Sidney Rittenberg

Sidney Rittenberg is the only American, living or dead, who has been personally acquainted with China's leaders from Mao Zedong to the current President Jiang Zemin and Premier Zhu Rongji. Born in Charleston, S.C., he graduated from the University of North Carolina at Chapel Hill with a degree in philosophy. In World War II, the U.S. Army made use of Rittenberg's aptitude for language and sent him to Stanford University to learn Chinese. He went to China with the military in the mid-1940s and stayed to embrace the cause of the communist revolution. He lived alongside the revolutionaries and was invited into their inner circles of power. His book "The Man Who Stayed Behind" details his extraordinary experiences in China. Rittenberg and his wife, Yulin, returned to the U.S. in 1979, and are now consultants to American companies that want to do business in China.

After 35 years in China, sixteen of which were spent in prison, Sidney Rittenberg packed up his belongings, left his earlier ideals behind, and in 1979 returned to the United States with his wife, Yulin. Rittenberg has many regrets about what he calls the "bad and stupid things" he did as a proponent of communism and a cheerleader for Mao Zedong. But he has no regrets about aligning himself with the revolutionary cause in 1946.

Deeply sensitive to the plight of the peasants and the underclass, Rittenberg says, "I put heart and soul into it and I considered it a joy and a privilege and never thought anything different."

Not even 16 years in solitary confinement in a Beijing prison could make him change his mind. Charged with being an American spy, he was first arrested in January 1949 and released six years later. He was arrested again in February 1968 and released in 1978. Both times he was exonerated.

"I told myself every day that nothing they can ever do to me will make me sorry that I came to China or sorry that I joined the Chinese Revolution."

One might ask: What was a nice southern gentleman doing in a place like this?

The following excerpts from his talk give an inside account of one of the most turbulent periods in Chinese history.

A different world

In 1944, Rittenberg was a 22-year-old GI when the U.S. Army sent him to China during World War II. At war's end he chose to remain in China as part of the United Nations' famine relief program. Sent to inspect conditions at two communist guerilla bases, Rittenberg found "a different world."

The leaders were very close to the people and there was a stringent moral code of frugality and integrity reminiscent of the early Christians.

He met Zhou Enlai and the two became friends. He also met Mao Zedong and other revolutionary leaders at their headquarters in Yanan.

Rittenberg, along with many others, thought that if the communist revolutionaries came to power the result would be "a new kind of peasant democracy that would be clean and productive and good, in sharp contrast to the old regime."
An insider's view of China's past and present

*Sidney Rittenberg*

For a long time Rittenberg was a firm believer in the course that Mao had set. In the first couple of years of the PRC, "Mao's regime brought about a fantastic change. The biggest of all was a kind of moral or spiritual change."

**Rebuffed by U.S.**

Rittenberg traces the often difficult relations between China and the United States back to 1946, when the U.S. turned a deaf ear to the economic aid that Mao sought.

"Mao wanted good relations with the United States. Particularly, he wanted economic reconstruction loans which he was prepared to repay at the going international rates of interest."

What Mao did not want was to be solely dependent on the Soviets, to be put in a box with his long time political opponent, Stalin.

Even before the communists succeeded in their final rout of the nationalists in the late 1940s, Mao was saying, "We want to be able to look both ways, east and west."

Rittenberg translated this message twice to high-ranking American representatives in China in 1946. "Virtually all Americans in China understood Mao's position. But Americans in the State Department in Washington did not; they did not want to do business with the communists."

Rebuffed by the U.S. government, the communist leaders decided they would take their cause directly to the American people via radio broadcasts. They asked Rittenberg to stay and help them set up an English language program to facilitate communication.

"I was footloose, single, and delighted at the opportunity to stay. I basically lived their life and was very happy at it."

**Party member**

For the young Rittenberg, 1946 was a big year. Mao personally approved his admission to the communist party, waiving the rules that required members to be of Chinese citizenship.

He kept his American citizenship - the only American in China that did - and his American identity. "During those years I saw myself as an American who voluntarily took part in the Chinese Revolution, and I was definitely an American."

In 1949, Rittenberg's life took a dramatic turn for the worse. Mao was informed by Stalin that Rittenberg was a member of an international spy ring and threw him in prison.

Why was Mao so willing to accept Stalin's charges? Rittenberg does not know for sure but he believes it was because Mao was about to hit Stalin up for billions in economic loans. It's not smart to argue with a potential benefactor.
An insider's view of China's past and present

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Three Chinas

China is a paradox of sorts. A civilization that is thousands of years old, with little or no change in language, customs, culture and style. Yet, politically, the country has been forever reinventing itself. Rittenberg points to three Chinas that he witnessed in a short period of time.

- **One:** The old China of the nationalist regime, at the end of WWII. The country was in total chaos, ravaged by war, and devastated economically. Corruption was a way of life.
- **Two:** The communist China prior to the PRC. Impressed by this China, an American liaison officer stationed in the communist center in inner Mongolia told Rittenberg, "The government is clean, the government officials work alongside of the people; they set up cooperatives and teach them to produce. The whole society is clean."

Rittenberg asked, "If what you say is true, then why are we going to have to wipe them out?"

The officer replied, "Because they're communists and sooner or later they'll join with the Russians and attack us."

The Mao era

The third China is the China of the Mao era. With the formation of the PRC, Mao suddenly changed, says Rittenberg. He stopped preaching a "New Democracy" and began to stress what he called the "People's Democratic Dictatorship."

In his economic program, Mao no longer talked about capitalism and socialism competing side by side. "You could see that he was tending towards taking Stalin's model as the model for building the Chinese economy."

The Soviets came through with only $300 million of the $4.4 billion that Mao had requested. "This covered imports of Russian technology, and aid in building some basic industries."

Rittenberg is convinced that sending Mao into the arms of Stalin was a big mistake. "If we had not done that I doubt that either the war in Korea or the war in Vietnam would ever have happened."

A better revolutionary

Throughout his first imprisonment, Rittenberg held fast to his beliefs in the revolutionary cause. Though he wasn't disillusioned, he was "terribly shocked" that the Maoists could believe he was capable of spying on them.

"I really went into an emotional tailspin. It's like your sweetheart that you've been going with for years all of a sudden appears in court and accuses you of rape."

Rittenberg rationalized his prison term by deciding, "I haven't been a good enough revolutionary. I haven't been pure enough, devoted enough. So in prison I'm going to make myself into a better follower, a better revolutionary."

When Rittenberg was released from prison in 1955, he was unaware that millions of people had been either persecuted or executed by Mao and associates in their paranoid attacks on perceived enemies of the state.
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It took a few years for Rittenberg to begin seeing the realities of Mao's regime. But he still was not disillusioned. "What I thought then was that they're not listening to Mao. Everything that Mao did that was wrong, I felt was wonderful."

Cultural revolution

"In 1966, at the dawn of the Cultural Revolution, which Mao launched to purge the party of the unfaithful, Rittenberg was excited about the future. In those first few months he was the nominal head of the leading committee at the state broadcasting administration, an organization of some 7,000 people.

"I thought this was the end of the one party dictatorship in China. We were electing our own leaders, speaking our own piece; it didn't matter whether you were right or wrong."

He was so high on this new freedom that he didn't suspect the boom was about to be lowered. "Even near the end, when some of my friends tried to warn me, I didn't believe it." He was once again thrown into prison.

Back in solitary, Rittenberg penned a new Confucian saying: Man who climbs out on limb should listen carefully for sound of saw.

"I couldn't hear the saw."

Chairman Mao

"According to Rittenberg, "Mao was a strange medley of populist, anarchist, Marxist-Leninist, and, if you pardon the expression, Jeffersonian Democrat."

In secondary school, Mao was influenced by a teacher who was a passionate believer in Western liberal thinking. She exposed him to the political thinking of Rousseau, Locke, Jefferson, and Benjamin Franklin, among others.

"And to his last days, Mao considered that this was the way that an elegant society should be."

But experience showed him that he could not depend on the West. In fact, he thought that the countries in the West and Japan wanted China to be a colony and not a capitalist democracy.

"So he decided that the only way China could go was Lenin's way; he had no other model. But always in his mind he had this urge to show the world that China could do it differently from the way Stalin did it; that China could be civilized and democratic.

"Mao wanted the trappings of democracy; he wanted the lively discussion and debate of democracy. But in his mind democracy meant that you all have the democratic right to discuss why my policy is correct and how it can be better carried out. But if you speak against my basic policy, that's not democracy, that's counterrevolution.

"It was all mixed up in his head."
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Defects in the system

While Rittenberg's motives for aligning himself with the communist revolutionaries were pure, based on his desire to improve the lives of the people, he says now: "I just wish that instead of doing what I did that I'd gone to some school in China and taught English. It would have been a more practical contribution."

He added, "But I did what I thought was right at the time and it turned out to be wrong."

Rittenberg reflected that:

- "Marxism-Leninism has a number of defects. The concept of building democracy through dictatorship just breeds more dictatorship, not democracy.

- "A competitive, versatile economy cannot be accomplished by a small number of bureaucrats sitting in a building in Beijing and directing every economic enterprise. The Achilles Heel of that kind of society is low incentive."

Rittenberg believes in the old Chinese saying that "A man without ideals is just an empty shell."

But he cautions, "Never, on account of having ideals, let yourself be conned into becoming an ideologue. If you lose the ability to question your own basic premises, you're in bad shape and you don't even know it."

China today

Urban unemployment, as high as 25 percent, is "one of the great dangers in China today," said Rittenberg.

Millions of people have been affected by government attempts to restructure the financially burdensome state-owned industries.

Since many of these industries are shut down and can't pay unemployment insurance, the displaced workers are forced to live on whatever the extended family can afford and on local welfare.

And they roam the streets. Rittenberg has been told that Beijing and Shanghai have two million drifters a day, on any given day, coming in and going out. "So this is a keg of dry tinder."

Added to this volatile mixture are hundreds of thousands of government personnel who have been cut loose from their jobs -- and thousands more who are slated to be cut loose -- as Premier Zhu Rongji's reforms are implemented.

"They are on pensions, but they've lost their authority and they've lost their work, and most of them don't like it.

"So you've got a combination of great numbers of unemployed and politically powerless people with smaller numbers of unemployed but politically sophisticated and able people. And if these two factions ever come together and they find a vehicle for political movement, it could be a very difficult situation."
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Relationship important

It's important to the long-term security of the United States to have a good relationship with China, said Rittenberg. A strategic alliance between these two powers "would be a stabilizing factor" in the world.

"China is not a weird place impossible to understand. The people who indulge in indiscriminate China bashing, and claim to do it out of concern for our security, are barking up the wrong tree."

Tips on doing business in China

As business consultants to American companies doing business in China, Sidney Rittenberg and his wife, Yulin, make frequent trips to China. They help clients overcome obstacles, connect with appropriate approval authorities, and find the best people with whom to partner.

Finding good people is the key, said Rittenberg. "The right Chinese associate can help reshape weak projects into workable situations, whereas the wrong associate can cause headaches even for good deals."

In China there is no Dun & Bradstreet or legal firm that can check out the credentials of a manager or company. "The only way to get an inside track is by networking. The good guys know the good guys."

Finding the right people and negotiating a win-win contract is just the beginning. "Once a business becomes operational, the normal situation is crisis management." You will be faced with a series of problems that keeps popping up and has to be solved.

"People who don't have the patience and the vision to stick through a fairly hard goal probably shouldn't invest in China," says Rittenberg, "because it's a difficult environment."

But for those who stick it out, the potential for profits is big.

"Major American firms are making big pots of money in China." These include Motorola, Hewlett-Packard, Gillette, Proctor and Gamble, Johnson & Johnson, IBM, among others.

"The biggest, most lucrative McDonald's in the world is right on the street that was renamed Anti-Imperialist Street during the Cultural Revolution."

According to Rittenberg:

- If you go in looking for a quick kill, you will quickly get killed. The companies that do well are realistic; they take it step by step and send in people who can understand what the Chinese are saying and are able to tell the good guys from the bad guys.

- When you negotiate with a Chinese manager, what's going on in his head may be very
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different from yours. Keep the talks going, don't be in a hurry. And try to establish the kind of rapport where you know what he's thinking. Often, people spend so much time looking for the hidden agenda on the other side, that they can't address the agenda that's on the table.

- There is pervasive corruption in China and it will be a long time before it is cured. There are several reasons not to get caught up in this: U.S. law prohibits kickbacks or bribes; you lay yourself open to blackmail if you violate the law; partners that have to be bought usually aren't worth having.

- You do need to do the kind of deal sweetening that is considered legal. For example, you can take the Chinese manager and his staff on a training trip to California. But always be sure to include Las Vegas.

Key dates in China 1949-1998

June 28, 1950 Agrarian Reform Law starts to redistribute land.
1951-52 Massive campaign against "enemies of the state"; millions of people killed or imprisoned
1953, 1954 agreements for economic and technical assistance signed with Soviets.
1954 First National People's Congress elects Mao chairman of PRC.
Mid 1956 The Hundred Flowers Campaign seeks to liberalize the political climate; cultural and intellectual figures encouraged to speak their minds.
Mid 1957 Leaders turn on critics in Anti-Rightist Campaign
1958-1960 Great Leap Forward intensifies mobilization of peasantry and agricultural communes.
April 1959 Mao steps down as chairman, admitting Great Leap a failure.
1959-1960 Sino-Soviet dispute; Soviets suspend all aid to China.
1962 Mao launches Socialist Education Movement to purify the party.
1966 Mao starts Cultural Revolution after regaining control of party in '65. Killings and persecutions continue for 10 years.
1973 Deng Xiaoping dismissed during 1966-69, reinstated; becomes vice premier in 1975.
1980 Mao's Cultural Revolution officially proclaimed a catastrophe.
1987 Li Peng, former vice premier, becomes premier.
1989 Students protest against the government in Tiananmen Square; martial law declared and military called in to clear the streets. Casualties in the hundreds.
1992 Deng Xiaoping renewed push for a market-oriented economy and is backed by the 14th Party Congress.
1993 Jiang Zemin becomes president.
1997 Deng dies, after years of poor health.
1998 Jiang reelected. Zhu Rongji selected to replace Premier Li Peng, whose term has expired.