The Future of Chinese Politics
The Fifteenth Congress of the Chinese Communist Party and Beyond

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Introduction

In the late 1970s, China began to move away from orthodox communism and its success in reforming a socialist economic system was widely regarded as an example for change in the rest of the now defunct communist world. In the late 1980s, internal contradictions of Chinese-styled reform, i.e., attempting to manage a market-oriented economy while keeping a communist political system intact, accumulated in domestic discontent that peaked with wide spread societal support for the student-led pro-democracy movement in the summer of 1989. The Chinese party-state has so far survived but the necessity for fundamental change to the political structure has been intensified, as has been seen in the worsening of corruption. Whereas corruption cases have individual characteristics, all share the same root cause: the Chinese communist political system itself. The Chinese Communist Party (CCP)'s monopoly of power hinders the development of the rule of law. In other words, a systematic solution to corruption and many other political and social deficiencies ought to be democratization of the very political system that is governing China. Without political democratization, even the future success of economic reform in China cannot be assured.

The death of Deng Xiaoping in February 1997, and more significantly the convening of the 15th CCP congress in the following September, offer students of contemporary Chinese politics a window of opportunity to look into the future evolution of Chinese politics. The key to predicting future change in China is to examine how the post-Deng CCP leadership plans to deal with its own dilemma; more economic growth bringing about more and stronger societal challenges to the regime's one-party rule yet without continuing growth the survival of the regime is in question. Under Deng, political democratization was firmly rejected as part of the Chinese party-state's reform agenda, although decentralization in economic decision-making did result in a weakening of the

political center's absolute grip on power. What can be learned from the 15th CCP congress with regard to the fundamental challenge facing the post-Deng CCP leadership that is going to take China into the new century? Has it demonstrated the much-needed courage to begin democratizing the Chinese political system?

This paper looks into the future of Chinese politics by focusing on the possibility of political democratization in China under the post-Deng CCP leadership. It begins with an examination of the post-Deng CCP's governing strategy enunciated at its 15th congress in areas of domestic politics and foreign policy. The prospects for democratic change in China under the post-Deng CCP leadership will also be considered, paying particular attention to the constraints on democratization placed by traditional Chinese political culture.

The preliminary findings are that the post-Deng CCP leadership has no plan for democratization during its 5-year rule. It overall governing strategy continues to be economic growth with stability. Chinese foreign policy is also likely to continue in the same direction since the end of the Cold War.

The 15th CCP Congress

A CCP Congress in the Chinese Politics

In form, power in the Chinese political system is distributed into three bodies: the party, the National People's Congress (NPC) or the legislature, and the State Council or the enlarged cabinet. Although the Chinese constitution designates the NPC to be the highest authority, in reality the party has ultimate control over the other two "branches" of the political structure.

A CCP congress is in theory the party's most powerful body but it holds no real power. "Much like an American political party convention, it convenes, hears many speeches, passes resolutions, adopts rules of procedure, and disbands."[1] Real power in the CCP rests with the Standing Committee of the

Political Bureau of the CCP Central Committee which currently consists of seven members. All of them concurrently hold top positions in the Party, the NPC, the State Council, and the CCP Central Military Commission.[2]

On the other hand, a national congress is also by nature unlikely to produce concrete policy results. It is intended to be a ideological body and to demonstrate the political center's capacity to rally the provinces behind. Its large membership (2,074 strong for the 15th congress) and its duration for only one week make it impractical as a policy-making body. Nonetheless, it provides a venue for the CCP cadre elite at the national and provincial levels to bargain over the CCP center's demands on the provinces and to negotiate the center's political and material support for local policy initiatives.

The history of contemporary Chinese politics shows that a party congress is significant in that it initiates a slogan or a policy orientation, which the bureaucracy and the rest of the nation then fellow.[3] For instance, the 11th CCP congress, by announcing the end of the Cultural Revolution, oriented the country away from the "class struggle" and into "four modernizations". The 12th CCP congress popularized the phrase *gaige kaifang* (reform and open to the world), which has had a profound impact on the domestic and foreign policies of China ever since. The 13th CCP congress ushered in the notion that China is still in the primary stage of socialism (and therefore private and semi-private ownership was permissible) and that the goal of economic reform was the establishment of a "socialist commodity economy". Such a notion made it possible to introduce capitalist economic measures into the management of the Chinese economy. The 14th CCP congress identified the goal of a "socialist market economy", and justified the broader implementation of market mechanisms in pursuing economic growth.[4]

In short, examining a CCP congress makes it possible to predict in what general direction the Party intends to take the country. While this does not

mean that there will not be significant variations in actual policy implementation, the Leninist nature of Chinese politics makes it impossible for a fundamental policy shift to take place without endorsement by the highest level of the Party machine, in form if not in substance.

The Post-Deng CCP Leadership

The 15th CCP congress is particularly significant in the history of the Chinese party-state in a number of ways. Nearly two decades of reform and integration of China into the world economy has greatly increased the complexities of governing China. The stakes of success or failure are high, not only for China but also for the rest of the world. Take the volume of trade between China and the rest of the world as an example. In 1997, China (excluding Hong Kong) was the 11th largest exporter and 12th largest importer of goods, 16th largest exporter and 12th largest importer of services.[5] China's record of foreign economic performance could not have been achieved without Deng Xiaoping's determination to keep the Chinese economic reform orientation intact throughout the various political challenges to the regime and the reform program from both within and outside the CCP. Deng's death puts the mantle of readership squarely on the shoulders of the generation of CCP leaders whose prestige within the CCP hierarchy cannot match that of Deng, much less that of Mao. The 15th CCP congress is the first major test of the post-Deng CCP leaders' ability to govern China.

A number of observations can be made of the CCP Central Committee leadership installed at the 15th CCP congress. First, the death of Deng Xiaoping, unlike the death of Mao Zedong, has not resulted in a power vacuum that was made obvious in power struggles between the "Gang of Four" on one side and Mao's chosen successor Hua Guofeng on the other. Unlike Hua, who inherited power from Mao's deathbed, Jiang Zemin has had the benefit of being

groomed in his present position since 1989. Those 8 years allowed him to build his own power base in the Party hierarchy and in the military.[6] A smooth leadership succession within the CCP leadership has been achieved.

Second, along with a smooth leadership succession is the virtual end of intra-Party debates on in what direction China ought to move. "Socialism with Chinese characteristics" has become the accepted development formula. Under Deng Xiaoping, the conservatives ("leftists" in the CCP's vocabulary) generally associated with Chen Yun, who preferred to give a greater role to central planning, proved to be a power bloc Deng had to contend with. With the deaths of both Deng and Chen, the conservatives have virtually lost ground in arguing for scaling back the pace of reform in China, let alone returning China to the Mao-era of anti-capitalism and anti-imperialism. Prosperity and national strength through further reforms has become the accepted norm in political rhetoric. Uncharacteristic of his speeches on ideological matters in the years since the 14th CCP congress, Jiang made only a passing reference to the Party's need to guard against leftism in his report to the 15th congress.

In this regard, the ouster of Qiao Shi from the Standing Committee of the CCP Political Bureau has differed from tradition. Qiao has been widely credited with the strengthening of the constitutional role of the NPC, whose chairmanship he has held since 1992. He is also widely believed to be the number one political foe of Jiang Zemin.[7] Replacing Qiao on the Standing Committee was his protégé Wei Jianxin, head of the Party's Central Disciplinary Inspection Commission. Wei's political career has long been associated with fighting crime and corruption committed by cadres both in and outside the Party. He gained national prominence by heading the investigation of a corruption case that eventually led to the downfall of Chen Xitong, former party secretary of Beijing and a key player in the 1989 Tiananmen Square crackdown.[8] Qiao as a high ranking Party member

continues to be active in politics. For instance, Qiao was invited to sit along side the new members of the Standing Committee of the CCP Central Committee in a national conference on financial affairs held in mid-December 1997.[9] In a closed political system like China's such symbolism matters as much as its substance, if not more. This is in contrast to the older generation of CCP cadres, which was more inclined to see personnel changes within the Party as a zero-sum game. Jiang's lenient treatment of Qiao demonstrated his inability to build himself up as a Mao/Deng-type of strongman.[10] Given the patron-client nature of the Chinese politico-bureaucratic system, on the other hand, Qiao's retreat can also be seen as a demonstration of his political astuteness.

Third, the 15th CCP congress succeeded in changing two thirds of the CCP Central Committee membership.[11] Along with this change was the retirement of all those aging cadres who rose to power due to their participation in the pre-1949 Communist revolution. The new leadership is made up mostly of technocrats, who are more interested in solving pressing problems through their professionalism. In contrast, their predecessors were more likely to be adventurous in policy-making and in giving personal prestige a higher priority. Such a change of leadership makeup is in line with the developmental needs of China today.

Fourth, the new leadership lineup represents the political reward the center gives to those provinces with the best record of reform achievements. Newly represented on the Central Committee as full members are the Party secretaries of Shangdong and Henan provinces, which are among the fastest growing provinces throughout the country. Such a leadership lineup also makes it possible for those provinces that may experience the adverse effect of sudden turns in national policies to have their interests represented in the center.

What is the post-Deng CCP leadership's overall governing strategy? Has the post-Deng leadership adopted measures that will lead to a fundamental breakthrough in reforming the political system? The next section examines the policy orientations the 15th CCP congress has enunciated.

Post-Deng CCP's Governing Strategy

"*Upholding High the Banner of Deng Xiaoping Theory*"

The 15th CCP congress made a revision to the CCP charter, adding "Deng Xiaoping theory" to Marxism, Leninism, and Mao Zedong thought as the ideological basis for governing post-Deng China. Jiang Zemin further emphasized that "in contemporary China, no other theory except [Deng's] can answer the question concerning the future and destiny of socialism."[12]

The so-called "Deng Xiaoping theory" maintains that China must and can build "socialism with Chinese characteristics." As early as 1979, Deng proposed "four cardinal principles" for the operation of the Chinese party-state. All future policies must be in conformity with 1) Marxism-Leninism, Mao Zedong thought, 2) the socialist road, 3) a continuation of the people's democratic dictatorship, and 4) absolute political dominance by the CCP. These four principles, particularly the fourth one, plus *gaige kaifang* formed the basis for policy-making in China in the years since. However, compared with Marx/Engels, Lenin, and Mao, Deng has fallen far short of providing a theory as a political doctrine, much less as a science in the Western sense. In his active political life in reform-era China, Deng consistently avoided following Mao's footsteps of offering philosophical justifications for specific policies. In what most China experts call pragmatism, Deng approached the necessity to theorize by going as far as rationalizing Party policies rather than offering a predictable and inspirational blueprint for his reform politics.[13] What Deng proposed, in reality, was a set of political strategies.

For the post-Deng CCP leadership to "uphold the banner of Deng Xiaoping theory", then, is to continue the policies and policy orientations adopted by Deng. On the one hand, Jiang's treatment of Deng does have a precedent in Hua Guofeng's insistence at the 11th CCP congress that whatever Mao had said was to be held as correct and whatever policy Mao had adopted would be followed without alteration. Jiang mentioned Deng over 50 times in his congress report, often in adulatory terms. This suggests a degree of insecurity a more confident leader would not betray. On the other hand, the differences between legacies of Mao and that of Deng are only too obvious.

Meanwhile, Jiang's treatment of Deng is in line with the CCP's tradition, which defines "theory" as composing of recurrent themes running through an assembly of speeches and writings by its most prominent past leader. Such a treatment gives the new leaders ample space for justifying specific policy changes by pointing to the fact that they are merely continuing the policies and/or policy orientations set by a predecessor. For instance, Deng, whose policies are by nature a drastic departure from Mao's, arranged an official appraisal of the pre-1978 CCP history by enshrining Mao's contributions to both the Party and the cause of socialism in China. The only major mistake Mao had made, it was concluded, was launching the Cultural Revolution (1966-1976).[14]

The post-Deng leadership offers the following vision for China in the 21st century:

> In the first decade, the gross national product will double that of the year 2000, the people will enjoy an even more comfortable life and a more or less ideal socialist market economy will have come into being. With the efforts to be made in another decade when the Party celebrates its centenary, the national economy will be more developed and the various systems will be further improved. By the middle of the next century when the People's Republic

> celebrates its centenary, the modernization program will have been accomplished by and large and China will have become a prosperous, strong, democratic and culturally advanced socialist country.[15]

This is almost an exact replica of Deng's pronouncements nineteen years ago. At the third plenary session of the 11th CCP Central Committee meeting, Deng announced that the short-term goal of the CCP was to double China's gross national product in the year 2000, using the 1978 figure as the original. For the time beyond 2000, China's development goals were as vague as the ones cited above.[16] Such a state of affairs can be a cause for casting serious doubts about the post-Deng leadership's self-confidence, but it is too early yet. According to the CCP's political doctrine, a "theory" can and should be developed following an investigation of new social realities. The politics of self-legitimization allow the leadership to claim that by revising a "theory" those who inherited the leadership positions are better at putting into practice the spirit of an earlier "theory". This in turn falls in to line with historical materialism – the cornerstone of Marxism. Again, using Deng Xiaoping as an example, he subscribed to Hua Guofeng's dogmatic treatment of Mao's policies before undoing them once Hua was ousted from power. One should not be surprised if in the future a major policy departure from Deng takes place through the very leadership he installed to continue his policies, in spite of the rhetoric ruling out such a possibility.

Focusing on Economic Reform

There can be little doubt that the post-Deng leadership places economic reform on the top of its policy agenda. Of the 10 parts in Jiang's keynote speech to the Congress, the longest and most substantive was part 5: "economic restructuring and economic development strategy". A CCP congress is

generally short on policy initiatives but in this case the most important initiative was congress's endorsement of share ownership in state owned enterprises [SOEs]. Jiang was careful to describe this in terms of diversified rather than privatized ownership. This treatment reflects the political reality that the sale to private buyers of state owned enterprises is still a sensitive political issue. *Gufen zhi* or share ownership is a policy that has been applied experimentally since 1984 and more energetically in coastal provinces like Guangdong since the early 1990s. The party congress endorsed the validity of the experiment and made it a nation-wide policy. Such a policy-making process followed the "trial and error" pattern that was characteristic of the Deng era. In other words, the post-Deng leadership continues the tradition of being cautious but firm in policy-making.

Similar reform measures have been less successful in Russia and the former Yugoslavia. The post-Deng leadership in China has demonstrated a measure of political courage by admitting that the government is no longer capable of being the owner, planner, manager, and regulator of the mixed economy that it has inherited:

> We shall also quicken the pace in relaxing the control over small state-owned enterprises and invigorating them by way of reorganization, association, merger, leasing, contract operation, joint stock partnership or sell-off.[17]

Large state-owned enterprises, however, shall continue to be under state control. Here lies a dilemma facing both the regime and the society at large. Loss-making SOEs are draining the state's limited financial resources but they are at the same time the major contributors to the government's tax revenues.[18] Economic reform policies under Deng's leadership seriously eroded the central government's capacity to extract wealth from society and to provide the public

goods necessary for sustained development.[19] Massive restructuring of these firms will inevitably result in large-scale worker layoffs. Since the CCP continues to adhere to the notion that it represents the working class, making large numbers of SOE employees jobless is not only an economic and social problem but also, and perhaps more importantly, a political one. Massive unemployment threatens to do away with the very definition of the CCP. It seems that the logic behind the post-Deng leadership's half-steps in its economic policy-making has more to do with striving to control the pace of reform so that its legitimacy among the Chinese populace would not be called into further question.

In the months leading up to the Congress, it was reported in the Hong Kong Chinese language press that within the CCP there emerged calls for revising its charter, to drop the clause on workers being the masters of the Party and the state.[20] Such a revision would give the CCP some political cover when it comes to doing away with lifelong employment which was guaranteed to SOE employees, and thus producing a leaner and more efficient government. The 15th CCP congress did not show the political courage to take this significant and even necessary step, although similar ideas are reportedly continuing to be discussed among liberal members of official think tanks.[21]

The Need for Deeper Economic Reform

Politically speaking, Deng's economic reform has three pillars. First is the agricultural sector, which still employs over 70% of the Chinese labor force. Reform began by replacing the commune system with the household responsibility system – a return to similar experiments in a number of provinces in the 1950s. This resulted in a doubling of the average income of Chinese peasants and the lifting of hundreds of millions of them out of sheer poverty within one decade.[22] However, agricultural reform stalled after the

1979 return to family based-farming. In the late 1990s, agriculture as a sector was faced with problems in technological improvement, serious soil erosion, reduction of arable land, a "surplus" farming labor of some 26%, according to the latest Chinese government statistics.[23] These statistics often understate the problem and it is little wonder that China's ability to feed its own population in the 21st century has now been called into question.[24]

The Chinese party-state's introduction of democratic village self-governance has not proved to be a viable solution to the new problems countrywide, as is shown in Jean Oi's studies. According to Oi, democratic self-governance is treated as a means to an end, which is economic prosperity. One unique feature is that the most prosperous villages, such as those in Guangdong, have turned out to be the least active in implementing democratic measures for selecting village leaders. Furthermore, village governments under reform have to finance their operations through taxation of farmers. This creates room for corrupt village cadres to levy excessively high taxes on farmers, and thereby fueling peasant discontent, often expressed through violent means.[25]

In reforming the urban economy, Deng's consistent approach was to weaken the power of Soviet-style central planning by giving differential treatment to selective provinces, cities, and industries to generate growth. Such policies in return are managed as political favors to balance one provincial power bloc against another, thereby creating support for the political center. More specifically, those provinces/cities/industries favored by the center would support it because of vested self-interests as would those waiting to receive favorable treatment.[26] A summary result of the industrial reform is that "the Chinese government's role in the economy is under increasing strain with the interconnected problems of unproductive state-owned enterprises, inadequate public infrastructure, rising budget deficits, and non viable financial

institutions."[27] Zhu Rongji's accession to the position of the premier of the State Council offers some hope that economic professionalism may take precedence over political ideology, generally associated with Li Peng. As executive vice premier under Li Peng, Zhu is credited with having overseen a readjustment program that reduced inflation from 24% in 1994 to 3% in 1997, while maintaining the overall growth rate at 8%. Zhu is also known to be less interested in politicking when it comes to decision-making.[28]

China under Deng relied heavily on its comparative advantage in low-cost and labor-intensive manpower to facilitate integration with the international economy, and so attract foreign direct investment. This was coupled with an effort to control Western appetites for the potentially vast Chinese consumers' market. In trade China pursued a mercantilist policy of maximizing the state's share of foreign trade benefits. As two Guangdong-based Chinese scholars have pointed out, such a foreign economic strategy works against China's interests and development potential in the long run because, among other things, investment in education and research and development have lagged far behind.[29]

On the other hand, the international sector of the Chinese economy stands out as a major success in terms of trade, investment, and foreign exchange. A natural tendency is to look outside the country for solutions to solve the myriad problems facing China's economy today, including using foreign investment to revitalize the politically sensitive SOEs. Among other challenges, reform in China must generate more domestic consumption, since further export growth will be dampened over time as foreign markets become saturated with Chinese goods.

The 15th CCP congress did make an attempt to address these and other problems in the economic system by promising more investment in the agricultural sector and calling for policies that encourage domestic and foreign

investment in the less developed central and inland provinces. According to one view, for the CCP to translate sound economic policy directions into effective policies, the post-Deng CCP has to "slow the process of institutional decay while accelerating that of renewal."[30] Signs of institutional decay in China include an increase in corruption and the declining ability of the central government to enforce its national policies, which can be partially attributed to the reform-era practice of applying different policies to different provinces, cities, and industries. As decentralization takes root, local governments in China have less of an incentive to implement those policies that ought to be observed countrywide. Institutional renewal, on the other hand, can be found in the strengthening of the legal oversight of government by the National People's Congress, enhancement of the rule of law, and experimentation of self-governance at the village level.

The previous description shows that Deng-era China's economic development strategy created as many problems as achievements. Whereas the 15th CCP congress does assure that the future of economic reform is certain, the sustainability of economic growth is by no means guaranteed. Without democratization of the Chinese political system itself – the key to resolving the internal contradictions in both developmental strategy and specific political-economic policies – the post-Deng CCP's ability to govern China in the future cannot be assured. This unpredictability carries with it significant implications for Chinese foreign policy in the future.

Foreign Policy: Modernization and Nationalism

In spite of the numerous challenges it faces, the Chinese economy will continue to grow, barring major catastrophes such as a countrywide civil war or a military conflict with a major power. One estimate foresees that the Chinese economy will overtake the American economy in less than 20 years.[31] As a

rising power with a history of territorial disputes along its land and maritime borders, an economically stronger China has good reasons to become a militarily stronger China, which can be a destabilizing factor for regional if not global stability and development. What does the 15th CCP congress tell us about the post-Deng CCP leadership's plans for foreign policy?

From the founding of the People's Republic to the start of the reform era, nationalism was the main principle guiding China's relations with the rest of the world. In this regard, Peter Van Ness's statement is illuminating;

> China's official national identity as a Third World state [in the Cold War era] was employed by the leadership to enhance the legitimacy of the regime and to stake a claim for world leadership.[32]

Since the end of the Cold War, the Chinese government has consistently insisted that China is a developing country and must defend its right to achieve better economic development before political democratization can be contemplated. In spite of its comparative weakness, China's ambitions in world affairs have more to do with regaining an equal footing with the world powers than settling for the status quo. One can understand the Chinese party-state's constant reference to the humiliation the Chinese nation-state suffered in the hands of foreign powers (in particular, since the Opium War) and the relentless defense of Chinese sovereignty.

Space does not permit an extensive discussion of the history of Chinese foreign policy. The shift from Mao's anti-imperialism thesis to Deng's "peace and development" thesis in interacting with the rest of the world has not fundamentally altered China's frustration with the world powers.[33] The end of the Cold War has done away with the China's geo-strategic value for the world powers. As the Chinese economy continues to be integrated with the world

economy, China's trade and investment-related disputes with its major trading partners have also intensified. In the post-Cold War era, with orthodox Communism out of vogue and ideology losing its efficacy, with imperial Confucianism left in ruins, China is left with an ideological vacuum in its basic foreign policy orientation. Nationalism is on the rise, which is made more obvious by the de-facto official endorsement of a controversial 1996 bestseller *China Can Say No* (to the US and Japan in particular and the West in general).[34]

The 15th CCP congress said little about foreign policy. Jiang's congress report talked about "promoting the peaceful reunification with the motherland" before dealing with "the international situation and [China's] foreign policy." Such a sequencing of topics itself can be said to be a demonstration of Chinese nationalism. The CCP continues to maintain that the resolution of the issue of Taiwan's diplomatic status is strictly within the domain of its domestic politics. Jiang again repeated Deng Xiaoping's thesis that "peace and development are the main themes of the present era." Although "the development of the trend toward multi-polarity contributes to world peace, stability and prosperity," "the world is not yet tranquil."[35] Jiang also repeated the familiar themes in Chinese polemics on foreign policy in the past two decades. Such themes include safeguarding China's sovereignty, not yielding to external pressure for political changes in China, and calling for a "rational new international political and economic order."

There were signs of change in the post-Deng leadership's enunciation of how it plans to pursue its foreign relations in the 21st century. Overall, the immediate goal of Chinese foreign policy remains modernization or the securing of an international environment conducive to China's needs for economic development, which was characteristic of the Deng era. To achieve that goal, the post-Deng leadership divides the nation-states in the world into several

categories, prioritizes the importance of China's relations with each, and designs different approaches toward them, as seen in the following chart.

Post-Deng China's Foreign Policy Pronouncements

Partner	*Approach*
Asian neighbors	consultations, negotiations, shelving differences
Third World countries	solidarity and cooperation
Developed countries	Five Principles of Peaceful Coexistence
All countries	trade and cooperation for common development
United Nations	maximum use of China's role
Other int'l organizations	active participation
All political parties	contact to promote state-state relations

Source of information: Jiang's congress report, pp. 29-30.

The above chart indicates China's acceptance of its regional rather than global status; therefore relations with its Asian neighbors are given the highest priority. If the new leadership indeed carries out its promise to pursue a "good neighborly policy" by using "consultations and negotiations", and "seeking common ground" a more powerful China would not pose a threat to its Asian neighbors. Nationalism in Chinese foreign policy would then be benign rather than aggressive. China scholar Denny Roy's assessment of future possibilities of China's behavior toward the rest of Asia was that Chinese promises are not as convincing as the Chinese leadership wishes them to be.[36] Indeed, historical distrust of China by its Asian neighbors demands that the post-Deng leadership conduct its relations with its Asian neighbors with great caution and skill. The Chinese military's intimidating exercises in the Taiwan Straits in 1995 and 1996 do not offer China's neighbors comforting assurances. It seems, that the CCP's continuing need to ensure economic growth through the

international sector is going to be the single most powerful restraint on military adventurism as a tool of Chinese foreign policy.

Complicating China's relations with the rest of Asia is the "Greater China" phenomenon. "Greater China" is an intellectual conceptualization that examines the commercial, cultural, political and strategic implications of the business networks forged by ethnic Chinese business groups in Hong Kong, Taiwan, and Southeast Asian countries when they invest in China.[37] Such networks have been made possible partly by China's economic open-door program, which took advantage of Overseas Chinese immigrants worldwide but particularly those to the rest of Asia, as well as the Confucian sense of fidelity to ancestral homes in China. Overseas Chinese have indeed served China's economic interests well because the ethnic Chinese businessmen since the late 1970s have been in the forefront of investing in their ancestral homeland and helping to bridge the gaps between the China market and the world market.[38] What is unique about these networks is that because they are mostly family or clan-based they operate without having to observe the traditional nation-state boundaries as does international business. The history of contemporary China's foreign policy toward Southeast Asia is one of the CCP meddling in the internal affairs of China's Southeast Asian neighbors. In addition, the centuries-old history of Chinese immigration into Southeast Asian countries has not been a harmonious one. The test is to see whether or not the CCP in the future seeks to turn a business-based "Greater China" into a political one or a "Chinese Commonwealth".[39]

Communist ideology has lost ground in post-Deng Chinese foreign policy. Relations with foreign political parties (including Communist and socialist parties) in foreign countries are given the lowest priority. Furthermore, the purpose of conducting party-party relations is said to be for strengthening state-state relations. Missing from Jiang's report to the 15th CCP congress

was the traditional CCP insistence that China is a member of the "Third World." The end of the Cold War has made the "Third World" an obsolete term to describe today's geopolitical realities. Nonetheless, Jiang's congress report does refer to the "Third World" as if it were still existing as a bloc. This inconsistency could well be interpreted to indicate that the post-Deng CCP leadership regards the 'third world' as having historical value for China. If the post-Cold War evolution of Chinese foreign policy can be seen as an indicator, the post-Deng CCP leadership's pronounced demonstration of solidarity and cooperation with the developing world is intended to maximize support from international political organizations such as the UN. This becomes important when it comes to diplomatically confrontational issues such as human rights versus economic development.[40]

The "Five Principles of Peaceful Co-existence" - the cornerstone of which is absolute sovereignty and non-interference in domestic affairs - used to dominate Chinese foreign policy rhetoric. The post-Deng CCP leadership seems to be applying these principles to deflect Western pressures for political change within China. Political disputes have been contained so that economic relations or the geo-strategic relationship would not be affected as has been illustrated in China's conduct of bilateral relations with the US since the end of the Cold War.[41] Should the same trend continue, a full-blown conflict between a superpower (the US) and a regional power (China) could be avoided. China's economic dependence on the US and its major strategic ally in Asia, Japan, should provide an assurance that the Chinese regime will more likely continue its past practice of avoiding confrontation with either or both of them.[42]

So far the CCP's pursuit of nationalism in foreign policy has not superseded the immediate foreign policy goal of economic modernization. Aggressive nationalism has not materialized, and the focus has been on improving relationships with China's Asian neighbors.[43] The 15th CCP

congress seems to reaffirm that the same trends shall continue. Its pronounced foreign policy plans indicate a downgrading of Communist ideology in the conduct global diplomacy after the 1989 Tiananmen Square crackdown and particularly after the collapse of the Soviet Union in 1991. China should move beyond its mentality of historical victimization and should further integrate into the post-Cold War world political-economic order.

The fact that aggressive nationalism has not yet materialized does not mean that it will not in the future. The Communist Chinese political system offers no transparency in the foreign policy-making process. Nor does it permit open debates on either the orientation or specifics goals of China's foreign policy. The existence of the communist political system is the root cause for concern that aggressive nationalism in foreign policy may be pursued as a means to divert domestic pressure on the party-state for its failure in governance.

This review of post-Deng CCP's governing strategy for domestics and foreign policy leads us to the key question posed in the beginning of this paper. Did the 15th CCP congress reveal anything about the possibility of democratization of the communist political system in China?

Prospects for Democratic Change in China

Constraints of Traditional Political Culture

Democracy in the context of Chinese and East Asian political cultures that have been influenced by traditional Confucian values, carries different implications from those commonly held in the West.[44] If one searches for origins of the Chinese literal translation of "democracy" or *Minzhu*, one can find it in *Mencius*. To Mencius, the *Zhu* or the ruler has to have the interest of the *Min* or the ruled in mind. Desirable if not always effective governance becomes possible when the ruler exercises benevolence. To follow the

Confucian doctrine of hierarchy and reciprocity, the *Min* has to obey the *Zhu*. Well-behaving *Min* and *Zhu*, therefore, become models for the rest of the polity and society to emulate.[45]

The modern *Minzhu* is a constructed concept formed at the beginning of the 20th century when China was in the revolutionary transition from a feudal dynasty to a republic. The notion implies that China had something to learn from the West, that people's voices should be heard. How the people's voices are to be heard is less clear. Since the fall of the Qing Dynasty, Chinese society went through various political experiments using different political models. A strong centralized authority was chosen as the only viable way of revitalizing Chinese civilization. In this regard, there is little difference between the Nationalists and the Communists who fought for control of China in a civil war that ended with the Communist victory in 1949.

Since the Communist takeover, however, the term *Minzhu* has taken a definitely Stalinist flavor. Such political oxymorons as "socialist democracy", "socialist democracy with Chinese characteristics", or "people's democracy" have become standard in the CCP-sanctioned political vocabulary. The importation of Western notions of democracy became a forbidden exercise, in the same way Western imperialism and colonialism was decisively rejected. Jiang's congress report continues to insist on the Communist definition of *Minzhu* by arguing that[46]

> [t]he essence of socialist democracy is that the people are the masters of the country. ... China's state system featuring people's democratic dictatorship and its system of government featuring people's congresses are the result of the struggles waged by the people and the choice of history. It is imperative that we should uphold and improve this fundamental political system, instead of copying any Western models.

This the clearest statement on the post-Deng CCP's determination to continue holding on to its absolute dominance of power. According to its constitution the Party represents the people and by virtue of being in power it exercises authority on behalf of and over the people. The CCP's definition of *Minzhu*, in this connection, does have some similarities with the traditional Confucian notion of rule by benevolence. For instance, Jiang's congress report offers to establish[47]

> a mechanism that will help decision-makers to go deep among the people to see their conditions, adequately reflect their will and pool their wisdom so that decision-making will be more scientific, democratic and efficient and will reach a higher level [of quality].

According to such a conceptualization of "socialist democracy", independent political forces seeking to represent new social interests become unnecessary since the CCP already knows what the people want. In a related vein, any political grouping that is not officially approved or sanctioned by the party-state shall be suppressed. The 15th CCP congress in this regard is a step backward from the 13th CCP congress which initiated a governing strategy called *Dangzhen fenkai*. According to the strategy the party's functions were to be restricted to the areas of ideological propaganda and party membership management, the administrative duties of government would be left to professionals. Such a strategy, were it to be carried out to the letter, would have the potential of democratizing the political system since the professional emphasis on public administration would inevitably lead to the legitimization of interest groups. A basis would be established for alternative political representation. The 1989 political crisis put an end to such an experiment, however, the 14th CCP congress made no mention of *Dangzhen fenkai*; it only stressed the necessity to maintain political and social stability. The 15th CCP

congress instead proposed *Zhengqi fenkai*, which means that the social welfare functions of a state-owned-enterprise should be left to the society at large while decision-making would follow the law of the market. By extension, the party's ideological and administrative functions would be formally restored. Although "improving the legal system" is also listed as a major item on the political agenda of the Party, the contradiction is that the legal system itself is not an independent one. China's legislature functions according to the party's wishes and the judiciary and court systems are not free of interference by the party. In short, the post-Deng CCP leadership has firmly rejected any possibility of the CCP democratizing its own political system. If democratic change (in the Western sense of the term) cannot be expected to emerge from the Chinese political system itself, what is the prospect for democracy to materialize as a result of social demands?

The preceding discussion on the meaning of the term "democracy" or *Minzhu* in the Chinese political cultural context is relevant to answering such questions of a speculative nature. A re-occurrence of pro-democracy activity can never be ruled out. In modern Chinese history, movements calling for Western-oriented political reforms have been usually initiated by the intelligentsia, primarily university professors and students. Since the late 1970s, Chinese intellectuals have had greater exposure to democracy as applied in Western political systems and an intellectual consensus has emerged that political change in China ought to move in the Western direction.[48]

The May Fourth Movement of 1919, has had an enduring impact on every major intellectual-led political movement which has attempted to force the government to be more responsive to the people's needs. The May Fourth Movement revealed that democracy for Chinese intellectuals is more a means to an end or revitalization of the nation-state rather than an end in and of itself. Furthermore, the intelligentsia tended to regard itself as a new political elite in

formation, without making serious efforts to involve wider sectors of the society in its political campaigns. The students and their Chinese intellectual mentors were in fact demanding "not that the CCP should be more responsive to the ideas of China's masses but rather that it should allow the intelligentsia a greater voice in national affairs."[49]

In examining the 1989 student-led pro-democracy movement, Western critics have taken leaders of the movement to task for behaving in non-democratic and elitist ways, both at the time of the occupation of Tiananmen Square and during the formation of new protest leagues in exile.[50] Such a tendency is not conducive to generating widespread participation in a democracy movement and at the same time runs counter to the idea of democracy. One more phenomenon to take note of is how quickly Chinese political dissidents, after being exiled to the West, have failed to form a credible political resistance group against the Communist regime in China. Their pursuit of political change back in their homeland, if there ever existed such a serious effort, pales markedly with those of Soviet and Cuban dissidents in exile.

Indeed, democracy or *Minzhu* in the Chinese context carries with it fundamentally different notions opposed to what is believed in and practiced in the West. In a similar vein, it is not far-fetched to say that one should not expect the goal of *Minzhu* movements in China to lead to a kind of social-contract, in the way John Locke defines it, to take root in China in the predictable future. China and the Chinese people have yet a steep learning curve to go through before truly democratizing Chinese politics.

What are commonly termed "pro-democracy movements" in modern China arise when the government is perceived to have failed to "secure the balance between the individual and the community, between rights and duties, between personal happiness and the common welfare of society."[51]

Widespread corruption, accompanied by a serious economic slowdown, as was the case in the late 1980s, seems to breed *Minzhu* movements in China more readily than other factors.

Growth with Stability, delaying the Inevitable

The history of *Minzhu* movements in modern China makes it easier for us to understand the logic behind the post-Deng CCP leadership's governing strategy which is to pursue economic reform while keeping the political system intact. The logic for the CCP is that as long as the economy continues to grow, popular support for dissident political activities will be weakened. Given the nature of political movements led by the intelligentsia as outlined above, the post-Deng CCP leadership's strategy for self-survival has its own merits. However, it also reveals the new leadership's weakness in comparison with the Deng CCP leadership. Deng Xiaoping demonstrated his political strength by introducing economic and political measures that softened, but failed to resolve, the systematic contradictions resulting from the economic self-reliance and diplomatic self-isolation practiced by the CCP under Mao. The much improved economic conditions resulting from the Deng era ought to have made it easier to implement democratic political change. Yet the post-Deng CCP leadership has failed to demonstrate the political strength to take the necessary step.

Does a weaker CCP leadership, along with the absence of a Mao/Deng type of strongman in the apex of the CCP leadership, necessarily entail a collapse of the CCP regime, as some have feared?[52] Since the late 1970s, Chinese society has been able to remain by and large stable and the Chinese economy was able to grow through experimentation or "trial and error". The state more often than not acted in response to changes in the society, rather than through preemptive policy-making.[53] This points to the strength of the society to regulate itself. A weaker post-Deng leadership can be viewed as a

positive sign in that the state may have no choice but to further retreat from its traditional Leninist intrusiveness into the society. The supreme task of the CCP to ensure self-survival provides ample incentive for the state to be responsive to popular demands, although that kind of bargaining usually evolves in an unsystematic and gradual fashion. Out of this type of gradualism may emerge stability Chinese style.

However, can China be expected to continue its past record of growth and maintain social stability in the long run? The key lies in the CCP's ability to resolve the internal weakness of the political system itself, as is manifested in the phenomenon of corruption. China under Deng achieved nothing short of a miraculous record of economic growth. In the same era, corruption also reached unprecedented levels. Round after round of campaigns against corruption have been waged by the Chinese government yet corruption keeps growing in terms of the number of prosecuted cases and in the financial and moral damage inflicted on society.[54] Even the post-Deng CCP leadership itself admits that the situation is bleak. In examining the causality of increasing corruption in post-Mao China, scholars have identified

> a volatile combination of
> (1) structural contradictions between a quasi-marketized economy and a Leninist political superstructure in which cadres operate largely outside of the law,
> (2) macro-economic contradictions that create economic rents,
> (3) the displacement of revolutionary idealism by a 'culture of corruption,' new opportunities and increased payoffs resulting from rapid economic growth, and
> (4) Deng's willingness to tolerate corruption as a means of generating elite support for reform."[55]

In a democratic political-economic system, the existence of the rule of law provides the most effective mechanism against corruption. The Chinese

political-economic system is structurally flawed, however, and the key problem rests with the mechanisms for fighting against corruption. The Communist Party's Disciplinary Inspection Commissions at all levels of the Party hierarchy together with the government's law enforcement agencies are jointly responsible for combating corruption. Yet the Party system itself is an obstacle to effectively checking corrupt behavior. A Corrupt Party can be spared legal penalties. The actual punishment is often a result of political in-fighting rather than the application of law, as is typified in the case against the former party secretary of the Beijing municipality.[56] At the same time, when a problem becomes a norm, it ceases to be a problem any more. Corruption becomes a real problem when the overall economic situation experiences a sharp downturn. Widespread popular discontent with corruption amongst high ranking CCP cadres generated support for otherwise elitist pro-democracy movement in 1989.[57] Although Jiang Zemin's report to the 15th CCP congress promises to "see to it that all people are equal before the law and no individuals or organizations shall have the privilege to overstep it,"[58] the Party's need to maintain governmental and social stability makes the CCP's anti-corruption campaigns a politically risky venture. If too many corrupt officials are actually prosecuted and their cases made public, the credibility of the Communist Party itself would be in danger. On this account it is safe to say that so long as the rule of law remains a political game, corruption will continue to trouble the Chinese political system. In short, the post-Deng leadership's choice of governing strategy, growth with stability, is short-sighted. It merely delays the inevitable democratization of the Chinese political system.

Urban Entrepreneurs: New Agents for Democratic Change?

On the one hand, the post-Deng CCP leadership cannot be expected to democratize its own political system; China's intelligentsia has its own

limitations in forcing democratic changes upon the political system. The CCP's experiment with village-level democratic self-governance has so far achieved limited results. On the other hand, the prospect for democratization in China may not be hopeless.

Traditional Chinese political culture does impose a powerful constraint on democratic change, but it cannot forever prevent democratization from taking root in China in the future. The history of democratic change in Taiwan, which is also heavily influenced by traditional Chinese political culture, shows that the democratization of the quasi-Leninist Kuomingtang regime is possible.[59] Although Taiwan in the mid-1980s and China in the late 1990s do have many differences in their respective domestic political systems, they do have in common a burgeoning middle class primarily made up of urban entrepreneurs. Market-oriented reforms in China have already led to the birth and growth of urban entrepreneurs. In the 1980s, urban entrepreneurs in China as a group were co-opted, though incompletely, into the fringes of the CCP's governing structure through the CCP-sponsored trade and labor unions.[60] This governing strategy failed to prevent the middle class from joining the ranks of students and intellectuals in demanding democratic changes to the communist system in 1989. The emerging middle class in Chinese society has indeed demonstrated its will to challenge the political system when its own self-interest is directly affected.

Since the post-Deng CCP leadership continues to pursue decentralization in economic decision-making as a component of its governing strategy, its capability in co-opting the urban entrepreneurs in a further diversified market can be called into question. As the private sector of the Chinese economy further expands, the number of independent urban entrepreneurs can be expected to increase and their collective power to resist if not systematically bargain with the CCP's governing apparatus may be

strengthened. The application of market mechanisms in the Chinese economy inevitably brings about greater urbanization of the Chinese society. Along with urbanization comes the transformation of pact of the peasantry into an urbanized class, which is certain to broaden the social base for the growth of urban entrepreneurs as a class.

The incompatibility between the communist political system and the market economy has the potential of forcing China's urban entrepreneurs to form a political power bloc. The nature of such a power bloc will be different from that formed by the intelligentsia in that an entrepreneur has a life-long vested interest in seeing that political changes are long-term, predictable, and serve his own vested interest in the market. When political change can satisfy such needs, it is the beginning of democratization in nature, not just in form. More attention ought to be paid to China's emerging middle class, particularly the urban entrepreneurs. This group may well become the new agents for truly democratic change in China.

Conclusion

To sum up, the undemocratic nature of the Chinese political system makes prediction in Chinese politics a challenging and in many respects thankless task. An examination of the 15th CCP congress provides only an aid for students of Chinese politics to evaluate the post-Deng leadership's future performance against its own policy pronouncements. This congress showed that the leadership will move the country in the same direction and employing a similar governing strategy as the CCP has in the past 20 years. A reversal of Deng's economic reform orientation is unlikely. Early pronouncements show that the post-Deng leadership is short on specific initiatives for carrying forward its economic reform program and political reform is not on the agenda. Aggressive nationalism in post-Deng China's foreign policy-making remains a

source for concern, although for the short term the two pillars of Chinese foreign policy in the post-Cold War era, modernization and regime survival, win stand.

Meanwhile, the same fundamental dilemma between economic growth and regime survival which troubled the Deng CCP faces the post-Deng CCP. Growth with stability as a component of a governing strategy may buy some time for the post-Deng CCP in terms of regime survival, but the same strategy only further worsens the internal contradictions of the Chinese communist system itself. The post-Deng CCP leadership has chosen to delay the inevitable democratization of the CCP itself.

It is yet too early to tell whether or not deeper structural changes in the Chinese economy will lead to popular societal demands for political change. Keeping the constraints of traditional Chinese political culture in mind, it takes time and serious learning for Western-styled democratization to take place in China. The Communist system is unwilling to commit itself to that goal, nor are the social forces of resistance ready for it, at least not in the short run. While more rounds of *Minzhu* movements led by the intelligentsia cannot be ruled out, urban entrepreneurs deserve more scholarly attention in studies of democratization in China.

Endnotes

[1] Lieberthal, Kenneth, *Governing China: From Revolution Through Reform*, W.W. Norton, New York, 1995, p. 160.

[2] The seven members are (by ranking order): Jiang Zemin (CCP secretary general, state president, and chairman of the CCP and state central military commission), Li Peng (premier to be named chairman of the 9th NPC), Zhu Rongji (executive vice premier to succeed the premiership), Li Ruihuan (Chairman of the China People's Political Consultative Council, a body responsible for the Party's united front work), Hu Juntao (in charge of ideological and personnel matters of the Party), Wei Jianxin (chairman of the Party's Disciplinary Inspection Commission), and Li Lanqing (vice premier to be named executive vice premier).

[3] On the importance of slogans in contemporary Chinese politics, see James Wang, *Chinese Politics*, Prentice Hall, Englewood Cliffs, New Jersey, 1992, pp. 73-82.

[4] For a historical treatment of the 12th-14th congresses in the area of economic policy-making, see Gordon White, *Riding the Tiger: The Politics of Economic Reform in Post Mao China*, Macmillan, Basingstoke, 1993, Chapter 3.

[5] World Trade Organization statistics cited in *People's Daily* (overseas edition), December 20, 1997, p. 6.

[6] You Ji, "Jiang Zemin: In Quest of Post-Deng Supremacy", in Maurice Brosseau, Suzanne Pepper and Tsang Shu-ki (eds.), *China Review 1996*, Chinese University of Hong Kong Press, Hong Kong, 1997, pp. 1-28. Noteworthy in this regard, though, is the international news analysis that sees Jiang as nothing but the "first among equals". See, for example, Jane Macartney, "Life for Communists Tougher Without Deng", *Japan Times*, September 12, 1997, p. 19.

[7] For a journalistic profile of Qiao, see "Jiang's Power Boosted, Qiao Ousted at Party Congress's End" *Japan Times*, September 19, 1997, p. 1.

[8] For an extensive analysis of the Chen case in Chinese politics and Wei's role in it, see Andrew Wedeman, "Corruption and Politics" in Maurice Brosseau, (et al.), *China Review 1996*, pp. 61-94.

[9] As is shown in a front-page group photo in the *People's Daily* (overseas edition), December 9, 1997.

[10] "The Age of Paramount Leader is Over" *South China Morning Post* (internet edition), September 11, 1997.

[11] "The 24 Most Powerful Figures in China", *South China Morning Post* (internet edition), September 18, 1997.

[12] Quoted in *Beijing Review*, October 6-12, 1997, p. 4.

[13] On Deng's "theorization" of Chinese politics see Gordon White, *Riding the Tiger: The Politics of Reform in Post-Mao China*, Stanford University Press, Stanford, California, 1993.

[14] This was theme of the 3rd plenary session of the 11th CCP Central Committee. The session marked the formal beginning of the Deng era.

[15] Jiang Zemin, "Hold High the Great Banner of Deng Xiaoping Theory for an all-round Advancement of the Cause of Building Socialism with Chinese Characteristics into the 21st Century," in *Beijing Review*, October 6-12, 1997, pp. 11-12.

[16] Deng Xiaoping, *Deng Xiaoping Wenxuan*, (Selected Works of Deng Xiaoping 1975-1982), People's Publishing House, Beijing, 1983, p. 58.

[17] Jiang, *Ibid.*, p. 20.

[18] Chi-Wen Jevons Lee, "The Reform of the State-owned Enterprises" in Maurice Brosseau, (et al.), *China Review 1996*, pp. 263-280.

[19] See Hu Angang and Wang Shaoguang, *China's State Capacity*, Oxford University Press, Hong Kong, 1994.

[20] "Chuanwen Shiwuda Jiang Xiugai Dangzhang", (Party charter rumored to be revised at the 15th CCP national Congress), *Ming Pao Daily* (in Chinese), June 28, 1997, p. A1.

[21] "Liberals Push for Updated Constitution," *South China Morning Post* (internet edition), January 2, 1998.

[22] See, for example, Simon Powell, *Agricultural Reform in China: From Communes to Commodity Economy, 1978-1990*, Manchester University, New York, 1992. See also, Wang Gengjin, (et al.), translated by Joseph Fewsmith, *Agricultural Reform: Excerpts from Xiangxia sanshi nian*, M. E. Sharpe, New York, 1997.

[23] "One Quarter of Peasants Unemployed" *China News International* (internet), January 2, 1998.

[24] For a general overview of agricultural reform in China, see Terry Sicular, "Redefining State, Plan and Market: China's Reforms in Agricultural Commerce," *China Quarterly*, December 1995, pp. 1020-46. See also Lester Brown, *Who Will Feed China? Wake-up Call for a Small Planet*, W. W. Norton & Co., New York, 1995.

[25] Jean Oi, "Economic Development, Stability and Democratic Village Self-governance" in Maurice Brosseau, (et al.), *China Review 1996*, pp. 125-144.

[26] Susan Shirk, *The Political Logic of Economic Reform in China*, University of California Press, Berkeley, 1993.

[27] Penelope B. Prime, "China's Economic Progress, is it Sustainable?" in William A. Joseph (ed.), *China Briefing 1995-96*, M. E. Sharpe, New York, 1997, p. 76.

[28] For a journalistic account of Zhu, see "PM in Waiting Urged to Share Power", *South China Morning Post* (internet edition), December 23, 1997.

[29] Xu Luodan and Xie Kang, *Zhongguo Duiwai Maoyi*, (China's Foreign Trade), Zhongshan University Press, Guangzhou, 1995, pp. 94-96.

[30] Minxin Pei, "Racing against Time: Institutional Decay and Renewal in China" in William A. Joseph (ed.), *China Briefing 1995-96*, M. E. Sharpe, New York, 1997, p. 48.

[31] "China Looming", *Economist*, August 27, 1996, <http://www.economist.com>.

[32] Peter Van Ness, "China as a Third World State: Foreign Policy and Official National Identity" in Samuel S. Kim and Lowell Dittmer (eds.), *China's Quest for National Identity*, Cornell University Press, Ithaca, 1993, p. 196.

[33] On the shift in theses, see Samuel S. Kim, "China and the Third World: In Search of a Peace and Development Line" in Kim (ed.), *China and the World*, 2nd edition, Westview Press, Boulder, Colorado, 1989, pp. 192-204.

[34] For an update on nationalism and its impact on post-Cold War Chinese foreign policy, see Suisheng Zhao, *In Search of a Right Place? Chinese Nationalism in the Post-Cold War World*, University Services Center Series 12, Chinese University of Hong Kong, Hong Kong, 1997.

[35] Jiang, *Ibid.*, p. 29. Unless footnoted differently, words quoted in this section of the paper attributed to Jiang's congress report come from the same source.

[36] Denny Roy, "The Foreign Policy of Great-power China" *Contemporary Southeast Asia*, September, 1997, pp. 1-25.

[37] For a comprehensive presentation of English-language literature on "Greater China," see the October 1994 special issue of *China Quarterly*.

[38] See, for example, Murray Weidenbaum and Samuel Hughes, *The Bamboo Network: How Expatriate Chinese Entrepreneurs are Creating a New Economic Superpower in Asia*, the Free Press, New York, 1996.

[39] David S. G. Goodman, "Are Asia's 'Ethnic Chinese' a Regional-security Threat?" *Survival*, Winter, 1997-98, pp. 140-55

[40] James D. Seymour, "Human Rights in Chinese Foreign Relations," in Samuel S. Kim (ed.), *China and the World*, Westview Press, Boulder, Colorado,1994, pp. 202-225.

[41] The literature on recent developments in Sino-American relations is numerous. Joseph Nye's article "China's Re-emergence and the Future of the Asia-Pacific", *Survival*, Winter 1997-98, pp. 65-79, shows that China has so far not let its relations with the US worsen to a degree where the US is compelled to launch a new containment policy against China. Compare Nye's article with Arthur Waldron, "How not to Deal with China", *Commentary*, March 1997, pp. 44-49.

[42] The US market has been the largest for Chinese exports since the beginning of the open door program. On the importance of the Japanese economy for China, see Christopher Howe, "China, Japan and Economic Interdependence in the Asia Pacific Region" in Christopher Howe (ed.), *China and Japan: History, Trends and Prospects*, Oxford, 1996, pp. 98-126.

[43] Quansheng Zhao, *Interpreting Chinese Foreign Policy*, Oxford University Press, Hong Kong, 1996, in particular, Chapter 7.

[44] For a comparative study of East Asian and Western notions of "democracy", see Geir Helgesen and Li Xing, "Democracy or *Minzhu*: the challenge of western versus East Asian notions of good government" in *Asian Perspective*, Spring-Summer, 1996, pp. 95-124.

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[46] Jiang, *Ibid.*, p. 24. Italics added.

[47] Jiang, *Ibid.*, p. 24.

[48] Andrew Nathan, and Tianjian Shi, "Cultural Requisites for Democracy in China: Findings from a Survey", *Daedalus*, Spring, 1993, pp.95-124.

[49] Joseph W. Esherick, and Jeffrey N. Wasserstrom, "Acting out Democracy: Political Theater in Modern China" in Jeffrey N. Wasserstrom and Elizabeth J. Perry (eds.), *Popular Protest and Political Culture in Modern China*, Westview Press, Boulder, Colorado, 1992, p. 31.

[50] See, for instance, Sarah Lubman, "The Myth of Tiananmen Square: The Students Talked Democracy but They Didn't Practice it," *Washington Post*, July 30, 1989. See also, Anita Chan and Jonathan Unger, "China after Tiananmen: It's a Whole New Class Struggle," *Nation*, January 22, 1990, pp. 79-81.

[51] Geir Helgesen and Li Xing, *Ibid.*, p. 121.

[52] For example, Jack A. Goldstone, "The Coming Chinese Collapse, " *Foreign Policy*, Summer, 1995, pp. 35-53. For a counter argument, see Huang Yasheng, "Why China Will not Collapse, " *Foreign Policy*, Summer, 1995, pp. 54-68.

[53] For a detailed account and analysis of decentralization, see Susan Shirk, *Ibid.*

[54] See, among other works, Ting Gong, *The Politics of Corruption in Contemporary China: An Analysis of Policy Outcomes*, Praeger, Westport, 1994.

[55] Wedeman. *Ibid.*, p. 63.

[56] The case and its resolution are detailed in Wedeman, *Ibid.*

[57] Connie S. Meaney, "Market Reform and Disintegrative Corruption in Urban China" in Richard Baum (ed.), *Reform and Reaction in Post-Mao China: The Road to Tiananmen*, Routledge, New York, 1991, pp. 130-148.

[58] Jiang, *Ibid*, p. 25.

[59] Thomas Gold, *State and Society in Taiwan*, University of California Press, Berkeley, 1993.
[60] Dorothy Solinger, "Urban Entrepreneurs and the State: The Merger of State and Society", in Arthur L. Rosenbaum (ed.), *State and Society in China: The Consequences of Reform*, Westview Press, Boulder, Colorado, 1992, pp. 121-142.