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## The Organization of Political Power and Its Consequences: The View from the Inside

Chapter 6 described the formal organization of the PRC's political system and its consequences. The present chapter focuses on the real configurations of political power and on the behavior of the key individuals within the system, the several million party cadres who govern China. In shifting focus to the actual exercise of power in the PRC, we must draw a distinction between "organizations" and "institutions," for the Chinese political system is strewn with organizations that have not become institutions. "Organizations" are coherent, internally interdependent administrative or functional structures. "Institutions," in contrast, are practices, relationships, and organizations *that have developed sufficient regularity and perceived importance to shape significantly the behaviors of their members.*

Organizations—committees, offices, and their rules—exist in abundance, even at the highest levels of the Chinese system. But in reality the top power elite, the twenty-five to thirty-five individuals who at any given time oversee vir-

tually all sectors of work and politics, personally redefine the real rules of the game on an ongoing basis. The presence of organizations more than institutions is not limited to the upper echelons; at all levels of the political system the PRC is a highly personalized system embedded in a complex organizational matrix.

Although such things are hard to measure, it appears that the PRC has been far less institutionalized as a political system than was the imperial Chinese government.<sup>1</sup> Even the Republic of China developed more formal civil-service requirements in its first decade than the PRC produced in its first fifty years in power. The PRC's revolutionary origins as a peasant-based party, its ambitious goals to revamp China's society, and its being ruled into the early 1990s by the original party revolutionaries who seized power in 1949 have proven major obstacles to the development of enduring political institutions.

This chapter presents a view from the inside. It first analyzes the way power is actually allocated behind the formal organizational facade among the top power elite as presented in Chapter 6. It then branches out to consider how this small group deals with the country's massive bureaucratic apparatus and the configurations of authority within the apparatus itself. It concludes with a consideration of the strategies used by the PRC's political cadres. Chinese officialdom generally tries to keep these key dimensions of the political system—its physiology rather than its simple anatomy—carefully hidden from view.

## The Top Twenty-five to Thirty-five

Right from the start the CCP established a basic approach to organizing power at the apex that in its essentials has endured into the twenty-first century. The key group has been the top twenty-five to thirty-five leaders headed by a core leader who together determine the direction of policy in all important spheres.<sup>2</sup>

Naturally, a great deal has changed in the composition and dynamics of relations among the top power elite since 1949. In the early years they consisted wholly of hardened revolutionaries who had fought for decades to achieve national political power, a diverse group of accomplished individuals. In a country where geographical distinctions are sharp, the members hailed from widely differing areas: Mao Zedong, Liu Shaoqi, and Peng Dehuai from the central China province of Hunan; Zhou Enlai from the eastern province of Zhejiang; Deng Xiaoping and Zhu De from the huge southwest province of Sichuan; Chen Yun from the metropolis of Shanghai; Peng Zhen from the north China province of Shanxi; Lin Biao from Hubei; and so forth. They also came from different social classes. Zhu De and Peng Zhen, for example, were from very poor peasant stock, Mao and Deng hailed from relatively well-off households in the countryside, and Zhou came from an elite family. They also had very diverse educational backgrounds. Among the group, only Zhou Enlai acquired an elite formal education. Most had either led or shared the leadership of entire armies or of major underground networks for years

before 1949. This was not a homogeneous group of toadies around a single strong leader.

Nevertheless, the extent to which all these individuals paid homage to Mao Zedong is extraordinary. During the revolution, Mao acquired enormous stature among his colleagues as someone who consistently made the right strategic choices in life-and-death situations. After 1949, he bolstered his power through both his ruthlessness and his astute manipulation of the political resources at his command. For example, he had his central guards unit provide him with intelligence on the personal habits and activities of his colleagues, then used this information to embarrass a colleague when he wanted to weaken him or throw him off balance politically.<sup>3</sup> At times he took advantage of his control over military appointments to change the garrison commander in the locality where a contentious central meeting was convening, thereby assuring himself of the personal loyalty of the local troop commander. And he made other leaders dependent on him simply by virtue of the importance of his personality cult to the legitimacy of the entire political system.

Undoubtedly, traditional ideas about the strength and power of the first emperor of each new dynasty also contributed to this deference. In the late 1960s, for example, Lin Biao is reported to have declared, “We may not always understand what Chairman Mao means, but we must always do as he says. The first emperor of each new dynasty is always very strong.”

Mao often absented himself from Beijing and allowed many issues to go forward without his active intervention. He would indicate the broad directions in which policy should move but then sit back to see how his colleagues handled the issue. But Mao adopted many measures to make sure that he remained apprised of all important developments. As noted above, in 1953 he decreed that no document could be issued in the name of the Central Committee until he personally had reviewed and approved it.<sup>4</sup> And, to repeat, he brooked no opposition when he felt strongly about an issue. There are virtually no instances of other leaders directly opposing Mao when he had made his position and feelings clear.

Though Mao insisted on having the last word where he had a policy preference, he nevertheless abhorred bureaucratic routine and the details of daily office work.<sup>5</sup> Western scholars have debated whether the best way to think about the Mao era is in terms of “Mao in command” or in terms of Mao as “first among equals.” In retrospect, this division seems to have missed the mark, and the Chinese may have found the best terminology in defining the key position simply as that of a “core leader.”

Mao’s personal style became increasingly despotic during and after the Great Leap Forward. He trusted primarily those in his inner circle—his administrative secretaries, called *mishu* (a group discussed below); personal guards under Wang Dongxing; his physician; a few close associates, relatives, and mistresses—and minimized face-to-face contact with other leading officials. Even those closest to him found themselves constantly vulnerable to his whims, including his penchant for dispatching others to remote rural areas for long periods of time to toughen them. He set his entourage to spying on each other, and he had the last word even on the diagnoses and treatment of

medical problems that other leading officials developed. Mao dictated, for example, the timing of operations on Zhou Enlai's cancer in the early 1970s.<sup>6</sup>

Mao's despotism came fully to the fore during the Cultural Revolution, when he first placed under house arrest and then permitted the public humiliation and torture of the majority of leaders who had been in the top power elite of the 1950s. One author who interviewed many of Mao's surviving colleagues states that Mao seemed to enjoy toying with his beleaguered comrades before having them done in. For example, he called Liu Shaoqi in from house arrest and told him that he was pleased with Liu's self-criticism. Liu immediately reported to his family that their troubles were about to end. Instead, Mao almost immediately afterward permitted Liu's public beating and torture, which went on for more than a year and from which he died in 1969. Mao also ordered Liu's wife, Wang Guangmei, thrown into prison, where she languished in harsh conditions of solitary confinement for more than a decade. Liu's children were beaten and scattered around the country.<sup>7</sup>

In similar fashion, Luo Ruiqing, the former head of the public security apparatus and deputy defense minister, was crippled and in 1978 died from the complications stemming from torture.<sup>8</sup> Peng Dehuai also died from torture. Deng Xiaoping fared slightly better, but one of his sons, Deng Pufang, became a paraplegic when Red Guards reportedly threw him out of an upper-story window. Mao's power was such that even during his final months in 1976, when he lay almost immobile on his bed, virtually unable to communicate and largely unaware of his surroundings, every intelligible word he uttered still had the force of law.<sup>9</sup>

When Deng Xiaoping gained the political initiative in 1978, he tried to establish a new set of norms to govern relations among the top power elite. He attempted to give some substance and credibility to the top organizations of the party and government, all of which Mao had changed at will during his last decade in power. Deng therefore encouraged regular meetings of key bodies, nurtured more extensive consultation, and stopped Mao's practice of throwing purged leaders into prison or subjecting them to beatings and torture.

The obviously disastrous consequences of Mao's personal rule helped Deng initiate these changes—all of his colleagues could readily see the dangers of granting one leader unbridled power. In addition, Deng personally had not gained his legitimacy so much through revolutionary struggle as had Mao, and therefore he stood on a somewhat more equal footing with the surviving generation of increasingly elderly revolutionary leaders. Yet Deng also faced a dilemma: in wanting to bring about change, he had to maximize his own power to effect reforms at the same time that he circumscribed his power in order to make the leading political organizations more like real institutions.

Far more than Mao, Deng ultimately had to play a game of coalition politics. He was first among equals, at least among the party elders; this was not a "Deng in command" system. Deng made a virtue of necessity by specifically rejecting the trappings of Mao's power: he not only refused to become party chairman, he abolished that post altogether in 1982; he never moved into the Zhongnanhai, the old imperial abode where Mao had made his home in Bei-

jing; and he attempted to build up the prestige of his protégés in the party and the government. In all of this, he had to negotiate with powerful elderly colleagues, most notably Chen Yun, but also Li Xiannian, Bo Yibo, Peng Zhen, and Wang Zhen, each of whom had large support bases in the party, the government, or the military.<sup>10</sup>

Nevertheless, Deng retained some of Mao's important powers. His high domestic and international prestige as a symbol of China's reforms bolstered his position in the Zhongnanhai, where the top party and government bodies are located. Like Mao, Deng had the critically important right to determine who would belong to the top power elite itself.<sup>11</sup> Leaders of Chinese factions strengthen their positions in substantial measure by providing appointments for their followers.<sup>12</sup> Chen Yun, for example, gave Li Peng a critical boost to his career in 1983, and Li subsequently remained loyal to Chen's policy preferences. Deng took care to consult with his colleagues about these decisions—and he allocated positions with an eye to maintaining coalition support. For example, he left the State Planning Commission in the hands of Song Ping, a supporter of Chen Yun, even when Deng's appointee Zhao Ziyang held responsibility for overall economic policy.<sup>13</sup> But the ultimate power stayed in Deng's hands, not by any statute but simply because of his prestige and connections in the system.

Deng also injected himself into the policy process to set national priorities. He did this in a detailed fashion in the late 1970s and early to mid-1980s. After that, his involvement became more selective and sporadic as age slowed him down. As befits the core leader in the Chinese system, Deng's major policy decisions concerned everything from economic priorities to personnel appointments to foreign policy initiatives to ideological pronouncements to restructuring the military system.

The generation immediately following Deng and Chen Yun has differed significantly from its predecessors. Its members did not participate in revolutionary struggles. They spent most of their careers working their way up various bureaucratic hierarchies. They are far better educated and more urban oriented than their predecessors, and they hail primarily from coastal rather than inland China. Most are far more knowledgeable about the international arena. They, in sum, mark the transition to a nonrevolutionary leadership. They and their successors favor stability, sustained economic growth, effective management, and professionalism.

In these regards, Jiang Zemin is typical. Jiang hails from Jiangsu province and was educated in Shanghai. He did a stint in the USSR in the 1950s and subsequently held posts in the automotive, machine-building, and electronics sectors before becoming mayor of Shanghai in 1986 and head of the Communist Party in Shanghai in 1987. Deng Xiaoping moved Jiang to Beijing during the Tiananmen Square democracy movement crisis in 1989 and designated him the future "core leader" of the CCP. Jiang quickly acquired a panoply of top posts, including secretary general of the CCP (1989), head of the Military Affairs Commission of the CCP (1989), and president of the PRC (1993). From 1989 to 1994 Jiang conducted himself with a keen eye to the desires of both Deng Xiaoping and Chen Yun. But as noted in Chapter 5, with Deng's

physical incapacitation in December 1994 and Chen's death in 1995, Jiang began to take real charge of politics in Beijing.

Jiang proved himself to be tough and astute—nobody can rise to his position in the Chinese system without such qualities. He orchestrated the purge of the former head of Beijing municipality, a key opponent at the top, and he brought important supporters from Shanghai into the central leadership group. But Jiang also played coalition politics, taking care to nurture the support of important colleagues.

From 1994 to 1997 Jiang governed in a coalition with Li Peng (as premier) and Qiao Shi (as head of the National People's Congress). Both, of course, held membership on the Standing Committee of the Politburo. The Ninth NPC in 1998 accepted Qiao Shi's retirement (this had actually been mandated by the Fifteenth Party Congress the previous fall), promoted Zhu Rongji to premier and confirmed Li Peng as the new head of the NPC. Li had to step down as premier because he had served in that position for two terms, the maximum period allowed by the constitution. Reflecting changes in the Chinese system as a whole, Li's job change in 1998—forty-nine years after the founding of the PRC—was the first by a top leader in response to constitutional requirements.

In the wake of the November 2002 Sixteenth Party Congress, China is still led by a self-selected elite whose major constraints are imposed by the views and activities of others in the top group, rather than by formal institutional requirements. But several important changes have occurred since the early 1990s:

- The core leader has less power over his colleagues than was the case for either Mao or Deng. This was true for Jiang Zemin in the late 1990s and is even more the case for Hu Jintao, as Hu is surrounded on the Politburo Standing Committee by men who have had closer ties to Jiang Zemin than to him.

- Formal requirements laid down in various rules and regulations are taken more seriously, even within the top group. Yet at this level of the system, politics is still informed more by small-group dynamics than by formal rules and institutional boundaries.

- The top group is less cohesive in that, unlike its predecessors, its key members have not worked together for more than half a century.

- The top group is less powerful than its predecessors in relation to the rest of the political system.

- Retired revolutionary elders are no longer making the key decisions behind the scenes.

The members of the top power elite are themselves differentiated in two ways: by *functional area of work* and by *degree of specialization*. The Chinese assign the top executive members of the power elite responsibility for distinct fields of work. Intermingled with this division of responsibility is a distribution of members into three layers, based on degree of specialization.

The *key generalists* are those at the very top of the system who may be considered the equivalent of the chief executive officer or president of a major corporation. These individuals, including the general secretary of the Communist party and the premier of the government, become involved in many operational issues on a day-to-day basis, and they carry heavy work loads and responsibilities.

The *bridge leaders* are more narrowly specialized than are the key generalists. Each is responsible for helping to develop policy within a certain sphere, coordinating the activities of the bureaucracies relevant to executing that policy, and resolving the differences that crop up between them. Each of these bridging leaders heads a “leadership small group” that coordinates between the relevant bureaucracies and the top leadership. Typically, these bridge leaders are themselves members of the Standing Committee or the Politburo. To continue our metaphor of “PRC, Inc.,” these bridge leaders are vice presidents in charge of major functions.

*Specialized leaders* have control over individual important bureaucracies. They include the heads of the State Development Planning Commission (renamed in 2003 as the State Development Reform Commission), the CCP Organization Department, the Ministry of Foreign Affairs, and so forth. The heads of a few key province-level bodies are also at this level in the system. These leaders run the most important bodies in the system. In corporate terms, they are in charge of top-level departments (strategic planning, finance, and so on) and the heads of the most important operating divisions of the firm.

The division into functions and layers demonstrates to an important extent how relations among these leaders are structured. To reiterate, though, no rules limit the way the top leaders organize themselves or constrain what they are able to do. For example, as top generalists both Jiang Zemin and Zhu Rongji also assumed control over certain key coordinating bodies that are normally the bailiwick of what are termed “bridging” leaders above. The only effective intra-elite check on each of these leaders is the attitudes and actions of the other leaders. Despite two decades of reforms, in this realm of Chinese politics organizational boundaries, tasks, memberships, and identities change often and easily, and they do so at the command of the very top leaders. Actual power depends nearly as much on personal ties with other leaders as on the formal office held.

Surrounding the top leaders are *personal assistants*, of which the two most important types are the personal secretaries and the personal guards. Regardless of the formal office, each of the top leaders has a personal office and personal bodyguards. The personal office consists of a group of “secretaries” (*mishu*), the number varying by leader.<sup>14</sup> Mao Zedong usually had at least five *mishu* for his daily needs, to read to him when he wanted to relax, and for his substantive policy work. Zhou Enlai had more than ten *mishu* at a time. Indeed, since Zhou’s death some of his *mishu* have published books on their experiences.

The *mishu* are close to the top leaders but are not a part of the open bureaucratic system. They can derive great power from their proximity to key

leaders—indeed, over time they may become substantial officials in their own right. For example, Chen Boda headed Mao's personal office before 1966; Mao then spun him off into the Cultural Revolution Small Group, the campaign headquarters for the Cultural Revolution, through which Chen wielded enormous power. Other *mishu* of Mao included Lu Dingyi, who then became head of the propaganda apparatus, and Hu Qiaomu, who later became a Politburo member in his own right. Zhou Xiaozhou, a provincial leader purged with Peng Dehuai at the Lushan conference in 1959, had been a *mishu* of Mao's in the 1940s. Indeed, the cases of Chen Boda and Zhou Xiaozhou suggest that Mao both promoted his *mishu* into major positions after they left his office and then reacted with a strong sense of betrayal if they subsequently disagreed with any of his policy preferences. This underside of Chinese politics has played a very important—and little-known—role in the PRC.

Leaders choose their own *mishu*, who typically have not worked their way “up” the bureaucratic ladder. But since a *mishu* may have to represent his boss at official meetings and in other official capacities, he is assigned a bureaucratic rank as if he were a part of the formal bureaucracy. Once the *mishu* leaves the office of his patron, he is then often assigned a formal position equivalent to his rank. Most *mishu* of the top leaders receive at least the bureaucratic rank of deputy governor of a province or vice minister of the State Council. When they leave the personal office of their patron—and if their patron is still in good standing and they themselves have not made an error—they assume very important positions.

The *mishu* system thus provides a vehicle for factional politics. Top leaders use their ability to recruit *mishu*, assign them formal bureaucratic ranks, and then after a period of time “seed” them in various official posts as a means of enhancing the leaders' own political bases at the Center and in the provinces. For example, at times the Policy Research Office of the CCP has been a very important body. Mao Zedong tended either to recruit the head of that body to be one of his *mishu*, or to make one of his former *mishu* the head of that body. Zhao Ziyang made Bao Tong, his former *mishu*, both secretary to the Politburo and the head of the major institute charged with developing reforms of the political system. Bao was purged and arrested when Zhao fell from power in 1989. More recently, Jiang Zemin's *mishu* Wang Huning became head of the Central Committee Policy Research Office when Jiang stepped down from the Politburo in November 2002.

*Mishu* influence can be extraordinary. For example, one of Lin Biao's *mishu*, Zhang Yunsheng, wrote a memoir in which he revealed that during the critical early years of the Cultural Revolution Lin relied on his *mishu* to provide a summary of the documents that came into his office each day, rather than reading the documents himself. Since Lin almost never left his office compound, this *mishu* provided a major part of Lin's links with the outside world when Lin's actions were of critical importance to the development of the Cultural Revolution.

Indeed, Mao Zedong, according to the testimony of his political colleagues, would after the 1950s accept frank criticism only from his *mishu*. Thus, his key secretaries, such as Tian Jiaying and Hu Qiaomu, became vital

conduits for objective views to reach the Chairman, to some extent compensating for his increasing intolerance of the other top leaders in the system.<sup>15</sup>

Much of what we know about the *mishu* system comes from the memoirs of former *mishu* of the Maoist era. Far less detail is known about the current use of *mishu*, although this clearly remains an important, if hidden, part of the Chinese political system.

The *mishu* system exists at all levels of the Chinese hierarchy, and it works in largely the same fashion at each level. It provides key assistance to top leaders who are not well versed in some of the matters they must deal with. The *mishu* are often well educated and quite capable of looking up needed information or obtaining it from the *mishu* of other leaders whom they get to know.

Only the top leaders at the Center are able to pick their *mishu* without effective interference from the CCP Organization Department, which is normally responsible for vetting personnel appointments. At lower levels, *mishu* must pass muster with the Organization Department before they can start work. Although *mishu* typically develop good personal networks with the *mishu* who serve other leaders at the same level of the system, they do not deal with *mishu* at different territorial levels.

In addition to *mishu*, each top leader has personal guards. For at least the older generation of revolutionary leaders, these guards were truly personal: although the central guard unit under Mao's personal aegis provided overall security, each leader chose at least some guards of his own. Though most of these guards have come from the PLA, the PLA has not retained operational control over them. In fact, although all the personal guards nominally belong to a single guard unit, interviews indicate that even the head of that unit has no authority over them.<sup>16</sup>

Personal guards render a range of services to their bosses, including advance security work for them when they travel in China. For example, if a top leader is going to a province, the provincial security forces in consultation with the Center will make numerous preparations. (Zhou Enlai had overall responsibility for these arrangements under Mao.) Nevertheless, the leader will not travel to the province until one of his personal guards goes to the province himself to check the preparations and make any adjustments he sees fit.

This brief introduction to the top levels of the power elite highlights several important facets of the Chinese system since 1949: it has been intensely personal, with individual relationships extremely important in determining career mobility and political decisions; power at the top has been highly concentrated in a very small number of individuals, roughly twenty-five to thirty-five, who have wielded ultimate authority in the executive, legislative, and judicial spheres; the core leader has had extraordinary authority to determine who else will be in the upper echelons of the power elite; and some aspects of the system do not appear on organizational charts (for example, the use of *mishu* and the division of labor) but are in fact extremely important to the politics and the ordinary functioning of the system. These characteristics to some extent are evident in the Chinese political system at each level of the national political hierarchy. And at all levels, this intensely personal system among the elite exists in a dynamic tension with the very large, complex system of

bureaucratic organization described in Chapter 6. Recent years have witnessed some attenuation of all of these features, resulting in less hierarchy, greater regularity, more meaningful division of responsibility along institutional lines, and a less dominant role for the core leader. But the Chinese system, although in transition, is far from having fully shed the features left over from its revolutionary origins and authoritarian mode.

## Configurations of Political Power

We can best understand the actual configurations of political power by leaving behind the organization charts and instead thinking in the terms Chinese officials use when they talk among themselves about their system. In their vocabulary, the key concepts concerning the organization of power are the *xitong* (led by leadership small groups) and the tensions of *tiao/kuai* relationships.<sup>17</sup> These organizational arrangements and tensions transcend the party-government divisions in the system.

### THE LEADERSHIP SMALL GROUP

As noted above, in broad terms the Chinese organize the top executive members of the power elite into major functional areas. Historically, the four broadest of these have been party affairs, government work, state security, and foreign affairs. Each of the first three has a nationwide network of bureaucracies under it. Because the full assignment of leadership small group responsibilities among the leaders who assumed their posts in the wake of the Sixteenth Party Congress is not yet clear as this book goes to press, this discussion uses the division of labor among the leaders before the Sixteenth Congress to illustrate the system.

Typically, the preeminent leader—Mao Zedong, then Hua Guofeng, followed by Hu Yaobang, Zhao Ziyang, Jiang Zemin, and since November 2002 Hu Jintao—heads party affairs. Government work is focused primarily on economic development, and the number-two and/or -three people in the executive power elite are typically in charge. Zhou Enlai first led this group. In the mid-1980s Zhao Ziyang took over with Yao Yilin. By 1989, Li Peng and Yao Yilin shared leadership of this area. Li Peng and Zhu Rongji led next, and in 1998 Zhu Rongji alone assumed top responsibility for government affairs. Wen Jinbao assumed this role in March 2003.

State security encompasses both public security (that is, the police) and state security (counterespionage). It may also carry some responsibility for the People's Armed Police and the military. In the mid-1980s, Yang Shangkun and Wan Li reportedly headed state security. Qiao Shi then took over, followed by Wei Jianxing.

Foreign affairs is rather unique in that this functional system does not control major nationwide domestic bureaucracies. Zhou Enlai led this group until his death. Li Peng was in charge for most of the 1990s, and Jiang Zemin took over this portfolio in 1998. Hu Jintao now holds this responsibility.

A somewhat narrower set of functional portfolios—all also headed by the top executive officials—is nestled beneath the four broad portfolios just described. Typically, a “leadership small group,” consists of a Politburo Standing Committee member and several others in and outside of the Politburo.<sup>18</sup> Leadership small groups form a bridge between the top leaders of the political system and the major bureaucracies that generate information and implement policy. Each of the major leadership small groups, which are the apex of their related functional portfolios, leads an array of related party, government, and/or military bureaucracies (see Chart 7.1). In a fundamental sense, the leadership small groups define the way political power in both the party and the government is organized.

On the eve of the November 2002 Sixteenth Party Congress, the key leadership small groups and their leaders were:

- Finance and economic affairs (urban economic policy): head, Jiang Zemin; deputy head, Zhu Rongji
- Taiwan work (cross-strait relations): head, Jiang Zemin; deputy head, Qian Qichen
- Foreign affairs: head, Jiang Zemin; deputy head, Qian Qichen
- Agricultural affairs: head, Wen Jiabao
- Party-building work (CCP membership and organizational development): head, Jiang Zemin; deputy heads, Hu Jintao, Wen Jiabao, Zeng Qinghong
- Propaganda and ideological work: head, Hu Jintao; deputy head, Ding Guangen (also head of the CCP Propaganda Department)
- Commission for public sector reform (in charge of the 1998 government streamlining program):\* head, Hu Jintao; deputy head, Luo Gan<sup>19</sup>
- Financial work commission (appoints all high-level officials in the banking system):\* head, Wen Jiabao
- Large-scale-enterprise work commission (in charge of appointments of all heads of and of all reforms in the largest SOEs):\* head, Wu Bangguo
- United Front Department (policy toward non-CCP people):\* head, Wang Zhaoguo
- Political and Legal Affairs Commission (civilian law and order):\* head, Luo Gan

In early November 2002, all of the above individuals were members of the Politburo or its Standing Committee. The only exception was Zeng Qinghong, a very close associate of Jiang Zemin’s who was an alternate member of the Politburo until his elevation to the Politburo Standing Committee in the wake of the Sixteenth Party Congress. Jiang Zemin headed economic affairs, foreign affairs (including cross-strait relations), and party building (that is, member-

\* Not called “leadership small groups” but serve the same function.

7.1 *Organization of Power*

Leadership small groups	From a few to more than a dozen pertinent officials
Grouping of functionally related bureaucracies; the most important are Party Affairs, Propaganda/Education, Organization/Personnel, Political/Legal Affairs, Military Affairs, Finance/Economics	
Important party departments or government agencies and commissions, and their subordinate organs	

indicate direction of control.

and organizational development). Jiang also was (and still is) in charge of Military Commission of the CCP and was the president of the country. Zhu Rongji was the premier of the State Council. Qian Qichen was a vice premier, former foreign minister who coordinated foreign-affairs work under Jiang. Qian Qibao held the dual portfolios of finance and agriculture, two very difficult and problem-laden areas. He was also a vice premier. Luo Gan, also with vice premier rank, took charge of the civilian law and order portfolio, with a key role in organizational streamlining.<sup>20</sup> Hu Jintao was in operational charge of party construction (under Jiang) and in overall charge of propaganda work. Hu was also vice president of the country and head of the Central School. The latter placed him in a key position to structure the training curriculum that all top CCP cadres must take. Ding Guangen was operationally in charge of propaganda. And Wu Bangguo, another vice premier, headed up work toward state-owned enterprises (SOEs).

The remaining Politburo Standing Committee members hold the top "outposts": Li Peng chaired the National People's Congress (head of the legislative body); Li Ruihuan headed the Chinese People's Political Consultative Congress (body of notables); and Wei Jianxing headed the CCP Discipline Inspection Commission (in charge of party discipline and ferreting out corruption).

Among the Politburo Standing Committee members on the eve of the Sixteenth Congress, only Vice Premier Li Lanqing lacked a top executive post.

Although the "leadership small group" system is largely hidden from public view, it is very important. For example, as noted above Li Peng headed the Party Affairs Leadership Small Group during the early and mid-1990s. Many foreign governments paid Li little attention, focusing instead on President Jiang Zemin; Qian Qichen, the vice premier with foreign affairs responsibility; and Foreign Minister Qian Qibao and other officials. Li generally avoided diplomatic duties during these years, reflecting in part foreign negative views of the public, hardline role Li played in suppressing the 1989 student movement. But foreign governments were well advised to consider Li's views care-

fully and to recognize his very important behind-the-scenes role in China's foreign affairs policy-making process.

### THE XITONG

*Xitong*, meaning "system," is the name used to indicate a group of bureaucracies that together deal with a broad task the top political leaders want performed.<sup>21</sup> A *xitong* generally is led by the leadership small group usually headed by the member of the Standing Committee of the Politburo in charge of that *functional portfolio*. Different *xitong* cover various spheres (foreign affairs, finance and economics, and so on). The boundaries of various *xitong* have changed over the years. Six *xitong* have been particularly important for concrete management of the country: Party Affairs, Organization and Personnel, Propaganda and Education, Political and Legal Affairs, Finance and Economics, and the Military. Both Organization/Personnel and Propaganda/Education are under the aegis of the party affairs *portfolio*; Political/Legal and the Military (to an extent) are under the aegis of the state security *portfolio*; and Finance/Economics falls under government affairs. Each includes executive agencies from the top to the bottom of the system, and each encompasses a major sphere of domestic governance.

The party/government distinction erodes in this dimension of the system, and most public sector *danwei* contain personnel who represent two or more of these *xitong*. But current reforms are seeking to remove the administrative links between the bureaucratic *xitong* and the enterprises and social organizations around China. A state enterprise, for example, traditionally had a party committee, a personnel department, a propaganda office, a security administration, and an enterprise manager. Though specific names of these organs could vary, each in fact was part of a different hierarchical nationwide bureaucratic *xitong*. Therefore, neither the party head nor the enterprise manager had absolute control over all the activities that took place in the enterprise.

The present reform effort seeks to restructure this set of relationships so that the government and the party no longer directly administer most enterprises and social organizations (such as research institutes). The government is slated to focus on providing a regulatory and broad policy framework, rather than detailed administrative control. Over the coming years this set of reforms may significantly change the dynamics of the Chinese government's relations with enterprises and social organizations. The communist party is retaining the right, however, to appoint the leaders of these units, even after they are no longer subject to government administrative management. Even under the reforms, understanding *xitong* will still be important to understanding how the governing bureaucracies are organized and interact with each other.

*Xitong* may over time have somewhat variable boundaries: specific organizations may shift from one *xitong* to another in their reporting lines if the leadership wants this to occur. As the leadership began to reconstruct the

bureaucratic system after the Red Guard phase of the Cultural Revolution, the Organization/Personnel and the Propaganda/Education *xitong* were temporarily combined under one extraordinarily powerful leadership small group. As this example suggests, political battles among top leaders have often been reflected in the changing scope of authority of the various *xitong*, as each leader tries to expand the scope of his *xitong* and those of his allies. During the early stages of the Cultural Revolution, for example, Mao Zedong worked with Lin Biao and Jiang Qing first to take over and then substantially expand the scope of the Military *xitong* and the Propaganda/Education *xitong* in order to weaken Mao's adversaries, who headed the Party Affairs (Liu Shaoqi) and various other *xitong*. This flexibility returns us to our core theme: China's political system is awash in organizations but generally has weak institutions. Key appointments in the elite power game, moreover, are those to the hidden leadership organizations that manage the various *xitong*.

The six major *xitong* and their core tasks are as follows.

#### Party Affairs *Xitong*

The Party Affairs (*dangwu*) *xitong* is headed by the general secretary of the party, Hu Jintao. Its most important personnel are the first secretaries of every territorial party committee, down the hierarchy through the level of the township. These individuals are the key personnel that make the Chinese system "work" on a territorial basis. They oversee implementation of political priorities sent down from above, play a crucially important role in all leadership appointments within their bailiwicks, shape major decisions, adjudicate disputes, coordinate efforts, and lobby higher levels on behalf of their localities. They head the territorial party committees that in turn bring together the most powerful officials in each region. The first secretaries are, in short, the most important generalists at all levels of the Chinese political system.

The Party Affairs *xitong* has major participants that number in the thousands. These include the party's general secretary, the leading secretaries of the thirty-one provincial-level party committees, the leading secretaries of more than 2,400 county-level party committees, and the heads of the roughly 660 municipal and 44,867 township (*xiang* and *zhen*) party committees.<sup>22</sup> Ultimately, the people in the Party Affairs *xitong* become involved in a vast array of issues and activities. Just as the party itself tries to be the ultimate decision maker in all matters, the leaders of the various territorial party committees are key to the governance of the localities under their aegis. They do not have absolute power—each of the other *xitong* slices into virtually every locality in China. But the reforms have privileged territorial committees over the vertical functional lines of control, and the top party secretaries of the territorial party committees and the party committees themselves bear a special responsibility for making sure that things in their area work well. Without strong territorial party committee leaders, it would be virtually impossible to coordinate adequately the work of various other *xitong* within any given locality.

Importantly, the Party Affairs *xitong* is unusual in that the vertical relationship among different levels of the political system in this *xitong* are char-

acterized by what the Chinese term “leadership ties” (*lingdao guanxi*). That is, each territorial party committee is directly subordinate to the equivalent party committee on the next highest level. A suburban county party committee, for example, is subordinate to the party committee of the city within which the county is located. Leadership relations mean that the upper level can dictate to the lower level, and the lower level is obligated to obey. In addition, the *government* in any territory must obey the party leadership of that territory when the latter decides to take action on an issue or appointment.

The Party Affairs *xitong* is thus potentially very centralized, if the Center chooses to issue detailed orders and insist on close compliance. Past heads of the Party Affairs *xitong* have been Liu Shaoqi, Hua Guofeng, Hu Yaobang, Zhao Ziyang, and Jiang Zemin.<sup>23</sup> Except during and immediately after the Cultural Revolution, the Party Secretariat has typically been used to manage the Party Affairs *xitong*.

The CCP decides all major issues and controls access to and advancement in the political system. In short, the party dominates and monopolizes political power in China, and therefore China is often called a party-state. The Chinese formally treat party affairs as internal matters and feel little obligation to make party organization, structure, processes, and decisions transparent, especially to foreigners. Even basic information about the average ages, educational backgrounds, and other characteristics of the membership of the party as a whole are only released in conjunction with a National Party Congress every five years. But many of the decisions ostensibly taken and publicly announced by state or other public bodies in fact reflect prior determinations reached by the pertinent bodies in the party itself. And despite the many decisions that have effectively reduced the scope of political activity under the reforms, the party prohibits any autonomous political organization that might challenge its power and prerogatives.

### Organization Affairs *Xitong*

The major task of the Organization Affairs (*zuzhi*) *xitong* is to determine who should be appointed to positions of authority throughout the political system and in related bodies such as schools and hospitals. This *xitong* thus does the staff work for the party’s nomenklatura (described on pp. 234–39). To a large extent, it influences who will get ahead in China and thus the types of individuals that will run the system. It does so, in the language used by pertinent books in China, so as to “organizationally guarantee implementation of the party’s political line.” Organization departments investigate the backgrounds of officials, and they also do studies of the PRC’s personnel system itself. The Party-Building Work Leadership Small Group leads this *xitong*.

This *xitong* consists primarily of the organization and personnel departments at all levels of the party and government bureaucracies. At the provincial level alone, each such department typically had from 100 to 150 officials working in it before the 1998 streamlining program was implemented. Current figures are probably roughly 80 percent of the earlier number.<sup>24</sup> At the Center, this *xitong* encompasses both the Central Committee’s Organization

Department and the government's Ministry of Personnel. The organs of the Organization *xitong* exist not only in the various territorial party committees, but also in all functional government bodies and all other state-owned enterprises and organs. The tentacles of this *xitong*, in short, reach into almost every important nook and cranny in the public sector of the Chinese system.

The specific management of personnel in the PRC has evolved a great deal over the years. Indeed, as noted below, the original idea of dividing the system into broad *xitong* itself appears to have grown out of the system for personnel assignments adopted in the early 1950s. What eventually emerged is a system of organization departments at all levels in the party that maintains personnel dossiers and does the staff work on which personnel assignments and promotions are determined. Their specific relations with related party, government, and other organs are too complex to warrant detailed examination here.

The dossiers kept by the Organization *xitong* are extremely powerful factors in the lives of Chinese.<sup>25</sup> They contain not only information on the individual's birth, ethnicity, education, and work history, but also the results of annual assessments and the contents of any political charges ever made against the person or other negative factors from the person's background. An individual never has the right to review his or her own dossier, yet a negative entry in the dossier can destroy the chances that a person will ever advance in a career unless he or she finds employment outside the public sector. For example, very likely all students who were identified on Tiananmen Square in 1989 had this unfavorable information entered into their dossiers, and this will generally keep them from holding positions of responsibility in state organizations unless the personnel system itself should change. Not surprisingly, personnel dossiers cause great anxiety and pain in China. An individual's dossier stays with him or her, even if the person changes place of residence or jobs.

All organization departments in the party (and the personnel departments in other organs) are supposed to operate according to instructions peculiar to the Organization *xitong*. In this sense, this *xitong* is a power unto itself. The author, for example, once received permission from the deputy head of a large state-owned department store to examine a selection of personnel dossiers for individuals in that enterprise. But the head of the store's personnel department then refused to obey his "superior," citing regulations that were internal to the national Organization *xitong*.

Although this *xitong* is extremely important and powerful, it in fact operates in a quite decentralized way. The units in this *xitong*—for example, the organization department of a municipality and that of the province in which the city is located—are linked by "professional relations" (*yewu guanxi*), rather than by leadership relations. Professional relations require consultation on professional issues and "guidance" from above, but they do *not* give the higher-level body direct command authority over its subordinate. In fact, the organization department's territorial party committee—or, in a functional organ, the party committee of that organ—directly commands the organization department.

The party committee and its organization department in each territorial or functional unit in the system therefore form a very powerful combination. Interviews indicate that new incumbents to the position of top secretary of a party committee typically regard as their highest priority placing “their” person in charge of the organization department under that committee. Once that is accomplished, the party committee leader adds control over appointments and careers to the arsenal of resources to use to obtain obedience from subordinates. Western scholars call the list of positions subject to party appointment the “nomenklatura,” a term that derives from Soviet usage.<sup>26</sup> It is discussed in detail below, in a section devoted to the tools used by the party to control other bodies.

### Propaganda and Education *Xitong*

The Propaganda and Education (*xuanjiao*) *xitong* is, like its organizational counterpart, quite decentralized. Relations between territorial administrative levels in this *xitong* are characterized by “professional” (not “leadership”) ties. This has, nevertheless, at times been a very powerful *xitong* in the Chinese system. At its apex is a Propaganda and Education Leadership Small Group. The Central Committee has an information (until 1998 called “propaganda”) department, too.

If the task of the Party Affairs system is to lead and coordinate on a territorial basis and the task of the Organization system is to affect career patterns, the central task of the Propaganda and Education system is to shape the values and perspectives of the entire population. Numerous units fall under the sway of this *xitong*. They include all print and broadcast media, all schools and colleges (except the specialized institutes directly run by various ministries and the party schools themselves) and virtually all research institutes (again, other than those directly under the various ministries), and cultural units such as museums and performing art troupes. For peculiar historical reasons, the state-run public health system also comes under the Propaganda and Education *xitong*.

The Propaganda and Education *xitong* formerly played an enormous role in mass political campaigns: the initial stage of such campaigns witnessed an upsurge in the state’s propaganda effort, with the media and other resources propagating the key themes of the political mobilization effort. This role has become sharply attenuated under the reforms, as the system has evolved in directions that rely far less on political mobilization, permit much greater freedom of thought, and require most media outlets to secure funding from advertising and other sources rather than from state budget appropriations.<sup>27</sup> Most urban Chinese no longer participate in the political study groups that were a major feature of the system through the 1980s.<sup>28</sup> Although the Propaganda and Education *xitong* encompasses education, professional educators have played a weak role in it. The major task of this bureaucratic system has been to create people who think along socialist lines as interpreted by the top party leaders. But professional educators have tended to favor the development of knowledge that implicitly adheres to standards other than simply

those of political rectitude. In addition, officials have generally seen schools as institutions that eat up a lot of investment, provide no immediate profit to the state, and often are sources of trouble because of dissident activities by students and teachers. As a consequence, the professional side of the educational system has generally been under the thumb of the propaganda side of the Propaganda and Education *xitong*. This arrangement proved most damaging during the Cultural Revolution, when in 1966 Mao Zedong closed all the country's schools for several years and virtually wiped the higher-education system clean of all serious scholarship for a full decade.

Although Mao's Cultural Revolution extremism created a national tragedy in terms of lost educational opportunities, the bureaucratic weakness of education in China has continued to be evident even under the reforms.<sup>29</sup> These reforms demand a more educated populace to master the economic and scientific tasks necessary to be competitive in the international arena. But China's education budgets on a per capita basis remain in 2003 among the lowest in the world, and the country is suffering from a shortage of well-educated individuals. Primary and secondary teachers' salaries remain very low, and growing school fees in recent years have meant that many rural and poor children are missing basic educational opportunities.

Mao Zedong's death and the ensuing reforms have thrown the propaganda side of the Propaganda and Education *xitong* into malaise. The problem confronting this bureaucratic system is fundamental: in an era of repudiation of Maoist values and of opening up to the international arena, what is the substance of the values that should be conveyed to the populace?

With the official dominant political slogan of the early 1980s being "seek truth from facts," many in the Propaganda and Education *xitong* could not figure out what they should in fact be doing. The explicit repudiation of political campaigns as a technique of rule furthered this sense of uncertainty for those in the Propaganda and Education *xitong*.

The Tiananmen pro-democracy movement of April–June 1989 revealed just how far the malaise in the Propaganda and Education *xitong* had advanced. As noted in Chapter 5, among the groups marching on Tiananmen Square on the historic day of 4 May 1989, one held up a banner declaring that it represented the Central Committee Propaganda Department and that its goal now was to tell the unvarnished truth. Another represented the *People's Daily*, the Communist party's most authoritative newspaper. The Propaganda and Education *xitong* had cracked apart right up to the top. In the wake of the repression of the pro-democracy movement, the hard-line political leaders carried out their most thorough purges of dissidents in this *xitong*.

The tumultuous political and economic changes China has made since Mao's death have rendered the fundamental tasks of the Propaganda and Education *xitong* virtually impossible. The Chinese population now appears to have no consensus regarding the values that all should embrace. In reality the primary values conveyed to the population concern seeking a higher standard of living and standing up for the country. For example, even the state-run television broadcasts soap operas and other shows that portray high living as an ideal in order to attract advertisers and viewers. Materialism is rampant, and

few value-based constraints operate to soften the edge of individuals' efforts to maximize their incomes. Corruption is very widespread. Also, the reach of this *xitong* into society has diminished with the extensive development of nonstate enterprises, some with foreign capital, in which the presence of the propaganda apparatus is limited. Many nonstate schools are also opening. Finally, increasing access to the Internet and the growing availability of telephones and cell phones has drastically reduced the virtual monopoly that the propaganda and education apparatus previously exercised over citizens' access to information. As of early 2003, over 200 million households have telephones and over 200 million Chinese own cell phones.<sup>30</sup>

### Political and Legal Affairs *Xitong*

The *xitong* in charge of the civilian coercive apparatus is called the Political and Legal Affairs (*zhengfa*) *xitong*. It is headed by the Political and Legal Affairs Commission in Beijing. The highly authoritarian PRC political system has constructed an appropriately elaborate system of repression to maintain the rule of the Communist party. Part of this repressive system consists of the People's Liberation Army, which has historically played a major domestic garrison role. This military component of the system is discussed below.

The Chinese decided not to duplicate the KGB when they adopted major components of the Soviet political system under Stalin. That is, they decided that they would not develop a secret police apparatus that penetrated the party and government, that operated in highly centralized fashion, and that became a state within a state, answerable ultimately only to the supreme leader at the top.<sup>31</sup> Perhaps reflecting the lessons and operational styles developed during their long guerrilla war before 1949, the Chinese communist leaders opted for a somewhat more decentralized repressive apparatus with greater emphasis on political controls embedded in the *danwei* and with a taboo, broken only during the Cultural Revolution, on having the police apparatus penetrate the party itself. Thus the largest bureaucratic hierarchy within this *xitong*—the nationwide public-security apparatus—utilizes a system of "dual leadership." Public-security organs are under the control both of their territorial party committee and of the public security organ one level higher in the national administrative hierarchy.

The Political and Legal *xitong* that was established in the 1950s was, nevertheless, large, wide ranging, and powerful. At one time or another it has run the court system, the prosecutors, the labor camps, the prisons, the fire departments, the border guards, the uniformed police, the secret police, and the issuance of passports, among other things. This system also provided the leadership with reports on the political attitudes of the populace, essentially substituting to an extent for the public-opinion polls and free press common to Western democracies. Reportedly, the public security system employed four hundred thousand police in 1978 and twice that number by 1994. In addition, by 1994 the armed component of the civilian security forces, the People's Armed Police, numbered some six hundred thousand troops.<sup>32</sup>

Various parts of this repressive empire had different histories. During the

early and mid-1950s, for example, the PRC made significant efforts to develop a set of legal codes to replace the Guomindang law that had been abolished with the revolution. The court system also expanded considerably during these years. But with the Antirightist campaign of 1957 and the Great Leap Forward of 1958, this entire policy thrust disappeared.<sup>33</sup> Until 1977, the PRC still lacked any formal criminal, civil, or other legal codes. As noted in Chapters 5 and 6, one component of the reform effort has been to develop such codes, especially to provide a firmer legal basis for the economy.

The party has always maintained its own internal bureaucratic organs, usually called Discipline Inspection Commissions, to investigate problems and enforce party discipline.<sup>34</sup> When a party member has committed a serious crime, often that individual is first expelled from the party and only then turned over to the Political and Legal Affairs *xitong* organs for judgment and punishment. Powerful party figures, however, typically but not always escape punishment by the judicial organs.

The major government ministry under the Political and Legal Affairs *xitong* is the Ministry of Public Security. For most of the period of the PRC, this ministry and its subordinate organs have been able to investigate, arrest, prosecute, and imprison Chinese citizens without allowing them any recourse. Mao Zedong's frequent calls to intensify "class struggle" often meant specifically calling for the Political and Legal Affairs *xitong* to "ferret out" and persecute additional "class enemies." Each major political campaign of the Maoist years brought additional people into the Chinese gulag run by the public-security system.<sup>35</sup>

Indeed, the Ministry of Public Security was the major bureaucratic unit that enforced the class system that developed in Maoist China. People categorized as landlords during the Land Reform campaign of the early 1950s, for example, subsequently had to report as frequently as once a week to the local organ of the public-security apparatus. Many were made to maintain diaries that would be turned over at these meetings for inspection by the authorities.

The Maoist leadership often expressed the principle that the Chinese should "cure the illness to save the patient" in its approach to handling those who fell out of favor. To some extent, it practiced this approach—at least more than the Soviets did under Stalin. Nevertheless, the public-security system made ready use of execution, and many were put to death in public rituals designed to "educate" the rest of the population. Nobody knows the numbers of individuals executed over the years by China's public-security authorities. Some estimate that currently China carries out far more than half the total number of executions globally each year.

The public-security system runs both prisons and "reform through labor" camps. In both instances, prisoners are forced to engage in manual labor, except those held in solitary confinement or who are for other reasons restricted from working. Figures are not available on the total number of people in the Chinese gulag. The fullest study to date on the system estimates 15 to 20 million, but there is no way to determine whether this is accurate.<sup>36</sup> The value of goods produced and the types of labor that prisoners perform are also uncertain. Anecdotal evidence suggests that prisoners have played major roles in construction, in translation of works into foreign languages

(many intellectuals have been put into Chinese prisons), and in production of various goods for the market.<sup>37</sup> Under Stalin, the Soviet Union utilized prison labor on a massive scale in mining, construction, and other areas, making slave labor a significant portion of the overall Soviet economy. Chinese prison labor very likely has played more than a trivial role in the country's economic performance, but it appears that it has never approached the significance of such labor in the Soviet system under Stalin.

The public-security system ran into deep trouble in the early stages of the reforms in the late 1970s. During the Cultural Revolution, public security for the first time penetrated directly into intraparty political battles, and many of the officials who were overthrown were given over to the public-security apparatus.<sup>38</sup> Kang Sheng, who as noted in Chapter 2 was trained by the Soviet KGB in the 1930s, gained great power in this *xitong* in the late 1960s and used it, along with extrabureaucratic "special-case groups" he formed, against Mao's purported political enemies.<sup>39</sup>

When Deng Xiaoping and his reform-minded colleagues came into power, they took measures alarming to the public-security authorities. They decreed that the public-security people could no longer penetrate the party itself. They also promoted the development of laws intended to improve the treatment of citizens. Most fundamentally, the reformers brought back into power those who had been purged during the Cultural Revolution, and they also declared in 1979 the end of large-scale class struggle. These two moves were profoundly disheartening to members of the public-security apparatus.

Suddenly, top party leaders in power included those who had suffered grievously at the hands of the public-security organs over the previous decade. Those who had carried out the repression were frightened at the possibilities of retaliation. The issue came to a head in the celebrated—and tangled—case of Zhang Zhixin. This woman was arrested early in the Cultural Revolution for the "crime" of indicating that Liu Shaoqi, Mao's chief personal target in the Cultural Revolution, had not been wrong and disloyal in everything he said. She was kept in harsh conditions in prison, with an inmate overseer who was promised a sentence reduction if she could make Zhang repent. Zhang, however, remained steadfast.

Finally, Zhang's stubborn support for Liu produced a decision to execute her. The provincial party leadership approved the execution (it is not clear why this case reached so high a level). The day before the execution, Zhang Zhixin's vocal chords were cut out without anesthesia "to make sure she would not shout reactionary slogans" at her public execution. She was shot the following day.

The question hotly debated in 1981 was whether those involved in this horrendous case should themselves be punished. After national attention to the issue, the reformers decided not to go after the executioners because it would only prolong the country's agony and turmoil. But such stories—and there were many of them—diminished the prestige and shattered the confidence of many in the public-security apparatus.

The 1979 decision to declare that most former members of the exploiting classes had now become members of the proletariat and peasantry—and the

virtually concurrent decision to release the “rightists” from the prisons and labor camps—reduced the role of the public-security apparatus. No longer would this bureaucracy intrude regularly into the lives of the dozens of millions of people who had “bad” class labels. The labor camps themselves lost inmates numbering in the millions during the rehabilitations after Mao Zedong’s death.

The rise of the post-Mao reformers and the implementation of their programs not only directly hurt the bureaucratic interests of the public-security apparatus, it also created a more complex situation for these people to confront. The civilian repressive apparatus is in charge of counterespionage via the State Security Ministry and of regular maintenance of public order, as well as enforcing political order. But the reforms vastly increased the contacts between Chinese and foreigners, created markets and increased the circulation of money in a fashion that nurtured sophisticated economic crimes, and encouraged the development of greater independence and resistance on the part of large sectors of the population. They also loosened residence controls and brought some 100 million people off the land. Rooting out crime, dealing with foreign espionage, and even maintaining control over corruption within the public security system itself became far more difficult in the more open, complex, dynamic society that the reforms produced.

Even under the reforms, however, the public-security apparatus remains very large, extensive, and powerful. In 1989 China published a volume that for the first time specified the number of positions in the organs of province-level units in the government.<sup>40</sup> This volume’s data revealed that even after a decade of reforms designed to make the economic system grow, the total number of provincial-level cadres in the civilian repressive apparatus under the Political and Legal Affairs *xitong* remained massive. According to this volume, most provinces as of 1988 had between 1,000 and 1,500 officials in this *xitong at provincial level alone*. For four localities with special security needs, the numbers at provincial level were far higher: Beijing (11,516); Shanghai (7,111); Tianjin (7,629); and Guangdong (3,953). These figures omit the far larger numbers of officials in the public-security apparatus below the provincial level, in addition to uniformed police on the street, security personnel within *danwei*, prison administrators, and the presumably huge networks of informers.

But still, as indicated in Chapter 6, China suffers both from poor training of a significant part of its public-security forces and from very uneven distribution of these forces around the country. The tremendous concentration of attention on key cities and provinces noted above has left much of the country underserved in terms of quality systems of law and order. Consequently, one of the most persistent demands raised by delegates to each National People’s Congress has been for strengthening the political and legal *xitong* and implementing more effective policing of the country.

#### **Finance and Economics *Xitong***

The Finance and Economics (*caijing*) *xitong* is charged with making the urban economy grow. Given the centrality of economic growth to the tasks of the

state, each premier has taken management of the economy—especially of the urban economy—as a major area of responsibility. Concerns about the rural economy have focused more on extraction of resources than on producing new growth.

At times the Finance and Economics *xitong* has been headed by a Finance and Economics Leadership Small Group or a Finance and Economics Commission. This is a complex, multifaceted bureaucratic *xitong*. Even under Mao Zedong, different constituent parts of this *xitong* often were at loggerheads with each other. The Ministry of Finance, for example, often argued (typically unsuccessfully) with then extant State Planning Commission. The latter always pushed for major new projects and faster economic growth, whereas the former worried about the financial consequences of overly ambitious investment plans. Such tensions between finance officials and the production and construction people are typical of most political systems.

The economic reforms have been both a blessing and a bane to this *xitong*. To an extent, the priority given to economic growth under the reforms has redounded to the benefit of officials in the Finance and Economics *xitong*. Since the late 1970s, for example, this *xitong* has suffered far less interference from the interventions of the Political and Legal Affairs *xitong* or the Propaganda and Education *xitong*, both of which had previously increased their role in economic units—typically at the cost of economic growth—during political campaigns.

In addition, more resources in general have flowed to the economic sector under the reforms, and opportunities for improvements in personal living standards for officials in this sector have grown, sometimes a great deal. Some such officials, for example, have been well positioned to take advantage of the need for numerous approvals for business projects in order to engage in large-scale corruption. Others have enjoyed many chances to have contact with foreigners and to go abroad—both of which produce increased opportunities to acquire scarce goods, foreign exchange, and new skills. And many government departments in this *xitong* have seized opportunities to run very profitable businesses.

The economic reforms have also, however, sharpened contradictions within this *xitong* and have created problems for it as a whole. Insofar as the reforms progress toward a market system, the state planning officials within the Finance and Economics *xitong* lose power, and that transformation is accelerating as China implements its WTO accession agreement. The government personnel streamlining program initiated in 1998 fell with particular force on the organs in this *xitong*. Almost all ministries governing specific economic sectors were either abolished or reduced to bureau-level bodies under the former State Economic and Trade Commission.<sup>41</sup> New regulations are reducing the number of approvals required for business projects.

The actual boundaries of the Finance and Economics *xitong* are somewhat vague. It includes the State Development Reform Commission, the Ministry of Commerce, the finance ministry, the banking system, the subordinate organs of these bodies, the few remaining economic sector ministries (such as, as information) and the state-owned enterprises. This encompasses a huge array

of bureaucratic organs and personnel. The level of centralization of decision making varies in the different subsectors within the Finance and Economics *xitong*, but overall the reforms have encouraged greater decentralization and more of a regulatory than a command role for the government. Although the Finance and Economics bureaucratic system does not wholly encompass the nonstate urban sector or the agricultural sector, the decisions made in this *xitong* nevertheless have a profound impact that reverberates throughout the economy.

### **Military *Xitong***

The final system that warrants individual treatment is that of the Military (*jun-shi*) *xitong*. The communists' armed struggle for power lasted more than twenty years and created an almost unique, symbiotic relationship between the party and the military. The party leaders of the older generation virtually without exception had extensive pre-1949 military experience. Mao Zedong was a military strategist of the first rank. Deng Xiaoping had so much experience in warfare before 1949 that when in 1955 the PRC conferred the highest military rank (marshal) on ten individuals, it also offered this honor to Deng. He declined. To the communist leaders in China, the military has had both national-security and domestic political roles.<sup>12</sup>

After 1949, therefore, the military retained a very special place in the new political system. As noted in Chapter 3, shortly before nationwide victory the army, air force, navy, and other military arms were combined into the People's Liberation Army (PLA). The PLA does not answer to the government, though there is a Ministry of Defense and a government Military Affairs Commission. The Ministry of Defense in reality has little real power over the military and is primarily a convenient vehicle for dealing with foreign military organizations and visitors. Likewise, the government Military Affairs Commission is a hollow shell whose membership totally overlaps with that of its party counterpart.

The real leadership of the Chinese military is exercised through the Military Affairs Commission of the CCP, and it is a measure of party dominance of the system that the PLA is sworn to defend the Communist party. The Military Affairs Commission has the same bureaucratic rank as the State Council and is thus not under government control. Rather, this commission has been headed at all times, other than during the brief Mao/Deng interregnum and during 1989–94, by the most powerful individual in the Chinese Communist party: Mao Zedong until September 1976 and then Deng Xiaoping from June 1981. In 1989, Deng had Party General Secretary Jiang Zemin, who had no prior military experience, appointed to chair the Military Affairs Commission in order to help build up Jiang's political base for the succession, but in reality Deng retained supreme military command authority until physical incapacity ended his role. Jiang, in somewhat similar fashion, made his likely successor Hu Jintao the vice chair of the Military Affairs Commission in 1999, although Jiang chose to retain his chairmanship of the Military Affairs Commission even after he stepped down from the Politburo in November 2002.

Unlike the other *xitong* discussed above, the Military *xitong* constitutes vir-

tually a state within the state.<sup>43</sup> Party control is exercised at the very top via the Military Affairs Commission. Below this is a General Political Department that has subordinate organs at lower levels of the military hierarchy. The General Political Department is largely in charge of running party activities in the PLA. It also plays a major role in military personnel decisions and in security and counterespionage work in the PLA. In other words, civilian party committees, the Organization *xitong*, and the public security apparatus are not allowed to penetrate the PLA itself.

The PLA also has a General Logistics Department that runs a vast network of military industries and transportation links. There are no accurate figures to indicate the size of this military sector within the country's economy, but it almost certainly has been very large. In the transportation sector, not only were many airfields dedicated to exclusive military use, a substantial portion of the nation's rail system also was reserved for the PLA. During the 1980s reform policies were adopted to convert some military industries to civilian or to dual-use production, and in at least some instances military transportation facilities were opened to limited civilian traffic. But the notion of a significant system of production and transportation facilities dedicated to almost exclusive military use remains accurate as of 2003. The Finance and Economics *xitong* does not penetrate the portion of the economy under military aegis.

The PLA has a General Staff that includes the heads of its military service arms, the army, navy, and air force. Fittingly for a continent-sized country, the army is the most important of the three. Until the mid-1980s it had manpower levels of over 4 million, making it the largest force in the world.

For most of the years since 1949 the army retained a deep imprint of its pre-1949 existence. In the late 1940s the PLA grouped its forces into five "field armies" that swept over different parts of China. As noted previously, each field army in 1949 and 1950 "settled" into a different section of the country, depending on where the civil war had left it. (Lin Biao's Fourth Field Army actually ended the war in two places: northeast China and Guangdong Province.) In each instance, during the early 1950s many of the officers of the field army were assigned to civilian responsibilities, and to a large extent these civilian officials governed their regions into the 1980s. Notwithstanding the "state-within-the-state" characterization of the military system above, therefore, the personal ties between field army officers and the party and government officials of the locality often were long standing and close. Western scholarly research strongly indicates, moreover, that field army affiliations continued to play an important role in military promotions and career patterns through the 1970s.<sup>44</sup>

The decade of the 1980s brought some important changes in this situation, though. Deng and the reformers sought to upgrade the quality and reduce the average age of both military officers and civilian leaders in the localities. During the mid-1980s, therefore, there was massive turnover of military officers, with very large-scale retirements of older leaders and their replacement by generally better-educated younger people. At the same time, new military regulations required formal officer training school for promo-

tion into the commissioned officer corps. Other measures taken to improve the quality of the officer pool further weakened field army ties.<sup>45</sup>

China generally divides its army in two ways. First, it separates strategic reserve forces from garrison forces.<sup>46</sup> The former are well equipped, relatively highly mobile units under the direct control of the Center. They are used for national security purposes and have generally been kept out of domestic political and economic activities. The garrison forces are less well equipped and have been deployed in military regions around the country.<sup>47</sup> These forces play more important roles in domestic politics and economics than in protecting the country from external attack. They can be deployed to assist in emergencies such as floods and fires, to provide manpower for major construction projects and for agricultural work, to back up party and government directions with force and quell civil unrest, and to perform other duties. These were the forces called on to take over management of society in 1968, when Red Guard battles plunged the country into virtual anarchy. Their extensive involvement in civilian activities further enhanced the ties between the military officers and officials in various localities, although competition over resources and other matters also produced tensions in many of these relationships.

More than in any other communist country, therefore, the military has been important in domestic governance in China. As further evidence of this, at all times through the early 1980s the Politburo included both individuals currently serving in the PLA and many "civilians" who had spent one to three decades in military service. Only in the late 1980s did this situation begin to change significantly. As a part of his reforms, Deng Xiaoping sought to modernize the military establishment, professionalize it, and focus its efforts more on national security than on domestic matters. These efforts were set back somewhat by the dramatic and costly use of the PLA to suppress the Tiananmen demonstrations in 1989. But the longer-term trend is in the direction Deng sought, and the continuing turnover of lower-level officers and officials due to the reforms has produced real changes in the dynamics of the military's involvement in local affairs. The passing of the elder party leaders during the 1990s marked a very important step in the further disengagement of the military from the domestic political system. Now none of the top party leaders has extensive military experience.

During the 1990s the PLA, partly on the basis of lessons it learned from watching the United States evict Iraqi forces from Kuwait in Desert Storm, increasingly focused on developing the capacity to fight a local war under high-tech conditions. Political developments in Taiwan in the mid- and late 1990s led to an additional task: to develop the capacity to force a political solution to the cross-strait issue.

These new emphases have led to increased attention to the navy, air force, and rocket forces and to developing force-projection capability in general. The PLA has increasingly emphasized combined arms training exercises and such nontraditional pursuits as electronic warfare. In the 1990s, China also began purchasing significant advanced weapons systems—including fighter aircraft, destroyers, and antiship missiles—from Russia. The new

requirements demand higher-quality, better-trained forces, along with the development of a noncommissioned officer corps. In all these areas, procedures, budgets, and attention have shifted substantially since the early 1990s.<sup>48</sup>

The PLA is thus becoming a more professional military force, reducing the imprint of its revolutionary origins, and it has become less involved in domestic politics throughout the country. This marks a fundamental change from the era of Mao Zedong, when regional military commanders had close political ties with their civilian counterparts. As this occurs, the military's role in maintenance of domestic order is diminishing, with responsibility here shifting to the People's Armed Police (which would revert to PLA command in a time of major domestic disorder).

But the PLA is now a very powerful interest group that is able to secure significant budgetary increases and perquisites. It may be playing an increasingly influential role in China's foreign policy, especially in Asia. After shrinking dramatically in the mid and late 1980s, PLA budgets began to grow very substantially in the late 1990s, reflecting the higher cost of new PLA tasking and the related more high-tech, more effective set of forces.

In political terms, the CCP retains control at the top of the military system through the Military Affairs Commission. In addition, as noted above, the party plays a crucial role in military promotions through the General Political Department's bureaucratic system. A fundamental principle of the Chinese system remains that the party controls the gun, and the military protects party rule.

### Summing Up

Overall, the Chinese political system is not divided up as neatly as the above overview of the six most important *xitong* might suggest. Matters that seem as though they should fall completely within the boundary of one *xitong*, such as vehicle assembly under the Finance and Economics system, may in fact pop up in some instances under another, such as Propaganda and Education. This reflects the natural tendency toward empire building—and reluctance to be dependent on others—that takes place throughout the Chinese polity.

In broad terms, though, several major observations about these *xitong* are in order:

□ All of the *xitong* aim to shape the behavior of China's people. The Finance and Economics system uses primarily economic incentives; the Propaganda and Education system employs moral incentives; and the Political/Legal, military, and Organization/Personnel systems utilize coercive punishments and/or career rewards. The Party Affairs system makes use of all three types (remunerative, normative, and coercive) of incentives.

□ Generally, the Finance and Economics *xitong* played the most important role during the First Five-Year Plan (1953–57). The Party Affairs system took command of the Great Leap Forward. The PLA surged to the fore during the Cultural Revolution. Under Deng Xiaoping's reforms, the Finance and

Economics *xitong* has in relative terms done best, but its role is changing fundamentally with the transition to a market economy. The military has also fared well since the mid-1990s, although before then the reforms had produced sharp reductions in military prestige, budgets, and roles. The interests of the other four *xitong* have been hurt badly by the reforms, and this highlights the truly remarkable successes of the reformers in sustaining this effort, despite major setbacks.

□ The *xitong* as such, as noted previously, are virtually invisible on China's organization charts. Yet Chinese officials very much think in terms of these broad functional systems, and the vocabulary they use reflects this way of looking at the political system. In addition, studies of career mobility suggest that most officials tend to spend their entire careers within the bureaucratic organs of a single *xitong*.<sup>49</sup>

□ Most of the organs in *xitong* other than the military report to the territorial party committees rather than up the line within their *xitong*. With limited exceptions in the state security apparatus and to a still lesser extent in the public security apparatus, Propaganda, Organization and Personnel, and Political and Legal Affairs, are all characterized by only professional (*yewu*) relations up the bureaucratic hierarchy. The same is true for many, but not all, of the organs within the Finance and Economics *xitong*. The key bureaucracy that integrates the various levels of the national political system is, therefore, the *party* bureaucracy, working through its hierarchy of territorial party secretaries.

## Party Control of the Government

The Communist party has a dual identity. It consists in part of the people who hold offices in the formal party apparatus—that is, who have executive positions in the party bureaucracy. Only roughly five hundred thousand members fall into this category, but most discussions of “the party” are actually concerned with precisely this minority.<sup>50</sup> The larger portion of the party consists of people who are members of the party but who do not have jobs in the party bureaucracy itself. Most officials in the government and officers in the military, for example, are party members, as are numerous workers in state enterprises, peasants, administrators in universities, and others. Party membership in 2003 totals over 66 million people. Although the party thus defines the political elite of the country, therefore, many party members are at best very marginal members of that elite.

Concerted efforts to assure party control over the various organs of rule (the state, the military, and myriad mass organizations) date back to 1942, when the party leadership in Yan'an first confronted this issue as the base areas grew in size and complexity.<sup>51</sup> The party's approaches to assuring its continuing control have evolved since 1949. In the mid-1950s, the decisions of the top party leaders in the Politburo were actually implemented through three bodies: Deng Xiaoping's Secretariat for party and mass work; the CCP's Mili-

tary Affairs Commission for military affairs; and the State Council for economic and foreign affairs. In October 1955, the party's Central Committee established departments that paralleled similar bodies, called "staff offices," that had been set up under the State Council to run the economy. These new bodies originally focused on personnel assignment work, but eventually their responsibilities broadened and they became key organs—the leadership small groups discussed above—in the party's exercise of power over the state bureaucracy.

Further evolution occurred during the Great Leap Forward, when expansion of the overall role of the party meant that the Party Secretariat assumed tremendous power at the Center and the party committees throughout the political system usurped the work of their government counterparts. The party then retreated somewhat with the collapse of the Great Leap in the early 1960s, and during the Cultural Revolution Red Guard attacks on the party rendered independent party work virtually impossible. In the late 1960s the new official organs of power, called "revolutionary committees," actually fused party and government bodies into a single unit. The party gradually was resurrected during the 1970s, and the revolutionary committees themselves were turned back into government organs in the wake of Mao Zedong's death. Officials made a concerted effort to differentiate the party and government more clearly and to increase the independence of government organs in the late 1980s, but this effort largely disappeared in the wake of the Tiananmen movement's suppression and the purge of Zhao Ziyang.<sup>52</sup>

The Chinese Communist party retains the power to decide all major political, social and economic policy issues and to appoint the leaders to all public sector bodies (including government offices, public institutions, and SOEs). The CCP employs four basic methods to achieve continuing control over the other bureaucracies: nomenklatura appointments and interlocking directorates, leadership small groups, party "core groups," and "party life." All four of these date back to the 1950s or before. These four practices in their totality lock government officials into such a powerful web of party interference and controls that one of the major issues confronting the Chinese political system today is how to establish a meaningful separation of party and government functions.

### **NOMENKLATURA APPOINTMENTS AND INTERLOCKING DIRECTORATES**

The nomenklatura (as noted above, the term comes from usage in the former USSR) consists of lists of leading positions over which party units exercise the power of appointment and dismissal, lists of reserve candidates for those positions, and rules governing the actual processes of appointments and dismissals. Through its nomenklatura system, the CCP exercises control over who attains leading positions not only in the party, but also in the government, judicial system, schools and universities, enterprises, research establishments, religious organizations, museums, libraries, hospitals, and so forth. *All* posi-

tions of real importance in China fall under the CCP's nomenklatura—even many of those, such as the head of the National People's Congress, that are stipulated in the State Constitution as “elected” offices. Through this vehicle the party monopolizes the power to determine who will join—and who will be forced out of—the country's elite in all spheres.

Professor John P. Burns has written the most thorough analyses of China's nomenklatura system to date.<sup>53</sup> As Burns indicates, nomenklatura authority is actually distributed among a number of different party organs, each of which controls the appointment power of a specific array of positions. One significant measure of any organ's importance to the party leadership is the number of its positions on the nomenklatura of the highest levels of the CCP. For example, as of 1990 the Chinese Academy of Sciences had the following positions on the Central Committee's nomenklatura list: president, vice presidents, all the members of the party core group, and the head of the discipline inspection group. The same was true for the Chinese Academy of Social Sciences. For “key point” institutions of higher learning, in contrast, the Central Committee's nomenklatura required only reporting (presumably, for approval) of appointments of the president, vice presidents, party secretaries, and deputy secretaries. In late 1990, the central party leadership felt it was more important to control tightly leadership appointments in the Chinese Academies of Sciences and of Social Sciences than those in the most important universities.

The actual rules governing the nomenklatura have varied over time, and little information is available in the public domain about its scope and operations. Before the Cultural Revolution, the Central Committee departments that took responsibility for various economic sectors evidently exercised nomenklatura power within their domains. These specialized departments ceased to function during the Cultural Revolution and were not revived by the reformers after Mao Zedong's death. In their stead, the Organization Department of the Central Committee has assumed some of the burden and has farmed part out to other units, as explained below.

An additional consideration in China's multilayered bureaucracy is how far “down” appointment power should reach. China is such an extraordinarily bureaucratic society that virtually all public organizations, whether formally part of the state or not, are assigned particular bureaucratic ranks. Table 7.1 presents the rank equivalents among government organs in somewhat simplified form.

Nonstate public organs fit into this same system. The China International Trust and Investment Corporation and the Chinese Academy of Social Sciences, for example, have the rank of State Council ministries, even though the former is a state-owned investment bank and the latter is a research organization. Enterprises, hospitals, and so forth also have assigned bureaucratic ranks that determine many aspects of their relationship to the political system.

As a general rule, from the mid-1950s until 1984 the nomenklatura allowed appointments two ranks “down” in the system. The Central Committee, therefore, had on its direct nomenklatura list the leaders not only of ministries and provinces, but also of ministerial bureaus and provincial

TABLE 7.1 *Rank Equivalents among Government Organs*

CENTER	PROVINCE	COUNTY
State Council		
Ministry	Province	
General bureau	Commission	
Bureau	Provincial department	
	Prefecture	
Division		County
Section		County dep.

Source: Kenneth Lieberthal and Michel Oksenberg, *Policy Making in China: Leader Processes* (Princeton, N. J.: Princeton University Press, 1988), p. 143.

departments—a number of posts that extends well up into the center. Since the “two-ranks-down” system in numerous cases put the two different nomenklatura lists (for example, of the Central Committee and of the province), it appears that both levels participated in the final decision, but that the upper level had the final say in case of disagreement.

In August 1984, however, this system was modified in several ways to make it more effective and more flexible, without giving up party control. The first of the two key changes was a shift from a two-ranks-down system to a one-rank-down nomenklatura system. This reduced the number of positions listed on, for example, the Central Committee’s nomenklatura, dropping the total figure at the time to about 10,000. This change enabled the central authorities to exercise their nomenklatura powers in a more serious fashion. The huge numbers on the previous nomenklatura lists had too often resulted in perfunctory consideration and de facto approvals of whomever the lower level nominated. At the same time, the shift to a one-rank-down system gave provincial leaders in provincial and lower territorial units gained almost total control over appointments and dismissals of officials within their jurisdiction. Only the very highest officials at each territorial level—such as secretaries and the governor and vice governors at the provincial level, for example—would still be appointed by the next highest level. In extraordinary cases even these appointments were subject to consultation with the unit affected.

The second change shifted many nomenklatura slots away from the direct control of the Central Committee to the actual decision-making core group within each ministry. As detailed below, the party core group consists of the top party members who are officials in the ministry. This group almost always includes at least the minister and several vice ministers. This group often will decide the major issues confronting the ministry. All members of the core group are on the nomenklatura list of the Central Committee. The core group, in turn, may control the nomenklatura list of

in the ministry. These second-level appointments must then be reported to the Central Committee for the record.

1984 changes create the possibility that provinces and ministries might eventually become ingrown, since appointments to all but the top-level positions are controlled from within. Adequate data are lacking to judge whether this trend has in fact appeared in the staffing of ministries where, in the past, promotions from “in house” had been the rule for many years. Evidence, however, is a general increase in the percentage of provincial appointments below the top level in which the appointee’s previous position was in the same province.

In addition, the 1989 student movement elicited such broad support from the party and government units that after putting down this movement the top leaders took measures to strengthen their control over key positions.<sup>54</sup> This included, in part, extending the list of appointments reported to the Central Committee and possibly exercising veto power over these positions. Because the nomenklatura system is constantly changing and the most recent list available is that for 1990, details of the system in this book goes to press are not clear. But the fundamental mechanism of an institutionalized vehicle for party influence or absolute control over top appointments in many types of nonparty bodies—remains in place as a key source of ongoing CCP power.

Leadership over nomenklatura appointments may vary. The Politburo and the Standing Committee decides on the CCP secretary and governor of each province. In some instances, leadership small groups play a critical role in appointments within their bailiwicks. For example, all of the top banking positions through 2002, were formally on the Central Committee’s list but in fact were controlled by the Financial Work Commission. The November 2002 Sixteenth Party Congress was headed by a Politburo member, a member of the Central Secretariat, and a

major staff organ in the nomenklatura effort at every territorial level. The political system is the organization department under the party committee. At the national level, this is the Organization Department under the Central Committee. As noted above, the organization department maintains extensive personnel files and lists of individuals whom they consider potential appointees as posts become vacant. The organization department makes the key recommendations for appointments for all appointments in the nomenklatura of their parent party committee. The party committee is the final power of approval, but the organization department’s recommendations typically narrowly constrain the parent committees.

In the mid-1990s the party has sought to improve the ranks of the leadership and increase transparency in the appointment process without losing its control over the outcomes. This effort suffuses the regulations on the recruitment and employment of leadership cadres in the party and government. On July 23, 2002. The regulations posit requirements in terms of education level, training, and prior work experience for various types of

positions and endorse the idea that officials should move up the system one step at a time. They encourage nomination of more candidates than slots available and provide for extensive consultations and even balloting among those in the unit for which leaders are being chosen. But exceptions are allowed for virtually every rule: for example, Article 17 stipulates, "Democratic nominations should be considered one of the important bases for deciding whom to select for closer examination, but simply relying on ballots to select people should be prevented."

The 2002 regulations apply to the selection of leaders and subordinate units of the CCP Center, the NPC, the State Council, the Chinese People's Political Consultative Conference, and the Discipline Inspection Commission, and the leadership of the Supreme People's Court and the Supreme Procuracy and their internal organs, as well as the local counterparts of the above organs above the county level. They are also supposed to serve as the reference for selection of leaders of trade unions, the women's federation, youth league, and other public social organizations, for the selection of nonparty leading cadres, and for the selection of nonleading officials above the division (*chu*) level.

The 2002 regulations cover virtually the entire leadership stratum. They stipulate that the first guiding principle is, "[T]he party controls [the selection of] cadres." The concrete provisions place all final decisions firmly in the hands of the pertinent party committees, with much of the staff work done by the pertinent party organization system organs. This public document leaves no doubt about the party's continuing control of appointments to all significant leadership posts.

Every state enterprise, school, and other public body also has a personnel department within it. For a unit of any size or significance, moreover, the same unit also has a party committee, under which is an organization section. Typically, all members of the nonparty personnel department are party members, most of whom are also part of the organization section. Through this device, the party controls a huge number of positions that extend well beyond the nomenklatura for leadership positions just discussed.

In sum, the Communist party controls career mobility for all elites outside the private sector in China, and it exercises this control tightly. With the reforms since the late 1970s, the party has made efforts to pull back from detailed involvement in many activities, but at all times it has retained total control over the appointment and dismissal of the elites.<sup>35</sup> As of the late 1980s, it appears that the party's nomenklatura lists included more than 8 million posts. (No concrete number has been published, and this figure is Professor Burns's well-grounded extrapolation.) Even outside this "top 8 million," moreover, the party intervenes massively in decisions on appointments and career opportunities. It is virtually impossible, therefore, to alienate the relevant party officials and still enjoy career success other than in a foreign-invested joint-venture enterprise or a private firm. In this sense, the decentralization of personnel decisions under the reforms has increased the chances of local despotism over those who do not find exit into the nonpublic sector.

Beyond using appointment and dismissal power to assure control over

leaders of state organs, the party has also exerted its leverage via “interlocking directorates,” that is, having key party officials themselves directly take charge of state bodies. In the 1950s this practice reflected in part the scarcity of skilled individuals whom the top party leaders felt they could fully trust. It was often the case, therefore, that one individual acted as both the top party secretary and as the head of government in a territory. In 1951, for example, Huang Jing was both party secretary and mayor of Tianjin City; Peng Zhen held both positions in Beijing; Chen Yi did the same in Shanghai; Lin Ruoyu was party secretary and governor of Shandong Province; and Tan Zhenlin held both positions in Jiangsu Province, as did Ye Jianying in Guangdong. In addition, the same person often held an important post in the local military organization—typically, as political commissar of the provincial military district.

The reforms of the 1980s sought, among other things, to reduce the instances of this multiple hat-wearing. Since the early 1990s there have been virtually no instances in which the top party secretary of a province or city simultaneously serves as governor or mayor. Yet interlocking directorates continue to be important, because the top officials in the government in each territorial jurisdiction typically also hold positions on the party committee that governs that jurisdiction. For example, the CCP Politburo includes the government premier (Wen Jiabao), the head of the legislature (Wu Bangguo), the president (Hu Jintao), the head of the Chinese People’s Political Consultative Conference (Jia Qinglin), all three vice premiers (Wu Yi, Zeng Peiyan, Huang Ju), and the top figures in the military (Guo Boxiong, Cao Gangchuan).

The party’s nomenklatura system gives the CCP the powerful political weapon of being able to determine who will join—and who will remain in—the elite at all levels of the system. Interlocking directorates further consolidate party control by placing many individuals who hold key government positions onto the party committee in charge of that territory as a whole. But even these devices understate considerably the real power of the party over the state apparatus. The core organization of this power is hidden from view because it is sculpted around a series of secret bodies—the leadership small groups and the party core groups—that do not appear on organization charts.

## PARTY CORE GROUPS AND PARTY LIFE

The party has formally constituted “party core groups” in the various government ministries. This form of organization evidently is not used in government bodies below the level of a ministry. In those lower-level government units, the party members are formed into party committees with branches and other subordinate divisions, depending on the number of party members in the unit. The ministerial-level government bodies, however, have both a party core group and a party committee. The former is by far the more powerful body.<sup>56</sup>

Party core groups date back to the early days of the PRC. The initial idea was to have a separate forum for the top party members to utilize, given that in those days the CCP had visions of bringing a moderate number of nonparty

individuals into positions of some authority. After the political campaigns of the 1950s, this original rationale no longer held, as virtually no individuals other than CCP members retained high positions in the ministries. The practice, nevertheless, continued.

The party core group includes the top few party members in each government ministry and commission. These individuals caucus as party members to decide issues confronting the ministry and to review appropriate directions from above. They then don their government hats as ministers and vice ministers to issue directives and carry them out. The actual membership of party core groups is secret.<sup>57</sup>

In the late 1980s, the reformers sought to phase out party core groups, arguing both that they no longer served a distinctive purpose and that non-party individuals of talent should be allowed to hold a few top positions. This idea actually was adopted as policy in 1987, but its implementation remained incomplete and was aborted in the wake of the Tiananmen Square repression in June 1989.

In addition to the party core groups, each government body organizes its CCP members into a party committee or into smaller bodies, depending on the number of party members. Where there is no party core group, the party committee performs all the functions that the core group would undertake (including making key personnel and policy decisions). In addition, the party committee runs "party life." This is a series of activities intended to familiarize CCP members with the policies of the party and to maintain a sense of discipline and esprit de corps among party members. Party life typically includes regular meetings of the membership, at which documents are read and issues discussed. Through these channels, party members are supposed to learn about new policies or problems before their nonparty colleagues do.<sup>58</sup>

Party life was very important in the years before 1966, but it declined in vigor during and immediately after the Cultural Revolution and has suffered further erosion under the reforms. Still, party membership includes the obligation to participate in these activities, and it also entails willingness to bend to party discipline on issues on which the CCP leadership demands compliance. Party life thus forms another brick—albeit a chipped and flaking one—in the edifice of Chinese Communist party controls over the government and other bodies.

## The Party's Roles and Challenges

The CCP no longer enjoys the sense of discipline and commitment among its members that typified its earlier days. Today many Chinese regard party membership primarily as a ticket to career advancement and a higher living standard. Large doses of ideological education and tough political demands no longer confront aspiring members. Changes formally adopted at the Sixteenth Party Congress in 2002, which allow capitalists to join the CCP, place an official stamp on the party as the organization of the elite that has emerged from the reforms.

The party's continuing relevance stems from its ongoing monopoly on the exercise of political power. As explained above, party bodies make the decisions on the major substantive issues that confront not only the government but all public institutions. Party decisions also determine who will join the elite and what positions they will hold in public bodies. Such decisions are typically made on the basis of extensive consultation with nonparty bodies, but the power of final determination still resides in the CCP. The legislative and legal systems increasingly influence outcomes, but nothing effectively stops the party from acting when the relevant CCP leaders decide to take a decisive stance on an issue. Most importantly, the party also decides China's foreign and security policies.

The leadership relations that govern ties between higher and lower level party committees provide for nationwide discipline in policy implementation. Various factors—self-interest, corruption, manipulation of information, and so forth—erode this discipline, but on balance, because of the CCP China retains a remarkably strong executive capability for a developing country of its size and diversity. By integrating all political activity into one overarching organization, moreover, the CCP constrains what otherwise might become paralyzing fissiparous tendencies among various provinces and interests.

But the CCP's monopoly of political power also means that problems in the CCP become problems for China's overall political system. These problems are very substantial and include the following:

- Corruption and lack of commitment to real public service within the party are by no means universal but are widespread. Given the party's ability to override legal and regulatory constraints, these problems can have very severe consequences both for the quality of governance and for popular sentiment.
- Changes to China's society and economy are occurring faster than are comparable adjustments in party organization and function. As noted in Chapter 6, for example, urban governance is shifting from delivery of services via the *danwei* to utilization of community-based organizations. The party is also shifting to construct basic-level party organs on a community basis, but this effort may be lagging behind the changes in the government.
- The private sector, which is the most rapidly growing and dynamic sector of the Chinese economy, has relatively little participation in the CCP. New efforts to recruit private entrepreneurs to the party will address this problem to a limited degree, but workers in private-sector firms are unlikely to feel that the CCP is becoming more responsive simply because the owners are joining it. The same concerns about responsiveness are even truer for unemployed workers, migrant peasants, and others who fall largely outside the ken of the current party structure.
- Many in China's increasingly well-informed and sophisticated population question why a country of this wealth and complexity should be governed by a corrupt political party that depends largely on its ability to deliver rapid economic growth to stay in power. This is especially true among those who feel that economic growth since the late 1990s has not provided them with

concrete benefits. The CCP has proven adept at steering China's growth effort but has not developed the capacity to amalgamate, articulate, and adjudicate the various interests in Chinese society in a way that inspires confidence among broad segments of the population.

In sum, China is changing in ways that disadvantage the CCP. The most dynamic sectors of society are those in which the CCP is relatively poorly represented. An increasingly well-informed population seeks political vehicles that are responsive to their critical needs. China is evolving away from its revolutionary century, and the CCP must cope with an increasingly self-aware, mobile, modern, and differentiated population.

The party is actively wrestling with how best to improve the quality of its ties with the population. Many of the issues under consideration involve increasing "democracy" within the CCP itself by, for example, actually allowing each party congress to elect the leadership of the party at its own territorial level, rather than having the congress simply ratify nomenklatura appointments decided by the next highest level. The issues the party confronts as it seeks to adjust its posture are complex and wide ranging. In the words of a knowledgeable insider in the summer of 2002:

The issue of reflecting the interests of various sectors of society in the CCP is recognized by everyone [in the CCP] as a key issue. Clearly, people now feel that they do not influence the CCP at the local levels. The higher levels of the Party feel that changes are necessary, but there is a lot of disagreement at higher levels over what to do on this. Some advocate expanding elections upward to the *Xiang* and *Zhen* [that is, township] level for both the CCP and the government. Some say we should promote this first outside the CCP and should push elections up to as high as the county level, then have progress in the CCP follow these developments in the government. Others say that the CCP itself must lead in the process of democratization—that this should start with the village committee and then move up. But there is still no agreement on how to pursue this. . . . [Some feel that] at each level progress should be made simultaneously both inside and outside the CCP at all levels, including the Party center. We should pursue this step by step. For example we can have the county CCP secretary really elected by the county CCP congress, but we need to get there in steps. An early step would be to announce the candidates who are being appointed for a period of public comment before the appointments actually take effect. Another step is to have more candidates than offices. And so forth. We have a concern that if you allow democracy outside of the CCP before you allow it inside of the Party, then you run an increased risk of having the CCP suffer the fate of the CPSU [the Communist Party of the Soviet Union].

These issues of party reform are being considered against the background of very pressing economic, social, environmental, security, and other concerns with which the CCP must grapple over the coming years. The following chapters explore the details of these key issues within the context of the political system that has evolved from nearly a quarter century of post-Mao reforms.