

Decoding Chinese Politics

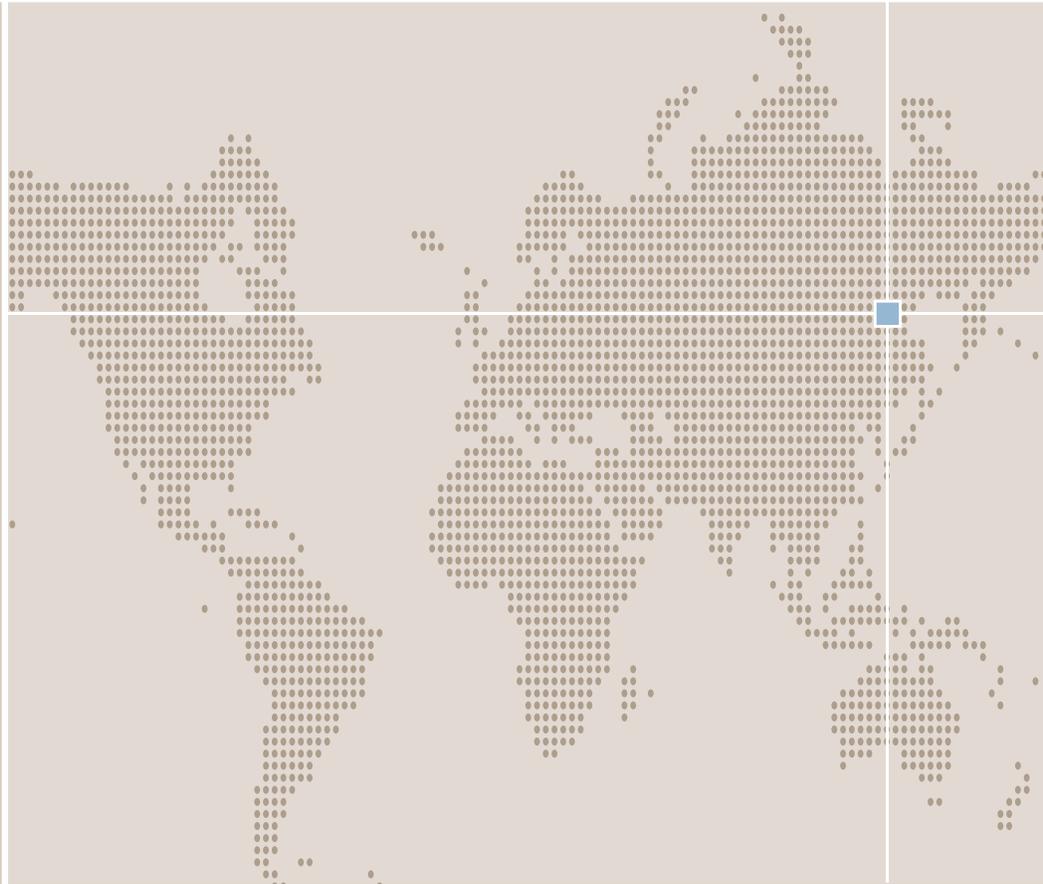
Intellectual Debates and Why They Matter

A Report of the CSIS Freeman Chair in China Studies

Project Director
Charles W. Freeman III

Author
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Melissa Murphy

Executive Summary

For many Americans, the system by which China's leaders are chosen, as well as the decisions they make, exist inside a black box. Discerning, or at least speculating about, the goings on in that box has been a passion of China watchers since the birth of the People's Republic in 1949. Reading the proverbial tea leaves is, however, a highly inexact science. The process is opaque for good reason: the popular legitimacy of a one-party authoritarian regime depends in no small part on the outward appearance of inner consensus. To most casual observers of Chinese politics, therefore, Beijing projects an almost monolithic sensibility.

Of course, neither the Chinese Communist Party nor the polity it governs is a monolith. By many accounts, bubbling under the calm exterior is a rich and occasionally volatile political tradition. But putting a public face on that tradition, and attempting to track the internal debate within the party, has proven difficult.

Part of that difficulty is learned: the result of suppressed external debate. Mao Zedong once famously exhorted public intellectuals in China to "Let one-hundred flowers bloom..." and set off a firestorm of political debate in 1956–1957, debate that was ultimately suppressed, brutally, as Mao systematically picked off critics of the party and his leadership. The limited democracy movements of the late 1970s, 1986, and, most notoriously, 1989, all had their share of victims among the intelligentsia who stepped forward with public criticism of the ruling regime. But not all intellectual debate is so clearly "outside the lines."

Some public debate on issues that are usually kept within the black box (the pace of social and economic change, for example) is a subtle dance between political thinkers, policymakers, and the general public. In these cases, the outside world is offered a rare glimpse of internal debate within the party. Whether the intellectuals who engage in the debate are acting as pieces on a chessboard manipulated by the party or are given instead some rein to test policies in the court of public opinion, the relationship between intellectual leaders in China and their political patrons is

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complex. Watching debate heat up between rival intellectual factions in the run-up to a major political event in China, one glimpses a proxy of the internal debate within the party. If past precedent holds, that debate and the party's management of it are highly relevant and provide a useful window onto future policies and political direction in China.

This report examines the public debate in China in the several years prior to the 17th Party Congress in October 2007. It analyzes some key trends in China's economic and social development and has some important actionable insights for those outsiders looking to gauge China's political and economic direction for the next five years and beyond. While China's "black box" may still seem relatively impenetrable, this report provides some important texture to its surface.

Introduction

Paying attention to seemingly "academic" debates in China is important because absent regularized channels for the expression of public opinion, Chinese intellectuals have traditionally, and continue, to play an important role in articulating diversified social interests.

Historically, these debates have also served as a window into the opaque world of China's elite politics as individual intellectuals and the arguments they champion have often served as proxies for the ideological divisions and policy differences among China's top leaders, which party norms preclude from being aired publicly.

Such lively debates have accompanied the course of China's reform and opening up since it was inaugurated in 1978 and traditionally intensify in the run-up to the convocation of the Chinese Communist Party's (CPC) National Congress, held every five years. The eventual "winners" and "losers" in these debates become apparent when the policies adopted at the congress—which act as the guide for China's development for the ensuing five years—are made public. For example, following the period of economic and political retrenchment in the wake of Tiananmen, the 14th party congress held in 1992 signaled that the reformers led by Deng Xiaoping had prevailed over conservatives led by Chen Yun. After a bitter proxy debate that had raged among intellectuals over "what is socialist and what is capitalist?" the congress endorsed the creation of a "socialist market economic system," heralding a new era of rapid market reform. However, once the party's political and economic "line" has been set at the congress, it traditionally signals an end to the debate, and those who continue to overstep this line face rebuke from the party, or worse.

Following the 14th party congress, for example, conservative leaders including Yao Yilin and Song Ping lost their positions on the all-powerful politburo standing committee, and Gao Di, director of the party's mouthpiece *Renmin Ribao* (People's Daily), was removed.

In short, these intellectual debates are not confined to the ivory tower of academia in China. They remain an important channel for the articulation of diverse interests and for mediation between the state and society. They are also one pillar of the policymaking process: a number of leading

intellectuals serve as advisers to China's leaders, and the imprint of their ideas is often clearly discernible in government policies.¹

In an interview, Wang Shaoguang, a Yale-educated, leading Chinese intellectual, commented that “the breadth and depth with which intellectuals today participate in politics is unprecedented... [I]n setting the orientation of their policies, the leaders listen to the intellectuals directly or indirectly.”² As such, intellectual debates merit careful observation and can serve as an important analytical tool in aiding our understanding of what drives the Chinese leadership to make the political, economic, and foreign policy decisions that they do.³

In the run-up to the party's 17th national congress in October 2007, a confluence of social, political, economic, and cultural developments produced the most open and far-ranging intellectual debate China has witnessed on its economic and—for the first time since the post-Tiananmen crackdown—political future. In what the CPC acknowledges is a “new historical starting point” in the “new period” of 29 years of reform,⁴ the increasingly apparent downsides of rapid economic development—including corruption, income inequality, regional disparities, environmental degradation, increased demand for public goods and decreased ability to supply them—and the social unrest they have caused, have prompted an unprecedented reevaluation of Deng Xiaoping's legacy and pose fundamental questions about the nature of reform and the path China should pursue moving forward. At the same time, the CPC leadership is well aware that the party's continued ability to rule depends on formulating the correct policy responses to these pressing issues. Given the stakes, it is not surprising that China's top intellectuals were engaged in an often rancorous public debate aimed at influencing the leadership prior to the 17th CPC Congress.

Apart from the intensity of the current debate, what also marks this latest “Beijing Spring” is that not all of the intellectuals engaged in it work within the system. There are also academics attached

¹ A number of intellectuals and advisers have subsequently moved into powerful party and government positions, including: Wang Huning, former professor at Fudan University and adviser to Jiang Zemin, appointed to the Secretariat of the 17th CPC Central Committee in October 2007; and Vice Finance Minister Lou Jiwei, who worked at a State Council think tank before coming to the attention of former premier Zhu Rongji.

² “Wang Shaoguang Says Intellectuals Have Too Much Influence,” *Nanfang Chuang*, January 25, 2007, translated in Open Source Center (OSC): CPP20070227456001. Wang Shaoguang along with Hu Angang pioneered work on the problems of decentralization, tax reform, and China's regional disparities in the 1980s, issues that subsequently became front and center for the CPC. See Joseph Fewsmith, *China since Tiananmen: The Politics of Transition* (New York: Cambridge University Press, 2001), p. 132.

³ Under Hu Jintao, a regular mechanism for discussion between party leaders and intellectuals has been established, reviving a practice first begun by former CPC general secretary Hu Yaobang in 1985. Since 2002, the politburo has held more than 40 “study sessions”—currently about once a month—during which leading intellectuals from think tanks and universities are invited to discuss topics of concern with the leadership, ranging from rule of law to rural issues to financial and political reform.

⁴ “Hu Jintao Addresses Senior Cadres on Democracy, Other Issues,” Xinhua, June 25, 2007, translated in OSC: CPP20070625045001.

to official and semi-official “think tanks” and party-state organizations.⁵ China’s expanded education system and the commercialization of culture has opened up opportunities for “nonestablishment” intellectuals working outside the system to take part in the discussion.⁶ The privatization of China’s media and the expansion of the Internet have led to a plethora of newspapers, journals, and online sources willing to publish a wide range of views—beyond the reach of the CPC Propaganda Department, which has closed some outlets, but only after the controversial views have been aired and the public informed. The current debate also goes beyond the traditional “reformers” versus “conservatives” appellation and reflects the pluralization of opinion and interests that has taken place in China in the last decade.⁷

The intellectual discourse also illustrates how characterizations of China as having a monolithic, top-down policymaking process fail to account for the divergence of views and pressures on China’s leadership, and how the decisionmaking process is becoming increasingly complex and a reflection of aggregate social interests. Wang Shaoguang opines:

Intellectuals play a large role in influencing public opinion and thus influencing public policy. All public changes in recent years were basically preceded by shifts in public opinion. Take the migrant worker issue, the “three rural issues” [san nong—agriculture, peasants, and rural areas], and health care reform. In all cases, the issues first took off on the Internet before being picked up by the print media and even television. From there each made its way onto the public agenda and became a policy issue and ultimately public policy.⁸

Finally, and most remarkably, the scope of the current debate has expanded to include a discussion of China’s political reform and “democratization”—considered taboo since the post-Tiananmen crackdown in 1989, which will be discussed in more detail below. While many of the intellectuals and the debates they are involved in overlap, it is useful to divide current discussions into three broad categories: economic development; political reform; and foreign policy and nationalism.

⁵ Former general secretary Zhao Ziyang employed think tankers to help formulate his economic policies in the 1980s, in part to circumvent the official bureaucracy, then a conservative bastion. See Barry Naughton, “China’s Economic Think Tanks: Their Changing Role in the 1990s,” *China Quarterly*, no. 171 (September 2002): 625.

⁶ One example of this is the bestseller by Wang Shan, *Luo Yi Ning Ge’er, Disanzhi Yanjing Kan Zhongguo* [Looking at China Through a Third Eye] (Taiyuan: Shanxi People’s Publishing House, 1994), a highly critical look at China’s reform with a nationalistic slant, by a then-young writer.

⁷ Labels such as “mainstream” and “New Left” can only be applied very loosely and few intellectuals identify themselves with such groups. However, it is a useful heuristic device and will be employed in this report.

⁸ “Wang Shaoguang Says Intellectuals Have Too Much Influence,” *Nanfang Chuang*, January 25, 2007, translated in OSC: CPP20070227456001.

Economic Development: A Reevaluation of Reform

Following the crackdown on expression in the wake of Tiananmen, discussion of China's political reform was proscribed.⁹ However, as mentioned above, a very lively debate on economic reform erupted in the run-up to the 14th CPC National Congress in 1992, as Deng Xiaoping attempted to reassert his control over policymaking, which he had lost to his conservative rival Chen Yun in the aftermath of the crisis.¹⁰ The Congress's historic decision to back Deng Xiaoping's economic policy line set China on the path of rapid, market reform we see today and signaled the death knell for party "conservatives," who had argued in favor of a "planned economy with market regulation." Although often heated discussions about the economy continued among intellectuals in subsequent years, they concerned the scope and speed of reform, rather than a fundamental reevaluation of Deng's reform project itself, which is what distinguishes the current debate taking place and why it is so important not only for China but for the international community.

What has prompted this reevaluation is the realization that, unlike in the 1980s when everyone profited from reform, there is a growing division between the "winners" and "losers" in China. The increasing resentment among marginalized groups toward those with political and economic connections is spilling over into the streets, and China has seen an unprecedented increase in the number and size of protests, demonstrations, and incidents of social unrest.¹¹ The debate over China's entry into the World Trade Organization (WTO), the impact of globalization, and the return to China of many Western-educated intellectuals infused with postmodernist ideas has led to a critique of the neoclassical, neoliberal economics, which had been promoted by reformers and had provided the ideological underpinning for China's rapid economic development.¹² Amid increasing concerns about the income gap, regional disparities, corruption, environmental degradation, the lack of provision of public goods, as well as the ideological battle over amending the Chinese constitution to include the protection of private property and admission of private entrepreneurs into the CPC, intellectuals began to raise fundamental questions about China's current development path—whether it was negating Chinese socialism and whether it was time to consider alternatives.

⁹ This is not to suggest that there has been no discussion of China's political reform. During a brief period of openness in the "Beijing Spring" of 1997, Shang Dewen, Hu Jiwei, Fan Jue, and others began to discuss political reform. The China Democracy Party was also founded. However, a swift crackdown followed in 1998.

¹⁰ Deng Xiaoping's political comeback was kicked off during his famous "Southern Tour," when he publicly backed expansion of China's then-controversial "Special Economic Zones," as well as further market economic reforms.

¹¹ Official Chinese statistics put the number of "public order disturbances" at 87,000 in 2006, up from 74,000 in 2004 and 8,700 in 1993.

¹² See Fewsmith, *China since Tiananmen*, p. 113. The "reformers" or "liberals" comprised an heterogeneous group of party elders and intellectuals including Wan Li, Liu Ji, Li Shenzhi, Shen Jiru, Ma Licheng, Liu Junning, Xu Youyu, and Zhou Ruijin aka Huangfu Ping. Today the "mainstream" intellectuals include Gao Shangquan, Shen Baoxiang, Lu Zhongyuan, Zhou Qiren, Lin Yifu, Mao Yushi, Jiang Ping, Xu Xiaonian, Wu Jinglian, Xing Benshi, Fan Gang, Li Yining, Zhang Weiyong, Sheng Hong, and Zhang Shugang.

The heterogeneous group of new-generation intellectuals who provoked the latest major debate over China's economic line¹³ became known as the "New Left,"¹⁴ a pejorative term in China because "Leftists" have long been associated with the radicals of the Cultural Revolution or more recently with the "Old Left" conservatives who opposed market economic reform and opening up in the 1980s.¹⁵ The New Left is critical of neoclassical, neoliberal economics identified with the so-called Washington Consensus and blame China's social ills on the rapid reform policies of Deng Xiaoping and former president Jiang Zemin. However, they do not advocate a return to orthodox Marxism, as some of their Old Left predecessors did. On the contrary, they have more in common with international critiques of globalization and neocolonialism.¹⁶

A number of New Left intellectuals are concerned with social justice issues, particularly the so-called *san nongs* (three rural) issues—pertaining to peasants (*nongmin*), agriculture (*nongye*), and rural communities (*nongcun*)—while others are active in promoting the rights of migrant workers, and still others are involved in China's nascent environmental movement. In rejecting Western models of development, some New Left intellectuals are also exploring the possibility of a "third way" for China, the so-called Beijing Consensus.¹⁷ To quote Joshua Cooper Ramo who first popularized the term:

The idea that Chinese are all striving for "the American Way of Life," as Richard Madsen has observed, is a dangerous misconception. They are striving to make "the Chinese Way of Life." As a result, Chinese development has a certain kind of prideful, internal energy that helps the nation's confidence.¹⁸

¹³ There have been three major debates contesting China's economic line: 1981–1984; 1989–1992; and the current one.

¹⁴ The "New Left" comprises a heterogeneous group of intellectuals, mostly operating outside the establishment, including Wang Hui, Chen Xin, Larry Lang, Zhang Qingde, Yang Fan, Cui Zhiyuan, Han Shaogong, Li Tuo, Zhang Chengzhi, Li Shaojun, Yang Bin, Zuo Dapei, Zhang Xudong, Han Deqiang, Gan Yang, Zhang Kuan, Gong Xiantian, Wang Xiaodong, Wang Shaoguang, and Hu Angang.

¹⁵ The "Old Left" or "conservatives" comprised a heterogeneous group of party elders and intellectuals including Chen Yun, Wang Zhen, Hu Qiaomu, Li Peng, Deng Liqun, Yu Quanyu, Gao Di, and Liu Guogang. Some members of the Chinese Academy of Social Sciences (CASS), particularly its Marxism Institute established in 2005, is now considered "conservatives/leftist" including Chen Kuiyan, Li Shenming, Liu Fengyan, Zhang Shuhua, and Zhang Qianjing. They were recently involved in the compilation of a DVD that blamed the fall of the Communist Party of the Soviet Union (CPSU) on the "ideological errors" of Khrushchev and Gorbachev, seen as a veiled criticism of both Jiang Zemin and Hu Jintao. See "OSC Analysis—China: Lessons From CPSU Demise Reflect CPC Policy Debate," June 15, 2007, in OSC: CPF20070615534001.

¹⁶ For a discussion of the influence of works by Edward Said, Michel Foucault, Fredrick Jameson, and others, see Fewsmith, *China since Tiananmen*, p. 114. A number of Western academics have begun to look to China for lively discussions in critical theory; see Steven Venturino, "Inquiring after Theory in China," *Boundary*, no. 33 (February 2006): 91–113.

¹⁷ See Joshua Cooper Ramo, *The Beijing Consensus* (London: Foreign Policy Centre, May 2004). Ramo notes that whether China's reform project ends in success or failure, "the Beijing Consensus is already drawing a wake of new ideas that are very different from those coming from Washington," and "marking a path for other nations around the world" to follow.

¹⁸ *Ibid.*

The issue that brought the New Left into the mainstream media and resonated so clearly with the public, however, was their critique of China's state-owned enterprise (SOE) reform, particularly the perceived injustice of the privatization process and the corruption it engendered. The most famous proponent of this view is a Hong Kong-based economist Larry Lang, a vehement opponent of SOE reform and, according to public polls, the most popular economist in China. They have also been critical of financial liberalization, particularly over the sale of banks to foreigners, warning of "economic colonization" and loss of economic sovereignty, dovetailing with the rise in popular economic nationalism—or "economic patriotism" as the *China Daily* termed it. Not confined to the pages of economic journals, this discourse began to have a real impact on concrete economic policies: government technocrats found themselves facing increasing questioning and even opposition in discussions not only of SOE reform and foreign participation in China's financial system but also in preventing passage of the property law.¹⁹

Foreign companies have been one casualty of the "economic security" debate, with Carlyle Group and Goldman Sachs among others finding themselves mired in protracted negotiations over the purchase of Chinese companies. In a sign that the leadership was clearly listening to the debate and anxious to deflect criticism, in September 2006, regulations were issued that strengthened the government's supervisory role over mergers and acquisitions and added two more state agencies—as well as a mountain of red tape—to the approval process. The international business community was further alarmed when China's Anti-Monopoly Law, 13 years in the making, was finally adopted in August 2007—with stipulations that require foreign purchasers of Chinese companies to go through special checks in order to ensure that the deals will have no adverse impacts on China's "national security."

Meanwhile, in March 2006, some 3,000 representatives from across China gathered in Beijing, for what was to be the most important National People's Congress (NPC) meeting in over a decade, to review and approve the country's 11th Five-Year Program (2006–2010). The meeting convened amid what had by then become a fierce battle among intellectuals to influence China's future development path.

The media had been abuzz since February, when the commentator "Huangfu Ping," who provided the intellectual foundation for Deng's political comeback in 1992, published his first article in 15 years under this pseudonym, arguing that blaming market reforms for the current problems in society and rehashing the ideological debate of the early 1990s over whether a system should be called "capitalist" or "socialist" was erroneous, and instead associating the contradictions in society with the lack of progress in administrative and management reform. Given that the original "Huangfu Ping" commentaries were reportedly commissioned by Deng's

¹⁹ An interesting anecdote underscores the link between intellectuals, the party, and policymaking in China. Gong Xiantian is an outspoken New Left critic of the property law, who charged that private property rights were unconstitutional. In 2005, he received a call from NPC chairman Wu Bangguo to discuss his views. In the final version of the law, among other amendments, was insertion of a clause that stated that the law must not contradict the constitution. See Lesley Hook, "The Rise of China's New Left," *Far Eastern Economic Review* (April 2007).

daughter Deng Nan and overseen by then-mayor of Shanghai, Zhu Rongji,²⁰ there was speculation as to which retired and current leaders were behind the latest publication.²¹

While the Hu-Wen vision for the future direction of China's economic development initially appeared to encourage the New Left, acknowledging concerns about equity, corruption, and the provision of public goods—seen most obviously in their policies on building a “new socialist countryside”²² and “harmonious society”—the party's overarching “scientific development concept” that guides these policies pays equal attention to continuing market economic reforms. The 11th Five-Year Program laid out at the NPC, while signaling a shift from GDP-oriented growth to an emphasis on social welfare was, therefore, aimed at balancing different interests and consolidating a consensus on China's future direction at a time of unprecedented social transformation.

At a news conference on March 14, Premier Wen Jiabao frankly admitted that reform was going through a “very difficult period.” However, in a clear swipe at New Left critics of marketization, Wen stated that “backpedaling offers no way out” in solving China's problem, announcing that reform would “unswervingly push forward.”²³ Earlier, President Hu Jintao made similar remarks at a meeting of deputies from Shanghai, a city that has been at the forefront of China's modernization. Hu's remarks made headlines in all major Chinese newspapers, with some analysts concluding that this put an official end to the ideological debate.

However, such optimism proved premature. On March 20, arch conservative economist Liu Guoguang reignited the discussion, publishing an article in *Zhongguo Qingnian bao* (China Youth Daily) on the need for more central planning. Despite a further reported attempt by the Propaganda Department to silence the debate, it continued.²⁴ In April, the minutes of an internal meeting among intellectuals and government officials held by the China Society for Economic Reform, a think tank affiliated with the State Council, were leaked onto the Internet, revealing the “unprecedented controversy and dissent among China's elite.”²⁵

²⁰ Fewsmith, *China since Tiananmen*, p. 45.

²¹ Critics of the New Left, have been equally vocal, especially intellectuals who worked on formulating Jiang Zemin's “Three Represents” theory and who do not want to see this legacy tarnished. In August 2007, Xing Benshi, an adviser to Jiang Zemin and former vice president of the Central Party School, argued that China's problems “can only be alleviated and resolved through sustained economic development and continued deepening of reform, and we should never go back to the old path before reform and opening up.” See “CPC Theorist Says Development Key to Solving Contradictions Among People,” *Beijing Ribao*, August 6, 2007.

²² The New Left has been voicing concerns about the *san nongs* since the 1990s. It subsequently found its way onto the party's agenda in 2001–2002 and into official policy through the effort to build a “New Socialist Countryside” launched in 2006.

²³ Wen Jiabao news conference, March 14, 2006, CCTV, translated in OSC: CPP20060314070001.

²⁴ In an attempt to keep the discourse, particularly leftist critiques, from getting out of hand, *Bingdian* [Freezing Point] was closed in January 2006. Larry Lang had his popular Shanghai TV show canceled in March 2006. The editors of left-leaning *Dushu* [Reading], including Wang Hui, were removed in July 2007, and Maoflag.net was closed down temporarily.

²⁵ Joseph Kahn, “At a Secret Meeting, Chinese Analysts Clashed over Reforms,” *New York Times*, April 7, 2006.

It appears that Hu Jintao and Wen Jiabao supported the New Left position in part because it played into their ongoing effort to reduce the continuing influence of former president Jiang Zemin and his so-called Shanghai clique. By co-opting tenets of the New Left's platform and allowing public criticism of Jiang's reform legacy, Hu and Wen were able to articulate an alternative policy prescription to address China's pressing issues, which was popular among the masses if not among some of their politburo colleagues.²⁶ Building particularly on public anger over corruption, Hu and Wen moved against Shanghai clique stalwart and Jiang protégé Mayor Chen Liangyu of Shanghai, who had openly opposed their policies, firing him for corruption in September 2006. Ironically, Hu and Wen were following a party tradition: Jiang Zemin had used the same gambit to remove his rival, Beijing mayor Chen Xitong, in 1995. Indeed, during their tenures both Deng Xiaoping and Jiang Zemin tacked to the left when necessary, before pulling back to a middle course—which is apparently what Hu and Wen were attempting to do prior to the 17th party congress.²⁷

In a highly unusual move, on the eve of the 2007 NPC, Premier Wen Jiabao had an article published in *Renmin Ribao*, in which he countered charges that China's reform has strayed too far from socialist ideals and is the cause of the nation's socioeconomic problems. On the contrary, Wen held that social injustice and corruption are part and parcel of China's "immature" socialist system, reviving Deng Xiaoping's dictum that China will be at the "primary stage of socialism" for 100 years.²⁸ The premier reminded critics that, at this stage, economic development is the party's "central task," and warned that major development opportunities had been missed in the past due to "big policy mistakes" particularly the "disastrous 10-year-long Cultural Revolution." Pushing the point further, two highly contested pieces of legislation—the Property Law and Corporate Income Tax Law—were passed during the NPC session.

During a speech to Central Party School (CPS) cadres on June 25, 2007, President Hu Jintao effectively laid out the leadership's policy platform before the 17th party congress and put intellectuals of all persuasions on notice about where the economic line would fall. Hu said that pursuing the "socialist road with Chinese characteristics" was "correct" and that, while "changing the mode of economic development" and "putting people first," the "central task" remained

²⁶ It is difficult to judge whether Hu and Wen genuinely share New Left convictions or whether this is part of the political game. If Hu consolidates his leadership after the 17th CPC National Congress and National People's Congress scheduled for March 2008, Hu and Wen will be able to pursue a more independent agenda, and their policy orientation will become more apparent.

²⁷ Of course, the pushback against the left could also be a result of compromise among the leadership and reflect the ongoing inability of Hu and Wen to press their policy agenda more aggressively. This will also become clearer after the 17th party congress and NPC in 2008.

²⁸ "Wen Jiabao Article on Socialism at Primary Stage, Foreign Policy," *Renmin Ribao*, March 7, 2007, translated in OSC: CPP20070308715008. The "primary stage" idea was first developed by Zhao Ziyang and incorporated into the 13th party congress as ideological justification for further liberalization and reform. The term fell out of use after 1989.

seizing “economic construction” above all else—clearly, Deng Xiaoping’s “basic line” adopted by the party at the 13th national congress in 1987 was not about to be challenged.²⁹

Political Reform: Democracy with Chinese Characteristics?

Perhaps the most enduring image of China in the American popular imagination is that of Tiananmen Square on June 4, 1989. There is a general perception, encouraged by democracy activists who fled China and their supporters, that the only thing standing in the way of the establishment of Western-style democracy in China is the People’s Liberation Army. It might come as a surprise, therefore, that both Chinese and foreign researchers find a surprising lack of support among the general population for such democracy in China.³⁰ To some extent, activists who left in 1989 are out of touch with their intellectual counterparts in China and the discourse on political reform now taking place. While older generation intellectuals may continue to call for liberal democratic reform, many in the new generation in particular have eschewed the “May 4 movement” ethos—which looked to Western science and democracy to “save China” at the turn of the twentieth century and was revived by liberals in the 1980s. However, many of today’s intellectuals are not adherents of orthodox Marxism-Leninism either.

Amid the discourse prompted by the collapse of communism and fall of the Soviet Union, many Chinese intellectuals began to discuss the notion of a “democracy deficit,” pointing to the political and economic difficulties that followed from the rapid introduction of Western-style democracy in places such as Russia, as well as Iraq, Indonesia, and Taiwan. The New Left critics also charge that only China’s *nouveau riche* will benefit from the introduction of Western “capitalist-style” democracy. Debate among intellectuals, therefore, now often centers on whether Western-style democracy is right for China, or whether a “third way” for political reform can be found.

The debate has coincided with—and indeed has been allowed to proceed because of—a growing recognition by the party that in order to stay in power it needs to implement more serious political reform to accompany economic reform, a project first proposed by Deng Xiaoping in 1980 but then postponed because of divisions within the leadership laid bare in the post-Tiananmen crackdown in 1989. While for the party, political reform—traditionally focused on administrative reform, party and institution building, and limited grass-roots democracy—remains purely instrumental and aimed at keeping the party in control, it is truly significant that the recent debate among intellectuals has been allowed to move beyond these parameters to discuss “democratization” for the first time since 1989. Du Daozheng, editor of the liberal

²⁹ “Hu Jintao Addresses Senior Cadres on Democracy, Other Issues at Party School,” Xinhua, June 25, 2007, translated in OSC: CPP20070625045001.

³⁰ Bruce Dickson, “Populist Authoritarianism: The Future of the Chinese Communist Party” (paper presented at Carnegie Endowment for International Peace, Washington, D.C., November 2, 2005). See also Suisheng Zhao, “Political Liberalization with Democratization: Pan Wei’s Proposal for Political Reform,” *Journal of Contemporary China*, no. 12 (2003): 333–355.

Yanhuang Chunqiu, told reporters that for the first time “such a complicated and important theoretical issue was discussed fairly...there was no abuse, name-calling, threats, punishment, bans or dismissals.”³¹

The fall of the CPSU served as a warning call to the CPC leadership and prompted a thorough investigation into the rise and fall of not only the CPSU but other ruling parties around the world. In 2004, the party leadership soberly admitted that the organization was in disarray and that its ruling status “will not remain forever if the Party does nothing to safeguard it.”³² A “decision” was adopted to absorb the lessons of the rise and fall of other ruling parties and led to a number of reforms aimed at strengthening party building and ruling capacity, including establishing “inner-party” democracy, expanding grass-roots political participation through village-level elections, establishing the rule of law, and adjusting central-local party-state relations. Intellectuals, however, seized on the opportunity to push for discussion of wider political reform, using the debate to implicitly criticize CPC policies and to press the new leadership team of Hu Jintao and Wen Jiabao for change.

The CPSU’s collapse was blamed by China’s traditional left on the “ideological errors” of Khrushchev and Gorbachev, particularly diverting from the “dictatorship of the proletariat”—a jab at Jiang Zemin’s “Three Represents” theory. The debate largely played out between members of China’s Academy of Social Sciences (CASS) in the “leftist” publication *Huanqiu Shiye* and “mainstream” intellectuals in the more reformist Central Party School publication *Xuexi Shibao*, with the latter blaming the collapse of the CPSU on its “‘monopoly’ in ideology, political power and the economy.”³³

In September 2004, CPS scholar Zhou Tianyong published a book on China’s political reform, *Zhongguo Zhengzhi Tizhi Gaige*,³⁴ the result of a major CPS study, which called for political reform in order to eliminate hindrances to further economic reform. The book offered suggestions for political reforms that would enhance the party’s ability to administer the country—themes that found their way into the fourth plenum “decision” adopted by the party later that month.

CPS vice president Li Junru had also begun to write on political reform, addressing the need to expand intra-party deliberation, ideas that were echoed in the “Suggestions on Further Strengthening Multiparty Cooperation and Political Consultation under the Leadership of the CPC,” adopted by the NPC in March 2005. In July, Li’s speech at a forum, entitled “What Sort of Democracy Can China Achieve?” was widely reported in the Chinese media. In the speech and subsequent work, Li has articulated the theory of *xieshang minzhu* (deliberative democracy)

³¹ Richard McGregor, “China Struggles to Define Democracy,” *Financial Times*, June 12, 2007

³² “CPC Document Says Enhancing Party’s Ability to Govern ‘Major Strategic Subject’” Xinhua, September 26, 2004.

³³ “OSC Analysis: China: Lessons from CPSU Demise Reflect CPC Policy Debate,” June 15, 2007 in OSC: CPF20070615534001.

³⁴ Zhou Tianyong, *Zhongguo Zhengzhi Tizhi Gaige* [China’s Political System Reform] (Beijing: China Shuili Book Publishing House, 2004).

calling for expansion of the supervisory role of the NPC and Chinese People's Political Consultative Conference (CPPCC), as well as consultations with China's so-called eight democratic parties and other nonparty figures, which have subsequently meshed with official policy decisions³⁵ (discussed below).

In October 2005, the State Council issued a white paper, entitled "Building of Political Democracy in China," which took over a year to draft and was the result of widespread consultation with top intellectuals.³⁶ With China's leaders talking publicly about the need for democracy, albeit with "Chinese characteristics," the door finally appeared open to discuss the 800-pound gorilla that had been standing in the room throughout the course of China's modernization.

At the China Society for Economic Reform meeting held in April 2006, discussed above, intellectuals openly called for political reform, including multiparty elections.³⁷ In July 2006, the famous reformer Huangfu Ping jumped into the debate, calling on the CPC to learn from the political reforms taking place in Vietnam, particularly competitive elections for the party's top posts. Although the suggestion was roundly criticized at the time, in July 2007, Politburo Standing Committee member Li Changchun visited Vietnam and pledged to promote the discussion of theory and experience gained in practice between the two parties.

As convocation of the 17th CPC National Congress approached, the democracy debate intensified, burning up online chat rooms, as well as animating discussions in China's official and nonofficial media outlets. In December 2006, Yu Keping, deputy director of the party's Central Translation Bureau and reportedly a close advisor to Hu Jintao,³⁸ authored an article in *Xueshi Shibao*, entitled "Democracy Is a Good Thing," offering a vision of gradual, incremental democratization—with Chinese characteristics.

Emboldened by the debate, the 86-year-old former vice president of Renmin University, Xie Tao, authored an article in the liberal journal *Yanhuang Chunqiu*, urging that China follow the road of democratic socialism practiced in northern Europe. The article set off a firestorm of controversy with supporters and opponents holding a series of competing symposiums to discuss Xie's article.

The debate also reanimated the Old Left, who having found limited outlet for their articles in the mainstream media, posted them on Maoflag.net and other Web sites. In July, after 17 former top officials and Marxist scholars posted a letter accusing China's leaders of betraying the revolution and steering the country in the wrong direction, Maoflag.net was shut down temporarily.

³⁵ These ideas have also been referred to as "consultative democracy" and "participatory democracy."

³⁶ The white paper borrows selectively from other democratic systems for a so-called participatory democracy comprising authoritarian party leadership, modest expansion of popular participation in the political process, and governance through the rule of law, while eschewing Western-style democratic ideas including universal suffrage, true parliamentary bodies, and multiparty elections.

³⁷ "PRC Reformist Scholars Call for Political, Legal Reform at Internal Meeting," *Pingkuo Jihpao*, April 8, 2006.

³⁸ The Hong Kong press has suggested that Yu Keping is Hu Jintao's ghost writer, and in his article Yu makes reference to the speech Hu made at Yale University in April 2007, in which Hu said "without democracy, there will be no modernization."

The first official reaction to the democracy debate, which was being conducted simultaneously with the debate on China's economic future, came in Premier Wen Jiabao's aforementioned *Renmin Ribao* article published in February 2007. In an attempt to contain the discussion, Wen revived Deng Xiaoping's dictum that China is at the "primary stage of socialism" during which economic development must precede political reform. Implicitly rejecting Western models, Wen stated that China should "take its own path in enhancing democracy."³⁹ However, the premier's article failed to extinguish the debate, which on the contrary continued to heat up.⁴⁰

In May, controversy swirled around CPS scholar and Beijing insider Wang Yukai concerning comments he reportedly made to Hong Kong's *Yazhou Zhoukan* (Asia Week) regarding establishing a democratic model of "harmonious socialism," borrowing from democratic socialism, and integrating elective and deliberative democracy. The People's Forum, run by *Renmin Ribao*, subsequently issued a statement saying that Wang had been misquoted. The party then brought out the heavy guns, running articles in its main theoretical mouthpieces, *Renmin Ribao*, *Quishi* (Seeking Truth), and *Guangming Ribao* (Enlightenment Daily), critical of democratic socialism and questioning its applicability to China.

Amid the intellectual ferment, a *Renmin Ribao* commentator's article, which has the imprimatur of the politburo, declared that President Hu Jintao's June 25 CPS speech had "established the 'political, ideological, and theoretical foundation,'" for the 17th party congress, this time putting all sides of the debate on notice about where the political "line" was about to fall.⁴¹ Indicating caution on political reform, Hu reiterated the party's basic line set at the 13th party congress of "one central task and two basic points,"⁴² but comments Hu made on the need to move forward "commensurate with the continuous rise of our people's enthusiasm for political participation," to "enrich the form of democracy" and "broaden the democratic channel," reflected ideas swirling around the current intellectual discourse.⁴³

Given that the intellectual debate has so clearly intertwined with the party's internal discussion on political reform, with certain ideas making their way into party policy, such debates offer tantalizing clues as to what reforms—albeit incremental—might lay ahead.

³⁹ "Wen Jiabao Article on Socialism at Primary Stage, Foreign Policy," *Renmin Ribao*, March 7, 2007, translated in OSC: CPP20070308715008.

⁴⁰ Top intellectuals including Liu Junning, Fang Ning, Jiang Ping, Hu Shili, Shen Baoxiang, Sun Jinzhong, Zhang Shuhua, Shi Xiaohu, Zhou Xincheng, Xiao Feng, Qiu Dunhong, Zhuang Congsheng, Ma Longshan, Yan Xiaofeng, Sun Li, Rui Yan, Fang Wei, Xu Chongwen, Cheng Enfu, Liu Xirui, Xu Youyu, and Jiang Yikang among others have published articles expressing their views from across the political spectrum on political reform and democracy.

⁴¹ "OSC Analysis: Hu Speech Sets Agenda for 17th Party Congress," July 1, 2007, in OSC: CPF2007072539001.

⁴² The central task: economic construction; the two basic points: upholding reform and opening up; the four cardinal principles: upholding the socialist path, people's democratic dictatorship, leadership of the CPC, and Marxism-Leninism Mao Zedong thought.

⁴³ "Hu Jintao Addresses Senior Cadres on Democracy, Other Issues at Party School," Xinhua, June 25, 2007, translated in OSC: CPP20070625045001.

In Hu's CPS speech in June, reference was also made to developing grass-roots democracy in order to ensure that people can exercise their "democratic rights directly."⁴⁴ Further suggesting that more meaningful, if gradual, political reform led by the party is in the cards, in July, Beijing insiders CPS scholar Wang Changjiang and Central Translation Bureau official He Zhengke praised grass-roots democracy workers as "forerunners in developing China's democracy" in an interview with China's largest weekly *Nanfang Zhoumo* (Southern Weekend). The same issue carried a lengthy article on a pioneer of grass-roots democracy, Zhang Jinming, a local party official who oversaw the first direct election of town and township heads and election of county-level party representatives in Sichuan and who continues to push the envelope at the grass-roots level.⁴⁵

Another article in *Liaowang* (Outlook), a weekly journal published by China's official news agency Xinhua, experts including CPS scholar Liu Chun reportedly predicted that the development of "socialist democratic politics" will "accelerate" after the 17th party congress, with an expansion not only of grass-roots democracy and the rule of law but also of "multiparty cooperation and the political consultative system under the party's leadership." Supervision by China's democratic parties, nonparty experts, and the public is being seen as one way to root out the corruption and abuse of power by party and government officials.⁴⁶ The idea is not out of left field: Hu Jintao has spoken about the need for "multiparty cooperation" on a number of occasions. In April, Wan Gang, a member of the Zhi Gong (Public Interest) Party was appointed minister of science and technology, and in June, Chen Zhu was named minister of health—the first non-CPC member ministers appointed since reform began.

Foreign Policy: The Rise of Nationalism

Returning to June 4, 1989, the question we may need to ask is how can we have gone from seeing the "Goddess of Democracy" being held up by students in Tiananmen Square and the United States being hailed as a model to emulate to having bricks thrown at the U.S. embassy in Beijing in 1999? From highly positive opinions of the United States being expressed among the Chinese people to a belief in 1995 among 87.1 percent of those polled that the United States was the country "least friendly" toward China?⁴⁷ According to a BBC poll conducted in 2006, 62 percent of Chinese polled had a negative view of the United States, up from 42 percent in 2005.⁴⁸

It is tempting but ultimately misleading to dismiss this as a rise in government-sponsored nationalism, a cynical ploy by the leadership to divert public attention away from China's pressing

⁴⁴ Ibid.

⁴⁵ "Nanfang Zhoumo Interviews Party School Scholars on Democracy, Political Reform," *Nanfang Zhoumo*, July 26, 2007.

⁴⁶ "PRC Scholars View Socialist Democratic Politics on Eve of 17th Party Congress," *Liaowang*, August 6, 2007, translated in OSC: CPP2007081571007.

⁴⁷ *Zhongguo Qingnian Bao* [China Youth Daily], July 14, 1995.

⁴⁸ This is of course not confined to China and is part of a larger deterioration in positive views of the United States internationally. See Pew and other surveys.

socioeconomic problems; doing so obscures a very real sea change that has taken place in the collective Chinese attitude toward the outside world, particularly the United States.⁴⁹ Suisheng Zhao has termed this process the “demythification” of the West in China. Again, this can be most clearly traced in intellectual debates, which have at various times intersected with leadership politics, both influencing and being influenced by the formulation of Chinese foreign policy.

The debate on foreign policy—which was also proscribed or at least confined to internal reports until recently—is best viewed within the context of the larger intellectual discourse discussed above, as many of the issues debated and those taking part in it are crosscutting. In examining China’s evolving role in the world, intellectuals have questioned whether modernization necessarily means Westernization, and they have reexamined traditional Chinese value systems including Confucianism.⁵⁰ Others have been influenced by international critiques of neoliberalism and postcolonialism—the “Washington Consensus” versus “Beijing Consensus” debate, which played out as differences among the leadership over China’s entry into the WTO and the impact of globalization became apparent.⁵¹ Coming out of this discourse are the hotly debated issues now finding concrete expression in official government policy—including laws and regulations aimed at ensuring economic security and building up indigenous innovation capacity, which as mentioned above have a direct impact on international business interests. Still other intellectuals have been preoccupied with traditional “hard power” issues such as China’s military modernization and how to respond to the United States in the post–Cold War period.

One issue that has garnered considerable attention is the rise of Chinese nationalism. While often a reaction to specific international events, such as the accidental bombing of the Chinese embassy in Belgrade by U.S. forces in May 1999, the evolution of both elite-level and popular nationalism has percolated as part of the intellectual discourse and finds expression in issues ranging from WTO entry to economic security to indigenous innovation capacity to traditional foreign policy issues such as relations with the United States, Japan, Russia, and others.

Most Chinese intellectuals assert that nationalism is the necessary result of any one or combination of the following factors: China’s “century of humiliation” following the Opium War in 1840; the phenomenal increase in national strength since reform began; competition in the international arena; Western powers’ concern over and even containment of the “China threat”; and the CPC’s need for legitimizing ideologies.⁵² Intellectuals disagree over the particular causes

⁴⁹ Nationalism is a double-edged sword for the Chinese government, something that can garner support but very quickly turn antigovernment, and this partly explains its somewhat schizophrenic attitude: at times condoning and at times clamping down swiftly on public expressions of nationalism.

⁵⁰ This would include discussion of the East Asian development model, as well as reevaluation of Confucian and other traditional Chinese values.

⁵¹ Ramo, *The Beijing Consensus*, p. 33.

⁵² Nationalist scholars such as Wang Xiaodong and Fang Ning certainly do not doubt the necessity of nationalism. Even liberal scholars such as Liu Junning and Xu Jilin do not accuse the government of actively shaping nationalism. For a good summary of Chinese scholars’ debate over the origins of nationalism, see Chen Xueming, “Dangdai Zhongguo Minzu Zhuyi Sichao Yanjiu Zongshu,” *Guangdong Sheng Shehui Zhuyi Xueyuan Xuebao*, no. 22.1 (January 2006): 104–108.

and hence the degree of controllability of nationalism, but most believe it is inevitable and focus on whether the government should guide popular nationalism. It is indeed the case that the government both restrains extreme nationalism and continues to endorse some form of patriotism. For example, official media, such as *Zhongguo Qingnian Bao*, *Huanqiu Shibao*, and *Xuexi Shibao*, have reported anti-Japanese campaigns on the Internet in addition to running editorials that denounced narrow-minded nationalism.⁵³

The next question asked is whether the current nationalism is positive or negative; the answer depends on what intellectuals perceive Chinese nationalism to be. Here disagreements are sharper. Scholars do agree that Chinese nationalism is mainly reactive (e.g., the U.S. bombing of the Chinese embassy in Belgrade, the Japanese prime minister's visits to Yasukuni shrine, Li Teng-hui's visit to the United States, etc.). However, unhappy with this "reactionary" characteristic, Wang Xiaodong, whose views are representative of the New Left, wants it to be more systematic, confident, and militant, to provide ideological support for the strengthening of the Chinese nation.⁵⁴ On the other hand, critics of nationalism, including Xu Jilin, Ren Bingqiang, Wang Dingding, believe its reactionary nature indicates that Chinese nationalism is empty, offensive, and unconstructive.⁵⁵ Yet others intellectuals, believe that the current nationalism is rational and essentially a form of patriotism.⁵⁶

In characterizing contemporary Chinese nationalism, it is essential to understand its relationship to patriotism. Theoretically, patriotism and nationalism should be different—the former concerned with the interests of the state, the latter with that of the nation. Official pronouncements, however, rarely differentiate between the two. It is likely that patriotism is what the Chinese leadership wants, as the official media runs numerous editorials calling for rational patriotism in the stead of narrow-minded nationalism.⁵⁷ Some intellectuals are optimistic that the current nationalism is essentially patriotism; others are less optimistic.

The publication of the 1996 bestseller *China Can Say No*⁵⁸ and journals such as *Zhuanlue yu Guanli* [Strategy and Management] provided a platform for the articulation of ideas with a nationalist slant from many of the New Left intellectuals already writing on economic and

⁵³ See "Xuni Shijie de 'Kangri,'" *Zhongguo Qingnian Bao*, April 13, 2005, and Ma Licheng, "Weihe Buyao Xiaai de Minzu Zhuyi," *Xuexi Shibao*, November 18, 2002.

⁵⁴ Wang Xiaodong, "Zhongguo de Minzu Zhuyi Bixu Xiang Xifang Xuexi," Chinese Democracy and Justice Party, February 5, 2003, <http://www.cdjp.org/02b/archives/00003610.shtml>.

⁵⁵ Ren Bingqiang, "Zhongguo Minzu Zhuyi de Chongxin Xingqi: Yuanyin, Tezheng ji Yingxiang," *Xuehai* (January 2004): 78–82.

⁵⁶ Zhang Yonghong, "Dangdai Zhongguo Minzu Zhuyi Toudi," *Xinjiang Daxue Xuebao*, no. 32.1 (March 2004): 39–40; Lin Zhibo, "Dangdai Zhongguo Shifou Xuyao Minzu Zhuyi?" *Shidai Chao*, no. 24 (December 2004): 46–47.

⁵⁷ Zhang Wenmu, "Yong Guojia Zhuyi Daiti Minzu Zhuyi," *New China Review*, November 12, 2003, http://new.china-review.com/article_preview.asp?id=6898; Wang Yiwei, "Yong Aiguo Zhuyi Chaoyue Minzu Zhuyi," *Huanqiu Shibao*, January 31, 2005.

⁵⁸ See Song Qiang et al., *Zhongguo Keyi Shuo Bu: Lengzhanhou Shidai de Zhengzhi yu Qinggan Jueze* [China Can Say No: Political and Emotional Choices in the Post-Cold War Era] (Beijing: China United Industrial and Commercial Publishing House, 1996).

political issues. Intellectuals such as Wang Xiaodong, He Xin, Gan Yang, and Fang Ning grabbed the headlines with their polemics, often highly critical of the United States. In response, mainstream intellectuals such as Xiao Gongqin and Shen Jiru⁵⁹ mobilized in order to counter the New Left and to support rapprochement with the United States. At the time, the Chinese leadership was deeply divided over the specific question of entry into the WTO, as well as the larger question of relations with the United States, and they tolerated the intellectual debate as far as it supported their respective positions.⁶⁰

For the most part, however, the Chinese leadership has remained wary of New Left ideas in the foreign policy arena because their brand of “populist nationalism” also has an antigovernment slant to it and can quickly get out of hand—as it did during anti-Japanese demonstrations in 2005. As a result, while the leadership increasingly has to take into account intellectual ideas that resonate widely with the public, particularly historically sensitive topics such as relations with Japan, the Taiwan issue, and “economic security,” establishment intellectuals and foreign ministry career professionals have largely managed to maintain control over the foreign policy-making process.

In a recent article, Bonnie Glaser and Evan Medeiros trace the evolution of China’s foreign policy and the influence of establishment intellectuals who work outside the formal government bureaucracy in formulating it, as China grapples with establishing a theoretical foundation for its “new diplomacy” and global activism in the twenty-first century.⁶¹ In particular, they examine how the concept of “peaceful rise”—first articulated by Zheng Bijian, former chairman of the China Reform Forum and reportedly a Hu Jintao confidant—became one of the first new concepts the Hu administration introduced into China’s foreign policy, largely in response to concerns in the United States and among China’s neighbors about Beijing’s growing economic and political clout and the implications for global stability.

By 2004, however, the term began to be dropped from the official lexicon as debate arose, both within the leadership and among intellectuals and the general public, about its usage. As Glaser and Medeiros note, intellectuals ranging from Pan Wei to Chu Shulong to military officers charged that it would constrain China’s policy options in dealing with Taiwan; that the goal of a “peaceful rise” is unattainable; that the term “rise” would actually engender more concern; that it contradicted Deng Xiaoping’s guidance on foreign affairs; that it could undermine military modernization; and that it could incite populist nationalism. Following the debate—the first

⁵⁹ See Shen Jiru, *Zhongguo Bu Dang “Bu Xiansheng”*: *Dangdai Zhongguo de Guoji Zhanlue Wenti* [China Will Not Be “Mr. No”: Problems of International Strategy for Today’s China] (Beijing: Today’s China Publishing House, 1998).

⁶⁰ The magazine *Zhuanlue yu Guanli* (Strategy and Management) was reportedly closed down in September 2004 after publishing an article critical of China’s policy toward North Korea.

⁶¹ Bonnie S. Glaser and Evan S. Medeiros, “The Changing Ecology of Foreign Policy-Making in China: The Ascension and Demise of the Theory of ‘Peaceful Rise,’” *China Quarterly* 190 (2007): 291–310.

foreign policy discussion to be played out so publicly in the media—the less-loaded term “peaceful development” found its way into official usage.⁶²

The formulation of China’s foreign policy and its theoretical foundation evolved further in April 2005, as President Hu Jintao introduced the concept of building a “harmonious world” at the Asia-Africa summit in Jakarta and expounded on it at the UN summit in September. The concept, which complemented Hu’s domestic policy of establishing a “harmonious society” discussed above, represents an effort to respond to the challenges of globalization and calls for the establishment of a new international political and economic order based on “multilateralism, mutually beneficial cooperation, and the sprit of inclusiveness.”⁶³

Since then—Deputy Secretary of State Robert Zoellick’s call in September 2005 for China to become a “responsible stakeholder” in the international community, Chinese leaders and intellectuals alike have also been grappling with what exactly this means for China’s foreign policy and how best to respond.⁶⁴

At the highly unusual convocation of a work conference on foreign affairs in August 2006, for which leading diplomats and Foreign Ministry officials were recalled from overseas, the “important principles that must be followed in order to build a harmonious world” were laid out. The “central authorities” reportedly “expounded in all-round and systematic fashion on the idea of building a harmonious world and established this as a guideline and policy principle for Chinese diplomacy.”⁶⁵ The necessity of the leadership clarifying its foreign policy direction and the debate that surrounded it suggests differences of opinion not only among intellectuals but within the leadership.

In March 2007, some 30 experts and academics from China’s leading think tanks and government and military research institutions gathered in Shanghai to discuss the concept of the harmonious world and how China’s “foreign strategy” contributes to it.⁶⁶ The meeting concluded that the “framework” of a harmonious world was in place and that the key was to “put it into concrete practice.” It was noted that the leadership was advocating the “new concept of a harmonious world and pointing up a new road to peaceful development” that “projected a new image for China as a responsible power.” Again, intellectuals and the public alike looked to the 17th party congress to see what foreign policy line would finally be set going into the next decade.

⁶² Ibid.

⁶³ “Hu Calls for a Harmonious World at Summit,” *China Daily*, September 16, 2005.

⁶⁴ For details of the discussion, see Susan Craig, *Chinese Perceptions of Traditional and Nontraditional Security Threats* (Carlisle, Penn.: Strategic Studies Institute, U.S. Army War College, March 2007), <http://www.strategicstudiesinstitute.army.mil/pdffiles/PUB765.pdf>.

⁶⁵ “China Reform Forum Member Yue Xiaoyong Discusses Harmonious World Theory,” *Guoji Wenti Yanjiu*, July 13, 2007, translated in OSC: CPP20070724455003.

⁶⁶ “PRC Scholar Summarizes Academic Conference on PRC Foreign Strategy,” *Shijie Jingji Yu Zhengzhi*, May 14, 2007, translated in OSC: CPP20070525455002.

Epilogue

The much-anticipated convocation of China's 17th CPC National Congress finally took place October 15–21, 2007. The appointments to the all-powerful politburo standing committee and what this means for Hu Jintao and the balance of power among China's political "factions" garnered considerable international attention.⁶⁷ However, Hu Jintao's work report and the changes made to the party's constitution are of most interest for the foregoing discussion of China's intellectual debates and how they can aid us in decoding the opaque world of Chinese politics. Who were the "winners" and who were the "losers" at the congress, and what can this tell us about the probable direction of China's economic, political, and foreign policy over the next five years?

As the above-mentioned analysis of official pronouncements in the run-up to the congress has suggested, amidst the intellectual and ideological ferment, Hu Jintao's work report to the 17th party congress charted a middle course for China's political and economic development. It is significant that the CPC's most authoritative ideological document, the party charter, was amended to add the "scientific development concept (SDC)" at the end of what is effectively Hu's first term. Jiang Zemin's "Three Represents" theory was not included until he retired from his party post at the 16th party congress in 2002, some 13 years after he became party leader. Technically, this confirms Hu's lineage as successor to Mao, Deng, and Jiang. It confirms Hu Jintao as the first among equals in the Chinese leadership and recognizes him as the supreme ideological authority in the party with final say over policy decisions.

However, there are subtle signs that Hu has yet to consolidate his position fully. Apart from speculation about appointments to the politburo and its standing committee, particularly the failure of Hu's protégé Li Keqiang to be anointed as his successor, the official media continue to refer to the SDC as an ideological concept that must be "implemented" rather than serve as a "guide" for the party—in contrast to the theories associated with his predecessors.⁶⁸ It is also notable that the more New Left leaning "harmonious society" concept, so closely identified with the Hu-Wen leadership, and which was endorsed by the party at the sixth plenum meeting in December 2006, has taken a backseat to the SDC—an ideological concept originally more closely associated with the collective leadership. Whether this decision was intentional—indicating an effort to reach a consensus within the leadership and a sign of the ongoing transition to a more formal, institutionalized system of politics in China or the result of good old-fashioned court politics—remains to be seen.

Also first hinted at prior to the congress, Deng Xiaoping's "basic line" set at 13th party congress was not only not challenged but was strongly endorsed and featured prominently throughout

⁶⁷ Cheng Li, "Riding Two Horses at Once," *Foreign Policy* (October 2007), http://www.foreignpolicy.com/story/cms.php?story_id=4033.

⁶⁸ "Opening of 17th CPC National Congress Hails Chinese-style Socialism," *Renmin Ribao*, October 14, 2007, translated in OSC: CPP20071014136004.

Hu's work report. The "four cardinal principles," another traditional ideological tenet not used widely for many years, also reappeared. In reaffirming the party's Dengist ideological line, Hu Jintao apparently attempted to kill three birds with one stone: the Right was put on notice that economic reform would precede political reform, and they were firmly reminded that any reform would proceed incrementally under the leadership of the CPC. The New Left was put on notice that market economic reform and opening-up remained the party's central task and that there was no going back. And, by reclaiming ownership of the "four cardinal principles," Hu also managed to outmaneuver those on the Old Left who had begun to accuse the leadership of abandoning the party's core principles.⁶⁹ But what does this all mean for China's economic, political, and foreign policy in the coming decade? Some initial observations follow.

Economic Policy Outlook

Hu Jintao's work report strongly reaffirmed that Deng Xiaoping's reform and opening up "being a new great revolution" is the "only way to realize the great rejuvenation of the Chinese nation."⁷⁰ While acknowledging the difficulties and problems that have occurred in the process of implementing "socialism with Chinese characteristics," Hu responded to Leftist critics by stating bluntly that "standing still or turning back would lead us nowhere." Reaffirming that the CPC's "central task" remains economic construction, while striving for more equitable and sustainable development, the party will clearly continue market reforms, ensure equal protection of both public and private property rights, and pursue SOE reform, albeit with more regulatory oversight.⁷¹

Of particular interest to the international community is the emphasis in the work report on the importance of enhancing "independent innovation," and supporting indigenous research and development. The politburo study meeting held on the eve of the congress was also significant. At that session, Professor Wang Xinkui of the Shanghai Institute of Foreign Trade and Research Fellow Long Guoqiang of the State Council Development Research Center discussed the hotly debated topics of opening-up wider to the outside world and economic security. Hu Jintao gave a speech at the session, which served as a preview to his work report, in which he strongly endorsed opening-up and further integration into the global economy, while at the same time emphasizing that it was necessary to "improve laws and regulations for safeguarding national economic security."⁷²

⁶⁹ See "Excerpts from PRC Leftists' 17 September Open Letter to Hu Jintao," *Boxun News*, September 21, 2007. In this letter 170 party members called on the CPC to defend Marxism-Leninism and Mao Zedong Thought and to uphold the four cardinal principles against the new "capitalist class."

⁷⁰ "Full Text of Report Delivered by Hu Jintao at 17th Party Congress," CCTV, October 15, 2007, translated in OSC: CPP20071015035002.

⁷¹ *Ibid.*

⁷² "Hu Jintao Speaks at CPC Political Bureau Study on Opening Up, Economic Security," *Xinhua*, September 29, 2007.

Following the party congress, Vice Premier Zeng Peiyan was reported to have called for the restriction of foreign capital in key areas and “sensitive industries” in order to defend China’s economic security, suggesting that multinational companies could face further roadblocks in their attempts to invest in China’s domestic companies and industrial sectors.⁷³ The issue is likely to become a focal point of intellectual debate in the coming months. In September, the influential business magazine *Caijing* carried an article by Qinghua University law professor Wang Baoshu critical of the Anti-Monopoly Law, particularly the inclusion of a “national security review” for foreign investors.⁷⁴ At the same time, the book *Currency Wars*,⁷⁵ which purportedly exposes the dark side of the global investment industry and warns against the opening up of China’s financial sector, is currently a best seller in China.⁷⁶

Political Reform: Is the Genie Out of the Bottle?

Amid the landmark debate on political reform in the run-up to the congress and as previous statements had suggested, in his work report Hu Jintao urged the party to “adapt to the growing enthusiasm of the people for participation in political affairs.” The theme of “multiparty cooperation and political consultation under the CPC leadership,” including calls for the recommendation of more non-CPC persons for “leading positions” featured prominently, as did expanding grass-roots democracy, particularly increasing transparency and exercising power “under the sunlight to ensure that it is exercised correctly.”⁷⁷ However, for those intellectuals hoping for something more substantive, the work report was the disappointing product of apparent leadership compromise.

An article authored by Yu Keping shortly after the congress is therefore particularly interesting. Yu Keping’s title as deputy director of the party’s Translation Bureau belies his influence as an adviser to Hu Jintao. Yu’s earlier December 2006 article, “Democracy Is a Good Thing,” in the party publication *Xuexi Shibao* (Study Times), represented a significant contribution to the intellectual discourse on political reform in the run-up to the congress. It is especially noteworthy that Yu Keping would choose to place his latest article in the influential and widely read independent magazine *Caijing*, which, while hardly a subversive publication, more than occasionally challenges convention. Though the piece reiterates that “like economic development, China’s political development will also follow the path of incremental reform or incremental democracy,” it does point out that “breakthroughs” are on the horizon.⁷⁸ Yu cites Hu Jintao’s work report but further expounds on areas such as grass-roots democracy and rights being directly exercised by the people, inner party democracy, and implementation of supervisory

⁷³ “Restrictions Urged on Foreign Capital in ‘Key Areas,’” *South China Morning Post*, October 31, 2007.

⁷⁴ “Qinghua Law Professor Wang Baoshu Criticizes Anti-Monopoly Law,” *Caijing*, September 2, 2007.

⁷⁵ Song Hongbing, *Huobi Zhanzheng* [Currency Wars] (Beijing: China CITIC Press, 2007).

⁷⁶ “Book About ‘Dark Side’ of Global Bankers Top Draw for Mainland Chinese,” *South China Morning Post*, November 5, 2007.

⁷⁷ “Full Text of Report Delivered by Hu Jintao at 17th Party Congress,” CCTV, October 15, 2007.

⁷⁸ Yu Keping, “Politics: Where Will the Breakthroughs in Political Reform Appear,” *Caijing*, October 27, 2007, <http://www.caijing.com.cn/newcn/coverstory/2007-10-27/35466.shtml>.

mechanisms to help restrain cadres, perhaps signaling that Hu Jintao does intend to take political reform further than at first suggested by his work report to the congress—albeit incrementally and under the direction of the party. While this will still disappoint those hoping to see more rapid introduction of Western-style democracy in China, at a minimum, it suggests the debate on political reform may not be over.

Foreign Policy: A Harmonious World

In his work report, Hu Jintao reiterated that China would “unswervingly follow the path of peaceful development” and advocated that “people of all countries should join hands and strive to build a harmonious world of lasting peace and common prosperity.”⁷⁹ The PRC-owned Hong Kong daily *Wen Wei Po* opined that the elevation of the “harmonious world” theory in the congress work report indicates that Hu is “assuming an even more important role in international affairs that is, as ‘formulator, participant and defender of world order,’ in order push the entire world toward harmony.”⁸⁰ While Hu Jintao committed China to continue to play “an active part in multilateral affairs, [and] assume our due international obligations,”⁸¹ it remains to be seen how this will play out in practice.

In the meantime, it is highly likely that the ongoing intellectual discourse on Chinese nationalism is likely to continue to shape and be shaped by future debates on China’s foreign relations—particularly with the United States and Japan, on the Taiwan issue, on globalization, and on “economic security”—with implications not only for China but for the international community.

In sum, as expected, the 17th CPC National Congress once again set the basic line that will in effect serve as the party’s guideline in the economic, political, and foreign policy realms over the next five years. Following what was arguably the liveliest and most open intellectual debate China has witnessed since reform and opening-up began in 1978, it is important to ask whether the social, political, economic, and cultural developments that helped nurture the discourse were a temporary phenomenon or a sign of deeper and more meaningful change? Will the hopes of a “Beijing Spring” be dashed by a cold “Beijing Winter” as has happened in the past?

While the parameters of the intellectual debate appear to have widened further than at any point since 1978, make no mistake, they are still set by the CPC. Those who step beyond them risk rebuke—ranging from party censure to removal from their positions. However, it is tempting to speculate whether “democracy with Chinese characteristics” has really started to take hold in China, albeit at a glacial pace. Was the latest debate a sign of nascent public participation in the policymaking process? Will intellectuals working both within and outside the establishment now feel confident enough to test the party’s ideological limits? How will the party react? The answers to these questions and what they mean for China and the rest of the world will likely become

⁷⁹ “Full Text of Report Delivered by Hu Jintao at 17th Party Congress,” CCTV, October 15, 2007.

⁸⁰ “Wen Wei Po Reports 17th Party Report to Include ‘Harmonious World’ Concept,” *Wen Wei Po*, October 14, 2007, translated in OSC: CPP20071015710009.

⁸¹ “Full Text of Report Delivered by Hu Jintao at 17th Party Congress,” CCTV, October 15, 2007.

apparent in the course of China's intellectual debates over the next months and years. We need to be watching.

About the Author

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