America during this time as well as the US-China rapprochement. Events in Latin America also played an important role in the phenomenal increase of exchange with China. During the 1970's many nations became increasingly dependent on the United States, largely due to Nixon's strong neo-imperialist tendencies. This led to widespread desire to diversify export markets in many Latin American nations. Comparing the year 1970 to 1980 Chinese two way trade increased ten times- from \$150 million to \$1.5 billion. By 1977, before the "Open Door Policy", China had established a trade network throughout Latin America. Aid to the region also continued during the 1970's. After the open door policy of 1978 China's trade, both imports and exports, grew at a rate greater than China's overall trade worldwide. Clearly, PRC's economic interest in Latin America was more beneficial and long lived than its revolutionary activity in the region.

The study of the CCP's relationship with Latin America in the 1960's offers an important insight into why the Chinese suddenly abandoned revolutionary activity and how China grew to be an economic force worldwide. Secondly, this study helps explain Latin America's standing as a third world region and provokes questions as to whether Latin America was truly a part of the third world. As for China's current relations with Latin America, trade grew significantly in the 1980's all the way through the present decade. After the fall of the Soviet Union a niche was available for China to enter into even more substantial trade with the region in the 1990's. Currently, trends suggest that China has even begun to pose a threat to US' trade dominance in Latin America.

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