

Chapter I

Context of Party Congress

Introduction

The 15th Party Congress of the Communist Party of China (hereinafter referred to as the “15th Party Congress”) ended on September 18, 1997 after a seven-day session. What did the 15th Party Congress decide on and what did it fail to decide on? What significance did these decisions have? What kind of impact will these decisions have on the future of China? This chapter analyzes the politics behind the 15th Party Congress. This is because in Chinese politics, the relationship of “facts” with the “environment” in which those “facts” occurred – called the “context” here – has important meaning. The aim of this chapter is to examine the context of the 15th Party Congress so as to shed light on the political situation in present day China.

This “context” includes what may be called “vertical relationships” following the flow of history and cross-cutting “horizontal relationships” such as the economy and society. This chapter first compares past Party Congresses and the present National Congress for the vertical flow. Next, it examines how the present Chinese leadership views the five years since the 14th Party Congress of 1992. The Party Congresses give official interpretations of the events of the previous five years and make projections on the coming five years, so naturally reflect the various problems faced by modern day China.

This chapter also analyzes the political maneuverings of General Secretary Jiang Zemin. Eight years have passed since he rose to prominence in the central government in June 1989, just after the Tiananmen Square crackdown. This is equal to the combined terms of Hu Yaobang and Zhao Ziyang as General Secretaries. How has General Secretary Jiang Zemin been trying to govern China after the death of Deng Xiaoping? Can he hold on to power and proceed with the reform and opening-up policies? This chapter briefly touches upon the political situation right after the recent Party Congress and then gives a forecast for the future.

1. Legacy of Party Congress

Past Party Congresses have been wracked by turmoil. This was not necessarily intended by the

administrations then in charge. Since the founding of the People’s Republic, Party Congresses have always been convened with the objective of rationalizing and consolidating the rule of the CPC. Ruling parties wanting to consolidate power periodically is a phenomenon also seen outside of China. The fact that China periodically convenes Party Congresses in itself is nothing special. In the past, however, few decisions of the Party Congresses in China have lasted long.

In the years right after the establishment of the PRC, Mao Zedong and the rest of the leadership felt strongly that it was necessary to consolidate the rule of the CPC. This was because the leadership believed that a long time would be required for the economically backward China to realize the communist society envisioned by Mao Zedong. The 8th Party Congress of 1956 was the first congress held after the CPC took over the reins of power. The tripartite structure of the CPC, the PLA, and the State established at that time remains the foundation of the Chinese political system even today¹.

The system established by the eighth Party Congress – often referred to as the “1956 system” – only lasted about 10 years, however. Mao Zedong believed that socialism could only be achieved by a complete “socialist overhaul” of Chinese society. He became increasingly distrustful of the Party bureaucracy underpinning the “1956 system” and launched the Great Cultural Revolution in 1966. When Mao Zedong let loose his close associates and the Red Guard, that is, the “revolutionary masses”, on the Party, the “1956 system” crumbled. The central organizations of the CPC and the State ceased functioning leaving only the PLA as an organized force in China. The 9th Party Congress was held 13 years after the previous Party Congress, that is, not until 1969. The only member of the Standing Committee of the Political Bureau, the nexus of power, remaining from the previous Party Congress except for Mao Zedong was Zhou Enlai. The 9th Party Congress designated Lin Biao as the successor to Mao Zedong, but Lin Biao too was to fall from power and die fleeing the country just about a year after the Party Congress².

In the final Party Congress before Mao Zedong’s death, that is, the 10th Party Congress of 1973, Mao Zedong’s close associates – the “Gang of

Four” – forced their way into the Central Committee. Jiang Qing, Mao's wife, and the rest of the “Gang of Four” drove Liu Shaoqi, Deng Xiaoping, and other pragmatists from power during in the Cultural Revolution in order to seize control over the seat of power. With Mao Zedong's death in September 1976, however, they were discredited and immediately arrested. The first Party Congress after the death of Mao Zedong, the 11th Party Congress of 1977, was headed by Hua Guofeng, supposedly designated by Mao Zedong as his successor on his death bed, instead of the “Gang of Four”. Hua Guofeng was not able to retain his grip on power until the 12th Party Congress of 1982. Returning to the Central Committee, Deng Xiaoping leveled criticism at the Cultural Revolution – and thereby direct criticism at Mao Zedong – and garnered majority support in the CPC. In June 1981, Hua Guofeng resigned from his position as Chairman of the Central Committee, and Hu Yaobang, a protege of Deng Xiaoping, rose to the top of the CPC.

Deng Xiaoping launched his “reform and opening-up policies” at the third plenary session of the Central Committee of the 11th Party Congress of December 1978 (“3rd Plenary Session”). This policy was to become the central theme in Chinese politics for the next 20 years, but the Party Congress continued to be beset by turmoil. While the two Party Congresses of the 1980s, that is, the 12th Party Congress of 1982 and the 13th Party Congress of 1987, both came out in full support of the promotion of the “reform and opening-up” policy, its key backers failed to finish their terms of office. Hu Yaobang was blamed for the student demonstrations which broke out around the country at the end of 1986 and was forced to resign in January of the next year. Zhao Ziyang, who assumed the post of General Secretary in his place, also failed to last long and was forced to resign for having “turned his back on Party decisions” in the crackdown on the prodemocracy movement at Tiananmen Square in June 1989.

The 14th Party Congress of 1992 was held amidst major upheavals in the world – the collapse of the East European block, the Gulf War, and the breakup of the Soviet Union at the end of 1991. The Party Congress announced support for promotion of a “socialist market economy” under a “central collective leadership with President Jiang Zemin at its core”, but this basically followed the wishes of Deng Xiaoping, who had made a very public show

of support for continuation of the reform and opening-up policies through a much publicized tour of the special economic zones in Guangdong province in the beginning of that year. Deng Xiaoping warned during this tour of the South that “if we do not make reforms, the only thing that awaits us will be death” and appealed for a “new thinking in cadres”. These comments were conveyed to the entire country through the March Political Bureau meeting as “Central Committee Document 2”. The Central Committee, readying itself for the Party Congress in the fall, not only revised its target for economic growth for the year from 6 to 9 percent, but also made the concept of a “socialist market economy”, that is, the introduction of de facto capitalist market principles for economic development, the keynote of the Party Congress.

Table 1 shows the heads of the CPC, PLA, and State up to the 14th Party Congress, the main policy goals, and the timing of the fall of CPC leaders. As will be clear from this table, up until just recently, the Party Congresses had made major changes in policies and personnel, but had not laid the foundation for political stability. Leaders who climbed to the top of the CPC had usually been forced to resign or were dismissed before finishing their terms. The policies set by the Party Congresses were also changed as much as 180 degrees in direction. This was a result of the dynamism of politics in China outside the framework of the Party Congresses – including changes in international relations and power struggles inside the Party – which superceded decisions of the Party Congress. The question now is if the Party Congresses will be able to change its legacy.

2. “Banner” of Deng Xiaoping

What is the significance of the 15th Party Congress for China's current leaders? Let us go back over the report given on the first day of the National Congress by General Secretary Jiang Zemin, entitled “Hold High the Great Banner of Deng Xiaoping Theory for an All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century”, and related official announcements to obtain an outline of their design. In so far as the official announcements go, the main theme of the recent Party Congress was the “continuation and further promotion” of the past reform

Table 1. Party Congresses

	Head of CPC	Head of PLA	Head of State	Major theme	Features	Subsequent developments
8th Party Congress of September 1956	Mao Zedong	Mao Zedong	Zhou Enlai	Socialist policies	Party Congress run by Liu Shaoqi and Deng Xiaoping	Liu Shaoqi assumes position of State Chairman in place of Mao Zedong in 1959. Liu Shaoqi and Deng Xiaoping fall from power in 1968.
9th Party Congress of April 1969	Mao Zedong	Mao Zedong	Zhou Enlai	Promotion of Cultural Revolution	Party Congress run by Lin Biao	Lin Biao dies in 1971.
10th Party Congress of August 1973	Mao Zedong	Mao Zedong	Zhou Enlai	Criticism of Lin Biao	Party Congress run by "Gang of Four"	Deng Xiaoping restored to position of Vice Chairman of Central Committee in 1975. Zhou Enlai passes away in January 1976. Deng Xiaoping falls from power in April. Mao Zedong dies in September. Hua Guofeng becomes Chairman of Central Committee and "Gang of Four" arrested in October.
11th Party Congress of August 1977	Hua Guofeng	Hua Guofeng	Hua Guofeng	Putting Cultural Revolution to rest	Party Congress run by Hua Guofeng	Deng Xiaoping restored to position of Vice Chairman of Central Committee in 1977. Hu Yaobang becomes General Secretary of CPC in 1980. Hua Guofeng falls from power in 1981.
12th Party Congress of September 1982	Hu Yaobang	Deng Xiaoping	Zhao Ziyang	"Four modernizations"	Party Congress run by Hu Yaobang	Deng Xiaoping becomes Chairman of Central Advisory Commission in 1982. Hu Yaobang falls from power in 1987.
13th Party Congress of November 1987	Zhao Ziyang	Deng Xiaoping	Li Peng (1988)	Government reforms	Party Congress run by Zhao Ziyang	Zhao Ziyang falls from power and Jiang Zemin becomes General Secretary in June 1989.
14th Party Congress of October 1992	Jiang Zemin	Jiang Zemin	Li Peng	"Socialist market economy"	Party Congress run by Deng Xiaoping through "Southern trip".	Deng Xiaoping dies in February 1997.

Source: Prepared by author from *Zhongguo Gongchandang Zhizheng Sishinian* (40 Years of Governing by Communist Party of China), CPC Historical Materials Publishing House, 1989, etc.

and opening-up policies. The approach taken toward this can be said, seen in a good light, to be "realistic and gradual" and, seen in a bad light, "conservative and lackluster".

The *People's Daily*, the official mouthpiece of the CPC, carried an editorial entitled "Hold High the Great Banner and Advance the Great Cause" on September 11, 1997, the day before the Party Congress opened, and reviewed the five years since the 14th Party Congress. What were the "Great Banner" and the "Great Cause" spoken of in that editorial? They were the concept of "socialism with Chinese characteristics" and the "construction of a socialist market economic system" – both expounded by Deng Xiaoping. According to the editorial, the "third generation collective leadership of the CPC with

Jiang Zemin at the core" had worked continuously over the previous five years to realize the goals set by Deng Xiaoping and had achieved major successes. It went on to say that to realize the greater goal of "socialist modernization", it would be necessary to maintain past policies and open up to the future and to continue positive diplomacy and the opening-up policies over the 15 years following the recent Party Congress³.

This "maintenance of past policies and openness to the future" may be considered to indicate the fundamental stance taken by the current Chinese leadership toward the 15th Party Congress. The same expressions appeared in the title of a *People's Daily* editorial of September 12, the first day of the Party Congress⁴. That is, the 15th Party Con-

gress was one in which Jiang Zemin and the rest of the third generation leadership of the CPC reaffirmed they would continue with the principles and practices laid down by Deng Xiaoping. As the main themes of this Party Congresses rest on the continuation of previous policies, any new policies have little room. In fact, the 61 page text of Jiang Zemin's report contained no new ideas at all and consisted of a repetition of already announced phrases. This strongly suggests that Jiang's report was penned by CPC officials and adjusted to take into account all of their interests.

What then did the 15th Party Congress do to confirm the continuation and further development of the reform and opening-up policies? The official interpretation is that the biggest contribution of the 15th Party Congress lay in the "establishment of Deng Xiaoping Theory and its incorporation as guiding thought of the CPC into the Party Constitution along with Marxism-Leninism and Mao Zedong Thought"⁵. Jiang Zemin's report devoted a separate section all to the "historical status and guiding significance of Deng Xiaoping Theory"⁶. The report called "holding high the banner of Deng Xiaoping Theory" the theme of the Party Congress. The phrase was printed on red banners and displayed at important locations throughout Beijing.

What then is "Deng Xiaoping Theory"? According to the report of Jiang Zemin, this consists of the following five elements:

- (1) Emancipating the mind and seeking truth from facts
- (2) A clear understanding of "what socialism is and how to build it" and all-round reforms. Replacement of class struggle with economic construction and replacement of a planned economy with a socialist market economy
- (3) An accurate and scientific judgement of changes in the global situation
- (4) A system of socialism with Chinese characteristics
- (5) Continuation of Marxism-Leninism and "Mao Zedong Thought"

Among these, the questioning of "what socialism is" deserves note. As proclaimed by Deng Xiaoping at the start of the reform and opening-up policies, the "socialist road", constituted the first of the "four basic principles." The current administration also confirmed that it would adhere to the

socialist road. Touching upon the basic question of "what is socialism" can however tamper with the foundation for the rule of the CPC. Unfortunately, Jiang Zemin's report gives no answer to the question of "what socialism is". The answer has to be sought from the context of the recent Party Congress.

3. *Jiang Zemin's Initiatives in the Party Congress*

What is General Secretary Jiang Zemin's leadership style? Here, let us study what he did and did not do in the recent Party Congress from officially disclosed documents. The stance taken by General Secretary Jiang Zemin displays characteristics of a Party bureaucrat-cum-technocrat. Jiang Zemin's political record reveals a strong tendency toward leaving politically explosive issues alone and toward dealing with issues more amenable to resolution through technical tinkering.

Jiang Zemin took the following actions before the recent Party Congress:

3-1. Shuffling of Personnel to Consolidate His Leadership

How far Jiang Zemin would go in setting his own mark on personnel in the Post-Deng era was one of the key points political analysts watched in the recent Party Congress. Please see the next chapter for the results. Here, just two points will be made. First, Jiang Zemin removed Qiao Shi and Liu Huaqing of the Standing Committee of the Political Bureau, Yang Baibing, Zou Jiahua, Chen Xitong (expelled), and Tan Shaowen (died) of the Political Bureau, and Liu Huaqing and Zhang Zhen of the Central Military Commission from the central leadership so as to consolidate his own position. In contrast with the past, he did so by non-violent means. Second, the officials newly entering the central leadership, in particular Wei Jianxing and Li Lanqing of the Political Bureau Standing Committee, Political Bureau members Luo Gan and Jia Qinglin, and alternate members Zeng Qinghong and Wu Yi, all came from the Party bureaucracy and had been assisting Jiang Zemin in administration.

This suggests that Jiang Zemin has carefully worked to form a consensus within the CPC over a

period of time. Jiang Zemin flexed the muscle of the Central Committee through an anti-corruption campaign and consolidated his power-based for forcing old military officials into retirement. Eventually he succeeded in removing from power his greatest rival, Qiao Shi, and Zhou Jiahua, who has powerful ties to the arms industries, from power. What effect the death of Deng Xiaoping on February 19 had on this reshuffling of personnel is a matter of guesswork, but it appears as if Jiang Zemin had considerable ideas of his own regarding the personnel of the central leadership, other than the PLA, though ostensibly calling for a continuation of the policies of Deng Xiaoping⁷.

3-2. Consolidation of Power Through the Anti-corruption Campaign

One of the means which Jiang Zemin used to reshuffle personnel was the anti-corruption campaign. The Central Commission for Discipline Inspection examined as many as 1.5 million cases of corruption in 1994 and expelled as many as 40,000 members from the Party. The same year also saw the “Great Wall Company” case, rumored to have involved members of Deng Xiaoping’s family, and the allegations regarding “Beijing East Wind Square development” project involving the Hong Kong financier Li Ka-Hsin. In 1995, charges were brought against numerous officials and Zhou Beifang, the president of the Hong Kong branch of “Capital Steelworks”, a showpiece corporation often praised by Deng Xiaoping, was arrested. In April, Wang Baoshen, assistant mayor of Beijing, committed suicide while being investigated for corruption, while Chen Xitong, the mayor and a Political Bureau member, was fired.

The Chen Xitong incident in particular may have been used by Jiang Zemin for building up his power base. An astute observer would conclude that Jiang Zemin killed “three birds with one stone” by removing Chen Xitong from power⁸. The removal of Chen Xitong strengthened the “Shanghai clique” in the capital city Beijing and gave warning to the coastal provinces to desist from their practice of routinely ignoring the decisions of the Central Committee. In addition, Chen Xitong had been a prime supporter of the crackdown on the pro-democracy movement in Tiananmen Square, so the removal of Chen can be considered to have signi-

fied a reassessment, if only partial, of the incident. Further, the removal of such a big player as Chen Xitong promoted the “clean” image of the new Jiang Zemin administration amongst the general populace – which had been seriously disaffected by official corruption. In this sense, Jiang Zemin’s report can be understood as having treated the struggle against corruption as a “serious political struggle upon which the fate of the Party and the State rest”⁹. The decision to expel Chen Xitong from the CPC was made by the Central Commission for Discipline Inspection on August 29 and publicized to the entire country on September 10 or right before the Party Congress¹⁰.

3-3. Promotion of Zhu Rongji

Without question, however, the issue of most interest to domestic and foreign observers in the recent Party Congress was its economic policies. Despite the November 1993 “decision on some problems relating to the construction of a socialist market economic system”, almost no improvement had been made at all in the loss-making operations of the state-owned enterprises (SOEs). In addition, not only did exports slow in 1997, but foreign investment in China also became sluggish. From the end of 1996 to the beginning of 1997 when it became evident that Deng Xiaoping would soon pass away, Jiang Zemin and the rest of the Chinese leadership came out with the policy of reigning in the economy and strengthening the control of enterprise party committees over business activities. The “notification of the Central Committee relating to activities to further strengthen and improve Party operations in state-owned enterprises” announced during the March National Peoples Congress clearly called for the party committees to be dominant in relations with enterprise management – a central point of contention in enterprise reforms.

The decision to entrust the economy to Zhu Rongji is believed to have been made somewhere from the March NPC to July. Zhu Rongji had been in de facto control of the economy even before then, but had been the object of much attention from the rest of the world due to his possible departure from that position – fanned by suggestive statements made to Japanese Prime Minister Ryutaro Hashimoto during the latter’s visit to China just before

the Party Congress. In the end, not only did Zhu Rongji remain, but he also leaped from number five position in the CPC to number three after Jiang Zemin and Li Peng. That Zhu Rongji would remain in office became fairly certain around July. This was because Zhu Rongji called for “the resolution of the problem of the deficits of large and medium sized SOEs within about three years” in July when he inspected Liaoning province, which has a particularly large number of money-losing SOEs. Zhu's speech was incorporated in toto in Jiang Zemin's report before the Party Congress¹¹. Zhu Rongji visited Hong Kong along with Premier Li Peng on September 22, right after the Party Congress, where he assured an international conference hosted by the World Bank that China would continue with its policy of economic liberalization¹².

The overseas business community, which had harbored strong suspicions regarding Jiang Zemin's economic policies, appear to have been finally reassured over the continuation of Deng Xiaoping's economic policies due to the retention and promotion of Zhu Rongji. Zhu Rongji is highly regarded overseas, in particular by businessmen, so the political impact of his remaining in office has been considerable. This is because Zhu Rongji has already become the central figure not only in state finances, but also in the reforms of the financial system, the reforms of enterprises, and other economic reforms in China. With the financial crisis in Southeast Asia deepening and the Asian economy as a whole, including South Korea and Japan, in a slump, great hopes are pinned on the stable growth of the Chinese economy.

Note should be taken, however, that Zhu Rongji's promotion has a political side to it as well. The reforms of the SOEs targeted by Zhu Rongji touch upon the heart of the Chinese socialist system due to their sheer scale and content. Who will be blamed if the deficits of the SOEs cannot be eliminated in the scheduled three or so years? Jiang Zemin, a master politician, knows well the difficulties of economic reforms and may be deliberately allowing Zhu Rongji to take all of the risks.

3-4. Proposal of Military Cutbacks

Jiang Zemin's report before the Party Congress failed to touch upon the military that much. The report mentioned national defense and military

buildup in Section 7 “Developing Socialist Culture with Chinese Characteristics” where it stated that the military should be kept under the control of the CPC, that all activities should be under the command of the Central Committee, and that having “elite forces” was the only way to achieve a positive defense strategy, then called outright for the armed forces to be cut back by 500 thousand men within three years¹³.

Next, let us study what Jiang Zemin did not do. In an extremely fluid political situation such as a succession of power, what was not done sometimes has greater significance than what was. In Jiang Zemin's case, this “non-action” appears to have had greater meaning as well.

3-5. Refraining From Raising the “Jiang Zemin Banner”

As explained above, the keynote of the recent Party Congress was the “banner” of “Deng Xiaoping Thought”. This “banner” means the guidelines for action officially sanctioned by the CPC. In the past, the CPC has raised only the “Banner of Marxism-Leninism” and the “Banner of Mao Zedong Thought”. Starting from the 14th Party Congress of 1992, it raised the “Banner of Deng Xiaoping Thought”. For Jiang Zemin, the recent Party Congress was a chance to leave the aegis of Deng Xiaoping and strike out on his own. In fact, there is evidence that Jiang Zemin tried to do just that – for example, with the afore-mentioned anti-corruption campaign, the campaign making political training obligatory for officials, and the propounding of the “12 Great Relationships” reminiscent of the “10 Great Relationships” of Mao Zedong. Just before the Party Congress, the *People's Daily* claimed that Jiang Zemin had achieved breakthrough progress in the reforms of the Chinese economic system in the past five years smashing all previous conventions and that under Jiang Zemin, China was entering a “new stage” of the reform and opening-up policies¹⁴.

Jiang Zemin, however, refrained from hoisting his own “banner”. On May 29, four months before the Party Congress, Jiang Zemin gave a speech at the Central Party School entitled “Hold High the Great Banner of Deng Xiaoping Thought” where he confirmed that the recent Party Congress would raise the “Banner of Deng Xiaoping Theory”¹⁵. Jiang

Zemin argued that the question of a “banner” was an important one, that a “banner” showed the direction and vision of policies, that the “Banner of Deng Xiaoping” had been unshaken since the 3rd Plenary Session of the 11th Central Committee where the reform and opening-up policies was first launched, and that it would not be shaken even after the death of Deng Xiaoping no matter what difficulties were encountered or no matter how severe the environment became. Further, Jiang Zemin claimed that “Deng Xiaoping Theory” was a continuation and further evolution of “Mao Zedong Thought” under new historical conditions and represented the “Marxism of contemporary China and a new stage of the evolution of Marxism in China” and thereby stressed the continuity of “Deng Xiaoping Theory” and “Mao Zedong Thought”. As seen earlier, this judgement of Jiang Zemin of “Deng Xiaoping Theory” was incorporated into his report before the Party Congress.

While failing to raise his own “banner”, Jiang Zemin may be considered to have seized de facto power in personnel and the economy. The impression of Jiang Zemin as a “balancer” may also remain. Judging from the conservative tone of his speech before the Central Party School, there could have been a backlash from the conservative factions in the CPC over Jiang Zemin’s raising his own “banner”. As opposed to this, Jiang Zemin may have tried to build a consensus within the Party by redefining “Deng Xiaoping Theory” as being close to “Mao Zedong Thought”. On the other hand, Jiang Zemin stressed in that speech that “Deng Xiaoping Theory” meant the long term continuation of the primary stage of socialism. Here, Jiang Zemin suggested that he would take a flexible approach in policies, especially economic policies, over the long term.

Raising the “Banner of Deng Xiaoping Theory” may have been essential for achieving cutbacks in the military. Liu Huaqing, a representative of the military serving on the Standing Committee of the Political Bureau, announced support for the position of Jiang Zemin in discussions with a delegation from the military during the Party Congress on September 14. Liu first argued that the “Banner of Deng Xiaoping Theory” was “not just that of the entire Party and the people, but also that of the military” and that what the military would be supporting would be the banner of Deng Xiaoping¹⁶. This required the military to subordinate

itself to the leadership of the CPC. Liu explained that support of the authority of the central government as led by Jiang Zemin was a “fervent desire of Comrade Deng”. Liu Huaqing saw the half a million man cutback in the military as a measure for improving the quality of the military decided on by the Central Committee and the Central Military Commission and concluded that “we have to do this right”.

3-6. Refraining From Making Political Reforms

Jiang Zemin did nothing regarding political reforms as well. The *People’s Daily*, which assessed the past five years of reforms in the economic system as “breakthrough achievements”, toned down its editorial and called for “gradual promotion” when it came to reforms of the political system¹⁷. Not only did it fail to make any assessment of the past, but it also showed no sign of stressing political reforms in the future.

Right after the recent Party Congress, there was speculation in some quarters that the level of direct election of delegates to the NPC would be raised one step higher from the current county level to the provincial (autonomous region and municipality) level. This seems to have resulted from a broad interpretation of the portion of Jiang Zemin’s report in which he stated that expansion of the basic level of democracy and the guarantee of the direct democratic rights of the public are the broadest expression of socialist democracy¹⁸. The expansion spoken of here, however, clearly did not signify an expansion of the level of direct elections. The expansion meant by the report of Jiang Zemin was that “the grassroots organs of power and self-governing mass organizations should establish a sound system of democratic elections” and “keep the public informed of their political activities and financial affairs so as to enable the people to take a direct part in the discussion and decision-making concerning local public affairs and welfare undertakings and exercise supervision over the cadres”. Raising the level of direct election of NPC representatives could have sparked the collapse of the socialist system as happened, for example, in Russia and Eastern Europe. Having just consolidated his power base, there was little chance that Jiang Zemin would

have taken such a dangerous gamble.

Reevaluation of the Tiananmen Square crackdown has yet to appear on the political agenda, but there has been a slight shift in the CPC's initial attitude to the incident – which had been labeled an “antigovernment riot” right after its occurrence. Hu Qili, Tian Jiyun, and other cadres who had been close to Zhao Ziyang have already been restored to their pre-Tiananmen positions and, while there has not been any mass group rehabilitation, it appears that individual cadres are being rehabilitated unofficially. Recently, the general practice among Chinese intellectuals has been to refer to the Tiananmen Square Incident by the neutral term of a “political tempest”. Whatever the case, Jiang Zemin does not have much to gain from a rewriting of the Tiananmen Square incident. For the time being, his approach would be to try to improve relations with the United States so as to diminish the impact of the incident.

While Jiang Zemin failed to make any political reforms, he also refrained from giving positive support to either the left or right wings of the CPC. The “revolution era” generation of CPC conservatives is in the process of natural extinction. Of the CPC elders who had pressed for the Tiananmen Square crackdown eight years ago, only few could appear at the current Party Congress. While no outstanding criticism was leveled against the ideological standard bearer of the CPC, that is, the Propaganda Department, the Organization Department, or the International Liaison Department in charge of relations with foreign political parties, members of Jiang Zemin's clique appear to have made steady inroads into them using as a pretext the need for younger, more expert cadres.

On the other hand, Jiang Zemin has not been supporting the reformists. Wang Meng, who served as Minister of Culture under Zhao Ziyang and is known as an enlightened intellectual, gave a report on theory before the CPC, but there have been a string of books published which drum up crass patriotism such as “The China That Can Say No”. The reformist symbol, Zhao Ziyang, had at least two opportunities to appear in public in 1997. The first was the funeral of Deng Xiaoping in February, while the second was at the ceremony at the reversion of Hong Kong in July. Zhao Ziyang failed to make an appearance at either of these.

3-7. Refraining From Changing Policies toward Hong Kong, Taiwan, and the United States.

Jiang Zemin's nature as a party bureaucrat-cum-technocrat appears most strongly in foreign relations. Diplomacy is inherently oriented at maintaining the status quo. Having successfully ridden out the succession crisis and having a smoothly growing economically, China's desire not to shake the boat is well understandable. At the same time, however, foreign relations is an area which tempts new leaders to make their own mark in policy.

Jiang Zemin has up until now been cautious and restrictive in how he exercises leadership in foreign relations. The impression one gets is that Jiang Zemin not only started by calling for a continuation of Deng Xiaoping's policies as the basic line in foreign affairs, but has also been careful to walk the path laid out by Party consensus. This shows that Deng Xiaoping's policies toward relations with Hong Kong, Taiwan, and the United States were not in themselves unconventional, but were based on internal Party consensus. Here too, like in economic policies, Jiang Zemin appears to be working as a “balancer” of internal Party interests.

4. Making Party Congresses a Routine Procedure

What was the most notable feature of the current Party Congress? It was that the Party Congress became a non-climax event. More specifically, Party Congress no longer served as a major turning point in policy or personnel. The Party Congress continues to be a big event in the CPC – which de facto governs China. The important personnel changes in the members of the Central Committee and members of the Standing Committee of the Political Bureau, who form the central ranks of government, continue to be formally decided on by the Party Congress. But the clear impression gained from the current Party Congress was that it was “nothing important except for personnel changes” as one Chinese intellectual said to this author in Beijing.

While lacking any dramatic developments as in past Party Congresses, the recent Party Congress may foretell the arrival of a new stage in Chinese

politics. Despite the Party Congress, the people on the streets in Beijing appeared unperturbed. As seen from the statement of the intellectual mentioned above, the general Beijing citizens were not very interested in the Party Congress. Their interest went not to the direction of the Party Congress, but to the selection of “mooncakes” for the Mid-Autumn Festival and new fashions. In other words, the people of Beijing had obtained “the freedom of being disinterested in politics”. Political disinterest is a commonplace phenomenon in contemporary modern states. The removal of Qiao Shi and PLA representatives from the Standing Committee of the Political Bureau failed to spark any street demonstrations. Even the death of Deng Xiaoping on February 19 was received extremely calmly. At the very least, no signs were seen of political upheaval such as occurred when Mao Zedong died in September 1976.

In this “new stage” of the Party Congresses, the Party Congresses will probably streamline reforms and ensure their continuity. In the 20 years since the reform and opening-up policies started, the CPC has gained experience in keeping Party Congresses routine. The first rule learned has been the importance of the economy. Chinese leaders have learned the iron-clad rule that political stability first becomes possible when the economy is growing. It was a lesson for the CPC while riding out such “socialist crises” as the Tiananmen Square prodemocracy movement and the collapse of the Soviet Union.

The promotion of Zhu Rongji, highly regarded overseas, as being in charge of the economy and the holding of the Party Congress right before Jiang Zemin’s all important visit to the United States shows that China’s leaders have learned a second iron-clad rule for keeping the Party Congresses routine. This is to use the Party Congress as a framework for improving foreign relations. The Chinese leadership appear to understand that smoothly finishing Party Congresses has tremendous significance not only for the Chinese economy itself, but also China’s foreign image. The biggest objective in improvement of foreign relations is needless to say improved relations with the United States. Sino-American relations rapidly cooled after the June 1995 visit of President Li Denghui of Taiwan to the United States. In March 1996, the Americans sent a strike force, including two aircraft carriers, to “monitor” massive Chinese

naval exercises staged in the waters just off Taiwan.

In the past, China managed to ride out the western economic sanctions imposed in response to the Tiananmen Square incident by improving relations with neighboring countries and relations with Japan¹⁹. Chinese leaders have made use of this experience in 1997 as well. China had two opportunities to make its foreign policy friendlier in tone before the recent Party Congress. The first was with the reversion of Hong Kong in July²⁰. The second was the visit of Japanese Prime Minister Hashimoto just before the Party Congress. The Chinese leadership used these two events as opportunities to display to the world its commitment to the continuation of the reform and opening-up policies of Deng Xiaoping.

China persuaded Hong Kong that it would not change the “one-country, two-systems” policy proposed by Deng Xiaoping and reaffirmed to Japan its understanding that “friendship between China and Japan is the foundation of stability in Asia” as often stressed by Deng Xiaoping. China has worked to the utmost to impress upon the world the peaceful reversion of Hong Kong. Despite the delays in coordinating with the British government, the reversion ceremony was attended by Jiang Zemin, Li Peng, and Zhang Wannian. Zhu Rongji pledged the full support of the Chinese government in stabilizing the Hong Kong dollar.

China also took several steps to ensure the “success” of Prime Minister Hashimoto’s visit. The Chinese government first refrained from any personal criticism of Prime Minister Hashimoto, temporarily suppressed criticism of the remilitarization of Japan which been smouldering since the “redefinition” of the Japan-U.S. Security Treaty in April 1996, shelved again the territorial dispute over the Diaoyutai/Senkaku Islands, and encouraged compromise in fishery negotiations. In response to these Chinese moves, the Japanese government gave the Chinese government what it wanted – continuation of preferential extension of official development aid to China and support for China’s membership in the WTO²¹.

With these successes in hand, General Secretary Jiang Zemin went on the road to the United States at the end of October. Foreign visits of heads of state have a symbolic meaning in bilateral relations apart from any specific agreements. Jiang Zemin’s visit to the United States highlighted the differences between the United States and China in

human rights, but the American media generally received General Secretary Jiang Zemin's words and actions in a friendly light²². The release of Wei Jingsheng, a symbolic figure in China's prodemocracy movement, and his subsequent departure for the United States would not have been possible without the "success" of the visit of Jiang Zemin²³.

Conclusion

Jiang Zemin's visit to the United States showed the more active stance taken by the Chinese leadership in omnidirectional diplomacy on the occasion of the recent Party Congress. In fact, China was dazzling in its diplomatic footwork in 1997. Standing out particularly was the improvement made in relations with Russia and the other countries of the former Soviet Union and the energy resource rich Central Asian countries. China's diplomatic schedule was packed full: General Secretary Jiang Zemin visited Rumania in September just before the Party Congress, Premier Li Peng visited Kazakhstan at the end of September after the Party Congress, Russian President Boris Yelstin visited China in November right after Jiang Zemin's trip to the United States, Premier Li Peng visited Japan in the same month, and the President of the Federal Republic of Yugoslavia visited China at around the same time.

China uses its vast domestic market as a potent card in improving foreign relations. With the Asian financial crisis and structural recession continuing since the summer of 1997 and spreading from Southeast Asia to Japan and South Korea, the Chinese market may well grow in relative importance. There is no guarantee, however, that China will not also become embroiled in the current financial mess. For the time being, the diplomatic offensive, backed by the Chinese domestic market and China's vast economic potential, will be hugely attractive to developing countries. In December, the Prime Minister of the Ukraine, which previously was rumored to be considering ties with Taiwan, visited Beijing. South Africa formally cut diplomatic ties with Taiwan and reestablished relations with China. China's diplomatic offensive is therefore successfully limiting the diplomatic options of the Taiwanese government. Progress toward reunification with Taiwan is another last wish of Deng Xiaoping.

Will General Secretary Jiang Zemin be able to make further "breakthroughs" in the economic re-

forms and make "gradual progress" in political reforms?

The political style of Jiang Zemin is bureaucratic in nature stressing as it does proper procedures and balancing various interests. As seen up to now, it is also technocratic in nature emphasizing expertise and division of labor. The natural extension of this is that while gradual improvements may be made, there is little chance for any major "breakthroughs". On the other hand, "Deng Xiaoping Theory", which Jiang Zemin has pledged to continue, allows flexible interpretation of socialism. If changes in quantity lead to changes in quality as Marxist orthodoxy dictates, then there might be a chance for major social change as China proceeds with gradual reforms in the framework of "Deng Xiaoping Theory". The historical significance of the 15th Party Congress will indeed hang on the progress made in the reform policies in the future.

Notes:

1. KAZUKO MORI, *Gendai chugoku seiji* (Modern Chinese Politics), Nagoya University Press, 1993. The work for the establishments of the "1956 System" of the CPC, PLA, and State organizations was overseen by Deng Xiaoping, who had become a member of the Political Bureau and General Secretary of the Central Secretariat.
2. The 10th Party Congress of 1973 concluded that Lin Biao "died in an airplane accident while plotting against the State". There is speculation that Lin Biao had been planning to assassinate Mao Zedong and stage a coup d'etat, but the true facts have never come out.
3. "Gaoju weida qishi tuijin hongwei shiye" (Hold High the Great Banner for Advancement of the Great Cause), *People's Daily*, September 11, 1997.
4. "Chengqian qihou jiwang kailai" (Maintain Past Policies and Openness to the Future and Continue with Positive Diplomacy and the Opening-up Policies), *People's Daily*, September 12, 1997.
5. "Maixiang Xinshiji de xuanyen he gangling" (Next Century Oriented Declaration and Outline), *People's Daily*, September 26, 1997.
6. Report entitled "Gaoju deng xiaoping lilun weida qishi, ba jianshe you zhongguo tese shehuizhuyi shiye quanmian tuixiang ershiyi shiji" (Hold High the Great Banner of Deng Xiaoping Theory for an All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century) before 15th Party Congress of the Communist Party of China, September 12, 1997, p. 10.
7. Three trends may be seen in the personnel changes made by Jiang Zemin since the 14th Party Congress.

The first was the promotion of cadres of the so-called "Shanghai clique" to central positions. In addition to Zhu Rongji and Wu Bangguo, Shanghai's mayor, Huang Ju, was added to the Political Bureau. The second was the appointment of close associates to central posts such as the Central Committee's General Office and the Armed Police Forces. In 1993, Ceng Qinghong was appointed to head the General Office and Ba Zhongyan was made the Commander of the Headquarters of the People's Armed Police Forces. The third was the considerable, even excessive, care which was taken with respect to the PLA. Jiang Zemin not only promoted the core leaders of the PLA, but also visited many of the forces and worked to build closer ties between the military and civilian sectors. While uniforms disappeared from the members of the Standing Committee of the Political Bureau in the recent Party Congress, two military men, Chi Haotian and Zhang Wannian, joined the Political Bureau to maintain the balance with the previous Party Congress. Of particular note was the movement of the former private secretary of Deng Xiaoping, Wang Ruilin, from the post of the Deputy Director of the General Political Department to the Central Military Commission in the recent Party Congress. Wang Ruilin can be considered to be positioned to ensure the continuation of Deng Xiaoping's policies in the PLA.

On the other hand, the changes at the level under the Political Bureau, that is, the level of the Central Committee, must not be forgotten. In particular, the fact that both the Head and Deputy Heads of the Central Organization Department, which have tremendous influence over the promotion of cadres, were not elected as alternates of the Central Committee was extremely unusual. "Zhongzubuchang diweizhan zaiqi fungyun" (Fight Over Position of Head of Central Organization Department Again Unpredictable), *Qianshao*, January 1998, p. 14.

8. HE PIN and GAO XIN, *Lusi sheishou*, Hong Kong Mingjing Chubanshe, 1995, p. 6.
9. op. cit., "Gaoju Deng Xiaoping lilun weida qishi, ba jianshe you zhongguo tese shehuizhui shiye quanmian tuixiang ershiyi shiji" (Hold High the Great Banner of Deng Xiaoping Theory for an All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century), p. 58.
10. "Zhongjiwei jue ding kaichu Chen Xitong dangji" (Central Commission for Discipline Inspection Decides to Expunge Chen Xitong From Party Register), *People's Daily*, September 10, 1997.
11. "Jianding xinxin yashi gongzuo yong sannian zuoyou shijian shi daduoshu guoyou dazhongxing qiansun qiye zuochu kunjing" (I Firmly Believe Hard Work Can in About Three Years Cause the Majority of State-Owned Large and Medium Sized Loss-Making Enterprises to Escape Difficulties), *People's Daily*, July 31, 1997.
12. "21 shiji zhongguo bijiang gengjia kaifang fanying" (China Will Further Open Up and Prosper in 21st Century), *People's Daily*, September 23, 1997.
13. op. cit., "Gaoju Deng Xiaoping lilun weida qishi, ba jianshe you zhongguo tese shehuizhui shiye quanmian tuixiang ershiyi shiji" (Hold High the Great Banner of Deng Xiaoping Theory for an All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century), p. 46.
14. "Gaoju weida qishi, tuijin hongwei shiye" (Hold High the Great Banner for Advancement of the Great Cause), *People's Daily*, September 11, 1997. According to that article, the Jiang Zemin leadership had achieved three "breakthroughs" in reform of the economic system. The first was the "theoretical breakthrough" of freeing socialist market economic principles from the theoretical constraints of socialism, the second was the "practical breakthrough" of creating a system for macroeconomic control, and the third was the "methodological breakthrough" of raising economic efficiency while suppressing inflation.
15. "Gaoju Deng Xiaoping jianshe you zhongguo tese shehuizhui lilun weida qishi kunzhu jiyu kaituo jinchi ba women shiye quanmian tuixiang ershiyi shiji" (Hold High the Great Banner of Deng Xiaoping Thought of Socialist Construction With Chinese Characteristics for All-Round Advancement of the Cause into the 21st Century by Opening Up and Investment Without Allowing the Opportunity to Pass), *Qiu Shi*, No. 12, 1997, pp. 2 to 5.
16. "Jiang Zemin tongzhi baogao shi ganglingxing wejian" (Comrade Jiang Zemin's Report is Comprehensive Document), *People's Daily*, September 14, 1997.
17. "Gaoju weida qishi, tuijin hongwei shiye" (Hold High the Great Banner for Advancement of the Great Cause), *People's Daily*, September 11, 1997.
18. op. cit., "Gaoju Deng Xiaoping lilun weida qishi, ba jianshe you zhongguo tese shehuizhui shiye quanmian tuixiang ershiyi shiji" (Hold High the Great Banner of Deng Xiaoping Theory for an All-Round Advancement of the Cause of Building Socialism with Chinese Characteristics Into the 21st Century), p. 38.
19. YOSHIFUMI NAKAI, "Chugoku no 'kyoi' to nitchu beichu kankei" (The Chinese "Threat" and Sino-Japanese and Sino-American Relations), SATOSHI AMAKO ed., *Chugoku wa kyoi ka* (Is China a Threat?), Keiso shobo, 1997, pp. 105 to 139. An overview of the diplomatic policies of China since the 14th Party Congress may be found in "Quan-

mian kaichuang jiushi niandai gaijiao xinjunian” (Completely New Situation in Foreign Relations in 1990s), *People's Daily*, September 6, 1997.

20. China had always taken the position that it had never abandoned its sovereignty over Hong Kong, so the Chinese government refers to the reversion of Hong Kong as a “restoration of the exercise of sovereignty over Hong Kong”.
21. The final day of the 15th Party Congress, September 18, coincided with the commemoration of the Manchurian Incident – called the “9/18 Incident” in China –, but the Chinese press was extremely muted about the “9/18 Incident”. The *People's Daily* carried an article mentioning the “9/18 Incident” on page 4, but this merely reported that the number of visitors to the “9/18 Commemorative Hall” in Shenyang had reached one million over the past seven years. “9/18’ shibian jinianguan qinian jiedai baiwan guanzhong” (“9/18” Incident Commemorative Hall Receives One Million Visitors in Past Seven Years”), *People's Daily*, September 18, 1997.
22. “Analysis: In Washington, China's Payoff Is New Respect, New Status”, *New York Times*, October 31, 1997.
23. Wei Jingsheng's expulsion to the United States was clearly a conciliatory act meant to appease American public opinion. This is because Wei Jingsheng himself had only extremely limited influence in China. “Who's Afraid of Wei Jingsheng?”, *New York Times*, November 23, 1997.