

Mainland China's Political Restructuring and Social Development

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Mainland China's many social contradictions indicate that the Stalinist system has gone wrong. If the political structure, the heart of the system, remains untouched, there will be no danger of immediate collapse, but the crises arising from the system will also remain unsolved. In addition, the lack of thorough reform will also give rise to new problems.

The key to political restructuring will be redefining the nature and status of the Chinese Communist Party (CCP). If relations between the Party and the people are not properly handled, an inefficient legal system, corruption and embezzlement, and other moral problems will be difficult to solve. This article reviews the theories and practices Beijing has adopted in political restructuring. The suggestions of mainland Chinese intellectuals from 1986-89 have been significant, but in the wake of the June Fourth Tiananmen massacre, they have failed to produce a restructuring formula.

Keywords: PRC, political structure, socioeconomic problems, bureaucratic capitalism, state-society relations

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The process of shaking off the Stalinist formula for political and economic development has been very different for the People's Republic of China (PRC) as compared to the former Soviet Union. In the latter, mandatory economic planning shortcomings and the Communist Party's unhealthy monopoly on politics were recognized as early as in the Khrushchev era, and trial economic reforms began in the early 1960s. When the process was later "frozen" by Leonid I. Brezhnev, it enabled the PRC to move ahead of the Soviet Union in economic reform and opening-up policies in the late 1970s. However, the PRC's reforms have thus far been limited to the economic sphere; the political, social, cultural, ideological, and moral problems originating from the Stalinist system have remained unsolved.

The drastic political changes in the Soviet Union and East European countries in 1989 ushered in a new era of "reform competition" among socialist countries. The stepping down of communist parties marked the thorough disintegration of the Stalinist formula, and as planned economic systems were abandoned, democracy and its election and power balance mechanisms gave the people the right to decide their own countries' orientation. In short, deconstruction of the old Stalinist system in the Soviet Union and Eastern Europe was efficiently completed. Mikhail Gorbachev, the then-general secretary of the Communist Party of the Soviet Union (CPSU), believed that his party could be transformed into a democratic one and won the people's support in the democratization process. It is historically ironic that although he was unwilling to see his party collapse, he was the grave-digger of the CPSU and the Stalinist system it embodied. With the disintegration of the Soviet Union, the old Stalinist system fell apart but a new system trusted by the people was not immediately in place. Reconstructing from "complete ruins" will be very difficult, but the prospects are relatively bright because the Stalinist system that hindered progress for more than seven decades has been cast away.

In the PRC, leaders of the Chinese Communist Party (CCP) have never believed that the entire Stalinist system is wrong; rather, they believe the Party's dictatorship can be maintained if the people benefit by the economic progress achieved under its leadership. In other words, they consider thorough deconstruction of the old socialist development formula as unnecessary and that the established "socialist edifice" only needs economic renovation. The CCP has insisted on its monopoly of power to ensure that reforms will be carried out according to its own ideal. Its objective of political restructuring consists of nothing more than improving its leadership.

Consequently, the PRC's Stalinist system has not been done away with in the same way as it was in the Soviet Union. The Chinese Communists emphasize that the Stalinist political system is correct, that it is the planned economic system that has caused difficulties, and that reform of the latter is sufficient and may even consolidate the former. In the Soviet Union, Gorbachev prescribed democratic reform as an effective remedy, believing that political restructuring would eventually bring the initiative of the masses into play and lead to fruitful economic reform. Some people are of the opinion that the PRC has become increasingly prosperous because it introduced economic reform prior to political reform while the Soviet Union's

earlier introduction of political reform was a complete failure. This is oversimplifying the analysis. In actuality, eighteen years after the introduction of economic reform, the PRC has not yet proceeded with political reform. Moreover, the reform theories and practices of the CCP have been different from those of the CPSU.

When we point to the numerous problems existing in the PRC, the common response of mainland Chinese intellectuals is that "there is something wrong with the system." Of course, they do not only mean the economic system, but the entire development formula. The Stalinist system consists of many subsystems, the most important of which include economics, politics, and ideology. Although other reforms, i.e., the legal system and educational standards, have been introduced to support economic reform, the political system remains intact. This will naturally prevent the state from collapsing immediately, but it cannot eliminate the inevitable crises propagated by the system or solve longstanding problems within the various subsystems. The PRC's many social contradictions have proven that the entire Stalinist system has gone wrong and economic reform alone cannot completely solve old problems. In addition, incomplete reform will give rise to new problems which will further complicate the situation. Therefore, the key to system reform is political restructuring. The nature and position of the CCP in the political system must be re-defined because if the relations between the rulers (the Communist Chinese leaders) and the people are not properly handled, problems such as an inefficient legal system, corruption, and low moral standards will be difficult to solve.

This article will discuss the PRC's current political restructuring status amid its rapid social and economic changes; whether its society will develop without thoroughgoing political reform; whether its socialist system will collapse due to the lack of innovations; and the impact of the CCP's rejection of thorough political restructuring.

Social Problems

In the PRC, rapid economic development has been accompanied by numerous economic and social problems, the most obvious including:

Prevalence of counterfeit commodities. Mainland China has generated numerous counterfeit and low-quality commodities, such as pesticides, chemical fertilizers, tobacco, wine, medicines, gas, money, diplomas, driving licenses, business licenses, official seals, rat poisons,

invoices, and licenses of military cars (used to evade highway tolls). People have even passed themselves off as public security officers. All provinces are cracking down on counterfeits, but the results have been far from satisfactory. Sometimes, even the efforts to crack down on counterfeits have been phony.¹ From 1993 to 1995, about 370,000 cases of counterfeit and low-quality commodities worth 10.4 billion *yuan* were investigated and prosecuted.²

Exaggeration of output value by factories, mines, and enterprises. There have been false accounts for production, marketing, profit, and taxation aimed at tax evasion and increased profit retainment in disregard of state interests. Some declining enterprises have given themselves the appearance of being profitable by giving their accounts "technical treatment."³

Paid journalistic services. Many journalists have violated professional ethics to promote certain commodities. Though they are not advertising men, they accept money for writing news or comments about commodities in accordance with the payers' requests.

Exorbitant taxes and levies imposed on farmers. Farmers are required to pay too many taxes and levies. In addition, the widening of prices between industrial and agricultural products and the decrease in total farmland area has made their lives more difficult, especially in remote and mountainous areas.

Abnormal prosperity of border areas. The PRC's opening-up policies have resulted in the "blurring" of its borders, especially its northeast and northwest areas contiguous to Russia, southwest Yunnan and Guangxi provinces, which border Southeast Asia, and the southeast coastal areas. As people in these areas can cross the border freely, border trade has flourished. However, the relaxation of border control has also invited goods and arms smuggling, narcotics traffic, and the transport of various goods without customs formalities. Moreover, the economic interests and political problems of the minorities in border areas have become major sources of instability.

¹Cai Xiaoming, "Bans Have Failed to Eliminate Counterfeit and Low-Quality Commodities in Mainland China," *Xin Bao* (Hong Kong Economic Journal), November 17, 1993, 32.

²*Ibid.*, September 14, 1995, 30.

³See Tian Guangcai, "China's Accounting Figures Seriously Distorted," *ibid.*, November 19, 1993, 25; "Zhang Sai Points out That Statistical Work Is Seriously Fraudulent," *ibid.*, July 31, 1995, 15.

It is true that the PRC's economic reforms have greatly improved its people's living standards. However, during the "deconstruction" process, the work to "reconstruct" a new system and new subsystems has been overlooked. This has given rise to many social problems, including deterioration of public order. If the PRC had coordinated its economic restructuring with the institution of appropriate legal systems, reestablishment of moral standards for society, and improvement of education, the development imbalance might have been avoided. However, little has been done in these three respects, although their importance in building a modern civilization has repeatedly been emphasized. Over the past eighteen years, Communist Chinese leaders have paid close attention to the institution of laws but overlooked promoting the rule of law. They have sought to reestablish moral ethics ruined by the Cultural Revolution, but have forgotten that they should themselves set examples for the people. They have pledged year after year to make strenuous efforts in solving education problems, but those pledges have been nothing more than lip service.

With the intention of heightening the people's political awareness and class consciousness through study and rectification movements, Communist Chinese leaders have never ceased to emphasize politico-ideological work. However, it is evident that such work cannot resolve numerous undesirable phenomena existing in the PRC, such as anti-societal behavior, the loss of moral values, and imbalanced social norms. Some mainland Chinese intellectuals have pointed out two reasons for these phenomena. First, the worship of money is popular. Second, the legal system is imperfect; either there is no law or the laws are not enforced. These answers are incomplete because moral standards still exist in civilized, mature capitalist societies; they do not explain why laws are not enforced in the PRC. Distortion or materialization of human nature and corruption and embezzlement by government or Party officials are not the inevitable results of social and economic development. In short, these are political problems which can only be solved through political restructuring.

Solutions for problems of different natures should be sought in relevant fields. For example, corruption in society should be corrected by instituting social policies, implementing the rule of law, and improving the people's educational standards. If these approaches are not appropriately pursued, it is obvious that something is wrong with the rulers themselves and the way they rule. Hence, political restructuring will be the only solution. For example, if an enterprise goes bankrupt because of bad management, it is an economic man-

agement problem. Should an enterprise go bankrupt because it was not paid for sales of goods and became a part of so-called "inter-
corporate debt chains," the problem is a political one. One would think that the said enterprise should take legal means to gain back its money. However, legal means might be ineffective in the PRC. First, it is possible that the buying enterprise will be unable to repay the debt due to lack of funds. Even if the court rules that the buyer must repay the debt, the money might not be paid. In addition, the buyer is also a state enterprise with the backing of high-ranking cadres behind it; thus, the problem should be viewed from a political angle.

Social or Political Contradictions?

An analysis of the real nature of social problems is key to the understanding of the PRC's present-day society.

The PRC's social structure is rapidly polarizing. Due to the integration of "money" and "power," mainland Chinese officials at all levels have obtained large profits in the economic reform process. They became the earliest beneficiaries of reform by exploiting the "dual pricing system," and at present, they (and their family members) also have links to certain enterprises even as they maintain their government posts.⁴ In other words, they (or their family members) belong to both state and private departments. They play a part in formulating and enforcing government policies, while covertly attending to their own private enterprises. As a result, they can always take the lead in the market economy sector, and their backing is also sought by private businessmen without state power. This politico-economic pattern, which can be called "bureaucratic capitalism," has ruled out the possibility of free and fair competition.

In Western capitalist societies, the state is controlled and guided by civil society, since the traditional state-society notion that "the state has control over society and is stronger than the latter" was abandoned long ago. Freedom and rights of individuals are no longer restrained by the state, as the people decide the state system and choose state leaders. Government officials are only public servants

⁴See Wai Ting, "The Relationship Between Power and Property Rights in Mainland China's Period of Political and Social Transition," *Zhongguo dalu yanjiu* (Mainland China Studies) (Taipei) 36, no. 10 (October 1993): 29-37.

and power is bestowed on them by the people. Therefore, the establishment of true democracy necessitates a change in traditional state-society relations. However, in today's PRC, both the people and private businessmen have not yet absorbed the precious lesson of Western capitalist countries: only when the people have the power to decide the state system can they prevent their own rights (including private property rights) and freedom from being violated. The CCP guides the operation of society through state organs, and has restrained the development of a private economy in order to prevent the people from gradually gaining political power through the possession of economic power. Zhu Houze, former director of the CCP Central Committee Propaganda Department, recognized the problem when he asserted in 1993:

The fifteen years of reform and opening up was a revitalization process for China. The reforms should solve the problem of clearly distinguishing between the functions of the CCP, the governments, and the enterprises. Power should be returned to enterprises. Society will achieve progress when the state keeps its hands off the realms that do not need control, should not be controlled, and cannot be controlled.⁵

However, what was said has not been put into practice. The state insists on total control, including political and economic activities. Since political restructuring has not been introduced with economic reform, the development of bureaucratic capitalism has been "protected" by the ruling authorities.

Problems associated with bureaucratic capitalism such as the draining of state property have become a new topic of study for mainland Chinese intellectuals. The policy of separating management rights and ownership among state enterprises cannot ensure that the assets of state-owned enterprises will not become the private property of the CCP and government cadres. According to a study by Sun Liping, a Beijing University sociology professor, in addition to such illegal activities as graft and bribe-taking, state assets have passed into private hands through exploitation of price differences resulting from the "dual pricing system"; the difference between official and market prices for foreign exchange; the difference between interest rates for lending and that for borrowing; and tax evasions and un-

⁵ "China's Present Economic Situation and the Question of Deepening Reform," *Wen Wei Po* (Hong Kong), October 26, 1993, 2.

reasonable tax exemption.⁶ As real estate has recently become a popular commodity, state assets have also been appropriated through taking advantage of differences between official and market land prices.⁷ Moreover, underestimating enterprises' net investment values in joint ventures and transferring or selling state assets at low prices when state-owned enterprises are transformed into joint stock companies have also contributed to the drain of state assets. The total losses of state assets from 1982 to 1992 was as high as 500 billion *yuan*, amounting to about one-fifth of total state assets (2,684.6 billion *yuan*) at the end of 1992.⁸ In 1995, the figure had grown to over 600 billion *yuan*.⁹ It was against this background that an anti-corruption drive was launched in the PRC from the autumn of 1993 to 1995. However, as Party and government cadres at all levels have become a class with vested interests, the campaign was inefficient.

Yan Limin, a mainland Chinese scholar, defines corruption in three ways:

1. *Corruption with official positions as the axis*: Government officials accept bribes to take legal actions for illegitimate reasons or do what they have no authority to do.

2. *Corruption with the market as the axis*: Officials use their authority as "capital" for gaining private interests. Their gains depend on what services the government can provide and society's needs for these services.

3. *Corruption with public interests as the axis*: Encroachments of public interests for the sake of special interests are acts of corruption.¹⁰

The "infiltration" of state officials into the private sector to gain profit has not only enlarged the social differences between the small number of people with both money and power in their hands

⁶See Sun Liping's paper presented to the Symposium on Social Strata in Chinese Communities sponsored by the Chinese University of Hong Kong's Institute for Asia-Pacific Studies, December 10-11, 1993, p. 18; and Guo Shiping, "China's Serious Financial Hemorrhage," *Xin Bao*, November 2, 1993, 30.

⁷Ibid.

⁸See Wang Chenghua and Li Xintao, "The Depletion of State Assets: A Serious Economic Problem," *Caijing yanjiu* (Study of Finance and Economics), 1993, no. 12, reprinted in *Xinhua wenzhai* (New China Digest) (Beijing), 1994, no. 3:55-57.

⁹*Ta Kung Pao* (Hong Kong), March 9, 1995, B9.

¹⁰See Yan Limin, "The True Nature of Corruption and the Understanding of Corruption under Market Economic Conditions," *Zhenli de zhuiqiu* (Truth-Seeking), 1993, no. 8, reprinted in *Xinhua wenzhai*, 1993, no. 10:2-4.

and the majority of the people who have neither money nor power, but has also created political contradictions. The root cause for these contradictions is the absence of political restructuring. In view of their own interests, the officials are naturally unenthusiastic about introducing political reform which would subject them to the people's supervision.

In 1993, Wei Jianxing, secretary of the CCP Central Commission for Discipline Inspection, attributed the prevalence of corruption to the lack of suitable laws and regulations governing the gray area where the planned economy and the market economy meet, for officials who seek private interests have exploited legal loopholes. Wei also stated that this problem could be solved by reinforcing ideological education.¹¹ However, political problems can only be solved by political means. A drive to heighten political awareness cannot persuade officials to refute their vital economic profits. The social problems mentioned earlier cannot be attributed to violations of laws and discipline by individual cadres or private organizations. Their root cause is the absence of an efficient and fair political system which can prevent leaders from abusing their power and enables everyone to give full play to their own abilities.

Another social contradiction with a political nature is the relationship between the central government and local governments. Under the planned economic system, the central government cannot meet the needs and interests of local governments according to changing circumstances. Therefore, an important policy of economic reform is to grant relatively greater autonomy to local governments and enterprises. However, this power delegation policy has gradually weakened the authority of the central government. As local governments each go their own way, the country's solidarity has been affected. Central-local government relations should have the balanced development of the whole country in mind; however, the central government's delegations and concessions of power and profits to local governments over the past eighteen years have enabled the latter to increase their political influence. The central government is currently worried not only about the rise of localism, but also the integration of local interests with the economic interests of military regions or

¹¹Wei Jianxing, "Meet the Needs of the Market Economy and Develop a Thoroughgoing Anticorruption Struggle," *Dangjian* (Party Building), 1993, no. 8, reprinted in *Xinhua wenzhai*, 1993, no. 10:1.

districts.¹² The PRC's political restructuring should deal with the relations between the rulers and the people (that is, whether the people's rights are respected), and also such issues as whether sufficient importance is attached to local government autonomy, and whether an appropriate balance between the central and local governments can be achieved.

The state attempted to reach a favorable balance when it introduced tax reforms in 1994, replacing the system of contracted tax liability with a revenue-sharing system which aimed to financially strengthen the central government and enhance its macroeconomic control capability.¹³ According to a 1993 estimate, the implementation of the revenue-sharing system would gradually increase the ratio of the revenues of the central government to total state revenues from 30 percent to 60 percent and the ratio of the expenditures of the central government to total state expenditures from 31 percent to 40 percent.¹⁴ Twenty percent of the total revenues of the central government would be allocated to local governments through transfer payments.¹⁵ At the time, Communist Chinese leaders thought that this practice could not only increase the total revenues of local governments, but also enable the central government to give help to poor and backward areas, reduce economic differences between inland and coastal areas as well as between eastern and western China, and reestablish greater control over local governments. However, in the second half of 1995, the revenue-sharing system had not yet produced obvious results and the total revenues of the central government had not appreciably improved.

The PRC's reform processes indicate that the entire Stalinist system is faulty because the political subsystem cannot efficiently spur the other subsystems to play their expected roles. The question of whether economic and political restructuring should be promoted simultaneously has been an important theme of discussion since the early 1980s. However, with the exception of the recent establishment of a civil service system, substantial measures for political struc-

¹²See Zhang Weiguo, "Experts Gather in Washington to Discuss China's Possible Changes after Deng Xiaoping's Death," *Xin Bao*, December 9, 1993, 22.

¹³*Ta Kung Pao*, November 12, 1993, 2.

¹⁴Zhou Wendao, "Concentrating on Tax Collection Before the Implementation of the Revenue-Sharing System," *Xin Bao*, November 23, 1993, 26.

¹⁵*Ibid.*, November 24, 1993, 9; *Wen Wei Po*, October 27, 1993, 2.

turing have remained castles in the air, and CCP and state authority has rapidly eroded.¹⁶

Special Characteristics of the PRC's Political Structure

Luo Chenghui and other mainland Chinese intellectuals have offered differing definitions for a political system and political structure:

The political system of a country stipulates and conditions the people's political activities, and social, economic, and cultural progress also enables certain aspects of the political system to reform and improve continually. . . . It prescribes the nature of society. Such a prescription cannot be changed, and should be fully embodied. The political structure is a specific leadership system, the organizational form for the exercise of state power in a certain period of development. When the tasks faced by a country change because of social, economic, and cultural changes and changes in class relations, the political structure should be correspondingly reformed. This is the case in all modern countries. Therefore, the political structure is obviously changeable.¹⁷

In other words, the political system is the base that cannot be changed, but the political structure is a manifestation of the political system in a given developmental stage. It should be reformed continually in accordance with social and economic development, thereby continually improving the political system. This definition, which was stated in 1993, seems to confirm Communist Chinese leaders' current views on political restructuring. When political reform was first discussed in the PRC, the system and the structure were not clearly distinguished. For instance, both Ye Jianying and Deng Xiaoping discussed "reforming and improving the socialist political system" in 1979. However, the term "political restructuring" has been used almost unanimously by Communist Chinese leaders since 1979.¹⁸

An important debate on political reform prior to 1989 was whether the relations between the rulers and the people should be

¹⁶David Shambaugh, "Losing Control: The Erosion of State Authority in China," *Current History* 92, no. 575 (September 1993): 253-59.

¹⁷Luo Chenghui, ed., *Zhongguo dangdai zhengzhi zhidu* (China's present-day political system) (Guangzhou: Zhongshan daxue chubanshe, 1993), 9-10.

¹⁸Xu Shanguang, "Studies and Comments on Concepts Regarding Political Structure," *Hubei daxue xuebao* (Journal of Hubei University), 1988, no. 5, reprinted in *Zhongguo gaige quanshu (1978-91): Zhengzhi tizhi gaige juan* (Encyclopedia on China's reform 1978-91: The volume on political restructuring), ed. Chen Ruisheng et al. (Dalian: Dalian chubanshe, 1992), 265-66.

thoroughly changed or whether only CCP leadership should be improved. The state's answer has since become clear: The PRC's basic political system since its founding can absolutely not be changed; only the systems of government and control should be modified to eliminate bureaucratism and improve efficiency. The key to political restructuring, as Luo points out, is to develop socialist democracy, improve efficiency, and fully realize the people's role as masters of the country so as to promote production and progress.¹⁹ What, then, is the substance of the PRC's basic socialist political system?

First of all, according to the PRC's constitution, state power belongs to the people and the highest organ through which the people exercise power is the National People's Congress (NPC). As all positions of authority are nominally held by the people, legislative, judicial, and administrative organs are all responsible to the NPC. This system emphasizes the combination of the country's legislative and executive branches and is different from the checks and balances system adopted for Western democracies' legislative, executive, and judicial branches. The theory behind this system is very simple: since all power is in the hands of the people, there should be no power balance problem. However, key questions remain: How can the people exercise their power to ensure that state organs serve them, and if state organs do not fulfill their responsibilities, do the people have any channels through which they can supervise them?

Second, the CCP exercises leadership over state organs. Since the CCP is composed of advanced elements from the revolutionary class (the working class), the CCP's leadership over state organs is an embodiment of the principle that the people are the masters. The CCP exercises leadership over all mass organizations and democratic parties to realize a political system of multiparty cooperation.

Third, the people's democratic dictatorship is enforced. That is to say, the people enjoy democratic rights, but dictatorship is exercised over hostile classes and class enemies who disrupt socialism. This prompts a very serious question: How can the "contradictions between ourselves and the enemy" and the "contradictions among the people" be properly distinguished? When one makes a suggestion to the CCP, he is exercising his political right; however, who decides the nature of his suggestion, and according to what principle? The

¹⁹Luo, *Zhongguo dangdai zhengzhi zhidu*, 11.

numerous cases of unjust or false charges in the PRC's history have taken place because goodwill proposals with the intention of improving CCP leadership were regarded as attacks on the Party and dealt with as "contradictions between ourselves and the enemy." Since authority is centralized in the hands of the CCP without a power-balance mechanism, many questions resulting from the practice of de facto dictatorship have remained unresolved.

Finally, the CCP's organizational principle is to conduct the decisionmaking process among the people, or what Mao Zedong termed "democratic centralism." According to Mao, democratic centralism is "centralism on the basis of democracy and democracy under centralized guidance." In other words, the Party forms mainstream views after gathering the people's opinions, and then transmits these views to the grassroots for repeated discussion. This method is considered to be conducive to the formation of relatively unanimous views that can reflect the people's interests. However, there is a question as to who guides the entire discussion and decisionmaking process. The highly centralized system implies that a small number of leaders at the highest echelon can decide on the process and the grassroots can be ignored. Only the views that conform with those of high-ranking leaders will be respected. Thus, the decisionmaking procedure is democratic in appearance but centralized in substance.

Theoretically, the PRC's political system is advantageous to mobilization of society's human and material resources for national construction.²⁰ However, the state's total control has resulted in overstaffing and inefficiency in many organizations. Moreover, the lack of power-balance mechanisms and disregard for the people's interests have also caused such shortcomings as bureaucratism and abuse of authority for private interest.

The Shortcomings in the PRC's Political Structure

Shortcomings in the PRC's political structure were widely discussed from 1986 to 1989.²¹ Influenced by traditional feudal autocracy

²⁰Xie Qingkui, ed., *Dangdai Zhongguo zhengfu* (China's present-day government) (Shenyang: Liaoning renmin chubanshe, 1991), 428-29.

²¹See articles by mainland Chinese intellectuals on reform of the political structure reprinted in *Xinhua wenzhai* from 1987 to 1989; also see Nie Gaomin et al., eds., *Dangzheng fenkai lilun tantao* (Theoretical discussion about separating the functions of the party and the government) (Beijing: Chunqiu chubanshe, 1987); Chi Fulin et

and Stalinism, the current structure emphasizes CCP and state monopoly on power. Through the state apparatus, the Party controls every aspect of the people's lives.

According to Su Shaozhi, the PRC's political structure has the following characteristics:²²

1. The high degree of power centralization has formed a unitary "Party-state-military-economic-ideological-cultural" entity in which the ubiquitous CCP controls everything and there is no distinction between the functions of the government and those of the Party.

2. A rigid hierarchical system with strong feudalist characteristics has made it difficult for individuals to improve their political, economic, and social status. The promotion of cadres depends on the preferences of their superiors. People with talents will not be promoted without "personal connections" or backstage supporters. Therefore, it is doubtful whether a system of appointing, promoting, and evaluating public servants can be thoroughly implemented.

3. The state apparatus is reinforced so that the state controls every aspect of society. State ownership is regarded as "ownership by the whole people." Consequently, state enterprises, which are theoretically owned by the people, are inefficient and the workers, who are their "masters," also lack initiative. In the face of the state, the people appear to be powerless, helpless, and insignificant. The "ruling class" of workers and farmers do not have any channels to influence the operations of the state.

4. State worship has been transformed into worship of the CCP and the personality cult; top leaders of the Party and the state are regarded as sacred and inviolable. Even democracy within the Party is not duly respected. The result of struggles among a small number of top-ranking Party leaders decides the Party's policies and principles in a certain period of time. The losers in the struggles are judged to have committed serious mistakes, although the winners might later be proven wrong by history. The system of centralizing

al., *Zhengzhi tizhi gaige jiben wenti tantao* (A study of the basic problems of political restructuring) (Beijing: Chunqiu chubanshe, 1988); Ding Yunben et al., *Shehuizhuyi jiquan zhengti de xingcheng yu yanbian* (The formation and evolution of a centralized socialist government) (Beijing: Chunqiu chubanshe, 1988); Liu Heren and Sun Liancheng, eds., *Zhengzhi tizhi gaige de jiben gouxiang* (Basic ideas about political restructuring) (Beijing: Guangming ribao chubanshe, 1988).

²²Su Shaozhi, "Understanding Socialism Again," in his *Makesizhuyi xinlun* (New views on Marxism) (Taipei: Shibao wenhua chuban gongsi, 1992), 64.

power with one individual, established during the Mao Zedong era, also brought about life-tenure terms for leaders and determined successor appointment. Consequently, the succession question can never be appropriately solved.²³

5. The Party and the state practice news blockades and censorship of publications to turn the mass media into propaganda instruments so as to enhance its mobilization of the people and its monopoly on ideology.

This political structure, which was established during the Mao era, not only embodied a "Stalinist system with Chinese characteristics," but also served to maintain social order in the PRC during that period. In fact, this structure and a planned economy complemented each other because the state needed strong power and centralized coordination to promote its planned economic system. However, after the introduction of economic reform and opening-up policies in 1979, mainland Chinese society has become increasingly pluralized. When various strata, groups, and individuals all seek their own interests, how will the Party and state leaders, who hold both economic power and political power, react to the changing situation? The growth of civic societies and the prosperous private economic sector constitute a direct challenge to the absolute authority of the ruling CCP, but the democratic formula in which society controls the state has yet to be established. On the contrary, the state still interferes with the development of society, and cadres with state power in their hands have become major players in the private economic sector.

The Evolution of Political Restructuring

As early as 1980, Deng Xiaoping pointed out the necessity of political reform. In order to create a kind of democracy which was more enlightened and practical than those in capitalist countries, he emphasized that systems should be implemented to guarantee democratization of the political life of the Party and the state, economic management, and social life. Concrete measures were introduced

²³See Gao Fang, "Mainland China's Political Restructuring" (Paper presented at the international conference on China's Past, Present, and Future sponsored by the Center of Asian Studies of Chuhai College, Hong Kong, September 13-15, 1993), 1.

to revolutionize leading bodies by making them younger, better educated, and more professionally competent.²⁴ In 1986, Deng was still considering political reform, realizing that political restructuring had not synchronized with the needs of economic restructuring, but stopped short of emphasizing democratization as the ultimate objective.²⁵ In his work report to the CCP's Thirteenth National Congress in October 1987, CCP General Secretary Zhao Ziyang devoted a whole section to discussing political reform, the most important issues including streamlining government organs, eliminating bureaucratism, establishing a socialist system of consultation and dialogue, and creating a public service system in which public servants were organized into groups handling political affairs and professional work and their appointments and promotions were based on performance evaluations.²⁶ Thus, political restructuring was defined as administrative reform with the aim of reinforcing the CCP's leadership and improving the efficiency of state organs.

In the autumn of 1986, Deng set out his views on political restructuring in a series of speeches. The general objectives of political restructuring were to consolidate the socialist system, develop productive socialist forces, and expand socialist democracy in order to bring the initiative of the people into full play. This included separating the functions of the Party and the government to enable the Party to exercise leadership more effectively; delegating some of the powers of the central authorities to local authorities; and streamlining the administrative structure. Concrete work would include promoting younger cadres to leading bodies so as to ensure the vitality of the Party and the state, eliminating bureaucratism and increasing efficiency, and delegating powers of decision to the workers, peasants, and intellectuals.²⁷

²⁴Deng Xiaoping, "On Reforming the System of Party and State Leadership," in *Selected Works of Deng Xiaoping (1975-1982)* (Beijing: Foreign Languages Press, 1984), 302-25; also see Chi Fulin et al., eds, *Deng Xiaoping zhengzhi tizhi gaige sixiang yanjiu* (A study of Deng Xiaoping's thoughts on political restructuring) (Beijing: Chunqiu chubanshe, 1987), 98-117; Juan Ming, *Deng Xiaoping diguo* (The Deng Xiaoping empire) (Taipei: Shibao wenhua chuban gongsi, 1992), 179.

²⁵Deng Xiaoping, "On Reforming the Political Structure," in *Selected Works of Deng Xiaoping (1982-1992)* (Beijing: Foreign Languages Press, 1994), 178-81; also see Juan, *Deng Xiaoping diguo*, 180.

²⁶Zhao Ziyang, "Advance Along the Road of Socialism with Chinese Characteristics," *Beijing Review* 30, no. 45 (November 9-15, 1987): Centerfold xi-xxi.

²⁷Deng, "On Reforming the Political Structure."

Subsequent discussion about political restructuring was even more hopeful than Deng's speeches. Deng's premise was that the Party should always remain at the core of leadership. However, mainland Chinese intellectuals went so far as to explore the possibility of transition to a political structure in the interest of the people, the nature of this structure, and the CCP's position in it. From 1986 to 1989, they gradually developed three important concepts about political restructuring:²⁸

1. Political restructuring and economic restructuring should be synchronously carried out. That is to say, changes on an economic basis will surely necessitate corresponding changes in the superstructure, including the political structure. Some intellectuals, including Gao Fang of the Chinese People's University, even asserted that political restructuring should precede economic restructuring because a highly centralized political structure could only consolidate and promote a planned economic system. If the political structure remained unchanged, the market economy would be prevented from playing its proper role by CCP leadership. Moreover, some scholars advocated ending government control over enterprises and resource allocation because if government functions and enterprises were not truly separated, the market mechanism would be undermined.

2. A highly centralized governing structure can control everything, but lacks efficiency. In addition, overstaffing and inflexibility of state organs have also resulted in corruption and bureaucratism. These problems should be solved by improving the transparency of the political decisionmaking process and political activities, reinforcing political communication channels, and advocating separation of powers to restrain power with power.²⁹

3. The ultimate objective of political restructuring should be political democratization. The people's sovereignty, the people's legislation, and the precedence of laws over powers should be the most important principles in building a socialist democratic system. The state should work hard to increase the people's education and

²⁸See Sung Kuo-cheng, "Mainland Chinese Intellectuals' Recent Comments on Political Restructuring—From Before the June Fourth [Massacre] to the CCP's Fourteenth National Congress" (Part I), *Zhonggong yanjiu* (Studies on Chinese Communism) (Taipei) 27, no. 7 (July 1993): 66-72; Li Ming, ed., *Zhongguo de weiji yu sikao* (Thoughts on China's crises) (Tianjin: Renmin chubanshe, 1989).

²⁹See Zhu Guanglei, *Yi quanli zhiyue quanli* (Restrain power with power) (Sichuan: Renmin chubanshe, 1987).

their understanding of democracy, allow them to freely discuss political affairs, and thoroughly realize freedom of speech. The state should not only propagate the concept that the people are masters of the country, but should actually materialize "procedural democracy." The three major procedural problems—the shortage of procedures, contradictions between different procedures, and unobserved procedures—should be resolved.³⁰ Without highly refined procedures, no sound democracy can exist.

Mainland Chinese intellectuals therefore believed that purely administrative reform was insufficient. They advocated political democratization which would enable the people to discuss political affairs and supervise the operation of state organs. Though they did not describe the concrete steps through which political democratization could fully materialize, they had abandoned the traditional ideology that the CCP is the core of the political system.

Though there have been few practical cases of political restructuring, mainland Chinese intellectuals achieved some success in the field of theoretical discussion. For instance, from 1986 to 1989, they learned from the experiences of Western countries, the Soviet Union, and East European nations and made significant suggestions about the development of socialist democracy in mainland China, including such sensitive issues as the orientation of the CCP and the electoral system. However, their suggestions for greater decisionmaking by the people were taken as a possible threat by the Communist authorities, who sensed the rise of a Rightist trend. After the Tiananmen massacre in June 1989, the CCP retightened its control over social and political life, and political restructuring was no longer regarded as a major necessity in reform. Both theoretical exploration and concrete practice of political restructuring were reversed.

Since the Tiananmen incident, few results have been achieved by mainland Chinese intellectuals in their discussions on political restructuring. Their emphasis has been on political reform premises rather than on theoretical bases and concrete formulas of political restructuring. These premises are:

1. The objective of political restructuring is to improve socialist democracy. As socialism is led by the CCP, to improve socialist

³⁰See Wang Hui, *Zhongguo de guanchangbing* (The diseases of China's official circles) (Beijing: Zhongguo funü chubanshe, 1989), 95.

democracy means to improve the Party's leadership; it does not mean deciding through democratic methods whether the Party's leadership should continue.

2. The Party's core position is not to be doubted and political reform must be conducted under the Party's leadership. A unified system with Chinese characteristics should be established and improved. The multiparty system of the West should never be introduced.³¹

3. Political reform must be conducted step by step in an active and stable way. Corruption that might arise from the substitution of new systems for old ones, the people's overinflated expectations for political reform, and influences from foreign political ideas might create political instability.³² Therefore, stability and solidarity must be maintained.

4. The PRC's fundamental political system cannot be negated and political restructuring must center on the crucial question of improving the system of people's congresses.³³

5. The idea of power balance should be rejected. The power-separation and multiparty systems of the West should not be copied mechanically because they are part of the capitalist political superstructure. The PRC can only uphold the system of multiparty cooperation under the CCP's leadership.

6. A key point of emphasis is administrative reform, which include improving the decisionmaking process, realizing scientific administration, promoting a civil service system, and reinforcing reform of local administrative organizations.³⁴

Judging by these premises, the PRC will introduce few concrete measures for political restructuring in the near future, rendering its political structure more inadequate for mainland China's ever-

³¹See Wang Bangzuo and Sang Yucheng, "On Building a Socialist Democracy with Chinese Characteristics," *Wen Hui Bao* (Shanghai), February 26, 1993, reprinted in *Xinhua wenzhai*, 1993, no. 6:9-11.

³²See Sung Kuo-cheng, "Mainland Chinese Intellectuals' Recent Comments on Political Restructuring—From Before the June Fourth [Massacre] to the CCP's Fourteenth National Congress" (Part II), *Zhonggong yanjiu* 27, no. 8 (August 1993): 65-70.

³³Wang Caisong, "Improve the System of People's Congresses to Truly Represent the People's Will and Interests," *Dongbei shida xuebao* (Journal of Northeast Teachers' University), 1990, no. 5:13, quoted in Zhu, *Yi quanli zhiyue quanli*, 67.

³⁴See Qian Qizhi, "Ideas about Local Organizational Reform," in *Difang jigou gaige yanjiu* (A study of local organizational reform), ed. Su Yutang (Beijing: Zhongyang dangxiao chubanshe, 1992), 28-40.

changing social and economic conditions. As economic reform has developed, the incompatibility between political and economic restructuring has become increasingly serious. At present, the CCP still controls the state, but the people have little trust in it and its ability to exercise its power; consequently, it cannot maintain a stable social order. Law, discipline, and social norms seem to be nonexistent and play almost no role in checking corruption and other crimes.

Political Restructuring or Reform of the CCP?

In the case of the former Soviet Union, Mikhail Gorbachev was unwilling to see either the CPSU's collapse or the Soviet Union's disintegration because he was both the CPSU general secretary and president of the Soviet Union. He introduced through political reform a mechanism to elect the president and parliamentarians in the hope that the force of democracy could inspire the CPSU to renovate itself into an efficient ruling party. However, the CPSU's failure to reform itself resulted in its own collapse and the disintegration of the Soviet Union. The "deconstruction" of Soviet socialism was so dramatic that the CCP took it as a warning, refusing to allow democracy to develop in mainland China for fear that the introduction of similar elections would lead to its own collapse.

At present, the PRC's most important task seems to be improving government leadership and efficiency of central and local governments so as to prevent the weakening of the people's trust in the ability of government organs to exercise their powers. The Decision on Some Issues Concerning the Establishment of a Socialist Market Economic Structure adopted by the CCP's Fourteenth Central Committee at its third plenary session in November 1993 devotes a whole section to transforming government functions and establishing a sound macroeconomic control system. The key point of the decision is that government organizations should attend to their own basic tasks and remove their control over enterprises:

The establishment of a socialist market economy urgently requires the transformation of government functions and reform of government organizations. Government functions in economic management consist mainly of devising and implementing macroeconomic control policies, appropriate construction of infrastructure facilities, and creation of a favorable environment for economic development. At the same time, as we cultivate the market system, supervise the operation of markets, and safeguard competition on equal terms, we should regulate social distribution and organize social security . . . so as to achieve national goals of economic

and social development. The government manages the national economy by economic, legal, and necessary administrative means, but it does not directly interfere in the production and management of enterprises. . . . In line with the principles of separating the functions of the government from those of enterprises, simplifying structures, and promoting unity and efficiency, we should continue to reform government organizations and seek to complete this task at the earliest possible date.³⁵

The CCP has tried to win the support of the people through improving government efficiency, but has so far failed to introduce effective measures to tackle the social and economic problems outlined earlier. If these problems stem not only from within individual subsystems (including the social, cultural, and legal systems), then is the political subsystem at fault and unable to cope with the needs of modernization? Or is the CCP, which dominates all these subsystems, the root cause of all these problems? If the CCP still has the ability to renovate itself and the Party can gradually improve the state's political structure to meet present-day needs, the problems might eventually be solved. However, the CCP has been unable to introduce drastic reform measures because it has been unable to reform itself. If inner-Party democracy cannot materialize and a mechanism for supervision by the people cannot be established, how can the CCP establish a democratic system and bring about lasting political stability? The economic reforms of the past eighteen years have benefited CCP cadres at all levels. As their vested interests are linked with their powers, they will naturally disagree with political reforms that change the relationship between the rulers and the people. Therefore, thoroughgoing political reform may be impossible. The contradictions between sustained high-speed economic growth and stagnant political restructuring will become increasingly acute.

A key focus in the future may be on the electoral system as a major forum for the expression of democracy. As early as 1988, some mainland Chinese intellectuals pointed out the necessity of people's congresses and administrative heads being elected by the people,³⁶ claiming that the people's sovereignty could only be embodied through elections. Today's CCP will not allow the people to exercise their sovereignty in this way. However, when we explore a problem such as the PRC's political structure, we should note that a political ap-

³⁵ *Beijing Review* 36, no. 47 (November 22-28, 1993): 19.

³⁶ See Liu and Sun, *Zhengzhi tizhi gaige de jiben gouxiang*, 58.

paratus based on unchallenged CCP leadership will only lead to very limited reform measures. If the orientation of political restructuring is decided before the CCP's position in the political structure is discussed, the result will be very different, as the Party's performance will be judged and its future decided by the people.