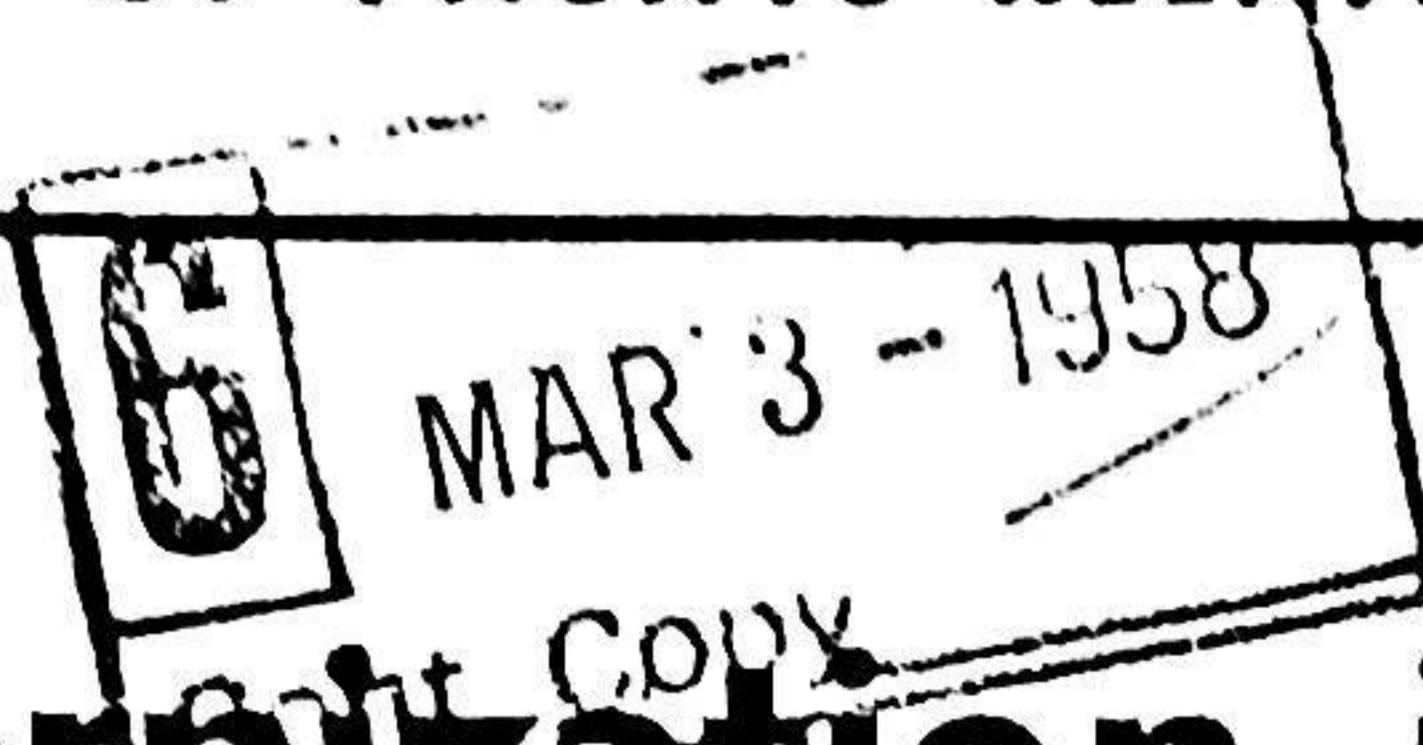


# Far Eastern Survey

AMERICAN INSTITUTE OF PACIFIC RELATIONS



## Economic Modernization in Sinkiang

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SINKIANG IN CENTRAL ASIA, China's westernmost territory, is now the scene of a politico-economic transformation which bears considerable significance for the future of the Sino-Soviet alliance, and in addition may eventually exert an important influence on developments in such neighboring countries as Pakistan, Afghanistan and Iran.

Central Asia, the homeland of the Turki peoples, has been fought over and ruled by many, with much flow and ebb of outside influence—Chinese, Tibetan, Mongol and Russian. It was only in the 19th century that the Manchu, then ruling in Peking, finally consolidated China's authority over Eastern Turkestan, and that the Russian Tsars extended their rule into Western Turkestan. The boundary between China and the Soviet Union today remains where it was drawn in the latter part of that century, splitting the lands of the Turanian (eastern) Turki peoples down the middle, dividing what in 1884 became the Chinese province of Sinkiang from that part of Central Asia which the Soviets have made into the Kazakh, Uzbek, Turkmen, Tadzhik and Kirgiz Republics. But this boundary does not now separate the two countries as arbitrarily as it did in the past.

Revolutionary change came to Russian Turkestan in the 1920's, but the Chinese Revolution of 1911 contrariwise worked no early transformation in Sinkiang. It was only after the seizure of power there in 1933 by the Chinese warlord Sheng Shih-ts'ai and his adoption of a pro-Soviet orientation in 1934 that elements of a new order were introduced into Chinese Turkestan. One of General Sheng's innovations was of basic importance: he followed a "minorities" policy which acknowledged (at least in principle) the right of the (by convention)

thirteen non-Chinese Sinkiang peoples (who are in the great majority) to a voice in their own destiny.

When Sheng in 1942 did a *volte-face* from Moscow to the National Government at Chungking, Sinkiang returned to the Chinese orbit. But there was no permanence in the reorientation. The Kuomintang throughout the years of its rule in China had persistently applied a policy of Sinicization and exploitation of the country's non-Chinese peoples. For all of outward appearances, the extension of Kuomintang rule to Sinkiang in 1942 introduced a new and fundamental instability into the situation there. The government of Sinkiang sank back into the traditional Republican pattern.

But it was too late in history for a return to the old order of things in Sinkiang. The Turki peoples of Central Asia had revolted against Chinese domination upon occasion before, and their desire for independence had lately quickened. An ephemeral Eastern Turkestan Republic had been set up in South Sinkiang as late as 1933. Shortly after coming to power in Sinkiang, the Chinese Nationalist authorities alienated various national groups again from Chinese rule. Rebel Kazakh groups late in 1944 organized another "Eastern Turkestan Republic," this one with its center of power in

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the Ili region (where it patently drew upon Soviet sympathy). The Nationalists' hold on the distant province weakened progressively as the Government armies suffered defeat after defeat in the Chinese civil war. The decay of Chinese authority was arrested only with the Communist victory of 1949 and the arrival of the Communist People's Liberation Army (PLA) in Urumchi, the provincial capital, on October 20, 1949.

The Common Program adopted by the Political Consultative Conference at Peking in 1949 stipulated that "All nationalities within the boundaries of the People's Republic of China are equal" and that "Regional autonomy shall be exercised in areas where national minorities are concentrated. . . ." The nationalities policy of the Central People's Government as set forth in detail in 1952 was based upon the general principles established in the Common Program.<sup>1</sup>

Just as the U.S.S.R. established nominally autonomous "Republics" for various non-Russian nationalities within its frontiers, the Chinese Communists have blocked out "Autonomous Regions" (*chou* and *hsien*) for Mongols, Tibetans and other non-Chinese groups in many parts of China. The peoples of Sinkiang, of whom the Uighurs are the great majority, gained such a special status with the establishment of the Sinkiang-Uighur Autonomous Region (SUAR) on October 1, 1955. The "autonomy" thus granted, however, falls far short of full self-determination: there is notably more freedom of action in respect to cultural matters than in political and economic areas. The long arm of the State is there to guide; as explained by minority leader Ulanfu in a speech on "The Nationalities Question in China" to the Eighth Communist Party Congress at Peking in September 1956, "The Party and the State must help them [the minorities] to bring all these rights into realization."<sup>2</sup> The non-Chinese "rulers" of Tibet, Inner Mongolia and Sinkiang are not ardent proponents of Turki, Mongolian or Tibetan nationalism, but tame supporters of Peking's national policies. And Chinese colleagues stand close at their elbows to block any nationalistic deviations—such as appear to have been manifested in the early days after the "liberation" of 1949.<sup>3</sup>

1 See People's Republic of China, *Policy Towards Nationalities of the People's Republic of China*, Peking, 1953; on the beginning stage of Peking's nationalities policy, see John De Francis, "National and Minority Policies," *The Annals*, September 1951, pp. 146-55, and S. B. Thomas, *Government and Administration in Communist China*, New York, 1953, pp. 94-103.

2 U.S. Consulate General, Hong Kong, *Current Background* No. 418, October 11, 1956, pp. 10-17.

3 See Allen S. Whiting, "Nationality Tensions in Sinkiang," *Far Eastern Survey*, January 1956, pp. 8-13.

Effective power in the SUAR resides with the Sinkiang sub-bureau of the Chinese Communist Party (CCP) Central Committee. Three of the four secretaries of the sub-bureau are Chinese; only the fourth is the Uighur Vice Chairman of the SUAR, the Communist Saifuddin. Saifuddin himself spoke before the Eighth CCP Congress in 1956 to attack both "Great Han-ism" (that is, Chinese domestic chauvinism) and "narrow nationalism" (meaning Tibetan, Mongol or Turki nationalism) as alike constituting forms of capitalistic thinking to be overcome. He also cited a politically significant fact: out of 100,000 cadres (political workers) in Sinkiang at that time, he said, 50,000 were local people.<sup>4</sup> Presumably the other 50,000, inferentially from down-country, were Chinese.

Political realities are reflected in the educational system. In the old Sinkiang, the non-Chinese peoples were reconciled to the purposes of the Chinese State by the application of force. Sir Clarmont Skrine writes of the situation he found existing there in 1924: "The only schools for the predominantly Muslim population were those attached to mosques, at which nothing was taught by the mullahs but reading, writing, simple arithmetic and the Qur'an. By means of a strict censorship the dissemination of news or of any ideas whatever among the inhabitants, Chinese and Turki alike, was effectively prevented."<sup>5</sup> A beginning was made under Sheng Shih-ts'ai toward providing the non-Chinese peoples of Sinkiang with a measure of education of broader scope in their own languages. During the Kuomintang interregnum (1943-49), efforts were made to divert the rising tide of Turki-Kazakh-Mongol consciousness into strictly "Chinese" channels, but to little avail. With the formulation of Peking's new nationalities policy, the educational process was rehabilitated, more or less along the lines laid down earlier by General Sheng. It is "anti-imperialistic" in spirit, based on the concept that the non-Chinese peoples shall enjoy broad rights of self-expression, and its aim is that "the People's Republic of China will become a big fraternal and co-operative family comprising all its nationalities."

The educational system of the SUAR is now fitted into this framework. In 1955, according to a Chinese writer, Sinkiang had two institutions of higher learning where it had had but one before: the Sinkiang Institute and the Northwestern People's Revolutionary

4 U. S. Consulate General, Hong Kong, *Survey of the China Mainland Press* (hereafter identified as SCMP) No. 1380, October 1, 1956, recording a New China News Agency (NCNA) bulletin of September 25, 1956. (Citations of NCNA news items in this article have all been taken from the SCMP.)

5 *Central Asian Review* (London), Vol. IV (1956), No. 4, p. 446.

University. There were at that time 365,600 primary-school students (an increase of 76 percent over pre-Liberation enrollment), and 28,300 middle-school students.<sup>6</sup> There were also, according to a Soviet source, a Russian Institute, Agricultural Institute, and normal-school and medical-training centers.<sup>7</sup> About 11 million books were produced in the period 1951-55 and there were fourteen newspapers, published in the Uighur, Kazakh, Chinese, Mongol and Sibo languages. Education is being extended in the SUAR, as elsewhere in China, by spare-time schooling, winter classes, and "masses schools" for the workers, peasants and herdsmen of all nationalities. Chang Hung records an interesting fact: whereas previously over 60 percent of the students were Hans (i.e., Chinese), now over 90 percent are of the "minority" nationalities.

The emphasis is on the use of non-Chinese "national" forms in teaching. Here there is a fundamental contradiction: the Turki peoples are being taught self-government and self-expression, but at the same time they are expected to eschew non-Chinese loyalties in favor of patriotism to the People's Republic of China. The Bolshevik regime started off just as optimistically in 1917 in its approach to the subject peoples of the Tsarist Empire; but a reversal of Soviet policy followed fast on the heels of the development of Turki nationalist independence movements in Russian Turkestan. China's position today is different from that of the Soviet Union a generation ago. The world status of nationalism has also changed. But, even if it is not yet certain how the nationalist struggle in China's borderlands will end, Peking's reaction to any demand in the SUAR for full self-determination is predictable.

The matter has evidently already become an issue. As late as one year ago there were authoritative condemnations of the "Great Han-ism" that leads to disregard of and disrespect for the characteristics, customs, and even the rights of national minorities.<sup>8</sup> Just recently, contrariwise, two (Chinese) Vice Chairmen of the Peking regime's Nationalities Affairs Commission are reported respectively to have warned that mount-

ing regional nationalism has become "a danger that must be taken seriously," and to have condemned in particular separatist ideas among the Moslem Dungans (many of whom are located in the SUAR) and traditional Islamic education; and the Chairman of the Nationalities Committee of the National People's Congress, in an article carried by the CCP's *Jen Min Jih Pao*, denounced the separatist aspirations. He attributed to the Dungans, Mongols, Manchuria Koreans and SUAR Uighurs, and stated that the Peking Government was undertaking a "rectification" campaign in view of the "dangerous nature and seriousness of separatist activities."<sup>9</sup>

This "rectification" process will naturally be applied to basic educational, cultural and political questions. And if the Communist rulers in Peking have their way, Sinkiang will become increasingly Chinese in character, despite the "autonomous" label it carries. The Central People's Government has several factors in its favor: (1) the capital and technical skills for economic development of the SUAR will for the most part necessarily be imported from outside, with Peking exercising "sovereign" control even when the ultimate source of supply is the U.S.S.R.; and (2) improved communications facilities, particularly rail transport, will automatically open up the SUAR to easy Chinese immigration and down-country influences. Peking's drive will be to tie Sinkiang's economy closely to China proper and to coordinate the political rule of the SUAR strictly with the national purposes of China.

Such a westward urge is not new for Republican China. Sun Yat-sen's grandiose project of 1921 for the industrialization of China contemplated the construction of 100,000 miles of railways in China, including one from his proposed Great Eastern Port through Central Asia to the Altai region in Sinkiang. And, said Dr. Sun, "The colonization of Mongolia and Sinkiang is a complement of the Railway scheme. . . . If within ten years we can transport, let us say, ten millions of people from the congested provinces of China, to the Northwestern territory to develop its natural resources, the benefit to the commercial world at large will be enormous."<sup>10</sup> The Nationalists who followed Sun Yat-sen likewise evolved ambitious schemes for the construction of railways, for directing surplus peasant millions into China's sparsely settled regions to cultivate idle lands, and for wide afforestation and expansion of irrigation. In the fall of wartime 1942 in particular, as Chungking moved to extend its authority into Sinkiang, the Nationalists launched a three-year

6 Chang Hung, "The Growth of Cultural and Educational Enterprises of the Various Nationalities of Sinkiang," *Kuang Ming Jih Pao* (Peking), September 30, 1955, from translation in "Sinkiang-Uighur Autonomous Region," *Current Background* No. 365, October 25, 1955, pp. 33-35.

7 I. B. Shevel, "The Realization of Agrarian Reforms in the Sinkiang Province of the CPR," *Sovetskoe Vostokovedeniye*, 1955, No. 3, quoted in "Sinkiang," *Central Asian Review*, Vol. IV (1956), No. 4, pp. 432-52.

8 See, for example, Lo Ping-cheng, "What is Pan-Han-ism?", *Shih Shih Shou Ts'e*, December 25, 1956, from translation in U. S. Consulate General, Hong Kong, *Extracts from China Mainland Magazines* No. 66, January 21, 1957, pp. 6-7.

9 Tillman Durdin, Hong Kong despatch, *New York Times*, January 18, 1958.

10 Sun Yat-sen, *The International Development of China*, Chungking, 1941, pp. 23, 24.

plan, scheduled for completion in 1945, for the large-scale development of China's Northwest (Shensi, Kansu, Ningsia and Tsinghai Provinces). That project, true to pattern, contemplated the extensive utilization of uncultivated land accompanied by water conservancy measures and afforestation programs, the extension of the Lunghai Railway westward from Paoki, and the migration of at least four million people to the Northwest.

The Nationalist plans remained largely in blueprint, but today the Communists are actually implementing similar programs of expansion toward Central Asia, including the construction of railways. The projection of the Lunghai Railway westward from Lanchow (in Kansu province) to Urumchi began on October 1, 1952. In April 1956, a Sino-Soviet agreement was signed at Peking governing the extension of Soviet aid to China for the construction of the Lanchow-Urumchi line and for the connection of this line with the Soviet rail system by a branch running from Aktogai station on the Turk-Sib Railway to the Dzungarian Gate on the Kazakhstan-Sinkiang border. By the end of 1956, track-laying on the Lanchow-Urumchi line had been pushed to a point some 200 kilometers west of Yumen and was proceeding at the rate of about two kilometers a day. The international Lanchow-Aktogai trunk line is to open to traffic in 1960.

This transcontinental line does not stand alone. It is based at its eastern end upon a system of rail communication in process of construction between Paotow, Lanchow, Chengtu and Kunming—to join at the two extremities with Ulan Bator in the Mongolian People's Republic and Hanoi in North Vietnam. A railway and trunk highway are planned for the Tsaidam Basin in Tsinghai Province, to support the exploitation of petroleum deposits there. On the two sides of the Lanchow-Urumchi line, as it progresses westward, a subsidiary transport network of motor highways is being developed. In Sinkiang itself, already connected with the U.S.S.R. by motor highways issuing from Kashgar, Kuldja and Chuguchak, truck transport is undergoing further expansion. The first road for wheeled vehicles ever to connect Sinkiang and Tibet, running from Yehchung (Jagilik) to Gartok in western Tibet, was opened to traffic in October 1957.<sup>11</sup> Northwest China and Sinkiang are being bound together by a rapid extension of communications facilities linking the two areas.

In the eyes of a China already busting at the seams with people, living space is one of the chief economic desiderata. Peking's first Five-Year Plan (1953-57) envisaged a considerable expansion of the country's

agricultural acreage by the opening up of virgin and "waste" lands in China's borderlands, from Manchuria to Sinkiang, of course with an accompanying movement of peasant labor. "Sinkiang is one of the major regions in the country marked out for large-scale land reclamation," reported NCNA.

### The Production-Construction Army

In the past, the intrusion of hungry Chinese peasants into the grazing lands of China's nomadic minorities has led to much bad interracial feeling and frequently to bloody clashes. But Peking has adopted an effective device for blocking such conflict: the changes in the agricultural pattern are being wrought there not by individual peasants, as in the past, but by China in a national manifestation, in the garb of the Army acting as a labor corps. By a decree of December 5, 1949, of the People's Revolutionary Military Council at Peking, the PLA as a whole was called upon to turn its energies to economic construction; in "economically backward or distant regions" the PLA has been kept to that task up to the present. By a decree of January 20, 1950, some 110,000 of 193,000 PLA troops stationed in Sinkiang were charged with undertaking such productive work.<sup>12</sup> In December 1954 the PLA "production units" were organized into a "Production-Construction Army" under the authority of the Sinkiang Military District command. The Production-Construction Army now comprises ten divisions (including one of local "minorities"), of which seven are engaged in agricultural work and three in transportation, water conservancy and construction.<sup>13</sup> This is not the "selfish" private enterprise of individual Chinese peasant families: it is the omnipotent State itself in action. This authority is obviously too powerful to be challenged by the "autonomous" Uighur, Kazakh and Mongol elements of Sinkiang.

The PLA efforts are directed in general toward (1) the expansion of the cultivated area, (2) the creation of State-operated farm units, (3) the advance collaterally of agricultural collectivization, and (4) the production of industrial crops on State account. On PLA farms, "All means of production . . . are either state property (land, irrigation works, etc.) or collective property (machinery, implements, cattle, etc.)."<sup>14</sup>

12 A. G. Yakovlev, "The Role of the People's Liberation Army in Economic Construction in the Outlying Districts of the Chinese People's Republic in 1950-55 (from the Example of Sinkiang)," *Kratkie Soobshcheniya Instituta Vostokovedeniya*, 1956, XXI, as translated and incorporated in "Sinkiang," *Central Asian Review* (London), Vol. 5 (1957), No. 2, pp. 144-62.

13 H. C. Taussig, "Symbol of China's Change," *Eastern World*, January 1957, pp. 19-21.

14 Yakovlev, *op. cit.*

11 *New York Times*, October 6, 1957.

And, according to Yakovlev, the Military District (command) itself cultivated the following acreages (in thousand hectares):

1950	1951	1952	1953	1954	1955	1957 (estimated)
56.6	66.0	108.0	60.0	57.8	113.3	189.0

These figures, with the unexplained dip in 1953-54, are perhaps most remarkable for the radical increase shown for 1955-57: the Sinkiang reclamation effort appears to run somewhat parallel to the similar wide breaking of virgin land and notable expansion of State farms which occurred in the U.S.S.R. at about the same time.

The cultivated area in Sinkiang was reported to have been expanded by 300,000 hectares between 1949 and 1954, to a total (probably rough) of 1,300,000 hectares. A total of 130,000 hectares of new land was surveyed in 1955; 440,000 hectares were scheduled for survey in 1956. Over 1,646,000 hectares were under tillage at the end of 1955, out of a total arable area of 6,586,000 hectares.<sup>15</sup> It is proposed that 2,500,000 hectares be brought under cultivation in Sinkiang by the end of the third Five-Year Plan in 1967.<sup>16</sup> The PLA Production-Construction Army will have been the major moving force in any such achievement.

It is evident that much of the new land is being incorporated into State farms. The rationale is not far to seek. One task before the PLA in Sinkiang is to promote the production of industrial raw materials; and, for one thing, the SUAR is charged with producing 970,000 metric tons of ginned cotton by 1967 as well as with the development of a cotton-textile industry of 2,500,000 spindles to utilize about half this cotton output. In 1956, the PLA was called upon to put into crop 69 percent more land than in the preceding year, with most of the new acreage in the grain- and cotton-growing areas of the Manass and Kaitu River basins. The PLA was to double its cotton acreage by planting 21,000 hectares to that crop—this being about one-fifth of the total area to be put into cotton in Sinkiang that year. "The Uighur Autonomous Region in Sinkiang, with its great expanse of uncultivated land, is being developed as an important cotton-producing area." And the PLA dominates the scene.

Yakovlev noted that one PLA task was "to give every possible help to the cooperative movement in Sinkiang in order to hasten the process of socialist transformation."<sup>17</sup> The PLA program carries along in its wake the socialization of Sinkiang's agriculture.

15 Ch'u An-p'ing, "The Future of Sinkiang," in "Future Economic and Railway Development in Sinkiang," *Ta Kung Pao* (Hong Kong), SCMP No. 1457, January 24, 1957.

16 Taussig, *op. cit.*

17 *Op. cit.*

SUAR Vice Chairman Saifuddin was quoted in September 1955 as stating that, including PLA farms, there were 73 State farms in Sinkiang comprising approximately 5 percent of the cultivated area, and 72 tractor and agro-technical stations.<sup>18</sup> The tempo of change in the Sinkiang countryside is swift. NCNA reported from Urumchi at the beginning of January 1956 that there were then 6,119 agricultural production cooperatives in Sinkiang, comprising 21.34 percent of all peasant households; but that, by decision of the SUAR CCP sub-bureau, there was to be a speed-up of the process of change: in 1957, 75 percent of all peasant households were to have been incorporated in cooperatives; "semi-socialist cooperativization" of agriculture was to be completely achieved by 1958; by 1959, there should be "complete socialist agricultural cooperativization" (that is, full collectivization).

Before the month was out, even this ambitious program was stepped up. NCNA (Urumchi) reported on January 31 that on January 28 the CCP sub-bureau had issued a directive "demanding" that, by the time of spring plowing, peasant households organized in cooperatives should be increased to the proportion of 80 percent of the total in northern Sinkiang and to 70 percent in southern Sinkiang, with the overall program for "cooperativization" of agriculture in the Region to be advanced by a full year.

Peking's efforts are thus having a powerful cumulative impact on the Sinkiang economy. It is nevertheless essential to assess the agricultural future of Sinkiang against the background of one dominating natural fact: that vast area, formed like two great basins divided east-west by the Tien Shan range, has no surplus water. Its water supply trickles down the mountainsides from shrinking glaciers, or is gathered into streams from scanty rainfall, and, where not quickly captured for use on the thirsty fields, it flows into the desert sands and is lost. Only the Ili, Emil and Black Irtysh Rivers, with headwaters in western Sinkiang, flow out of the province into neighboring Soviet Kazakhstan; the rest of Sinkiang's water is retained in the two basins. Strenuous efforts are being made to utilize the available water more effectively by the construction of reservoirs and irrigation canals. But it seems highly doubtful whether Sinkiang's water supply can ever be made to support agriculture on anything approaching the 6,586,000 hectares designated as "arable."

Any mass migration of Chinese peasantry, such as the movement into Manchuria in the early part of this

18 U. S. Consulate General, Hong Kong, "Sinkiang-Uighur Autonomous Region," *Current Background* No. 365, October 25, 1955.

century, would of course engulf the Turki population of Sinkiang within a decade, for Sinkiang's total population in 1953 numbered only 4,873,000. But Sinkiang, big as it is (1,711,000 square kilometers, or one-sixth of the total area of China), could not, because of water deficiency, absorb even one year's net increase of China's population (12-15 million people). Individual Chinese peasant immigrants would inevitably have to contend with the Kazakh and Mongol herdsmen whose lands they might invade in Dzungaria (the grasslands basin north of the Tien Shan), and could get farmland in the Tarim Basin of southern Sinkiang only by ousting the Turki oasis-dwellers. The Peking regime's present nationalities policy bans any such solution of the problem of *lebensraum*.

### Industrial Sector

Under present policies, therefore, the major increase of Chinese elements in the Sinkiang population will probably be concentrated in urban centers, around growing administrative and industrial functions. The urban population now comprises about 15 percent of the total; that proportion can logically be expected to mount, for the new order has brought an increase of industrial activity in Sinkiang. Saifuddin in 1955 reported that the number of workers in industry was then 5.3 times greater than in 1950. Since Sinkiang industry started practically from scratch in 1950, any absolute advance whatever makes a big showing when translated into a percentage; industry is still in its infancy. Yet, "The [PLA] production-construction units will also give energetic aid to the large-scale industrial construction in the SUAR after the [Lanchow-Urumchi] railway is open to traffic." Industrialization has begun in certain sectors of Sinkiang's economy, and all indications are that it will be vigorously pushed forward.

Two industrial sectors merit particular attention: petroleum production and mining. Both activities were the object of joint Sino-Soviet undertakings under the rule of Sheng Shih-ts'ai. The joint enterprises were resumed by virtue of the pertinent Sino-Soviet agreements of 1950. But in accordance with agreements signed at Peking in October 1954, the U.S.S.R. transferred to China (effective January 1, 1955) all of its shares in the several joint-stock companies operated in Sinkiang. These changed economic tactics are in line with a major shift in Soviet world strategy. "International centralism" has been abandoned as the rule for Communist States. Party Secretary Khrushchev, speaking at the 20th Communist Congress in February 1956, asserted that "The socialist countries' development is distinguished by their complete independence, both political and economic." But he stressed a new concept: "Close economic cooperation gives exceptional

opportunities for the best possible utilization of productive capacity and raw material resources and happily combines the interests of each country with those of the socialist camp as a whole. . . ." Khrushchev indicated how this worked. The U.S.S.R. was helping the people's democracies, including China, to build up various industries. And, "In exchange for these deliveries the Soviet Union is receiving goods from China and other democracies—goods in which it is interested, supplies and consumers' goods which these countries customarily export."

So it is now in a different manner that the U.S.S.R. is assisting the Chinese in Sinkiang: the "economic cooperation" is on a better-known business basis, with the U.S.S.R. supplying materials and technicians on credit in accordance with Chinese desires, and the Chinese repaying those credits, in due course, with their own products. It is within this framework that the exploitation of Sinkiang's mineral and petroleum resources in particular is carried out.

Exploitation of the Tushantzu oil field west of Urumchi began near the end of Sheng Shih-ts'ai's rule. A new deposit "thousands of square kilometers" in extent, located northwest of Urumchi at Karamai, has now been added to the Tushantzu field. Production in the new field began in 1955, and NCNA reported in August 1956 that of 20 wells drilled thus far 15 had brought in oil. A month later, NCNA hazarded the estimate that Karamai perhaps contained upwards of 100 million metric tons of petroleum. Oil has also been discovered between Karamai and Urmou, over 100 kilometers northwest of Karamai, and it is supposed that the two deposits may be linked together. Sinkiang's oil resources obviously have not yet been effectively surveyed, but a British observer has noted that "it is by now fairly clear that the oilfields of Sinkiang are of quite exceptional, indeed sensational, size."<sup>19</sup> Development of the Karamai field understandably commands a high priority in the capital-construction sector of China's oil industry at present, and in 1956 surveys began for a branch railway to stem off the Lanchow-Aktogai railway west of Urumchi, traverse the Karamai field, and tap the Altai region about 500 kilometers to the northwest. The Altai, it will be remembered, was to have been the terminus of Sun Yat-sen's central east-west trunk railroad.

There is as yet little precise information available regarding Sinkiang's mineral resources, but the indications are that they are not inconsiderable. The Altai region itself was the site of joint Sino-Soviet mining undertakings during Sheng Shih-ts'ai's time. The Peking

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19 H. C. Taussig, "One-Sixth of China," *Eastern World*, December 1956, pp. 14-17.

*Jen Min Jih Pao* of October 1, 1955, reported that Sinkiang possesses "vast reserves" of non-ferrous minerals, iron ore, coal, copper, manganese, lead, and raw materials for the chemical industry, as well as petroleum.<sup>20</sup> It is known that coal is present in wide areas, and the indications are that the province holds valuable deposits of that fuel. Magnetite iron ore is present in the Tien Shan range; in the early 1940's the ore being worked had an iron content of only 30 to 40 percent, but claims were made at that time of discovery of high-grade deposits with a top iron content of 67 percent. There are apparently valuable deposits of asbestos, and economic quantities of such minor items as ammonia salts, saltpeter, sulphur, alum, alabaster, lime and chalk.

The present economic program in respect to agriculture and the mining and petroleum industries, complemented by the economic and political movement made possible by the opening up of Sinkiang through new communications facilities, naturally tends to support Peking's political aim of consolidating China's control over the region. Abutting on the U.S.S.R.'s Central Asian frontier as it does, Sinkiang can readily draw strength from the west as well as from China proper. Kazakhstan in particular is well on the way to becoming one of the Soviet Union's major economic regions, in terms of both agriculture and industry, and can contribute substantially to Sinkiang's

<sup>20</sup> Cited in *Current Background* No. 365, *op. cit.*

progress—to the extent that intercourse between the two areas is permitted. Most of Sinkiang's population and economic potential are located in its western part. It is only about 320 kilometers from the rich Ili Valley to Alma Ata in the U.S.S.R.; but it is some 2,500 kilometers (approximately eight times that distance) from the Ili region to Lanchow in Kansu Province. Logically Sinkiang must depend heavily upon Kazakhstan if it is to progress rapidly.

Central Asia today, practically unapproachable by the Western sea powers, is taking on a modern aspect. The common purposes that bind the Communist allies together are being equipped in Central Asia with the appurtenances of modern power—the mobilization of human resources, exploitation of petroleum and minerals, and the economic and social stimulation of the area by truck routes, air lines and railways. The political future of the SUAR clearly depends in large measure upon the course of overall relations between China and the U.S.S.R. If the present close partnership endures, future developments in Central Asia should in due course create a new power center capable of influencing developments on the area's southern periphery, Southwest Asia, and perhaps even in the Middle East. In any event, Chinese Turkestan, in its new character as the Sinkiang-Uighur Autonomous Region, seems destined to play a role in the Sino-Soviet power complex far different from any it has played before in history—except, perhaps, in the days of the Mongol Empire.

## Philippine Agrarian Reform under Magsaysay (II)

BY DAVID WURFEL

THE LAND REFORM ACT of 1955, which created the Land Tenure Administration, stirred more controversy than any other aspect of the Magsaysay administration's agrarian reform program. The cause is obvious: it sought to strike at the basis of the economic and political power of a major portion of the Philippine elite—large landholdings. But that elite proved cohesive and adroit enough to parry the blow successfully, while at the same time complaining bitterly about their imaginary hurt.

The policy of government purchase and resale to tenants of large landed estates was, in 1955, not an

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innovation, however. The Insular Government under Governor Taft had purchased 140,000 hectares from the Roman Catholic Church in 1904, and President Quezon actively revived this policy under the banner of "social justice" in the early years of the Commonwealth. After the war the Rural Progress Administration (RPA), created in 1940, received no new appropriations, but until its abolition in 1950 borrowed instead over P15 million from the Rehabilitation Finance Corporation and the Philippine National Bank, both government entities, to facilitate the continuation of its purchases of agricultural estates. From 1947 through 1950, 38,060 *ha.* of agricultural land was acquired, but in the last three years of the Quirino