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In line with the Chinese proverb “In good times think of the bad,” beneath the apparent prosperity of China today, one can detect hints of troubles to come. The progress of economic reforms has stumbled into a quagmire, while inefficient state-owned enterprises continue to flounder. Corruption is rampant and unmanageable, while tensions within society continue to sharpen. Local social disturbances are mushrooming across the land.

What is the key to the solution of all these problems? In my opinion, it is reform of the political system.

THE URGENCY OF POLITICAL REFORM

First, tragedies like the “Cultural Revolution” must never be allowed to happen again.

There are those who lay all the blame for the catastrophe of the Cultural Revolution at the feet of the so-called “Gang of Four.” There are those who say Mao misplaced his confidence in them. But then there are those who argue that Mao’s errors were not confined to misplaced

confidence in four individuals. Rather, his errors were not isolated errors, but systematic errors. They were not temporary errors, but long-term errors. In fact, the problem was the lack of a mechanism within the Chinese political system capable of checking the power of the leader. Turning our attention to the developed countries, it is immediately apparent that they have devoted a great deal of energy to crafting a political system of checks and balances to ensure that no one is above the law. Under such a system, even heads of state may be forced to resign or may be impeached for their misdeeds. In China, however, despite Mao's colossal errors, the people could neither impeach him nor correct his mistakes. Instead, Mao's utterances became the law of the land without going through any legislative procedures and the will of the nation which demanded the complete submission of the entire Party, the entire army, and the entire population. From this we can see that the Cultural Revolution by itself was not the gravest problem. The gravest problem was the complete failure of the political system to prevent the occurrence of this tragedy. More than twenty-five years have passed since the end of the Cultural Revolution, but China's political system still has not learned the profound lessons of the Mao era. It still lacks the courage to seek institutional solutions, to check and balance the powers of the leadership. If yet another Mao Zedong were to emerge in the future, will there be any constraints on his power? The current system provides none!

In short, the political conditions that allowed for the Cultural Revolution still exist; the mechanisms to prevent such a disaster are not yet in place. Political reforms must be commenced as quickly as possible to establish effective mechanisms to neutralize the various institutional factors that contributed to the tragedy of the Cultural Revolution.

Second, economic reforms cannot be deepened without corresponding political reforms.

China is now a member of the WTO. It remains to be seen whether Chinese enterprises will be able to compete successfully with foreign multinationals. The private sector is apparently more efficient and competitive, but why do the authorities remain reluctant to promote its development? We are still constrained by the current political system that forbids us openly and frankly advocating “privatization.” Political reforms and economic reforms are like the two legs of a person. Although one leg goes in front of the other as you walk, the distance between them cannot be too great. You cannot place one leg far, far ahead while leaving the other far, far behind. To date, economic reforms have been in progress for 20 years – they certainly have come a long way. Yet political reforms are seriously lagging, imposing numerous restrictions on further economic reforms.

In addition, political reforms are necessary to safeguard the fruits of economic reforms. The achievements of economic reforms are tremendous, but can these achievements be taken away? This is a question of great concern to many. There is a privately owned diner next to my office in Beijing. Oftentimes I would go for a bowl of noodles, and over the years I’ve struck up a friendship with the owner. He asked me: Will there be another nationalization of private enterprises? Will there be another campaign against capitalists? Will there be another abolishment of private property? Will I lose everything I own? In my opinion, the possibility does exist. Only political reforms can safeguard the fruits of economic reforms.

Although at present it is rather unlikely that economic reforms will be rolled back on a grand scale, on a more limited, localized and temporary scale, such rollbacks are not only entirely possible, but are in fact happening every day. Witness the constant policy waffles with regard to the sale of state-owned enterprises; or the lies and broken promises in the transfer of property rights; or the myriad violations of the legal rights of private enterprises. Such mini-rollbacks

accumulate to constitute a tremendous waste of social wealth, and ultimately their costs are borne entirely by ordinary citizens.

Third, political reforms are necessary to curb corruption and maintain social stability.

China needs social stability in order to compete in the global market and to raise the standard of living for its citizens. However, what are the major factors threatening social stability? According to surveys conducted in 1998 and 1999, corruption was ranked as the number one factor threatening social stability two years in a row. These results are quite representative. Since the 1980s, the cases of official corruption in China have increased year by year, along with the monetary amounts involved. The ranks of the officials involved have climbed higher and higher, while complicity in various forms has become more and more common. The annual statistics released by the Supreme People's Procuratorate are very indicative of these developments. Corruption and corrupt officials have become the most common topic of conversation at the kitchen table and on the living room couch. In response to these problems, the law enforcement organs have arrested quite a few and executed some of them. Yet the number of corrupt officials continues to increase, at a rate much faster than they can be brought to justice. As the popular saying goes, "For every corrupt official that falls, thousands more will spring up in his place." To reduce the number of Chen Xitong's, Hu Changqing's, and Cheng Kejie's¹, one must start at the source and begin with the institutions. Only when institutions are rational can there be honesty, cleanliness, and stability in society.

The massive theft of state property by corrupt officials violates of the interests of every individual Chinese citizen. Inevitably, such behavior arouses popular anger, undermines social trust, and may in fact result in loss of life from time to time. Just an example from the

¹ All are well known high-level corrupt officials.

newspapers: A father and his son had contracted to manage an orchard. They were to pay a fixed amount of money to the authorities for the land and retain any surplus. That year the harvest was particularly good, and a surplus of thirty to forty thousand yuan was in sight. The officials who had contracted out the orchard, however, changed their mind and rescinded the contract, leaving the father and son with nothing for a year's labor. The case was taken to court, and the defendants invited the judge to a meal, and the father and son lost their case. In furious despair, the son rammed his head into the front gate of the courthouse and killed himself. With nobody else in the family, the old man was left not only childless and penny-less, but was levied a fine. For cases like this, where there is truly nowhere to turn, I suppose one would think that the only option left is to "raise the banner of rebellion." I do not approve of rebellions, which are by nature chaotic, destructive of social stability, and threaten collapse of the state. At present, China is generally stable at a macro level, but we cannot afford to disregard the existence of many latent sources of instability. The stagnation of political reforms is the greatest source of instability.

Some people expect political reforms to be a panacea that will solve all of China's problems. There is no panacea in this world, and no medicine will cure all problems. History, however, has shown that a political structure based on regular and universal elections and checks-and-balances among different branches of government is far more rational and sophisticated than one based on concentrated powers and prolonged authoritarianism and is far more suited to the currents of history and the demands of the populace.

Looking back at half a century of Chinese history, we see that every turmoil that befell the nation – starting with the anti-Rightist campaign of 1957, the Great Leap Forward of 1958 and the resulting famine, all the way up to the catastrophic Cultural Revolution between 1966 and 1976 – had been a product of dictatorial politics. To the Chinese people who have long suffered

the consequences of an outmoded political system, there is no other option besides political reforms.

THE OBJECTIVES OF POLITICAL REFORM

I once wrote a book titled *The Strategies of Chinese Political Reform*. Certainly one cannot have strategies without an objective, and the key question is what sort of a political edifice we should construct. China used to have a planned economy; it now has a market economy. The objective of economic reform is to establish a market economy. What should be the objective of political reform? In my opinion, it is to establish a parliamentary democracy.

China has witnessed two types of so-called “democracies.” The first, “king’s democracy,” was deployed merely for the use of those in power, such as projecting an open and liberal image as a leader. In this type of “democracy,” the leaders allow the masses to speak their minds. Typically, this “democracy” goes like this: the “emperor” asks you to speak your mind, so you speak your mind. If the emperor likes what you have to say, then it’s not bad. But what if the emperor doesn’t like what you have to say? He furrows his brow. If at this point you are not alert enough to shut your mouth, he will bark: “No more nonsense!” If you still refused to shut up, then it’s time to lock you up. After all, as the saying goes, “The dictatorship of the proletariat is not vegetarian!” This is what the “king’s democracy” comes down to: The government listens to what it wants to hear, but it may punish those who say what it doesn’t want to hear. The second type of “democracy” is anarchistic and lawless “Grand Democracy” such as that practiced during the Cultural Revolution. It has inflicted much damage and suffering on China and the Chinese people. Of course, these “democracies” are not the objective of the kind of political reform we advocate.

We want a parliamentary democracy, which, in essence, is a political system where the highest legislative organ of the state is created by the citizenry through periodic, universal elections. The powers of the state are divided between the legislative branch, the executive branch, and the judicial branch, forming a system of checks and balances. Parliamentary democracy is a universal concept in political science. Parliament, the legislative body of a country, has different names and structures in different countries. In England, it is the House of Lords and House of Commons; in the United States, it is the Senate and House of Representatives; and in Russia, it is the Duma. The National People's Congress (NPC) should be the parliament for China. The Chinese constitution has always stipulated that the NPC is the highest legislative organ of the land. But the NPC is a parliament in form not in reality.

A country certainly cannot do without a government. A country must have a government, and the government must have authority. But the authority of the government cannot be unbounded. Unlimited governmental powers only leads to tyranny and corruption. The executive power of the government needs to be limited by the legislative branch. This branch must be comprised of popular representatives elected by the citizenry, and it must exercise legislative powers, as well as supervisory powers over the executive organs. At the same time, there must be an independent judicial system to serve as a fair and impartial dispenser of justice and to protect the rights of individuals.

Democracy is “rule by the majority.” In the ancient Greek city-state of Athens, citizens gathered to vote on important issues by direct democracy. Centuries later, the bourgeois revolution created parliamentary democracy. Representation had become necessary because the size of modern states had rendered direct democracy impractical. Representative democracy also offers a mechanism for deliberating on and refining majority decisions. There is, however, an important premise here, that is the representatives must be directly elected by the electorate.

Once the representatives have been elected, they must act according to their own best judgment. If they fail to represent the interests of the majority, they should lose the next election. This is the essence of representative democracy.

Division of power and checks-and-balances are an important topic for political science. In the past, the Chinese Communist Party (CCP) always emphasized “unified leadership” and wished to “exercise leadership in every aspect.” If Mao said anything, the Supreme People’s Court had to obey, the Procuratorate had to obey, the NPC had to rush to supply the rubber stamp, and the State Council had to rush to carry out the orders. Checks and balances were completely absent. Human experience has long taught that power must be checked and balanced to avoid catastrophic mistakes. Any political party, any government, in fact any organization that endows all powers in the hands of a few will inevitably become corrupt. A major function of representative democracy is the division of political powers among the legislative, executive and judicial branches of the government, so that these branches can check and balance each other.

The division of powers is the basis of check-and-balancing, which is only possible when powers are divided. Effective supervision of power cannot rely entirely on self-discipline or vertical supervisory relationships within a hierarchy. The purpose of establishing a representative democracy is first to adequately represent the interests of the people, and second to divide government powers for better checking-and-balancing. This is a universal intellectual heritage of humanity’s long quest for better government. For a long time the Chinese people had been told that representative democracy is only applicable to the West, not to the East, especially not to culturally Chinese societies. Recent developments, however, have exposed the fallacy of this contention. The evolution of Taiwan’s political system has provided ample demonstration.

Some worry whether representative democracy is feasible for China, which has more than 200 million illiterates. But it is more important for them to see the other side of the coin: there are more than 1 billion educated people in China! There are those who never tire of talking about patriotism; but speak of democracy, they shake their heads and complain about the low quality of the Chinese citizenry. Do we really believe that when it comes to accepting rights and responsibilities, the average Chinese today cannot even match the average American who lived over 200 years ago? During the late 1930s and early 1940s, the CCP organized elections in areas under their control. The peasants voted by putting beans into bowls placed behind the candidates, and the results of the elections were surprisingly good. The peasant holding a bean in his hand might not have been acquainted with the concept of representative democracy, but he knew quite well who was good, who was bad, who could get things done and who could represent his interests!

There is another example of the feasibility of parliamentary democracy in China—the passage of the Bankruptcy Act in the NPC. In June of 1986, the State Council submitted the Draft Enterprise Bankruptcy Act to the Standing Committee of the NPC. During the first debate, 41 out of 51 speakers opposed the bill. At the time many newspapers in Hong Kong commented that the “rubber stamp was hardening.” In the past, anything proposed by the Central Committee of the CCP (the “Central Committee”) and the State Council would be approved by a unanimous show of hands, followed usually by a standing ovation. But this time, the members of the Standing Committee had the courage to voice opposing opinions; the highest legislative organ of the land finally found the courage to say “no.” In the end, the experiences gained from trial bankruptcy cases and the need of a bankruptcy law for the economic reform convinced the members of the Standing Committee, which passed the Bankruptcy Act with 101 Yes, 0 Nay, and 9 Abstentions. The enactment of the Bankruptcy Act was a dress rehearsal for representative democracy and a

harbinger for Chinese political reform. It showed us that even in socialist China, representative democracy is entirely feasible.

BASIC STRATEGIES FOR POLITICAL REFORMS

What are the basic strategies for promoting the political reforms?

First, there must be popular participation.

Political reform is not a process in which someone produces a master plan to be faithfully followed by everyone else. This is common sense in politics. What is politics? As Sun Yat-sen put it, politics is the management of public affairs. The management of public affairs requires popular participation, and that is even more so when it comes to reforming the management of public affairs. Since political reforms involve the rights and responsibilities of every citizen, “black box” operations without popular participation will defeat the purpose of the reform. Besides, the complexity and gravity of political reform preclude the possibility that any small group of individuals can produce a blueprint acceptable to the majority. Therefore, political reform must be thoroughly discussed among the entire citizenry and proceed according to procedures that allow for maximum popular involvement.

Second, we must proceed by peaceful gradualism.

There are two principles involved here. The first is nonviolence; the second is gradualism.

Political reform entails the realignment of interests, which makes sharp conflicts inevitable at times. Regardless of how pointed the conflicts may be, we must insist on nonviolence. Chinese people are rational people; there is no problem they cannot discuss in peace. If a consensus cannot be reached on certain issues, both sides can still take a step back and try to find a compromise. Worshippers of violent revolutions like to tell people “Don’t be afraid of breaking a

few pots and jars!” My answer to that is, whether you are willing to break the pots and jars in your own house is your own business; but when it comes to the pots and jars in other people’s houses, you do not have the right to decide about that. Most Chinese today are not willing to break their own pots and jars. They care a great deal about the possessions they have accumulated, and they wish for a stable society and a secure life. We must respect the majority’s wish for a secure life. This is a fundamental principle of civilized society. Of course, if the common wish of the people is constantly neglected or never satisfied, a few individuals will become desperados, and violence will become all but inevitable. The greatest challenge in political reform is to encourage active popular participation while maintaining rational level-headedness and keeping impulsiveness in check. We must take the lessons of the Cultural Revolution to heart and refrain from violence and disorder. If great disorder breaks out as in the past, we will not even be able to regulate traffic or protect lives, let alone develop the economy! Therefore we must emphasize the principle of nonviolence and create a public consensus for nonviolence.

The second principle is gradualism. By gradualism, we mean political reforms must be taken step by step. Each step must build upon previous achievements. Each step must be an extension of earlier steps. We cannot expect to solve all problems in a single morning. Currently many segments of society are quite concerned with political reform and also quite impatient. But we must refrain from rashness and persist in the gradualist approach.

Third, we must proceed under the rule of law.

Political reform must be built upon a sound legal basis. We must enact necessary laws and proceed according to what they prescribe. We cannot burst out of the gates with no laws to go by; political reform must not proceed without a legal basis. Obviously, the process of legislation

will also require popular input. We must first encourage popular discussion, then decide according to legal procedures, and finally implement the decisions according to legal procedures as well.

THE MAJOR INSTRUMENTS OF POLITICAL REFORM

There are at least four major instruments to be employed in the process of political reforms.

1) The Starting Point: Opening the Proceedings of the NPC to the Public

Any reform program must begin from a carefully selected starting point, the choice of which may determine the fate of reform. In choosing a starting point for political reform, two conditions must be satisfied. First, the risks must be low; and second, the impact must be significant. In my opinion, Chinese political reform should begin with reform of the NPC because it is a legislative not executive organ. Reform of the NPC and any associated procedural changes are relatively low-risk. They are not likely to affect the development of the economy, the enforcement of contracts, or the gas supply to millions of individual households. On the other hand, the NPC is the nation's highest legislative organ, and reform of the NPC will significantly impact People's Congresses at the provincial, county, even down to the municipal level. If we were to select a mountain village somewhere as the starting point of reform, the impact would be too limited. From the perspective of minimizing risks while simultaneously maximizing impact, reform of the NPC is be the most appropriate starting point of political reform.

The NPC system has many dimensions. Where should the reform begin? I believe we should begin with increasing the transparency of the NPC's proceedings. In this regard, there is a successful and instructive precedent. On September 26, 1986, CCTV conducted a special live

telecast of the debate on the Bankruptcy Act during the seventeenth session of the Sixth NPC Standing Committee. It was an exciting and moving moment in modern Chinese history. In the past, television coverage of NPC debates never exceeded two minutes. The coverage typically consisted of a few soundbites from several representative figures followed by thunderous applause and passage by unanimous show of hands. The audience had no idea about any issues raised in the legislative process. The one-hour live telecast over the enactment of the Bankruptcy Act not only gave the national audience a chance to learn the faces and voices of the members of the Standing Committee, it also provided an opportunity for the national airing of opinions, both pro and con, and their supporting evidence. The viewers' response was tremendous. A viewer wrote to CCTV, "It was almost as if I had crossed mountains and rivers and traveled a thousand miles to Beijing, and sat in the gallery of the NPC." Another viewer wrote, "Because of the telecast, every ordinary citizen now knows what issues the state organs are working on, and why they are working on those issues. I hope this telecast is not exceptional. I hope there will be a second one, a third one in the future." Unfortunately, that telecast was indeed exceptional. In order not to disappoint the enthusiasm of the people, I promptly made the suggestion that NPC sessions be open to the public, and an observer system be devised for the NPC. The public should be able to observe the proceedings of the NPC in two ways—in person or through the broadcast media. In April 1987, during the fifth session of the sixth NPC, my proposal was introduced as Bill No. 135. After much effort by many colleagues, in April 1989, the observer system proposed in the bill was finally incorporated into the "Procedural Rules of the NPC," an important legal document governing the proceedings of the NPC. Various local People's Congresses have subsequently adopted the observer system. To my knowledge, the observer system is best-implemented in Guangdong. During sessions of the Guangdong People's Congress, the visitors' gallery is often filled.

Of course, despite the success of the observer system, there is still much for improvement. In addition, a great deal of work remains to be done in the area of publicizing the workings of the NPC. For instance, a periodical devoted to the NPC should be created so that materials such as bills under consideration, the opinions of NPC deputies and Standing Committee members, roll calls on various bills, and the votes received by various nominees can be disclosed to the public. Many other steps can also be taken.

2) Leverage: Reform of the Electoral System

Elections are the most essential element of a representative democracy. They determine the very legitimacy of political authorities and provide the primary impetus for political reform. In feudal times, it was believed that the gods bestowed authority upon the king, who, in turn, bestowed authority upon his officials. Ordinary people had no say in the matter. In modern society, the basis of power should be the ballot box of fair and free elections.

Now let us ask, Are single-candidate elections fair and free? Obviously not. Although it is possible to vote for write-in candidates, the single candidate nominated by high authorities usually wins since write-in votes are inevitably widely scattered. Single-candidate elections are easily manipulated. Elections that offer no choice of candidates are mere charades. I have personally been the victim of such a charade when I was in junior high school. At the time our class monitor was an annoying fellow who loved to rat on his classmates. Most students despised him, although the teacher was quite fond of him. During the annual election for class monitor, the teacher nominated him as the single candidate, although in the name of “promoting democracy” the teacher also told us we could write in our own choices. The official candidate was much despised, but under duress, many of the more timid students voted for him. The braver ones refused to vote for him, and I was one of the “brave ones.” I crossed out his name

and wrote in a certain Mr. Zhang, others wrote in a certain Miss Li, still others wrote in a certain Cao, and so forth. In the end, however, the write-in votes were so widely scattered, the much-despised sitting monitor was re-elected by a large majority.

Recently, a new phenomenon has emerged in Chinese elections, and this is the phenomenon of direct elections for village committees. The Organic Law of Village Committee Elections contains many fine stipulations, and many of these have been implemented. Although various problems still exist, in general, I think highly of this form of grassroots democracy. I hope that the domain of direct elections will be continuously expanded. It is rather laughable that we are still running indirect elections in the cities. There is no reason why borough chiefs and mayors cannot be directly elected. In order to develop representative democracy, deputies to the NPC should also be directly elected. In the current practice, county deputies elect provincial deputies, and provincial deputies elect NPC deputies. Is it possible to allow voters in each province or autonomous region to directly elect their representatives to the NPC? We often place “sacred” before the word “ballot.” Only when NPC deputies are directly elected will the ballot in the hands of the individual voter become sacred. Only then will the needs of the voters be taken seriously by the deputies. At present, direct elections are pitifully limited. Nonetheless, we can already glimpse a glimmer of hope from the experiences of direct village elections. In general, those that have been directly elected enjoy strong legitimacy and represent the will of the people. Broader application of direct elections in China is inevitable. It will come at an accelerated speed.

Finally, elections should be competitive. By a competitive election, we mean that in addition to multiple candidates for each position, candidates should be allowed to raise campaign funds within the limits of the law, and they should be allowed to advertise their views using any legal method of communication, and so on.

In summary, reform of the electoral system is dictated by the currents of history and the desires of the masses. This reform can no longer be delayed.

3) The Vehicle: Constitutional Reform

A country's political system is primarily embodied in its constitution. Therefore reform of the political system necessarily entails amendments to the constitution. Currently the constitution stipulates that all power in the People's Republic belongs to the people, so it is undoubtedly within the rights of the people to study and discuss constitutional reforms. Every citizen has the right to study the constitution, discuss the constitution, and participate in its reform through various channels. I myself have repeatedly proposed that the constitution recognizes multiple forms of property rights and multiple systems of resource distribution.² This proposal has already been incorporated into the constitutional amendments adopted at the second session of the Ninth NPC in 1999. This tells us that a great deal can be accomplished in the constitutional arena, and ordinary citizens can in fact play a role in constitutional reform.

I believe that many basic principles must be embodied in the constitution through constitutional amendments. In my view, the four cardinal principles of utmost importance are:

1. The Constitution must be obeyed and enforced;
2. The interests of the people are above all;
3. In legal proceedings, the accused must be presumed innocent;
4. The political process must be open.

Due to a limitation of space, here I will only discuss the first principle, which is also the most fundamental. A constitution, no matter how well written, is only a scrap paper if it is not be

² Specifically, the author refers to the recognition of private ownership of enterprises.

properly enforced. In 1954 the People's Republic promulgated its first constitution, but by 1966 it had been trampled underfoot by Mao. He liked to say that "there was no sky or laws above [him]," and that he was not bound by any supervision or sanctions. This constitutional defect has not been redressed to this day. Currently the NPC has eight or nine different committees, including a committee on educational, scientific and cultural affairs, a committee on overseas Chinese affairs, everything but a committee on constitutional affairs. Thus it is fair to say that while there are people looking into songs and dances, there is no one to look into violations of the constitution. In my view it is only a matter of time before the NPC establishes a constitutional affairs committee to look after this area. Meanwhile, a constitutional court should be set up to sanction constitutional violations. If another Mao Zedong were to appear in the People's Republic, the NPC constitutional affairs committee, or even private citizens such as a Cao Siyuan, or a Li Siyuan, or a Wang Siyuan would be able to sue him in the constitutional court.

4) The Guarantor: Popular Opinion

In Mainland China, the importance of popular opinion is generally recognized. But to truly appreciate the effectiveness of popular opinion, we need to broaden our horizon. In most modern states, an important factor that allows the news media to exercise some degree of oversight over the government is that the media are usually not funded by the state. Take the U.S. for example. With the exception of propaganda organs directed at foreign countries, domestic newspapers, magazines, radio and television stations are operated by the private sector, with no official intervention. If one thinks about it, there are indeed some important advantages in this system, which we should learn. State-run mass media often impede free speech and cheerlead for the government. If the government sets policies and also monopolizes commentaries on its policies, what else can there be besides self-congratulations and barefaced distortions? Take a

recent example. During the Cultural Revolution, China was mired in an unparalleled national catastrophe, yet the newspapers of the era never tired of proclaiming “the Cultural Revolution is great, the Cultural Revolution is great, the Proletariat Cultural Revolution is truly great!” It was a bizarre phenomenon of “ten years of catastrophe amidst thunderous applause.” In a country the size of China, not a single newspaper dared to whisper the word “No.” The injustices suffered by everyone from Liu Shaoqi³ and Deng Xiaoping to ordinary citizens could find no expression whatsoever through the alleged “voice of the people.” How deplorable! Although multiple factors contributed to that catastrophe, the complete state control of Chinese media is truly a major root of much evil. Is not the extremely heavy price we suffered enough to pay for some fundamental reforms of the journalistic system?

I propose that through new legislation, the funding or subsidization of the print media by the state should be gradually prohibited. Furthermore, with the exception of libraries, community centers, and reference centers subscribing on behalf of their readers, no public funds should be used for subscribing to periodicals. On the one hand, this prohibition would reduce the government’s fiscal expenditures and reduce the burden on taxpayers. On the other hand, through financial independence, it would nurture the emergence of an independent media, subjecting the media’s survival and development to the rule of law and gradually bringing into being a healthy, mature, and rational voice of popular opinion, which will form the backbone of an effective mechanism of societal oversight.

THE KEY TO POLITICAL REFORM: INSTITUTIONAL REFORM OF THE COMMUNIST PARTY

³ China’s state president prior to the Cultural Revolution. He was purged by Mao and died in 1968 of intentional medical neglect.

Since the Chinese Communist Party is China's current ruling party, the key to the success of political reform lies in institutional reform of the CCP itself. This is a sensitive issue, but if we are sincere about promoting Chinese political reforms, this is also an issue that we cannot avoid. Currently, there is not much discussion about reforming the Party itself. But, if every other segment of Chinese society is undergoing reform, why should the ruling party be an exception? With regard to institutional reforms of the CCP, I would like to refer to some remarks by Hu Yaobang.⁴

Hu was a much-respected figure within the Party. He once remarked poignantly: In my lifetime, I made two serious mistakes. The first one was during the Lushan Conference of 1959, when Peng Dehuai⁵ was purged. The fact is Peng Dehuai told the truth. He thought the backyard steel furnaces of the Great Leap Forward era were irrational, and Mao labeled him a Right Opportunist. During that conference I was very sympathetic to Peng, and in my heart I knew he was right. But the Central Committee and Chairman Mao wanted to punish him, so I raised my hand and gave my approval. I deeply regret that. The second one was during the twelfth plenum of the eighth Party Congress, when Liu Shaoqi was expelled from the Party. Prior to the opening of the Party Congress, many members of the Central Committee had been purged, and the remaining members were insufficient for quorum. Mao had to restore some of the purged members, among which I was one. The charges against Liu were announced during the Party Congress. He was accused of being a traitor, infiltrator, and scab, and he was to be expelled from the Party. When I saw the evidence, my previous experience in this kind of political campaigns told me that they were fabricated, and the case against Liu was certainly false. The Central Committee demanded my consent, I felt that my opposition would be completely

⁴ Former CCP Secretary-General. Dismissed in 1986 due to his liberal tendencies. His death in 1989 triggered the pro-democracy protests.

⁵ Field marshal of the PLA. The Commander of Chinese forces during the Korean War. He was purged in 1959 after criticizing Mao's economic policies.

ineffectual, and besides, it was an extremely grave issue for which I had to do what was expected, so, again, I raised my hand. On that occasion, only one Central Committee member, an old lady by the name of Chen Shaomin, refused to cast her vote of approval by claiming a severe headache and laying her head down against the table before her. Hu went on to say, at the time he knew quite well that the case was fabricated, but he raised my hand anyway. Why did he do so? Because within our Party, we have never been able to practice true democracy.

Institutional reform of the Party is a very complex issue, added Hu, and it's not something that we can solve overnight. He then speculated, perhaps, ten years from now, the conditions would be ripe. Hu made those remarks in 1988. Ten years later in 1998, institutional reform of the Party was still on the agenda. Now that we have entered a new millennium, it is time to bring this issue to the forefront.

Whether we take the perspective from within or without the Party, there is ample reason to promote institutional reform of the CCP. The domain and environment of the Party's operations have drastically changed; it follows that the institutional arrangements and operational methods of the Party should be drastically altered as well. Mao himself once said that from wartime to peacetime, the institutional arrangements and operational methods of the Party could not go completely unchanged. Now that we have migrated from a command economy to a market economy, we should also make the corresponding changes in the institutional arrangements and operational methods of the Party.

First, the mission of the CCP must change.

Who should the Party represent? Who should the Party work for? This is an important issue involving the mission of the Party. Without a doubt, the Party today must represent the interests of the 1.3 billion citizens of the country, rather than the 50 million employees of state-owned

enterprises. The theory of “Three Represents” pronounced by Jiang Zeming is a breakthrough on this issue of representation.

The most important one of the Three Represents is that the Party must represent the interests of the largest possible majority of the people. The novelty of the theory is that it emphasizes the nation as a whole rather than particular social classes. In the new era of the market economy, class categorization is artificial as well as impossible. The CCP cannot remain a party of the proletariat and serve only the interests of the proletariat. If it wishes to gain the support of the entire nation, it must strive to represent the entire nation and serve the interests of the entire nation. Once the new mission of representing the majority is incorporated into the Party Constitution, it should serve as a fundamental guide to the Party’s activities in the new era.

Second, the name of the CCP must also change.

This is a concrete as well as sensitive issue. What should the name of the CCP be changed to? I predict that it will most likely be changed to the Chinese Socialist Party. If, as the CCP has argued, China is still in the initial stages of socialist development, then why shouldn’t the incumbent party be known as the Socialist Party? Communism is supposed to come only after socialism. In his “Political Report” to at the Party’s Fifteenth Congress, Jiang said: The period of socialism will be rather lengthy. It will require the persistent endeavor of up to tens of generations of people. “Tens of generations” may be interpreted as anything from 20 generations to 90 generations. If we follow Chinese custom and equated one generation with 30 years, then 20 generations is equal to 600 years, and 90 generations is as long as 2,700 years! 2,700 years is longer than the period between Confucius and Sun Yat-sen, which spanned only 2,476 years. Whether there will be a Communist society after 2,700 years is up to our descendants voting in a

future session of the NPC. For the time being, we are only building socialism, and it is in fact quite appropriate for the Communist Party to change its name to the Socialist Party.

One of the advantages of a name change is that it would help boost confidence in the economy. Currently private business owners and stockholders are still far from assured, and they have no idea whether the policies of the Party will change, or whether, some day, they will be punished as “new capitalists.” With the name change, the Party will no longer be “Communist,” and there will be no more outbreaks of “Communism” within the foreseeable future. Thus, entrepreneurs can rest assured that as long as they operate within the boundaries of the law, their rights will be protected, free from molestation by ideological controversies. Capital will no longer need to flee, and everybody can settle down on building a socialist society.

Another advantage of a name change is that it will allow the Party to cast aside its historical baggage and sincerely learn from its past mistakes. Frankly, there have been some dark episodes in the history of CCP rule. To this day, there has not been any serious attempt by the Party to analyze past disasters such as the anti-Rightist movement of 1957, or the Great Leap Forward of 1958, or the great famine of 1960, or the Cultural Revolution between 1966 and 1976, not to mention all the “mini-Cultural Revolutions” and “almost-Cultural Revolutions” ever since. A major reason for failing to take such action is that the Party leaders today are still carrying around the baggage of their predecessors. After the name change, the Socialist Party would have no need to carry around the baggage of the Communist Party. It would be able to take a more objective, balanced approach to past experiences. Only when one has shed the burdens of history can one walk briskly into the future.

Changing the name of the Chinese Communist Party is a major issue. It is not something that can be decided or vetoed by any single individual. Only the National Party Congress has the

right to decide on this matter. As Mao once said, the Party Congress can alter anything. Surely, it can change the name of the party.

Looking around the world, most socialist and social-democratic parties today can trace their intellectual heritage to Marxist theories. These parties campaign under the banner of socialism and constitute a major political force with broad-based popular support. Many of these parties also possess extensive governing experience. Socialist parties and communist parties were originally “close relatives,” and there is minimum ideological distance between them. In recent years many socialist parties have established inter-party relations with the CCP, and their theoretical development and practical experience certainly are of great value to their Chinese counterpart.

Third, the CCP must allow intra-party competition.

Competition is a necessary condition for the vitality, growth, and improvement of any state, any political party, any business enterprise, and indeed, any organization. There is a well-known anecdote about the former Shandong warlord Han Fujū. One day he was inspecting a school, and there was a basketball game going on. Han saw that ten students were scrambling hard for the same ball, so he said, No need fighting over that one ball, I’ll just give a ball to each one of you! He didn’t understand the basic rules of the game. If every player had his own ball, there would be no competition, and there would be no game.

The Soviet Communist Party dissolved in the early 1990s. How exactly did that happen? I believe that the Soviet Communist Party was not defeated by any external enemy, but rather, it simply imploded. The root of the problem was the absence of intra-party competition. While the party may have appeared imposing externally, it was in fact becoming increasingly brittle internally, until it finally collapsed due to its inability to adapt to changing social conditions. The

prohibition of intra-party competition can be traced all the way back to 1921, to the tenth congress of the Bolshevik Party. During that congress the Bolshevik Party adopted Lenin's proposal prohibiting the existence of competing factions within the Party, and purges of party ranks soon followed. Nearly a quarter of party members, or over 160,000 people, were purged and later physically exterminated. From that point onward, the modus operandi of the Communist Party had been: Only one faction is allowed to hold power, and the faction holding power shall feel entirely justified in eliminating all opposition. For supreme leaders like Stalin, the existence of opposition and competition is simply intolerable. Because of the lack of competing factions, when the leader makes mistakes, which are hardly avoidable, they are usually unnoticed, and it is impossible to correct the mistakes or replace the leader because there are no other forces within the party. On the issue of factions, Mao was a lot more manipulative than Stalin. He liked to say that a party without factions is a monarchy, but a party with factions is a monstrosity. But in practice he could not tolerate opposition or competition either. The practice of not allowing intra-party competition was allegedly designed to enhance the effectiveness of the party. The result, however, was that the vitality of the party was smothered, leading to the party's gradual self-destruction. The Communist Party today should learn from the mistakes of the past and allow legitimate competition within the Party. To be sure, competition should follow rules and regulations; malicious cutthroat competition should be avoided. I propose that the top leaders of the CCP be directly elected by all Party members in multi-candidate elections. The Party should have faith that most Party members will vote responsibly and sensibly.

It should be pointed out that competition *between* parties is in fact a pre-condition for competition *within* parties. If the Communist Party does not allow the existence of multi-party competition, then there is no impetus for intra-party competition and self-improvement. The CCP is just like any organic being; it can only strengthen its own competitiveness in the face of

competition. Currently there are eight “democratic” parties in China, but they all exist under the thumb of the CCP and cannot serve the purpose of stimulating the competitiveness of the incumbent party. They should be given more leeway, so that they can strengthen their independence and compete against the CCP. It is often said that political leaders are public servants. If so, then the public, the people, that is, the masters, should be able to choose their servants. If the CCP really wants to represent the interests of the largest possible majority of the people, it must have the confidence to defend its incumbency through the rigors of inter-party competition, rather than attempt to hang on by monopolizing all political power.

Fourth, the Party’s Disciplinary Committees must have authority to oversee Party committees at the same level.

According to CCP procedural rules, Party committees and disciplinary committees at all levels are created by Party congresses at the same level, which should make these organs parallel entities accountable to the same Party congress. But in practice, the disciplinary committee is subordinate to the Party committee, and is only authorized to monitor Party committees at lower levels. The disciplinary committees, however, are best positioned to check the Party committees at the same level due to their physical proximity to each other. Why should the power of the disciplinary committee be limited to monitoring a Party committee that is far away while ignoring the Party committee that is right next door? For example, the Shanxi Provincial Party Committee and the Shanxi Provincial Disciplinary Committee are both appointed by the Shanxi Provincial Party Congress. Logically speaking, since the disciplinary committee is appointed by the provincial Party congress and not by the provincial Party committee, it should have the authority to monitor the provincial Party committee. But currently, the provincial disciplinary committee is only authorized to oversee cadres at the district and county levels and has no power over major provincial leaders. The provincial disciplinary committee is therefore effectively a subordinate

organ of the provincial Party committee. And since the provincial Party committee has the power to dismiss any troublesome member of the disciplinary committee, the disciplinary committee can do nothing about corrupt officials right under its nose. Instead, it has to be content with catching a few small fries by remote control. Not surprisingly, the current disciplinary system is extremely ineffective. In my view, the CCP must amend its constitution to clearly stipulate that disciplinary committees are not answerable to Party committees at the same level. Their major function should be to monitor the behavior of Party committees at the same level; the supervision of disciplinary work at lower levels should be a secondary task. Party committees at all levels should welcome rather than resent close-range disciplinary oversight. This is the only way to improve the effectiveness of anti-corruption efforts.

Fifth, the funding system of the CCP must be reformed.

The CCP has an old mantra: “The Party and the masses are as close as flesh and blood.” What does it mean to be “as close as flesh and blood?” To put it in more concrete terms, the relationship goes like this: The Party depends on the people for its livelihood; if the Party cannot garner enough financial support from the people, it will not have enough funds for its operations, and its professional cadres will not be able to carry out their work; they may even starve.

But such a relationship has not been established because a system of voluntary financial contributions simply does not exist. For decades the CCP has drawn the vast majority of its operational funds from the state treasury. Party dues paid by members constituted only a small fraction of Party funds, less than one dollar out of every ten dollars, according certain recent surveys conducted in some areas.

In 1988, while still an employee at the State Commission for Institutional Reform, I had traveled to Gaolan County in Gansu Province to study this problem. That year, the CCP

collected RMB 34,000 in Party dues from Gaolan, but in the same year the expenditure of the local county committee (not including Party organizations at lower levels) was RMB 350,000, or more than 10 times higher than income in dues. So how was the difference of RMB 316,000 made up? Obviously it was allocated by the state from the state treasury. But where did the money in the state treasury come from? It was taxpayer's money.

Taxpayers can be divided into two groups. The first group consists of CCP members. For them, in addition to Party dues they have already paid directly out of their own pockets, they make additional contributions to the Party through the payment of taxes. The second group, which is the vast majority of people, consists of non-Party members. Much of their tax payments is transferred into CCP coffers through fiscal reallocations. The problem is that these transfers are made without the approval of taxpayers, who wind up contributing to the CCP involuntarily without even realizing it.

We do not know what percentage of tax payments are made by CCP party members versus non-members. But from available data, we do know that Party members make up roughly 6% of the labor force. From this we can deduce that over 90% of CCP operational funds are contributed by non-Party members. This system allows Party organizations at all levels to eat from the "public pot" without making any effort. Every Party organization in the country can enjoy the financial support of the non-Party public regardless of its performance.

For the time being let us assume that it is not yet possible to abolish public contributions to the Party. But we should begin to modify the method by which the public contributes to the Party. Rather than rely on involuntary, hidden contributions through fiscal reallocations, the Party should solicit face-to-face voluntary contributions – in other words, direct fund raising. I believe that in the future, the Chinese government will gradually terminate its financial support of Party

organizations at various levels. At the same time, the Party constitution must be amended to establish fund-raising guidelines. Party organizations at various levels should be allowed to accept contributions from private individuals not exceeding certain legal limits, but contributions from business enterprises or any organized social groups should be strictly prohibited. The Party should not be allowed to draw funds from the state treasury.

The amount of contributions collected will then serve as a barometer of public support. On one level, it will reveal the popularity of Party policies set by the Central Committee; on another level, it will reveal the enthusiasm, initiative, and creativity of local Party organizations in carrying out those policies. The total amount of contributions will also reflect the competence and honesty of individual Party leaders. For example, if the Party secretary of county A has done an excellent job all around, the local people ought to be happy to contribute and the local Party organization will then be well funded. In contrast, if the Party secretary of county B is a sort of a local tyrant, then the local people can simply starve him out by refusing to contribute. There would be no need to march in the streets and no need to complain to his superiors. Under the current system of fiscal allocation, the local people can do nothing about the “county tyrant.” Ironically, they are paying “party dues” to support him without even realizing it. Thus, the “county tyrant” can go on living his good life with nothing to worry about – “You may curse as you like, I shall do as I wish.” Comparing the two systems, it goes without saying which one is superior.

It is possible that in some localities, there will be instances of extortion or disguised extortion. But scandals of this sort are not difficult to detect and redress, and they do not affect the feasibility of the fund-raising system. In order to let every Party cadre experience the true

meaning of slogans such as “The people sustained the Party” or “Fish cannot live out of water,” we must change the source of Party funds from the state treasury to public fund-raising.

Institutional reforms of the Chinese Communist Party must undoubtedly be propelled by forces both within and without the Party. Reform is not rebellion. The core leadership of the Party must recognize the impending political crisis and act to forestall the crisis with self-initiated reforms. Curbing the corruption of Party cadres through institutional reforms is a difficult challenge in Chinese political reforms. But it is a challenge that must be met in order to maintain the stability of the country. I admit the reforms proposed above may seem “laborious.” Some may even regard my proposal as “asking a serpent for its skin.” But if the serpent could be made to realize that it must shed its skin for its own survival, it may in fact be willing to shed its skin. Not only that, it may even be willing to transform into an entirely different beast. Only through thorough reforms can the Chinese Communist Party or the Chinese Socialist Party stay in close touch with its constituents. Only then can the Party retain its vitality. Reforms are of much benefit to the Party’s own prospects in the new century.