

The Politics of Economic Liberalization: Are There Limits?¹

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A fundamental paradox lies at the center of China's post-Mao political economy. China's economic reform, whether understood in terms of marketization, expansion of international trade, privatization or any other measure, has proceeded steadily, almost monotonically, for 25 years with the result that today living standards have been improved for millions of Chinese and China has become a major force in the global economy. Yet at each and every step along this path, reform has met with significant opposition – political, economic, and cultural. This opposition has been based in part on interests that have been threatened by reform, but also in significant part by the belief that marketization and globalization present real threats to the continued rule of the Chinese Communist Party (CCP).

How can one reconcile this sense of threat with the continuous reform of the economic system? Is it that the threat has never been that high and that those with an interest in continued economic reform have been able to brush aside concerns in the interest of economic growth? Or is it that the sense of threat has periodically obstructed and distorted the reform process even though it has not been able to thwart it?

After two and a half decades of reform, can we now say with confidence that continued economic reform is not a threat to the CCP, and therefore that the political system is sufficiently consolidated and sure of its direction that we can expect continued reform and globalization under CCP rule? Or, contrarily, can we say that processes of institutionalization have proceeded sufficiently far that if the CCP collapsed at some

point in the near, or relatively near, future that reform would continue apace under some form of more or less consolidated democracy? In short, does the political system present an obstacle to or support for continued economic growth and reform?

These questions are of both theoretical and practical import. On a theoretical level, Kenneth Jowitt has laid out the dynamic of Leninist systems as well as anyone, but if one follows the logic of his explanation, it is difficult to explain the Chinese political system today.² Briefly stated, Jowitt argued that Leninist systems go through phases. As revolutionary movements, Leninist parties emphasize their *exclusiveness* from society. This sense of exclusivity not only enhances group solidarity within the party but also becomes a source of leverage in its revolutionary reordering of society. Rather than compromise with existing social organizations, Leninist revolutions remake society in their own image. Ideologically, their solipsistic truth claims conflict with all non-party sources of knowledge, whether societally based social organizations (from family to religion) or rooted in expertise (e.g., science).

The difficulty for Leninist regimes comes when the revolutionary impulse is spent and economic difficulties dictate a course of reform. As Leninist parties begin to reform, they turn from their previous exclusive orientation to *inclusiveness*, i.e., bringing in (co-opting) external social groups. The party compromises with society and indeed allows social and economic groups to develop. Ideologically, solipsistic claims to truth are compromised with admissions that there are “laws” in different realms of social experience. Rather than presenting fixed answers to all questions, Marxism becomes a methodology for trying to understand the laws of social and economic development.³ But this more open attitude to “truth” opens the quest for understanding to those who are less

knowledgeable in the classic texts of Marxism-Leninism and more adept at specialized areas of knowledge. Nowhere is this truer than in economics, which is usually the reason (and in China certainly the reason) that the regime embarks on reform. Whether looked at from a societal perspective (the growth of non-state enterprises, the de-politicization of society) or ideological perspective, inclusiveness undermines the organizational competence of Leninist parties, leading to their collapse.

Jowitt's theoretical perspective tracks quite well with China's experience in the 1980s. The growth of the economy in the 1980s presented real problems of adjustment for such organizations as the State Planning Commission and Ministry of Finance, which were used to operating in a command system, and generated enormous controversy among economists, as they debated the relationship between the market and the plan and strategies to introduce market-oriented reforms while minimizing negative by-products.⁴ The opening up of China, both domestically and internationally, also presented enormous cultural challenges as new ideas poured into China, and intellectuals debated their relevance to China.⁵ The Propaganda Department often took the lead in criticizing these ideas, but it is clear that the sense of threat extended well beyond the propaganda apparatus. General Secretary Hu Yaobang was purged in January 1987 for his "lax" attitude toward "bourgeois liberalization" (ideas not in conformity with orthodox interpretations of Marxism-Leninism-Mao Zedong Thought). Politically, there were very different understandings within the CCP on what the evolving economic and social situation meant for the political system. Put briefly, some felt that there should be little or no change in the traditional instruments of Leninist governance, particularly the role of the party, whereas others believed that substantial changes were needed.

Although the difficulties of economic, cultural, and political change in the 1980s can hardly be encompassed by this brief summary,⁶ the purge of Hu Yaobang in 1987 and the subsequent political meltdown of 1989 (including the ouster of then general secretary Zhao Ziyang) suggested that deepening economic reform was not compatible with Leninist institutions. Indeed, some “leftists” in China (i.e., those upholding more orthodox interpretations of Marxism-Leninism) drew the same conclusion, arguing that a reinvigoration of Leninist institutions, a reassertion of Marxist orthodoxy, and a limit on the development of private enterprises – and especially on allowing capitalists to join the CCP – was absolutely necessary for the preservation of the system.⁷ Some Western observers who witnessed the backlash, argued that the strengthening of political control following the crackdown would inevitably mean the stagnation of the economy. Both Chinese conservatives and Western liberals were wrong. China’s economy, as other chapters in this volume detail, has done remarkably well.

In theoretical terms, in the years since Tiananmen, China’s experience has begun to diverge significantly from Jowitt’s analysis. How has the CCP preserved both its ruling position and presided over continued economic reform, including privatization and globalization, both of which have been generally understood to present significant challenges to Leninist organization? In recent years, commentators on the Chinese political system have described it as “authoritarian” to indicate the distance it has come from the highly ideological days of Mao and even the intrusive role the party played in the Dengist era. But if the term “authoritarian” captures the still non-democratic nature of the CCP, it does not allow us to understand theoretically the tensions and dynamic of the current political system, much less the trajectory China has traversed from a

traditional Leninist system to the present. More specifically, it does not address why a theoretical perspective that seemed to track well with the Chinese experience no longer seems useful. Has the tension between marketization and pluralization on the one hand and Leninist rule on the other simply disappeared? Is the co-optation strategy that Jowitt posited as such a threat to Leninist rule in its inclusive phase no longer the threat that it seemed to be in the late 1980s? If not, why not? Coming to grips with these questions is necessary if one is to understand the political economy of contemporary China and assess the role of the political system in the continued reform and globalization of the economy.

Changing Political Dynamic

Tiananmen changed the political dynamic in China in important ways. The repression that has continued since then has imposed high costs on those who seek more radical or rapid change. Liberal discourse in particular has suffered, though not entirely because of Tiananmen.⁸ Nevertheless, the story of post-Tiananmen China is not simply one of repression. Two effects of Tiananmen seem particularly important. First, Tiananmen, which was followed quickly by the break up of the Soviet Union and the collapse of socialism in East Europe, changed the debate that had dominated political life through the 1980s. Whereas in the 1980s, political debate had revolved around the poles of “reform” versus “conservatism,” the events associated with Tiananmen introduced a third possibility: social and political breakdown. Even reform-minded intellectuals were willing to accept the status quo if the alternative was a plunge back into social chaos and political violence. Chinese had been too traumatized by the Cultural Revolution, not to mention the violence of twentieth century history, to hope for (much less work toward)

the collapse of the state. Chinese intellectuals who in the late 1980s had looked in envy upon Gorbachev's *perestroika* and *glasnost*, found themselves looking fondly upon incremental reform as the Soviet Union broke apart, lost its superpower status, and saw its economy and living standards decline. Whereas many intellectuals believed that China in the late 1980s stood at the brink of completing its process of "crossing the river by feeling the stones," even if what was lay on the other side was only vaguely defined, by the early 1990s they had largely jettisoned their earlier romantic notions and come to accept the fact that reform was a longer, more complicated process than they had ever imagined. Incrementalism became the new mantra.⁹

The other effect of Tiananmen, though it was not immediately apparent at the time, was that it fundamentally altered the way people (or at least those making, or trying to influence the making of, policy) thought about political reform. In the 1980s, the paradigm for political reform had been the separation of the party and the government (*dangzheng fenkai*).¹⁰ The lesson of Tiananmen, or at least the lesson that people drew from Tiananmen, was that separating the party and the government created two "centers" of power, exacerbated political tensions, and threatened the dominance of the party. In the years since Tiananmen, there has been a strong tendency, though one never articulated as policy or elaborated theoretically, to entwine party and state ever more tightly. Thus, the major non-party organizations at the top of the political system – the National People's Congress and the Chinese People's Political Consultative Congress – have been headed by members of the Politburo Standing Committee ever since (the State Council had always been headed by a member of the Politburo Standing Committee). Similarly, provincial party secretaries began to serve concurrently as heads of the

provincial people's congresses in an effort to curb the increasing independence of those bodies. Today, more than two-thirds of provincial people's congresses are headed by provincial party secretaries.

Although some party writings still talk about the separation of party and government as desirable at least at some point in the future, the thrust of political reform efforts over the last decade and a half has been focused on local governance and inner-party reform. These have by no means solved – or even effectively curbed – abuses of power and other problems of governance, but they have laid a foundation for thinking about types of political reforms that should not be dismissed too readily. These reforms will be considered more fully below.

In 1992, China's political dynamic changed dramatically when Deng Xiaoping headed south to breathe new life into economic reform and as the 14th Party Congress in the same year authoritatively confirmed the direction Deng had set out – and sent a powerful message by ousting the leading conservative leaders of the day. For two years, the direction of China's reforms had been debated as conservatives argued that economic reforms undermined socialism and threatened the role of the CCP (much as Jowitt would expect), and liberals argued that *without* economic reform and the legitimacy rising incomes had provided, the CCP would have collapsed in the face of social protest, much as other communist parties had collapsed in the Soviet Union and East Europe. Deng broke the debate by weighing in heavily on the side of economic reform. There were good economic and political reasons for Deng to take this stance. Facing the need to create some 8 million urban jobs a year, just to meet the need of the growth of the working age population, and a stagnant state-sector (both in terms of job provision and

tax payments), China had little choice but to yield to the economic forces that the original reforms had unleashed.¹¹ The Dengist reforms had always been justified in terms of performance legitimacy, that is, the reforms' ability to generate more jobs and higher incomes, but performance legitimacy had always co-existed uneasily with traditional Marxist ideological interpretations – that is what the debates in the 1980s were all about.

The reinvigoration of market-oriented reform did not mean further decentralization. On the contrary, prompted in part by the disintegration of Yugoslavia, the Chinese state made a vigorous effort to reassert its authority. The most visible manifestation of this effort was the tax reform adopted in 1994. Although this tax reform made sense on a number of economic grounds, including the simple fact that it placed revenue collection firmly in the hands of the central government for the first time in Chinese history, it also bolstered the resources available to the central government. Whereas central government revenues stood at only 10.7% of GDP in 1995, they rose to 18.9% of GDP in 2004.¹² The central state was back.¹³

With the endorsement of market-oriented reform, including the rapid expansion of the private economy and of foreign trade (including a vastly increased influx of foreign investment), the old debates about holding onto traditional understandings of Marxist ideology faded in political importance (though important echoes could be heard in the various leftist “manifestoes” issued in 1994-95). The implicit shift in party legitimacy in 1992 was similar to, though not as far reaching, as that that accompanied the inauguration of reform. The party was admitting that the ideological pillars that had at least partly supported the political edifice in the 1980s were no longer adequate; new forms of legitimacy would have to be found.

This shift in political legitimacy – and away from the conservative ideological agenda party ideologues had tried to push in the period immediately following Tiananmen – was further evidenced by the consumer culture that blossomed in the mid-1990s. Family restaurants sprouted up everywhere, nightlife boomed, and popular music took off. China’s emerging urban middle class took its fashion and entertainment seriously. The political system stopped worrying about pop culture (unless the lyrics were politically tinged), and people, in turn, stopped worrying so much about political life.¹⁴ Urban culture diversified. The “zone of indifference” that the state allowed around private life grew, and as the state became less of a presence in everyday life, individuals focused less on the political and more on the private.¹⁵ To the extent that people believed that there was nothing they could do about politics (and certainly the state encouraged such attitudes), they were more willing to acquiesce in politics and focus on issues they could (or needed to) deal with – their own employment and the raising of children.

The CCP did not collapse with this shift away from ideological orthodoxy and from political control over the day-to-day lives of citizens (as Jowitt’s analysis of Leninism suggests it might) not only because the state tolerated wider scope for private activities (and became very good at spotting and stopping potential political threats) but also because a new sense of nationalism emerged in this period. The neo-conservative writers who wrote “Realistic Responses and Strategic Options for China after the Soviet Upheaval,” an analysis and prescription for political action produced hastily in the days following the failed August 1991 coup attempt in the Soviet Union, argued that there were two bases of legitimacy for the CCP, the Bolshevik revolution of 1917 and the

caves of Yanan (the CCP's revolutionary base). With one pillar gone (though it was not at the time they wrote), the CCP would have to increasingly emphasize the indigenous roots of the CCP. In other words, nationalism would/should become an ever more important prop to the CCP.¹⁶

Indeed, the CCP launched a “patriotic education campaign” in the early 1990s.¹⁷ Communist propaganda, whether blatant or more subtle, has been an important part of the growth of nationalism in recent years, but it has fallen on fertile ground. Nationalism has been the *leitmotif* of twentieth century Chinese politics, so it is no surprise that contemporary Chinese share their predecessors' dreams of “wealth and power” – not to mention national dignity. This nationalism has indeed been an important part of government efforts to rally support (or at least neutralize dissent) since the mid-1990s, but there has always co-existed a much more populist version of nationalism – first voiced in *China Can Say No* in 1996 – that has been as critical of the Chinese government as it has been an expression of xenophobic opposition to the West.¹⁸ Nationalism has been the basis of anti-government views and movements since Kang Youwei led 800 metropolitan examination candidates to petition against the government's acceptance of the terms of the treaty of Shimonoseki that marked the end of the Sino-Japanese War of 1894-95.

In other words, even as the Chinese government used nationalism to bolster its legitimacy it was fully aware that nationalism was a two-edged sword that could be turned against itself. Thus, it has had, both for legitimacy and populist reasons, to walk a tight-rope, encouraging nationalism while discouraging its more populist and anti-government expressions. This is sometimes a dangerous game to play, as the

demonstrations against the U.S. bombing of the Chinese embassy in Belgrade, the strong expressions of nationalist sentiment on the Taiwan issue, and the periodic explosions of anti-Japanese sentiment suggest.

These various trends – incrementalism, statism, nationalism, and even the acceptance of consumerism – came together in a loosely articulated sense of “neo-conservatism.” Neo-conservatism had burst on the Chinese scene in the guise of “neo-authoritarianism” in the late 1980s as neo-authoritarians, drawing on the writings of Samuel Huntington, had argued that transitional periods were inherently unstable and that a period of strong state power was necessary to carry out reform. The term neo-authoritarianism disappeared in the wake of Tiananmen (because it was identified with some of the people around Zhao Ziyang), but it re-emerged in the early 1990s as “neo-conservatism.” Only a few people have been willing to identify themselves as neo-conservatives, and others who are referred to as neo-conservatives in intellectual circles have different emphases and beliefs, so it is difficult to call neo-conservatism a coherent intellectual or ideological system of thought. Certainly no senior leader of the CCP has elaborated a neo-conservative vision. Nevertheless, there was sufficient implicit acceptance of neo-conservative approaches in enough circles, both governmental and non-governmental, that we can say that neo-conservatism provided an ideological prop for the CCP as Marxism-Leninism faded, plugging somewhat awkwardly the ideological hole that opened up in the wake of Tiananmen.¹⁹ At least for the 1990s, neo-conservatism sufficed to stabilize elite politics and state-society relations following the trauma of Tiananmen. It also helped focus the government’s mind on the importance of

economic development as well as a number of related policy matters, including the tax reform of 1994 that shored up central finances.

There was also a sociological aspect to the new order that underlay the relative social and political stability that emerged in the 1990s – namely, a growing convergence of interests among the political, economic, and intellectual elites.²⁰ As political leaders became more conscious of the need to regularize the political system – and reduce popular resentment against familial promotions – informal limits were placed on the promotion of the children of high-ranking cadres. At the same time, the economy was growing and becoming more independent of the state, suggesting that a new economic elite might come to compete with the political elite but also providing opportunities for political families – whose legal incomes were limited – to use their family connections to secure their financial well-being. Such considerations underlay the wave of officials who “jumped into the sea” (*xiahai*) of business in the early 1990s. Years later there began a second, reverse, wave, particularly in Zhejiang, as businessmen went into politics, frequently in honorific positions in local people’s congresses or CPPCCs (Chinese People’s Political Consultative Conferences) but also as political leaders.²¹ Both trends illuminated the increasingly close relations between political and business leaders, as the political system found continued economic growth an important source of social stability and political legitimacy and as business leaders sought political influence and personal status.

The most surprising trend of the 1990s was the increasingly close relations between much of the intellectual elite and the political establishment. Considering that only two decades earlier intellectuals had been considered the “stinking ninth category”

and the alienation most intellectuals felt from the political system in the 1980s, the rise of an intellectual elite that sought to work with the state was something of a surprise.

Intellectual acceptance of the state was based on an often unarticulated acceptance of “neo-conservatism” (which accepted that a period of strong political control was necessary in the period of transition as the economy grew and political views diversified before the society could move toward democracy) and nationalism. Much of the “critical thinking” that emerged in China in the 1990s supported a critique of the West and an acceptance of Chinese values and interests as being different than those of the West supported this reconciliation of state and intellectual elite.

The needs of the state and the generational change of the political elite led the state to reciprocate. The 1980s were dominated by debates over big issues – the direction in which China should move. In the 1990s, the direction was basically set; what was needed was specific advice about specific issues. A younger, more intellectually inclined political elite was more predisposed and more able to communicate with the intellectual elite, while the intellectual elite often sought out opportunities to advise the government.

In short, within a few years after Tiananmen, a remarkable convergence between the political, economic, and intellectual elites emerged. This was an urbanized, wealthy, and politically connected elite that shared common interests and similar views. The core of this new elite were those who had emerged from the political elite and were positioned by virtue of their social position, personal connections, and education to take advantage of new opportunities. Sociologist Sun Liping has described this elite as possessing “comprehensive capital” (*zongtixing ziben*), a self-perpetuating elite that has a strong self-interest in maintaining its elite status. Although there may be long-term costs to this

sociological development (see below), for the short to medium term this elite provides a strong basis for political stability.

The Evolving Dynamic of State-Society Relations

The combination of neo-conservatism, economic growth, and a social elite with a common interest in preserving social and political order (as well as its place in that order) has dominated China for at least the past decade and goes a long way toward explaining how the CCP has extended its existence. But neo-conservatism is more of a defense of the status quo than a positive articulation of political legitimacy. Indeed, to the extent that neo-conservatism is conceived of in instrumental terms – getting the political system through a period of social and economic change to an undefined future – it both undercuts the state’s legitimacy as it is rooted in Marxism (because there is nothing Marxist about neo-conservatism) and suggests that China will eventually move away from Marxism entirely, perhaps to democracy (as, indeed, some versions of neo-conservatism hold).

Moreover, even if there is greater convergence among China’s elite than there was in the 1980s, that does not mean that there is complete harmony. After all, liberal intellectuals who may have accepted the need for political stability in the 1990s, become anxious and disaffected when they see the promise of incremental change dissipate into little or no change. Those concerned with social justice issues have become increasingly critical of the corruption of the wealthy and the exploitation of the poor. And economic elites who have benefited from past political arrangements do not necessarily have an

interest in deepening economic reform if it means that they will face more competition, either internationally or domestically.

The most significant challenges to the status quo currently come from local society. Local society is increasingly dominated by an interlocking elite. The local party secretary, particularly at the township and county levels, is known colloquially the “number one” (*yiba shou*), and he (it is almost always a he) controls the local political scene through his appointments of friends and relatives to critical positions. This process is depicted vividly by Li Changping, a former township party secretary, in his book, *Speaking Honestly to the Premier*. Li cites numerous examples of staffs that cannot be reduced either because individuals were protected by those higher up or because cadres had paid for their positions and were not about to leave quietly! Those who were accused of malfeasance were not dismissed because they threatened to expose the problems of others. The township to which Li was assigned was some 47 million *yuan* in debt, and owed that debt to some 6,000 people – mostly township cadres and local criminal syndicates who protected each other and their favorable position in the local political economy.²²

This deeply embedded local corruption is reinforced by a political system that demands that local authorities attain particular targets, particularly with regard to tax collection and economic development, with the result these local political machines exploit peasants, sometimes ruthlessly.²³ In the 1990s, the harsh collection of taxes, often well in excess of legal limits, generated increasing resistance, including violent protest, from peasants. Even as the state moved to eliminate the agricultural tax, however, local leaders found new ways to squeeze money out of local society. This generally takes the

form of land appropriations in which local authorities take over plots of land on which to build factories while the peasants get inadequate compensation and no security for the future. Such actions have led to violent protests, such as those in Dingzhou and Taishi.²⁴ Overall, mass “incidents,” not clearly defined, have been increasing exponentially from some 10,000 in 1993 to 58,000 in 2003, 74,000 in 2004, and 87,000 in 2005.²⁵ Such figures do not mean that the state is about to collapse, but they do indicate that there is a significant threat to local order and political legitimacy.

Given the extremely cautious attitude of the party toward democratic political reforms, the primary response to the “yiba shou” problem has been an inner-party response – to promulgate regulations and experiment with new procedures to govern the promotion of cadres and restrict the authority of the yiba shou. In 1995 the party promulgated the “Regulations on Selection and Appointment of Party and Government Leading Cadres (Trial),” which were then revised to a limited degree and promulgated in final form in 2002. The 1995 regulations were actually the first formal regulations governing cadre promotion in the history of the PRC, and they were intended to curb the corruption that had become associated with the promotion of officials by opening up – to a limited degree – the selection process. Prior to 1995, only three or four officials controlled the promotion process, and the criteria for promotion were vague. Given intense competition for promotion, opportunities for rent-seeking behavior, and the decline in public morality, the system was ripe for exploitation.

According to the regulations (both the 1995 and the 2002 regulations are identical on this point), candidates for promotion must go through four steps: “democratic recommendation” (*minzhu tuijian*), investigation (*kaocha*), preparation (*yunniang*), and

discussion and decision (*taolun jue ding*). The most important change introduced by the 1995 regulations was that of democratic representation. Instead of a discussion being held by the party standing committee, under the new regulations officials from a wide variety of posts, including higher and lower organizations, would participate in casting formal votes for the candidates considered most qualified for promotion. At the municipal level, perhaps 200 people might participate in this process. In short, there was an effort to make the promotion process conform to an objective set of procedures and to break up the control that a small number of officials had previously held over the promotion process. Institutionalization is an important aspect of contemporary Chinese governance, and institutionalizing the promotion system was an effort to legitimate the system for both party members (who would accept the legitimacy of others' promotions) and the public (which was assured that there were objective criteria and even a period of "public showing" (*gongshi*) in which the name of a candidate for promotion would be made public, allowing anyone with knowledge of corrupt or other disqualifying behavior to report it).²⁶

As the continuing problems with local governance suggest, the regulations on selection and appointment have had limited effect at best. Indeed, opening promotion decisions to the many people involved in the democratic recommendation voting means that people who hope for promotion must cultivate an even wider circle of friends than ever before. This means much wining and dining as well as outright bribery. And that requires even greater resources and energy than before, so candidates for promotion must seek the wherewithal from their subordinates. Instead of curbing corruption, the new regulations appear to have exacerbated it. Moreover, increasing the number of people

involved in the decision-making process has not necessarily reduced the influence of the *yiba shou*. For instance, Li Tiecheng, the former vice chairman of the Baishan Municipal CPPCC in Jilin who was sentenced to 15 years in jail for corruption, spoke of his selling offices when he was a county party secretary:²⁷

Every time prior to the verification of cadres, I would hold a secretaries' office meeting to set a "tone." I would use the age, work experience, educational background, experience, and rank of those who had given me gifts to set a standard and demarcate a scope. I absolutely would not name anyone's name, but would let the Organization Bureau go "find people" within the "scope" I had demarcated. After they had found them, we could proceed according to procedures. On the surface, the rationale was clear and the procedures lawful, but in reality, this was using individuals to draw lines and using individuals to define the scope. I used this method to reward all those who had given me gifts.

In the period since these regulations were formally promulgated in 2002, the party has continued to issue regulations governing party affairs, to tighten discipline inspection, and to experiment with a variety of mechanisms – short of voting – that it hopes will staunch corruption, bolster legitimacy, and limit protest.

Apart from inner-party mechanisms, the party has tried to respond to social discontent through a number of mechanisms that readjust the party's relationship to society. Zhejiang province appears to have gone further in this regard than anywhere else in China, though there are a number of experiments going on throughout the country. One of the most interesting has been in the city of Wenling, part of Taizhou municipality,

where the party has regularized what are known as “democratic consultation meetings” (*minzhu kentan hui*). Democratic consultation meetings are essentially a system of public hearings (something that has been tried out in a number of different places and in a number of different formats) held on a regular basis to discuss issues of public interest, particularly those involving the expenditure of public monies and/or the requisition of land. Held on a quarterly basis, these meetings are particularly interesting because they are held both at the village and township levels. Whereas democratic elections have been widely held at the village level, the party has resisted pressures to move elections up to the township level. But implementation of democratic consultation meetings is a self-conscious effort to substitute procedural and participatory democracy for electoral democracy.²⁸ It is difficult to judge the effectiveness of such meetings in enhancing party legitimacy, but their continued institutionalization suggests some success.

As interesting as the Wenling experiment is, its applicability as a model for other parts of China appears limited. The southern Zhejiang economy is a hotbed of private sector growth, and the dispersion of wealth in the hands of local entrepreneurs and households forces local cadres to deal on a more equal basis with the local population. Such conditions are not prevalent throughout China. Even in wealthy areas, much of the wealth is controlled directly or indirectly by local government, giving it less incentive to take the views of the citizenry into account. Moreover, the Wenling experiment occurs in a place that is wealthy and in which social tensions do not appear to be high. Thus, there are more resources to diffuse social tensions before they become critical.

Nevertheless, the Wenling experiment illustrates the local party-state adapting to social change. In nearby Wenzhou, an area made famous by its vigorous development of

the private economy, the party-state has adapted by accommodating the rapid growth of private business associations. Whereas business associations in most parts of China are heavily dominated by the government, thus sapping them of vitality, those in Wenzhou reflect a bottom-up dynamic that makes them effective representatives of business interests in the city. Indeed, many of them have grown up outside the auspices of the party-state. But they have not challenged the role of the party-state, and the party-state has responded by accommodating them. A cooperative relationship has worked out, to the extent that some business associations participate in the drafting of the rules governing their trades. This arrangement has not only facilitated the growth of different businesses but also the growth of the local economy and local tax revenues. As many studies have demonstrated, the growth of business in China has not challenged the political system, and the political system has been able to adjust its functioning and adopt to a marketizing, pluralizing society.²⁹

We see the same phenomenon in Hangzhou, the capital of Zhejiang, which has adopted a system of surveying both bureaucratic organizations and the public at large to better understand problems and issues as perceived from the bottom up. Such a mechanism does not hold the government accountable, as in democratic systems, but it does allow the party-state to understand and deal with problems in local society. Thus, in Zhejiang, we see the development of a responsive state – not a democratic state, but a state that responds, if not always quickly and efficiently, to the problems in the society. Such a state has sought to extend and bolster its legitimacy by accommodating the changing forces of local society, all the while maintaining its own monopoly on political control. If such accommodative trends prevail over the repressive trends seen in areas

that have experienced rural violence, the CCP could prove viable for a considerable length of time.

China Under Hu Jintao

The administration of Hu Jintao, who was named general secretary in October 2002 and became head of the powerful Central Military Commission in fall 2004, suggests two basic facts about contemporary China. First, the threats posed by marketization and pluralization to Leninist organization are real and recognized by the CCP. Second, the party-state has been able to respond to these challenges with considerable vigor. How this contest plays out remains to be seen, but those who believe that China is about to join the democratic-liberal world order are likely to be disappointed, at least in the foreseeable future.³⁰

Space does not permit a detailed treatment of the Hu Jintao administration. But here, let us suggest that the Hu administration has moved in four somewhat contradictory directions. First, it has moved to ameliorate social tensions and accommodate social change by addressing itself to the problems of inequality and vulnerability that rapid economic growth has generated. Second, it has worked to rationalize and strengthen both party and state. Third, it has sought to reinforce Marxist ideology. And fourth, it has presided over a critique of the West that seeks to blunt the impact of Western ideas (“soft power”) and to bolster the legitimacy of the party-state.

The chief criticism of the Jiang Zemin era that prevails in China today is that Jiang allowed, and indeed encouraged, the east coast to move ahead rapidly while neglecting the accumulating problems of those left behind, whether rural peasants or

those laid off from SOEs or urban collectives in the cities. Income inequalities, which began widening again in the mid-1980s, reached dangerous levels, and certainly inequality was widely cited in public opinion surveys as a leading public concern (along with corruption and employment).³¹ Some have argued that China faces a significant danger of wide-spread social disorder.³² Although the Chinese government began to address these issues in the latter part of the Jiang administration, Hu Jintao and Wen Jiabao have made social justice issues central to their approach to governance. The millennial old agricultural tax has been removed and new fiscal resources directed to the rural areas. Unemployment insurance has been stepped up, and millions have been spent to fund minimum income schemes. Although such measures remain inadequate, they are clearly aimed at reducing social conflict in the society and winning plaudits from intellectuals. In this sense, we see the Hu Jintao administration adopting responsive measures at the macro-level, just as some governments are doing at the local level.

In addition to trying to pre-empt serious social upheaval and win popular support by addressing the needs of those left behind, the party and government have made serious, if not altogether successful, efforts to rationalize governance and place greater emphasis on following correct procedures. In part this effort is related to generational change. As older leaders who fought in the revolution are replaced by younger leaders who did not, there is an increasing need for the political system to explain – both to the public and to those in the system – why one leader is promoted and another is not and to win compliance by making the public policy process less capricious. Thus, as noted above, we find a greater emphasis on personal qualifications (age, education, accomplishments) in the promotion of individuals as well as the involvement of more individuals in that

process, both to assure candidates that procedures have been followed and that the most qualified candidate was chosen (even if that is not the case). Similarly, we find efforts to downsize and rationalize government, place greater emphasis on law, create regulatory bodies, and make governance more transparent (including the promotion of “e-government”).³³

Efforts to bolster legitimacy, however, have not been limited to adopting populist themes, ameliorating the hardships faced by the worst off in society, and rationalizing the functioning of government. On the contrary, and in contrast to the de-emphasis on ideology that many predicted, the Hu administration has placed a great deal of emphasis on ideology as well as its Siamese twin, media control. Indeed, the attention that the Hu Jintao administration has paid to ideological issues provides strong evidence that the people who rule China do not believe that economic growth, administrative rationalization, policy adjustment, and local adaptation are sufficient to maintain the legitimacy and stability of the party-state. Many writers throughout the years have argued that Chinese government (and perhaps any government) must have a belief system that can provide a “congealing force” (*ningjuli*) to hold together the otherwise centrifugal forces of society.³⁴ Jiang Zemin attempted to do this by promoting his “Three Represents” (that the party represents the advanced forces of production, advanced culture, and the fundamental interests of the vast majority of the people), which had the virtue of making a realistic concession to the growth of the non-state economy by allowing private entrepreneurs to join the CCP (which they were already doing in any case). As necessary as that step was, it did nothing for the CCP in terms of the party’s claim to represent some version of Marxism.

Since being named general secretary, Hu has emphasized the third of three represents and emphasized that the party “serves the public interest and governs for the people” (*lidang weigong, zhizheng weimin*). Striking a populist note, Hu and Wen have tried to identify themselves with the people, particularly those most vulnerable. Sometimes this effort has been dramatic, as when Hu Jintao traveled to Guangdong in the midst of the SARS crisis (at a time when Jiang Zemin was reportedly in Shanghai) or when Wen publicly embraced an AIDS sufferer.

At the same time, Hu has worked to bolster Marxism and undermine the legitimacy of Western economics. Perhaps surprisingly, the effort to criticize “neo-liberal” economics began at a time when the SARS crisis was still on-going. In the summer of 2003, the Chinese Academy of Social Sciences (CASS) established, with support from the “center,” a group to criticize “neo-liberal economics.” A year later, the group produced a book called *Neo-Liberalism: Criticism and Analysis*. Gathering together a group of leftist and “New Left” economists, the book criticized a wide range of Western economists, from Adam Smith on.

It was shortly after this publication, that the Larry Lang incident burst on the scene. Larry Lang (Lang Xianping) is a Western trained economist teaching at the Chinese University of Hong Kong. Lang sharply criticized several well-known Chinese enterprises that had carried out management buyouts (MBOs) in dubious ways, allegedly causing a significant loss of state assets. The charge that SOEs were being privatized at the expense of the state had long been a staple of New Left criticism, but Larry Lang’s Western training and careful research gave the charges new credibility. Soon China’s Internet was reverberating with arguments that went well beyond the charge specific

enterprises had engaged in wrong doing to a broad critique of privatization and Westernization³⁵. The fact that Gu Chujun, chairman of Kelon (Greencool), one of the entrepreneurs Lang had charged with wrongdoing, was subsequently arrested seemed to vindicate the New Left critique.³⁶

By late 2005 and early 2006, the debate over the course of China's reforms was widespread and vigorous. Intellectuals called it the third great debate in the course of China's reforms, the first being over "practice as the sole criterion of truth" that inaugurated reform, and the second being over the role of the planned economy in the wake of Tiananmen. The debate became so heated that Hu Jintao and Wen Jiabao both made statements at the NPC meeting in March 2006 intended to tamp down discussion. Hu said, "We should unswervingly adhere to the reform orientation, further strengthen our determination and confidence in the reforms, repeatedly perfect the socialist market economic structure, and fully exercise the basic role of the market in the allocation of resources."³⁷ Similarly, Wen Jiabao told reporters, "we should unswervingly push forward the reform and opening up.... Although in our way ahead there will be difficulties we cannot stop, retrogression offers no way out."³⁸ Although Hu and Wen strongly affirmed reform, it seems certain that their version of reform will attach more importance to "social justice" issues than did previous efforts at reform. Indeed, social fairness was a major theme of the Eleventh Five-Year Program approved by the Fifth Plenary Session of the 16th Central Committee in October 2005 and adopted by the NPC meeting in 2006.

These ideological initiatives and debates were accompanied by a harsher ideological atmosphere, directed primarily at liberal intellectuals. According to Hong

Kong's *Kaifang* magazine, Hu Jintao, addressing the Fourth Plenary Session of the Sixteenth Central Committee on September 19, gave a speech, which has not been publicly disseminated, in which he allegedly said, "For some time, enemy forces abroad have wantonly attacked our leadership and political system. And our domestic media has upheld the flag of political structural reform to propagate Western-style parliamentary democracy, human rights, [and] journalistic freedom.... Enemy forces inevitably take public opinion to be their point of attack.... The [former] Soviet Union disintegrated under the assault of their 'Westernization' and 'bourgeois liberalization.' This is the fundamental reason why problems appeared internally in the Soviet Union."³⁹

It was just before Hu Jintao allegedly made these remarks that a new crackdown on China's media began. On September 2, 2004, Xiao Weibi, editor of the liberal, Guangdong-based *Tongzhou gongjin* (Moving forward on a single ship), was dismissed for publishing a no-holds-barred interview with Ren Zhongyi, the liberal former Guangdong party secretary who voiced strong criticisms in the years before his death in 2005. Shortly thereafter, Jiao Guobiao, a journalism professor at Beijing University who had created a sensation with his hard-hitting Internet piece harshly criticizing the Propaganda Department, was suspended (and subsequently dismissed) from teaching. The popular bulletin board service (BBS) at Beijing University, *Yitahutu*, was closed down, as was the serious but occasionally controversial journal *Strategy and Management* (*Zhanlue yu guanli*), apparently because it published an article critical of North Korea. Wang Guangze, a journalist at the *21st-Century Economic Report*, was dismissed after he gave a speech in the United States called "The Development and

Possible Evolution of Political Ecology in China in the Age of the Internet.” “Public intellectuals” also came under assault.⁴⁰

Hu Jintao’s effort to revive Marxism in China has been quite consistent. In January 2004, the Politburo Standing Committee approved “Opinions on the Further Flourishing of Philosophy and Social Sciences” (Document No. 3), which said that in order to “deal with the mutual agitation of various sorts of ideologies and cultures in the world” it was necessary to “consolidate the guiding status of Marxism in ideological fields and vigorously carry forward and cultivate the national spirit.”⁴¹ On the 112th anniversary of the birth of Mao Zedong, CASS formally inaugurated a new Research Academy on Marxism, the establishment of which had been approved by the Politburo Standing Committee the previous May. Projected to include some 200 researchers, the new academy established because “the current international situation is rapidly changing, the hostile forces of the West are stepping up their efforts to Westernize and divide us, the ideological struggles are intense and complicated, and Marxism is faced with harsh challenges from all sides.”⁴² Two and a half decades after inaugurating reform, the CCP, while still vigorously supporting economic reform – including privatization and globalization – still views market forces and Western thinking, including on economics, as a threat to the party. What is remarkable is how well the party, believing that marketization is dangerous, has nevertheless been able to maintain the party’s political position while riding the tiger of reform.

It is unclear at this point how this renewed emphasis on Marxism will develop, but the party has called for more innovation and sinicization. This call suggests that this movement is not a simple revival of orthodoxy, as was seen in the early 1990s, but rather

an effort to combine China's historical traditions (the day in which Marxism-Leninism was seen as being opposed to China's "feudal" traditions has passed), its sense of the country's uniqueness (its "national conditions" or *guoqing*), nationalism, social justice (which will uneasily coexist for a long time to come with great disparities of wealth), and resistance to "Western" ideas, whether conceived of in economic ("neo-liberal") terms or political (liberal democracy). Such a cocktail of ideas may not satisfy the needs of intellectuals for consistency, but it could prove sufficient to legitimate CCP rule for some time to come. It should not be surprising that the Chinese state is not abandoning the ideational realm; it never has.

Conclusion

Two and a half decades of economic reform have generated constant tension between the demands of marketization and globalization on the one hand and Leninist organization and legitimacy claims on the other. The debates of the 1980s and the eventual crisis of 1989 reflected these tensions, just as writings on Leninist political systems would suggest. There has been generally less (though not nonexistent) political tension in the 1990s and since, suggesting a different dynamic, even as economic reform has continued to deepen. How has the Chinese party-state been able to survive the challenges of marketization and pluralization, and can we assume that the party-state is now able to forge ahead with an agenda of economic reform without regard to the sorts of legitimacy issues that plagued it in the 1980s?

This chapter has argued that the party-state made palpable adjustments, particularly after the immediate trauma of Tiananmen had passed and Deng Xiaoping

made his journey to the south. There are three basic facets of this argument. First, that in accepting the inevitability and even desirability of continued economic reform, including privatization and globalization, the party-state gave up some traditional understandings of Marxism-Leninism in favor of expanding its legitimacy claims through continued economic growth and provision of employment, something that was not possible through SOEs as they then existed and the planning system that they were still attached to. The party-state has also worked to rationalize its own structures and procedures on the one hand and to accept, at least in some places, new structures that allow citizen and organized business interests some role in the governing process, thus working to increase procedural and participatory legitimacy rather than electoral democracy.

Second, although these adaptive changes have proven viable for the short term – and seem likely to stave off challenges to party authority for the foreseeable future, assuming adjustments of various sorts continue to be made, certain sociological and political changes are generating new sources of resistance to the party-state. Governance by cronyism and the evident economic competition between the local elite and the local populace has increased tensions at the local level. These problems have stimulated policy change, such as the elimination of the agricultural tax, and are likely to continue to do so, but the area of contention is so large and the number of people involved so great that social order problems will certainly persist, and perhaps get worse, for a long time to come. At the same time, the convergence among China's political, economic, and intellectual elites has reduced political tension, increased the willingness to pursue market-oriented reform, and provided a degree of social acceptance. This "ruling elite" could provide the party-state with a substantial lease on life, as it is in the interests of this

elite to maintain stability. But it also raises substantial difficulties. To the extent that social mobility rates decrease, this elite could be perceived as closed, generating hostility from those excluded.⁴³ Also, because economic and political elites benefit from such close cooperation, there is a strong tendency for elites to resist further economic reform; beneficiaries of cooperative relationships often dislike open, competitive, legally based social organization.⁴⁴

Finally, the party-state's own actions in bolstering Marxist ideology, criticizing the West, and tightening controls over the media provide strong evidence that the party-state continues to see certain types of reform – those that accept a fully free, competitive economic system, critical public opinion, and certain types of integration into the international community – as threatening.⁴⁵ It may turn out that the tightening we have seen in the recent past is just a phase that will soon be followed by renewed liberalization, as has often happened in the past. But the consistent emphasis since Tiananmen on ideological control suggests that the CCP is trying to feel its way toward a non-liberal political order. The effort to tout a “Beijing consensus” that emphasizes the uniqueness of China's development experience and the need for different policies than those embodied in the “Washington consensus,” suggests that there are certain political limitations on economic reform.⁴⁶ It also suggests that the tension between marketization and Leninism has not disappeared entirely, despite the adaptability that the party-state has shown.

In short, the Chinese political system has avoided the collapse predicted by Jowitt's understanding of Leninism by moving away from traditional understandings of Marxism-Leninism, by incorporating newly emerging socio-economic forces into the

political system, rationalizing party and state structures, forging a social coalition of political, economic, and intellectual elites, and by repressing the emergence of opposition forces, but also by vigorously asserting the ruling position of the party-state, continuing to emphasize ideological control, and working to de-legitimize ideological challenges – such as neo-liberal economics – that undermine its authority. Such a state has been able to pursue economic development (indeed, the interests of its elites are very much tied up with economic growth) without losing authority. The track record over the past two and a half decades, and especially over the last decade, suggest that the CCP will continue to adjust to the needs of a marketizing and pluralizing society, and thus support economic reforms, but that it will do so in ways that are consistent with the continued rule of the CCP. And that means that the party-state will continue to play a very large role both at the central level in defining loan policies and developmental strategies and at the local level where the state is often a direct player in the economy. It also means that as new institutions emerge, they will remain dependent on the state for the foreseeable future. We can expect continued tension as the state yields as little as possible to the demands of a marketizing society. Within this “authoritarian” framework, tensions with the CCP’s Leninist roots will remain, and these tensions are likely to distort its patterns of economic growth by favoring the interests of remaining SOEs and well-connected economic elites, as the party-state continues to protect its own interests.⁴⁷

¹ The author has benefited from the comments of Bill Keller, Tom Rawski, Ellen Frost, and Bruce Dickson. The errors that remain are, alas, those of the author.

² Kenneth Jowitt, *Leninist Responses to National Dependency* (Berkeley: Institute of International Studies, University of California, 1978); and idem., *New World Disorder: The Leninist Extinction* (Berkeley and Los Angeles: University of California Press, 1992).

³ This was a major theme in Hu Yaobang's seminal speech, "The Radiance of the Great Truth of Marxism Lights Our Way Forward," Xinhua, March 13, 1983, in Foreign Broadcast Information Service (FBIS), March 14, 1983, K1-17.

⁴ Joseph Fewsmith, *Dilemmas of Reform: Political Conflict and Economic Debate* (Armonk, NY: ME Sharpe, 1994); and Barry Naughton, *Growing Out of the Plan: Chinese Economic Reform, 1978-1993* (Cambridge: Cambridge University Press, 1995).

⁵ Merle Goldman, *Sowing the Seeds of Democracy: Political Reform in the Deng Xiaoping Era* (Cambridge, MA: Harvard University Press, 1994).

⁶ For a more extended treatment, see Richard Baum, *Burying Mao* (Princeton, NJ: Princeton University Press, 1994).

⁷ Conservative arguments following Tiananmen are laid out in Joseph Fewsmith, *China Since Tiananmen: The Politics of Transition* (Cambridge: Cambridge University Press, 2001), pp. 21-43.

⁸ Gloria Davies, ed., *Voicing Concerns* (Roman & Littlefield, 2001).

⁹ Fewsmith, *China Since Tiananmen*.

¹⁰ Wu Guoguang, *Zhao Ziyang yu zhengzhi gaige* (Political Reform under Zhao Ziyang) (Hong Kong: Taipingyang shiji yanjiusuo, 1997).

¹¹ Kang Xiaoguang, "Weilai 3-5 nian Zhongguo dalu zhengzhi wendingxing fenxi" (An analysis of the stability of Chinese politics on the Chinese mainland in the coming 3-5 years), *Zhanlue yu guanli*, no. 3 (2002).

¹² *Zhongguo tongji nianjian* (China statistical yearbook), various years.

¹³ It should be noted that although this tax reform greatly increased the fiscal strength of the central state, it undermined local finances, particularly at the county and township levels. Many of the fiscal and political problems at the local level stem in part from this centralization of fiscal control.

¹⁴ Yan Yunxiang, “The Politics of Consumerism in Chinese society,” in Tyrenne White, ed., *China Briefing 2000: The Continuing Transformation* (Armonk, NY: ME Sharpe, 2000), pp. 159-93.

¹⁵ Tang Tsou, “Introduction,” *The Cultural Revolution and Post-Mao Reforms: A Historical Interpretation* (Chicago: The University of Chicago Press, 1986).

¹⁶ Gu Xin and David Kelly,

¹⁷ Suisheng Zhao, *A Nation-State by Construction: Dynamics of Modern Chinese Nationalism* (Stanford: Stanford University Press, 2004), pp. 218-227.

¹⁸ Song Qiang, Zhang Zangzang, and Qiao Bian, *Zhongguo keyi shuobu* (Beijing: Zhonghua gongshang lianhe chubanshe, 1996).

¹⁹ Fewsmith, *China Since Tiananmen*, pp. 75-100.

²⁰ Sun Liping, “Pingmin zhuyi yu Zhongguo gaige” (Populism and China’s Reform). *Zhanglue yu guanli*, no. 5 (October 1994): 1-10. See also Sun Liping, *Zhuanxing yu duanlie: gaige yilai Zhongguo shehui jiegou de bianhua* (Transition and fracture: The change in social structure sine reform) (Beijing: Qinghua daxue chubanshe, 2004) and Yu Peilin, Li Qiang, and Sun Liping, eds., *Zhongguo shehui fenceng* (Social Stratification in China) (Beijing: Shehui kexue wenxian chubanshe, 2004).

²¹ Zhang Jingping, *Quanjian: Cong guanyuan xiahai dao shangren congzheng* (Power shift: From officials going into business to businessmen going into government) (Hangzhou: Zhejiang renmin chubanshe, 2004).

²² Li Changping, *Wo xiang zongli shuo shihua* (Speaking the truth to the premier).

²³ Zhao Shukai, "Governance in villages: Organization and conflict," *Zhanlue yu Guanli*, November 2003, pp. 1-8; and Yu Jianrong, "The evil forces in rural areas and the deterioration of grassroots administration—A survey of southern Hunan," *Zhanlue yu guanli*, September 2003.

²⁴ Wang Keqin and Qiao Guodong, "Investigation Report on 'The Strikes on Villagers' in Dingzhou, Hebei," *Zhongguo jingji shibao*, June 20, 2005; and Leu Siew Ying, "Riot Police Seize Files Being Guarded by Protesting Villagers," *South China Morning Post*, September 13, 2005.

²⁵ Bill Savadove, "Shanghai Reveals Surge in 'Mass Dispute' Court Cases," *South China Morning Post*, July 27, 2005.

²⁶ Peng Guo, *Asymmetrical Information, Suboptimal Strategies, and Institutional Performance: The Paradox of the 1995 Regulations of China's Official Promotion System*, Ph.D. dissertation, Boston University, 2004.

²⁷ Wen Shengtang, "2003 nian de fanfubai douzheng" (The struggle against corruption in 2003), in *2004 nian: Zhongguo shehui xingshi fenxi yu yuce*, ed. Ru Xin, Lu Xueyi, and Li Peilin (Beijing: Shehui kexue wenxian chubanshe, 2004), p. 162.

²⁸ Joseph Fewsmith, "Taizhou Area Explores Ways to Improve Local Governance," *China Leadership Monitor*, no. 15 (Summer 2005), available at www.chinaleadershipmonitor.org.

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- ²⁹ Joseph Fewsmith, “Chambers of Commerce in Wenzhou and the Potential Limits of ‘Civil Society’ in China,” *China Leadership Monitor*, no. 16 (Fall 2005), available at www.chinaleadershipmonitor.org.
- ³⁰ Bruce Gilley, *China’s Democratic Future* (New York: Columbia University Press, 2004).
- ³¹ Joseph Fewsmith, “Continuing Pressure on Social Order,” *China Leadership Monitor*, no. 10 (Summer 2004).
- ³² Hu Angang, Wang Shaoguang, and Ding Yuanzhu, “The social instability behind economic prosperity,” *Zhanlue yu guanli*, June 2002, pp. 26-33.
- ³³ Dali Yang, *Remaking the Leviathan: Market Transition and the Politics of Governance in China* (Stanford, CA: Stanford University Press, 2004).
- ³⁴ An early expression of this argument, albeit from a leftist perspective, was Luo yin ge er, *Disanzhi yanjing kan Zhongguo* (Looking at China through a Third Eye) (Taiyuan: Shanxi renmin chubanshe, 1994).
- ³⁵ Joseph Fewsmith, “China Under Hu Jintao,” *China Leadership Monitor*, no. 14 (Spring 2005).
- ³⁶ *China Daily*, August 3, 2006; and *China Daily*, July 6, 2006.
- ³⁷ *Renmin ribao*, March 7, 2006.
- ³⁸ CCTV, March 14, 2006, trans. CPP20060314070001.
- ³⁹ *Kaifang*, December 2004, http://www.open.com.hk/2003_12news1.htm.
- ⁴⁰ Fewsmith, “China Under Hu Jintao.”
- ⁴¹ “Further Develop and Bring About Flourishing Philosophy and Social Sciences,” *Qiushi*, no. 4 (February 16, 2004).

⁴² Li Ruiying: "Make New Contributions to Upholding and Developing Marxism - An Interview with Leng Rong, Permanent Vice President of the Chinese Academy of Social Sciences and Concurrently Director of Research Academy on Marxism," *Guangming ribao*, December 28, 2005.

⁴³ Lu Xueyi, *Dangdai Zhongguo shehui liudong* (Social Mobility in Contemporary China).

⁴⁴ Wu Jinglian, "Gezhong shehui liliang duidai gaige de butong taidu" (The different attitudes of various social forces toward reform), *Dangdai Zhongguo jingji gaige* (Contemporary Chinese economic reform), pp. 421-426, excerpted in *Shisan nianlai yingxiang zhongyang gaoceng jingji juece de lundian huibian* (Compilation of points of view that have influenced the high-level economic decision making of the center over the past thirteen years) (Beijing: 2003).

⁴⁵ For a recent report detailing this tightening control over media, see Ashley Esarey, "Speak No Evil: Mass Media Control in Contemporary China." A Freedom House special report, February 2006.

⁴⁶ Huang Ping and Cui Zhiyuan, ed., *Zhongguo yu quanqiu hua: Huashengtun gongshi haishi Beijing gongsh*" (China and globalization: Washington consensus or Beijing consensus?) (Beijing: Shehui kexue wenxian chubanshe, 2005).

⁴⁷ On the state's continuing efforts to support SOEs, see Yasheng Huang, *Selling China: Foreign Direct Investment During the Reform Era* (Cambridge: Cambridge University Press, 2003).