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E.O. 12065: RDS-4, 7/21/01 (FREEMAN, CHARLES W., JR.) OR-M
TAGS: CH, PINT
SUBJ:

1. (C - ENTIRE TEXT)

2. SUMMARY: AT THE END OF THEIR FIRST YEAR OF IMPLEMENTATION, BEIJING'S LIBERAL POLICIES POLICY TOWARD TIBET CAN BE CREDITED WITH A MODEST IMPROVEMENT OF CONDITIONS. THERE IS SO FAR NO SIGN THAT THE REFORMS HAVE FURTHER STIMULATED LOCAL NATIONALISTS SENTIMENTS, WHICH WHILE REPRESSED APPARENTLY REMAIN WIDESPREAD. THE MOST SIGNIFICANT GAINS HAVE BEEN MADE IN RURAL AREAS WHERE 95 PERCENT OF THE TIBETANS LIVE. GRAIN PRODUCTION HAS INCREASED AND TIBETANS HAV TAKEN OVER MOST LEADING CADRE POSITIONS AT THE COUNTRY AND PREFECTURAL LEVELS. IN THE URBAN AREAS, THE ECONOMY HAS BEEN MORE SLUGGISH. THE TIBETANIZATION OF CADRE RANKS ALSO SEEMS TO BE SLOWER AT THE REGIONAL GOVERNMENT LEVEL. THE CHINESE ARE MOVING CAUTIOUSLY IN IMPLEMENTING RELIGIOUS FREEDOM AND THERE ARE SIGNS THAT INTEREST IN BRINGING BACK THE DALAI LAMA HAS WANED. IT IS POLITICALLY IMPORTANT FOR PARTY CHAIRMAN HU YAOBANG AS WELL AS OTHER REFORM-MINDED

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LEADERS CLOSELY ASSOCIATED WITH THE RELAXATION OF CONTROLS IN TIBET THAT CONDITIONS REMAIN SETTLED. THE CHINESE ARE PROBABLY MOST CONCERNED WITH TIBET'S VULNERABILITY TO SOVIET MEDDLING AND THIS IS

LIKELY THE MAJOR CONSIDERATION IMPELLING THE PRC INTO EXTENSIVE REFORMS.

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3. IT HAS BEEN JUST OVER A YEAR SINCE BEIJING EMBARKED ON A DRAMATIC, NEW POLICY DESIGNED TO LIFT TIBET OUT OF ITS ABJECT POVERTY. IN THEORY THE PLAN IS RELATIVELY STRAIGHTFORWARD: PUMP IN MORE FUNDS FROM CENTRAL GOVERNMENT COFFERS, ADOPT A SERIES OF FLEXIBLE ECONOMIC MEASURES WHICH ENCOURAGE INDIVIDUAL INITIATIVE, AND GIVE TIBETANS A LARGER VOICE IN ADMINISTERING THEIR OWN AFFAIRS AS WELL AS A MEASURE OF RELIGIOUS FREEDOM. PARTY CHAIRMAN HU YAOBANG AND OTHER REFORM-MINDED LEADERS WHO ARE CLOSELY IDENTIFIED WITH THIS APPROACH ARE GAMBLING THAT IT ULTIMATELY WILL FORGE A MORE DURABLE BOND BETWEEN TIBET AND THE REST OF CHINA. THE HAZARD IS THAT IN TIME THE NEW POLICIES MAY IN FACT GIVE RISE TO A RENEWED UPSURGE OF TIBETAN NATIONALISM.

4. THE FIRST YEAR: SOME GAINS

AT THE END OF THEIR FIRST YEAR, HOWEVER, THE REFORMS HAVE IMPROVED CONDITIONS IN TIBET SOMEWHAT AND THERE ARE FEW SIGNS THAT THEY HAVE GENERATED FRESH PROBLEMS. THIS CONCLUSION EMERGES FROM A RECENT VISIT TO THE REGION BY EMBASSY OFFICERS WHO TALKED TO HAN CHINESE ASSIGNED TO THE REGION, TIBETANS, AND KNOWLEDGABLE FOREIGNERS. THE MOST SIGNIFICANT GAINS HAVE BEEN MADE IN THE RURAL AREAS WHERE 95 PERCENT OF THE TIBETANS LIVE. A COMBINATION OF GOOD WEATHER, FREEDOM

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TO PLANT THE TRADITIONAL BARLEY CROP, AND INCENTIVE ORIENTED ECONOMIC REFORMS IN 1980 PRODUCED THE BEST GRAIN HARVEST IN TIBET'S HISTORY. WE WERE TOLD BY THE NCNA CHIEF IN LHASA THAT VARIOUS TYPES OF AGRARIAN INCENTIVE SYSTEMS, INCLUDING ACCOUNTING ON THE BASIS OF INDIVIDUAL HOUSEHOLDS, ARE IN USE IN 80 PERCENT OF THE PRODUCTION TERMS. MOREOVER, PEASANT INCOMES IN TIBET REALIZED AN ADDED BOOST SINCE THEY HAVE BEEN EXEMPTED FROM ALL TAXES FOR 1980 AND 1981. NEVERTHELESS, THE REGION'S AGRICULTURE REMAINS EXTREMELY VULNERABLE TO WEATHER FLUCTUATIONS. WE ARE TOLD THAT A LACK OF RAINFALL ALONG WITH INSECT DAMAGE WILL LOWER THIS YEAR'S HARVEST, NECESSITATING THE IMPORTATION OF SOME 10,000 TONS OF NEPALESE RICE. ADVERSE WEATHER CONDITIONS HAVE

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TAKEN ITS TOLL ON LIVESTOCK PRODUCTION AS WELL.

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5. TIBETANIZATION OF RURAL CADRE

THE RURAL AREAS HAVE ALSO BEEN A MAJOR INCREASE IN THE NUMBER OF TIBETAN CADRE SERVING IN LEADING POSITIONS. WHEN HU YAOBANG AND PARTY SECRETARIAT MEMBER WAN LI VISITED THE REGION IN SPRING 1980 THEY CALLED FOR INSTALLATING TIBETANS IN UPWARDS OF 2/3 OF THE ADMINISTRATIVE CADRE POSTS WITHIN TWO TO THREE YEARS. A VICE CHAIRMAN OF THE REGIONAL

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GOVERNMENT, PAGBALHA GELEG NAWGYAI, TOLD US THAT NOW VIRTUALLY ALL OF THE LEADING CADRE AT THE COUNTY AND PREFECTURAL LEVELS ARE TIBETANS. THIS IS TWICE THE NUMBER OF CADRE IN SUCH POSTS A YEAR AGO. IT IS LIKELY THAT THE TRANSFER OF MANY HAN CADRE FROM THE COUNTRYSIDE HAS CONTRIBUTED TO HIGHER PEASANT MORALE, IF NOT PRODUCTIVITY. THE RELAXATION OF HAN ADMINISTRA-

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TIVE CONTROLS IN THE HINTERLANDS DOES NOT SEEM TO HAVE BROUGHT WITH IT A DETERIORATION OF ORDER. NEPALI TRADERS AND A TEAM OF FRENCH GEOLOGISTS WHO HAVE SPENT THE LAST MONTH IN VARIOUS PARTS OF RURAL TIBET REPORT PLACID CONDITIONS. THERE ARE NO PLA PATROLS IN SIGHT ALONG THE ROADWAYS AND BANDITRY, IF IT EXISTS, APPEARS TO BE MINIMAL.

6. URBAN LIFE: A CHECKERED PICTURE

OVER THE PAST YEAR CHANGE HAS COME MORE SLOWLY TO THE URBAN AREAS OF TIBET AND THE BALANCE SHEET IS MORE DIFFICULT TO TALLY THAN IN THE VILLAGES. TO BE SURE, THERE IS AN INCREASED SUPPLY OF CONSUMER GOODS IN THE SHOPS AND LHASA'S FREE MARKET IS MORE ACTIVE THAN ANY WE HAVE SEEN IN CHINA. THE AREA AROUND THE CITY'S MOST REVERED TEMPLE, THE JOKKA KANG, IS CLOGGED WITH
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PILGRIMS AND MERCHANTS PLYING THEIR WARES. BUT CHINA'S NATIONWIDE POLICY OF ECONOMIC READJUSTMENT HAS TAKEN ITS TOLL. AS OF LATE LAST YEAR MORE THAN 20 FACTORIES AND MINES HAVE BEEN CLOSED EITHER FOR LACK OF RAW MATERIALS OR BECAUSE OF CONSISTENT LOSSES. LITTLE NEW CONSTRUCTION IS UNDERWAY IN LHASA AND CONSTRUCTION OF A PLANNED NEW HOTEL HAS BEEN CANCELLED. HOW MUCH UNEMPLOYMENT THIS SLOWDOWN HAS GENERATED IS ANYONE'S GUESS. ONE TIBETAN YOUTH TOLD AN EMBOFF THAT MANY OF HIS FRIENDS WERE OUT OF WORK, BUT GOVERNMENT OFFICIALS INSISTED THAT UNEMPLOYMENT IN TIBET IS ALMOST NEGLIBLE.

7. SOME NEW JOBS ARE BEING GENERATED BY INFRASTRUCTURE PROJECTS FUNDED BY BEIJING. A HUNDRED PERCENT OF THE REGIONAL BUDGET IS FROM CENTRAL COFFERS AND THE INVESTMENT NOW IS GOING INTO ROADS, POWER PLANTS, AND AGRARIAN PROJECTS. ACCORDING TO A CHINESE SCHOLAR WITH THE CHINESE ACADEMY OF SOCIAL SCIENCES (CASS) WHO SPECIALIZES IN TIBET, OVER THE PAST YEAR, THE CENTRAL GOVERNMENT IN ABSOLUTE TERMS HAS INCREASED ITS FINANCIAL AID TO THE REGION.

8. IN THE URBAN AREAS, THE CHINESE HAVE BEEN SLOWER IN TURNING ADMINISTRATIVE CONTROL OVER TO TIBETANS. ALTHOUGH VICE CHAIRMAN PAGBALHA CLAIMS THAT THE MAJORITY OF LEADING CADRE AT THE REGIONAL GOVERNMENT LEVEL ARE TIBETANS, THE MAJORITY OF THE HAN CADRE REPLACED OVER THE PAST YEAR HAVE BEEN IN THE RURAL

AREAS. SO FAR ABOUT 20 PERCENT OF THE TOTAL NUMBER OF CADRE DUE TO BE REPLACED BY TIBETANS HAVE BEEN TRANSFERRED. OVER THE NEXT FEW YEARS, THE GOING MAY BE MORE DIFFICULT AS THE GOVERNMENT ATTEMPTS TO TAP MORE RANKING URBAN CADRE FOR TRANSFER. THE
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PROGRAM HAS ALREADY GENERATED A MEASURE OF DISSENSION. AT THE REGIONAL PEOPLE'S CONGRESS IN MAY, FIRST PARTY SECRETARY YIN FATANG CALLED UPON HAN AND TIBETAN CADRE NOT TO ENGAGE IN "MUTUAL RECRIMINATION, JEALOUSY, GRUMBLING" IN IMPLEMENTING THE NEW POLICY. THE NEPALESE CONGEN, WHO HAS LIVED IN TIBET FOR THE PAST TWO YEARS, SAID THAT MANY MINORITY CADRE HAVE FELT SOMEWHAT EMBOLDENED BY THE GENEROUS MINORITIES POLICY PUSHED BY BEIJING.

9. SUCH FRICTIONS ASIDE, THOSE IN CHARGE OF THE NEW CADRE MEASURES CLAIM THAT IT IS DIFFICULT TO FIND TIBETANS WITH THE REQUISITE ADMINISTRATIVE AND ACCOUNTING SKILLS. CONSEQUENTLY, MORE FUNDS ARE BEING ALLOCATED FOR TRAINING TIBETANS. PREPARATIONS ARE CURRENTLY UNDERWAY TO OPEN TIBET UNIVERSITY WHICH WILL SUPPLEMENT THE FOUR COLLEGES ALREADY IN THE REGION. AT PRESENT ABOUT HALF OF THE NEW CADRES ARE BEING PROMOTED FROM WITHIN THE BUREAUCRACY WHILE THE REST ARE SUPPLIED BY MINORITY CADRE SCHOOLS IN BEIJING, QINGHAI, AND TIBET. OTHERS TO WHOM WE SPOKE SAID THAT MANY HAN CADRE FEARED THAT THEIR SKILLS HAD DETERIORATED OVER THE YEARS IN BACKWARD TIBET AND THAT THEY WOULD BE UNABLE TO COMMAND A GOOD POSITION AND SALARY UPON RETURNING TO THE INTERIOR.

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10. DESPITE PROBLEMS, THE REGIONAL LEADERSHIP SEEMS DETERMINED TO PUSH THE CADRE POLICY AHEAD DURING THE NEXT COUPLE OF YEARS. THE VICE CHAIRMAN SAID THAT THE POLICY LINE SET FORTH BY THE SECRETARIAT HAD PROVEN ITSELF TO BE REALISTIC AND THERE WERE NO PLANS TO MODIFY IT ON THE BASIS OF THE PAST YEAR'S EXPERIENCE. TO HELP CUSHION THE WITHDRAWAL OF THE PERMANENTLY ASSIGNED HAN CADRE, BEIJING IS SENDING IN LARGE NUMBERS OF TEACHERS, TECHNICIANS, AND PUBLIC HEALTH WORKERS AS "ADVISORS" WITH A THREE YEAR TOUR OF DUTY.

11. RELIGIOUS REFORM

ONE OF THE MOST SENSITIVE DIMENSIONS OF THE CENTRAL SECRETARIAT'S REFORMS IS THE DECISION TO RELAX CONTROLS OVER RELIGION. OVER THE PAST SEVERAL MONTHS SEVEN MAJOR NEW MONASTERIES HAVE BEEN RE-OPENED ALONG WITH A NUMBER OF SMALLER ONES, ACCORDING TO THE HEAD OF THE NCNA OFFICE IN LHASA. HE ALSO CLAIMED THAT THERE WERE OVER A THOUSAND LAMAS IN THE REGION. A VISIT TO THE CELA MONASTERY -- ONE OF THE BIGGEST IN TIBET -- REVEALED, HOWEVER, THAT THE NUMBER OF LAMAS THERE HAD DECREASED OVER THE PAST YEAR. THE

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CARETAKER EXPLAINED THAT A NUMBER HAD DIED AND THAT SUFFICIENT REPLACEMENTS COULD NOT BE FOUND. THE CHINESE SCHOLAR FROM CASS ALSO SAID THAT THERE HAD

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BEEN "INSUFFICIENT INTEREST" AMONG YOUNG PEOPLE TO MEET THE QUOTAS ESTABLISHED FOR EACH MONASTERY. INDEED, THE MAJOR TEMPLES WERE PRIMARILY FREQUENTED BY ELDERLY TIBETANS. A NEPALI TRADER, HOWEVER, WHO HAS LIVED IN LHASA ALL HIS LIFE ASSURED US THAT LAMAISM IS STRONG AMONG THE YOUNG EVEN THOUGH THEY ARE RETICENT TO DISPLAY THEIR SENTIMENTS PUBLICLY.

12. THE MOST COMPLEX ASPECT OF RELIGIOUS POLICY FOR THE CHINESE TO HANDLE IN TIBET IS THE PROBLEM OF THE DALAI LAMA. OFFICIALLY, CHINA WANTS HIM TO RETURN FROM INDIA WHERE HE HAS LIVED IN EXILE SINCE 1959, AS LONG AS HE AGREES TO STAY CLEAR OF POLITICAL ACTIVITIES. FOR HIS PART THE DALAI LAMA HAS SHOWN INTEREST FOR THE PAST THREE YEARS IN RETURNING, PROVIDED HE CAN NEGOTIATE MORE THAN A FIGUREHEAD POSITION. INTERESTINGLY, THE DALAI LAMA RECENTLY SENT AND NCNA PUBLISHED, A CONGRATULATORY MESSAGE TO HU YAOBANG UPON HIS ELECTION TO THE PARTY CHAIRMANSHIP. IN THIS WAY, THE DALAI LAMA NOT ONLY INDICATED HIS RECOGNITION OF HU'S ROLE IN IMPLEMENTING REFORMS IN TIBET BUT ALSO INCREASED SPECULATION THAT HE COULD COME TO TERMS WITH BEIJING.

13. BUT CHINESE INTEREST IN BRINGING THE DALAI LAMA BACK MAY HAVE WANED SOMEWHAT. THE SPONTANEOUS DEMONSTRATION IN SUPPORT OF THE DALAI LAMA WHEN FIVE OF HIS REPRESENTATIVES VISITED TIBET IN THE SUMMER OF 1980 UNDERSCORED TO THE CHINESE THE HAZARDS INVOLVED IN THEIR COURTSHIP. ACCORDING TO THE NEPALESE EMBASSY IN BEIJING, THE DALAI LAMA HAS SINCE PROPOSED TO SEND A NUMBER OF EXPLORATORY CONFIDENTIAL
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DELEGATIONS, BUT THE CHINESE HAVE SHOWN NO INTEREST IN THE OFFERS.

14. IN BROADER PERSPECTIVE

THE CHINESE LEADERSHIP WILL CONTINUE TO FEEL ITS WAY IN IMPLEMENTING THE NEW POLICIES TOWARD TIBET. ONCE THE REFORMS TAKE ROOT IT WILL NOT BE EASY TO REVERSE THEM. IN 1959 IT WAS COMMUNIZATION -- A SUDDEN TIGHTENING OF CONTROLS -- THAT SPARKED REVOLT. IT IS FAIR TO SAY THAT IN SOME EXTENT CURRENT POLICY IS CIRCUMSCRIBING FUTURE OPTIONS.

15. ON THE OTHER HAND, IF IN TIME, LIBERALIZATION SHOULD GIVE RISE TO LARGE-SCALE UNREST, BEIJING WILL

NOT HESITATE TO CRACKDOWN HARD. A MOVE IN THIS DIRECTION WOULD BE POLITICALLY COSTLY FOR HU YAOBANG AND OTHERS WHO ARE CLOSELY ASSOCIATED WITH THE REFORM POLICY. AT THIS POINT, HOWEVER, THERE ARE NO SIGNS OF A RENEWED UPSURGE OF TIBETAN NATIONALISM. ECONOMICALLY AS WELL AS POLITICALLY THE TIBETANS ARE DOING BETTER, AND THIS, TOGETHER WITH THE PRESENCE OF THE PLA AND THE MEMORIES OF '59, SHOULD CONTAIN NATIONALIST SENTIMENTS WITHIN ACCEPTABLE LIMITS FOR THE FORESEEABLE FUTURE.

16. THE PRINCIPAL CHINESE CONCERN, HOWEVER, IS THAT TIBETAN NATIONALISM IS PERHAPS THE PRC'S MOST VULNERABLE SECURITY PROBLEM. CHINESE LEADERS FEAR THAT THE SOVIETS AT SOME POINT WILL BE TEMPTED TO PROBE ABOUT IN THIS VERY LARGE SOFT SPOT. THIS IS PROBABLY THE MAJOR CONSIDERATION IMPELLING THE CHINESE INTO EXTENSIVE REFORMS. IT IS ALSO LIKELY NOT UNRELATED TO THE PRC'S EFFORTS TO IMPROVE RELATIONS WITH INDIA, TIBET'S MOST IMPORTANT NEIGHBOR.

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