



China, 1978-2013: from one Plenum to another

Reflections on hopes and constraints for reform in the Xi Jinping era

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Why is it so difficult to talk about China in a nuanced and contrasting manner without falling back on superlatives and generalisations? In about thirty years, China's GDP per capita has multiplied by eight. From a marginal economic power during the Maoist period (1949-1978), China is now ranked tenth in terms of global economic weight. "Wealth and power" (*fu qiang*) is the expression that embodies China's quest for modernity since the second half of the 19th century, when China was still under the yoke of the West. This ambition is still at the heart of the "Chinese dream of rejuvenation of the Chinese nation" dear to Xi Jinping, which he set out during the Third Plenum of the 18th Central Committee of the Chinese Communist Party. But focusing only on this vision of "wealth and power" takes us back to one of the most common ways of representing China: reducing the ongoing socio-economic changes and dynamics to a set of numeric values, ultimately reified and homogenised. The increased power and internationalisation of the Chinese economy has prompted a combination of worry and enthusiasm. What does this imply about the paradigm shift in the way we portray this country? Perhaps it is still hard to leave behind the image of a subordinate, poor and voiceless China and consider the Chinese people as, at least, our equals.

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To avoid this reductive vision of China, let us re-examine the new direction announced by the Chinese leadership during the 3rd Plenum of the 18th Committee of the Chinese Communist Party last November. This will be an opportunity to question the nature of the regime and its political economy and raise certain contradictions which complicate the study of Chinese politics.

The Central Committee of the Chinese Communist Party's "Resolution concerning some major issues in comprehensively deepening reform", adopted during the 3rd Plenum of the 18th Central Committee of the Chinese Communist Party of November 12th 2013, unmistakably echoes the 3rd Plenum of the 11th Central Committee of the Chinese Communist Party of December 1978, which officially signalled the end of the Maoist era and the beginning of the era of reforms and opening. If the 1978 Plenum marked the end of the violent use of class warfare for social change and proposed to "make China a modern and powerful socialist country by the end of the century", several of the 60 articles contained in the resolution adopted last November, for their part, openly address current challenges so as to make Chinese economic development sustainable. Despite the context of increased repression in China since the end of 2012, reading through the resolution one cannot help but acknowledge a certain receptiveness at the level of the Chinese Communist Party to a range of social demands which have been widely debated in China through a variety of channels and concern the economic, legal and socio-political spheres.

Do these new directions represent the opening of a new phase of socioeconomic and political transformation in China? The "resolution" should, in fact, be viewed as a basic road map for the coming decade, provided that the present course is maintained. The ambitious nature of some of the 60 articles has prompted some to write, somewhat hastily, of a fundamental change in the nature of the political system. It is true that *if* the most ambitious proposals are eventually implemented, it would amount to nothing less than a new social contract, a change in the nature of post-Maoist China's political economy and, ultimately, a change in the nature of the regime. However, use of the conditional tense is advised and everything rests on this "if"; or to put it another way, on the "how" regarding the implementation of the measures. In this regard, if the Hu Jintao-Wen Jiabao era (2002-2012) is retrospectively viewed as a lost decade in terms of political reforms, based on last November's resolution, the opening of the Xi Jinping era may be seen as having acknowledged the urgent need for structural change. On the other hand, the debate surrounding the urgency of structural reforms has risen in prominence since 2010¹. Yet, a further note of caution: the three final points of the November 2013 text emphasise that the entire process must be framed by more effective Party leadership. In order to understand the dynamics at play in Chinese society, one must avoid perceiving ongoing changes – where there are undefined and contrasting evolutions, often marked by ambiguity – in a binary way. This outlook can probably be linked to the idea among many Westerners that changes in China should inevitably lead to a weakening or end of the Communist Party and a democratisation of the regime, as Stéphanie Balme² has highlighted.

This paper focuses on two themes of great importance to the resolution of the 3rd plenum of the 18th Central Committee: urban-rural relations and the role of the peasantry in development on the one hand, and the status of the law and the constitution on the other hand.

¹ See François Godement, *Que veut la Chine ? De Mao au capitalisme*, Paris, Odile Jacob, 2012. According to Godement, this "return of the reformist agenda" is due to the increasing stagnation of the Chinese economy's economic development and internationalisation strategy.

² See S. Balme, *La tentation de la Chine*, Le cavalier bleu Editions, Paris, 2013.

With regard to the first theme, the resolution emphasises that “the binary structure of society is an obstacle to the integrated development of urban and rural areas” and states that it should be “ensured that the peasant masses can participate equally in the modernisation process and benefit equally from the fruits of modernisation”. The accumulation process between 1949 and 1978 was based on immobilisation and tying peasants to the land, and a massive transfer of agricultural production to finance industrialisation and ensure food supply for the urban population. The political economy of post-Maoist economic reforms, while creating particularly sustained economic growth, did not alter the subordinate position of peasants. Since the beginning of the Maoist era, the much discussed household registration (*hukou*), a legacy of the 1950s, has contributed to the establishment of repressive labour regimes (household registration, deregulated working arrangements, control of social structures, etc.), which have created a flexible workforce with very low production and reproduction costs. The inclusion of household registration reform in the text of the 18th Plenum should be highlighted as it echoes the tide of complaints, growing since the 1980s, about the two-tier nature of society and the subordinate status of rural-dwellers in China³. Although, in terms of political discourse, this may seem to herald a major upheaval of the social hierarchy, the transformation of urban-rural relations and the status of rural-dwellers will take place in a very gradual manner. In addition, the subordination of the rural population is so deeply-rooted and tightly interwoven with the vested interests of local political and economic powers, that changing this structural inequality seems an extremely difficult task, at best. Moreover, maintaining the low cost of the rural workforce was a key factor in generating the high growth that led to the emergence of a Chinese middle class with considerable purchasing power.

The second major issue concerns the status of the law and the constitution. The resolution states that “everyone is equal before the law, no organisation or individual is above the law” and that “judicial powers and prosecutors must act in accordance with the law, in an independent and fair way”. Making courts (financially) independent from local authorities is also proposed. Once again, this is something that has been widely called for among the legal profession, as well as generally in the press and on Chinese social networks. Yet, although China has a wide range of laws in several domains and the training of judges has been greatly improved, as the political system is still Leninist in nature, justice remains subject to politics in a variety of ways: judges paid by local governments, the influence of the Central Politics and Law Commission of the Party on the justice system, etc.

The policies and provisions adopted by the central government will continue to have only limited effects if they do not include changes to the political, institutional and legal structures which, although they paved the way for strong economic growth, have produced much violence and conditions of extreme indignity and inequality. These conditions have caused growing social discontentment and a loss of legitimacy on the part of the Party-State. It seems that a genuine paradigm shift is needed. Some proposals regarding law enforcement show a political awareness of the need for structural changes. But how can we interpret the current repression, targeting actors from the “citizens’ rights movement”, while at the same time the resolution of the 18th Plenum aims to “strengthen the important role of lawyers in the protection of the legitimate rights and interests of citizens and legal persons”? It is particularly difficult to give an off-the-cuff answer to this question, given the complete opacity surrounding the power dynamics that shape the political decisions taken at the summit. What trade-offs and what compromises had to be made between the different factions of the Politburo Standing Committee regarding this kind of issue? In

³ One should note that such concerns for reducing rural-to-urban disparities emerged in official statements and documents from the early 2000s on. For a thorough exploration of this shift in policies regarding rural migrants see Chloé Froissart, *La Chine et ses migrants. La conquête d'une citoyenneté*. Presses Universitaires de Rennes, Rennes, 2013.

particular, the cases of Nobel Peace Prize laureate Liu Xiaobo and the lawyer Xu Zhiyong, who was recently sentenced to four years in prison, are emblematic of the groundswell in Chinese society of *demands for social justice and equality of citizens before the law*. This is an incredibly complex question because “the Chinese state speaks with many voices” and the line between what is tolerated and what is not is often (intentionally) ambiguous and shifting⁴.

The potential advances with regard to reducing injustice and establishing a model for more balanced and sustainable growth will only take place in a gradual way, through a step-by-step process. In the areas mentioned above, and also in the economic sphere or that of relations between power and the different sections of the population, the Party-State intends to continue to play a major role of direction and control in the developments to come. Since 1989, it has shown its capacity to transform itself and reform its ideological foundations. Yet the implementation of certain measures set forth in the November 2013 resolution require power sharing which is hard to imagine at present, particularly considering the high concentration of wealth in the hands of the ruling elite at different levels of power.

To what extent will the Party take the risk of upsetting the balance that has been undoubtedly effective in generating the economic growth of the past three decades? The ability of the Chinese authorities to resolve the question of a paradigm shift in economic development – by reducing dependency on exports and reducing the intensive consumption of national resources in particular – and to sustainably soothe social tensions depends to a large extent also on China’s relations with the rest of the world, and the European Union in particular. If the result of changes in China remains uncertain, it is desirable that these transformations push our governments to seriously reflect on the European Union’s sheer lack of policy and critical need for the construction of a real economic, social and fiscal union with an industrial policy that befits it.

⁴ K. O’Brien and R. Stern, “*Politics at the boundary: Mixed signals and the Chinese State*”, *Modern China*, 34, 2012, 174-198.

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