

Analysing the Rationale of China's Political Reform in the 21st Century

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Abstract:

Both researchers and practitioners have not reached a consensus regarding logics of China's political reform and to what extent CCP is pushing the political innovation, nor they mapped a clear picture on where the political reform is leading to. Most of scholars beg the questions on 'is China's political reform a way forward or backward in the transition process, and what are the core differentiations between CCP's political reform understanding and Western's democratic values. This paper attempts to figure out the 'Road Map' of china's political reform and analyses the CCP's rationales as adaptive CCP without damaging its ruling position, strengthening the state's governing abilities, and incrementally trial on granting more power to the civil society and experimenting direct election at the village level.

Key Words: Political Reform, Chinese Government, Governance

1. INTRODUCTION

In August 2010, Chinese Premier Wen Jiabao delivered a prominent speech warning that China's economy and national modernization process would be jeopardized if the country failed to undertake systemic political reform (Gilboay and Heginbotham, 2010). Political analysts argue that the fifth conference of 17th Party Congress in 2010 launches the new stage of China's political reform and signals the political reform will be at the forefront in the next 30 years (Zheng, 2010)¹.

Since the Open Reform policy in 1978, China's economic development has created a miracle in the community of world economy. In recent global financial crisis, China's economic growth still keeps at a pace of 9% increase annually, though it had been affected by a series of natural disasters, such as the earthquake in May 2008 and current economic crisis (BBC, 2009)². Under the aura of the economic boost, China is confronting the difficulties of balancing the economic development and political reform. Researchers and practitioners beg the questions on: 'is China's political reform a way forward or backward in the transition process; and is the understanding of CCP's political reform the same as Western's democratic values.

Scholars on Chinese Political studies hold different arguments regarding how and the extent to which Chinese Communist Party (CCP) should push forward the political reform in the fields of free media, democratisation, increasing power of legislature and judicial institutions, and extension of direct elections from villages to townships. Radicals concede that China's political reform strategy should consider Western's mode of separation of legislature, executive, judicial powers and establishing the political opposition Parties as the best means to achieve democracy. Others argue that privatisation of land is the key foundation and prerequisite for the political reform cause (Xiao, 2010). However, these reforms are unachievable as they are not allowed under China's Constitution and threaten the ruling position of the CCP (China's Constitution and Party rules, 2007).

Mainstream scholars agree that CCP is an adaptive Party, and attempts to maintain its legitimacy through a series of political reforms, such as extending its Party membership to people with capitals through 'Three Representative' under the previous President of PRC Zeming Jiang (16th Party Congress Report, 2002)³, implementing direct election policy in the rural areas; and strengthening the intra-Party democracy. This paper analyses the CCP's political reform rationales that can be summarised as adaptive CCP without damaging its ruling position, strengthening the state's governing abilities, and incrementally trial on granting more

¹ http://news.ifeng.com/mainland/special/17wuzhongquanhui/content-0/detail_2010_10/16/2801975_0.shtml, accessed at 23/10/2010.

² <http://news.bbc.co.uk/2/hi/business/7843947.stm>, accessed at 22/10/2010.

³ http://news.xinhuanet.com/newscenter/2005-01/16/content_2467718.htm, accessed at 22/10/2010.

power to the civil society and experimenting direct election at the village level.

2. ADAPTIVE CCP (YUSHI JUJIN)

Even though, one of the CCP's most stunning development stories of recent decades is China's market transition and economic rise, it has been widely criticised that CCP's political development is less fundamental and systemic than changes in the economic realm. Li in his edited book 'China's Changing Political Landscape' argues that 'CCP favours a one-Party monopoly of power without an independent judicial system or free media (Li, 2008: 1). In addition, Pei also argues that: 'Juxtaposed against massive and positive economic and social changes, the pace of political change has significantly lagged behind that of economic progress' (Pei, 2006: 4).

However, this part argues that CCP's first rationale of launching political reform is to maintain its ruling position as a Party, and reluctant to give away its power, while adapting itself to the new domestic and international circumstances. The President of Jingtao Hu emphasized in the 17th Party Congress that CCP takes the leading role of emancipating China, is the founder of 'New China' together with Chinese people, and represents the interests of all social classes and ethnic minorities (16th Party Congress, 2007). In order to maintain its power, CCP has been consistent a self-adaptive Party. Nathan (2003) argues that CCP is an adaptive Party and China's political system is resilient. Nathan concludes:

four aspects of the CCP regime's institutionalization: 1) the increasingly norm-bound nature of its succession politics; 2) the increase in meritocratic as opposed to factional considerations in the promotion of political elites; 3) the differentiation and functional specialization of institutions within the regime; and 4) the establishment of institutions for political participation and appeal that strengthen the CCP's legitimacy among the public at large (Nathan, 2003: 1).

2.1 CCP's Ideologies Adaption

In the first place, CCP has undergone several ideological changes to adjust their positions and strengthen their ruling capacities. Ma and Lin argue in their book 'Battles' (Jiao Feng) demonstrates three important CCP's ideological transformations (Ma and Lin, 2008). The first battle starts at the end of China's famous Culture Revolution in 1978. Hua GuoFeng reaffirmed the class-oriented ideology under the influence of Mao's Cultural Revolution guidance, and proposed 'Two Whatever's' plan (support whatever Mao's decisions and whatever Mao's guidances). The reformists, such as Hu YaoBang and Deng XiaoPing, in CCP wage the huge debates regarding where CCP should take the Chinese people to, and suggests the 'Practice is the only criteria of judging the truth'. The first ideological battle ends at the 3rd conference of 11th national congress, and initiatives the worldly well-know 'Open Reform' policy.

The second battle begins with the 'Capitalism or Socialism debates in 1989' (Ma and Lin, 2008). At the end of 1980s, the Conservatists in the CCP challenge the open reform policy, and

consider it as a way leading to Capitalism. The Conservativists advocates the state planned economy rather than market oriented reform, and negates the policies of private ownership including ‘The Household Contract Responsibility System’ (JiaTing LianChan ChengBaoZhi). In 1992, Deng XiaoPing’s renowned ‘Southern Tour’ fought against the Conservativists in the CCP and began Chin’a transition from an ideologically constructed social order to an interest-based one, from a political society to an economic one’ (Zheng, 2004: 61). In 1997, the Conservativists rebrand the debate of Capitalism or Socialism into the arguments between ‘Public and Private’, suspicious of the open reform policy violating the Marxism’s principle of collective ownership economy. The previous president of PRC Jiang ZeMing became the solid supporter of open reform policy in 1997, and continues implementing Deng’s legacy—CCP needs to be more pragmatic rather than pursuing old ideologies.

Under the Presidential period of Hu JingTao, CCP continues to adapt itself in order to increase the ruling capabilities. Though economic expansion has generated enormous political benefits, such as increasing the regime’s legitimacy, emerging tensions between China’s state and society, enlarging gaps between the rich and poor, increased misappropriation of land, rising income inequality, and corruption would intensify social conflict, jeopardize economic growth, and undermine the CCP’s ability to govern (Tang, 2010). Under the circumstances, Hu JingTao in 2003 articulated the ideology of ‘harmonious society’ at the 16th National Congress containing good governance, accountable government, rule of law and service-oriented government; and subsequently proposes the new ideology of ‘Inclusiveness Growth’ on the 5th APEC conference in 2010. Zhu elucidates this as ‘harmonious society, social justice, governing by civil society, decreasing the gap between the rich and poor, and expanding domestic consumption needs’ (Zhu, 2010)⁴.

2.2 Developing Intra-Party Democracy (Dang Nei Ming Zhu)

‘In recent years, both the Chinese authorities and the state-run media have frequently used the term ‘intra-Party democracy’ to describe the concept of institutionalized checks and balances within the CCP’ (Li, 2010: 1). In September 2009, the 4th conference of Party congress called for promoting democracy within the Party and intensifying the anti-corruption drive within the leadership (Reports of 17th Party congress, 2009)⁵. ‘The directives particularly stress the importance of intra-Party democracy, describing it as the ‘lifeblood of the Party (dang de shengming)’ (Li, 2010: 2), so as to enhance the CCP’s ruling capabilities.

Xu also argued that intra-Party democracy is the solid foundation for China’s democracy development (Xu, 2009)⁶, and prerequisite for China’s people democracy (ren min mingzhu). Ding summarised the three parts of intra-Party democracy—‘guarantee Party member’s

⁴ http://www.china.com.cn/policy/zhuanti/wzqh/2010-10/15/content_21133162.htm, accessed at 28/10/2010.

⁵ <http://theory.people.com.cn/GB/40557/162824/>, accessed at 28/10/2010.

⁶ <http://theory.people.com.cn/GB/49150/49151/9626313.html>, accessed at 28/10/2010.

democratic rights, improve Party's domestic power structure and institutionalising Party's democratic mechanisms' (Ding, 2009)⁷. Particularly, the CCP views the grass-roots level intra-Party democracy as a way to connect the citizens with Party. Yu Keping, vice-deputy of China's Central Compilation and Translation Bureau, also argued that intra-Party democracy and people's democracy are complementary. The former is top-down or inside-out and the latter is bottom-up, but ideally they can meet in the middle (Yu, 2009).

In the first place, the CCP reforms its intra-Party democracy through recruiting economic and technical talents into the Party. the CCP has redefined its relationship with Chinese society—a redefinition expressed in its "Three Represents" slogan: 'Instead of portraying itself simply as the vanguard of the proletariat, the Party now claims to represent 1) society's "advanced productive forces," meaning especially the growing urban middle class of businesspeople, professionals, and high-tech specialists; 2) the promotion of "advanced culture," as opposed to either "feudal" traditions or modern materialism; and 3) the interests of the majority of the Chinese people' (Dickson, 2003:29).

The Party has been recruiting the kind of economic and technical expertise needed to promote economic modernization. The rationale here is itself two-fold: First, the CCP wants to be connected with the types of people it needs to achieve continued growth, which is a main source of the Party's contemporary claim to legitimate rule. Second, the CCP wants to preempt efforts by these new elites either to form their own groups in opposition to the Party, or to align with other regime opponents (Dickson, 2003: 28).

Secondly, the CCP also trains the Party members annually in the Party training schools in order to enhance Party member's governing abilities (zhili neli) and ensure the orderly political reform within the Party. For example, Shambaugh argues that: 'one key element of the Party rebuilding process has been a stepped-up emphasis on mid-career training for Party and state cadres in the Party system' (Shambaugh, 2008:827-828). The Party system offers a variety of courses in terms of political ideologies, economics, law, social culture and politics. More importantly, through these trainings, the CCP attempts to attain the Party's complete political control and also indoctrinates intra-Party democracy theories to the backbones (the trainees) of the CCP. Important as it is, the Party school system is supplemented by two other similar national training structures, Chinese Academy of Governance (Guojiaxingzhengxueyuan), and 'colleges of socialism'(shehuizhuyixueyuan)that train ethnic minorities.

Thirdly, Deng Xiaoping commented: 'Even so great a man as Comrade Mao Zedong was influenced to a serious degree by certain unsound systems and institutions, which resulted in grave misfortunes for the Party, the state and himself' (Deng, 1997:365). Since the establishment of second generation core of the leadership, Deng has transformed the elite politics to incremental institutionalisation (Miller, 2008). Nathan argues that: '

⁷ <http://theory.people.com.cn/GB/49150/49151/9668929.html>, accessed at 31/10/2010.

The Chinese regime is in the middle of a historic demonstration of institutional stability: its peaceful, orderly transition from the so-called third generation of leadership, headed by Jiang Zemin, to the fourth, headed by Hu Jintao. Few authoritarian regimes—be they communist, fascist, corporatist, or personalist—have managed to conduct orderly, peaceful, timely, and stable successions..... China's current succession displays attributes of institutionalization unusual in the history of authoritarianism and unprecedented in the history of the PRC. It is the most orderly, peaceful, deliberate, and rule-bound succession in the history of modern China (Nathan, 2003:11).

Leadership turnover and succession came under institutionalising pressure as well when the constitution of the PRC incorporated fixed term limits for top state posts in 1982 and established mandatory retirement ages for various levels within the state hierarchy (Miller, 2008). For example, Hu Jintao's path to the head of the fourth generation leadership experienced three stages—Party General Secretary, President of the State and finally Chair of Party and State Military Commission. It can be estimated that Xi Jinping—widely considered as the head of the fifth generation of CCP's leadership, would follow the same procedures to become the core of the CCP's next collective leadership. In addition, the successions to the Politburo standing committee is also institutionised to prevent cult of the personalism and power abuse as it occurred under Mao's period. New appointments to the Politburo and its Standing Committee are likely to be based on considerations of competence, representation, and personality, in addition to calculations of factional loyalty, rather than purely depending on the factionalism (Miller, 2008: 71).

Fourthly, 'checks and balances' in the Party is another significant element in the CCP's intra-Party democracy. In recent years, CCP has penalised or imprisoned a large number of Party members as a result of violating Party regulations, such as, corruption and bribery. For example, 'the CCP dismissed Chen Liangyu, Shanghai's Party chief and a member of the Politburo, for alleged involvement in a corruption scandal' (Pei, 2008: 229). Each year, CCP's Central Discipline Inspection Commission contains around 100,000—170,000 CCP members and officials for various forms of wrongdoings (Pei, 2008). The CCP uses domestic checks and balances to discipline Party members behaviours and to maintain the Party's legitimacy.

The above discussed the first CCP's political reform rationale which is to ensure the CCP's controlling power by adapting itself through adaptive ideologies and intra-Party democracy to the new domestic and international circumstances in the transition China's political reform. It is essential to point out that this part attempts not to be involved in the contentious debates regarding the definition of 'democracy', as different scholars have largely opposite views on China's democracy development. Some scholars argue that CCP's intra-Party democracy is not a real democracy; others argue that democracy is a universal term needs to integrate different nation's culture and understandings (See Li, 2008, Pei, 2008, Yu, 2008, Li, 2009).

3. STRENGTHENING THE STATE'S GOVERNING CAPACITIES

CCP's second political reform rationale is to strengthen the state's capacities through initiating a series of executive, legislature and judicial innovations. However, as discussed in the previous party, ensuring CCP's political control is an uncompromised condition for conducting these reforms. The nature of adaptive Party has trickled down to the necessity of adjusting state's functions, as better governance helps CCP to maintain its legitimacy. Particularly, globalisation is another driving force for the transformation of the state. Zheng argues that 'despite difficulties, the Chinese state has made enormous efforts to adjust the governance structure to accommodate globalisation on the one hand, and facilitate the process of China's integration into the global system on the other' (Zheng, 2004:187).

In addition, the Chinese government also faced internal significant challenges ahead. Inequality has risen sharply across regions, sectors and social groups. Corruption is rampant. Wong argued that:

Especially, since 1990s, popular protest grew in size and frequency, as citizens protested against excessive fees and levies and increasingly, illegal land takings and evictions. the country has also been rocked by a series of scandals in recent years, of which the long-running saga of tainted milk powder from Sanlu during 2007-2008, then the largest and most reputable milk producer in the country, was only the latest in a string that went from fake infant formula causing the death of hundreds of babies in 2004, the 2005 chemical spills into the Songhuajiang that contaminated water supplies to major population centres in the north-east, to the mislabelling of exported chemicals that turned toothpastes, pet food and pharmaceuticals into deadly poisons and so on (Wong, 2009:930).

Therefore, CCP attempts to strengthen the state's capacities to grapple with the pressures internally and externally through institutional changes, transforming the role the civil service, and improving the public service delivery.

3.1 Market reform and bureaucratic restructuring

Scholars begs the questions if China's market reform would lead to political liberalization and eventually democracy. However, it is evident that China still remains an authoritarian country. Zhang in his book 'Marketisation and Democracy in China' gave a good illustration through a bottom-up approach by observing two different locations in China--Sunan and WenZhou (Zhang, 2008), arguing that 'different patterns of economic development have produced distinct local-level social and political configurations, only one of which is likely to foster the growth of democratic practices' (Zhang, 2008:2). WenZhou created an entrepreneurial-initiated development contributing to the economic equality and flat class structure; on the contrary, Sunan's government-led development has created more inequality and polarized class structure (Zhang, 2008:3).

However, marketisation triggers the transformation of the state and bureaucratic restructuring indeed. There have been six main institutional reforms in China's 'Reform and Open Door' policy since 1978. Chai summarized four institutional reforms in her article:

The 1982 Institutional Reforms

The 1982 institutional reforms: in December 1981, in the process of downsizing the state bureaucracy, the total number of ministries or agencies directly under the control of the State Council was cut from 100 to 61, with regard to staff, State Councils were reduced from 51,000 to 30,000.

The 1988 Reform of the State Council

This new initiative focused on transforming administrative functions with a particular emphasis on the redesign of departments of economic management. The plan's long-term objective was to establish an administrative system that integrated the qualities of modern management with traditional characteristics of Chinese administration. In short-term goal was to balance relationship, transform functions, streamline staff, improve efficiency, overcome bureaucratization and increase the vitality and flexibility of central state organizations.

The 1993 Institutional Reforms

This phase of institutional reform focused on establishing an administrative system, which would underpin the socialist-oriented market economy. And the process of decentralization allowed for a process of 'hollowing-out' to occur at the centre.

The 1998 Institutional Reforms

Significant improvements have been made during this period with regard to separating administration from enterprise management, through the successful privatisation of state-owned enterprises, and improving public management and the style of service delivery. (Chai, 2004)

The fifth institutional reform occurred in 2003. The central government established new departments, such as, State-owned Assets Supervision and Administration Commission of the State Council, China Banking Regulatory Commission, State Food and Drug Administration, State Administration of Work Safety and Coal Mine Safety, Ministry of Commerce and rename National Development and Planning Commission to National Development and Reform Commission. In addition, the total number of ministries in State Council reduced to 28.

The recent institutional reforms happened in 2008 branded as 'Super Ministry Reform' (DaBuZhiGaiGe), encompassing three meanings---separation of decision-making, implementing and supervising powers; amalgamating small ministries into 'super ministries' as

11 new ‘Super Ministries’ were established in 2008⁸. Overall, the sixth institutional reforms aim to rebuild the state economic system to accommodate the market economy. Particularly, the establishment of National Development and Reform Commission has been considered as the mini-state Council implementing the major economic innovations in China. Zheng argued that: ‘bureaucratic restructuring in China essentially refers to efforts to rationalise the bureaucratic state to make it more efficient’ (Zheng, 2004:83), and reduce or eliminate the shortcomings of inefficiency, dysfunction, overstaffing, degeneration and so on. ‘Every bureaucratic restructuring has aimed to provide an institutional foundation for the development of an increasingly market-oriented economy’ (Zheng, 2004:84).

Decentralization is the second most important institutional reforms. In the process of State-building under a Reformist Party since the open reform policy, The CCP’s decentralization policies can be broadly grouped as fiscal and administrative. Fiscal decentralization began in 1980, which permitted each provincial government and to retain profits above the contracted amount for local purposes. Known as ‘eating in separate kitchens’ this fiscal reform was aimed at making provinces financially self-sufficient. (Zheng, 1997:216) Provinces especially for the coastal regions have particularly benefited from this administrative reform; for example, four Special Economic Zones were set up in Guangdong and Fujian provinces, which have enjoyed customs exemptions and preferential policy treatment to attract foreign capital. (Zheng, 1997:216) afterwards even the central government tends to recentralize again, however provincial government officials insisted that further decentralization would lead to more reforms.

Even through decentralization, local government have had more autonomy than ever before, the leaders in Beijing often resorted to the last organizational tool that the Party centre still has, namely, the centrally controlled nomenclature system, especially by reshuffling provincial leaders. (Zheng, 1997:220) anyway in Deng’s regime, when China’s social, economic and international environment has been changing so dramatically, a new framework was designed for balancing the needs for central control and local autonomy, such as, greater authority in investment and resource-allocation decisions. The consequences of decentralization are fairly apparent; politically Chinese regimes under Deng, Jiang and Hu won supports due to people’s improvement of living standard, economically for the past 22 years from 1988, there was a national sustained an average growth rate of 9 percent and great boost of the local economy.

3.2 Strengthening the Role of Politicized Civil Servants

Civil service reform is designed in part to affect the behaviour of government employees, and China’s reforms were no exception (Burns and Wang, 2010), as civil servants are the decision-makers and implementers in terms of strengthening the state capabilities. The world’s largest country, the People’s Republic of China (PRC), established its civil service in 1993 when it promulgated the Provisional Regulations on State Civil Servants. On April 27, 2005,

⁸ <http://theory.people.com.cn/GB/40557/117321/index.html>, accessed at 04/11/2010.

the Standing Committee of the National People's Congress (NPC) approved the Bill of State Civil Service Law (CSL), which became effective on January 1, 2006. (Chan and Edward, 2007; Burns and Wang, 2010:58).

China's civil service reform is embedded in the CCP's principle of 'Party manages the cadres' (Dangguanganbu), and politicized civil service is one of the most significant characteristics of the civil service reform. The scope of the civil servants has been a contentious issue until the issue of Civil Service Law in 2006. Under the Zeng Qinghong's instructions in 2000, the most senior party official in charge of cadre and personnel management, the civil service system need to open the door for party organizations to be incorporated into the state civil service.

He made two main points. First, he argued that the scope of the state civil service must truly concretize the principle of party control of cadres, and second, the CSL must integrate the civil service and the existing cadre personnel management system (Chan and Edward, 2007:385).

Based on comprehensive research between 2001 and 2004, the Leading Group on Drafting the CSL conducted workshops nationwide to study the scope of the civil service in more than 20 provinces. In light of the new definition, the Leading Group classified the organizations of the central party and the State Council into three categories: 'Units that fall with the civil service system; Units to be managed by reference to the Civil Service Law; Units that can adopt either the institute or the enterprise management system' (Chan and Edward, 2007: 390). Overall, the civil service system incorporates personnel in Party organisations, people's congress, people's political consultative conferences, judicial and procuratorial organizations, personnel in democratic party organizations and state administration units at the both central and local levels.

Some scholars argue that China's civil service reform tends to be over-politicized and incompatible with the trend of neutral civil servants in the executives, particularly under the ideology of New Public Management and decentralisation in UK, Australia and New Zealand (Chan and Edward, 2007). However, this is not the case anymore. Richards in his book 'New Labour and Civil Service' argues that Britain's civil service system tends to be politicized under the Labour government since 1997 with the increasing the number of units established around the Prime Minister, and using more special advisors and task forces (Richards, 2009). It is unreasonable to make a normative judgement on if politisation of civil service reform will create bad governance.

In addition, the CCP's civil service reforms established a series of procedures and rules regarding entry to the civil service, retirement, resignation, punishment and fixed-term tenures of 'leadership position' (Lindaozhiwu) and 'contractual positions' (Pingrenzhiwu), bringing into competition mechanisms, supervision and monitoring and performance-based award systems. Manion described the procedures of the cadre management system and civil servants'

appointment, promotion, transfer and removal of Party and state leaders before the establishment of the national civil servants provisional rules of 1993 (Manion, 1985), compared to which, the management of civil service progressed into the rule-based managing mechanisms after 1993. According to one of senior civil servants interview, 'this contributed to build a team of stable and consistent civil servants' (Personal interview, 2010).

Furthermore, CCP also put considerable efforts to increase civil servants' governing capabilities through providing a variety of training programmes. The training programmes were initiated and organised by the Organisation Department of CCP. In 2008, the National Civil Service Bureau issued an official document 'the regulations of Civil Servants' Training', specifying trainees, the length of training, training institutions, its link with promotion and so forth (NCSB, 2008)⁹. One of the interviewees commented: 'I am currently studying English in Beijing Foreign Affairs University, and we are all selected by the Organization Department of CCP as middle level leaders, after three months studying, we will go to Singapore National University to study Master of Public Administration' (Personal Interview, 2010). More often, a large number of civil servants receive trainings from CCP's Party School and Chinese Academy of Governance so as to enhance the governing abilities, such as how to deal with public crisis.

3.3 Improving the Public Service Delivery

Since 2003, The Chinese government has been committed to improve the public service delivery placed as a top priority for the government than any previous administrations, as it significantly influence the Chinese citizen's daily lives and is part of CCP's state reforms to improve the social welfare. In 2010, The Chinese Prime Minister, Wenjia Bao, re-emphasized that: 'social justice and equality is more shining than the Sun' on the the third session at the 11th National People's Congress.

Sun argued that public services in China can be categorised as 'administrative governmental services' such as administrative approval system (Xingzhengshenpi), 'profits services' (providing services of gas, electricity and water), and 'non-profit services' (social securities, education and public health) (Sun, 2004:99). As a result of deepening market reform, the Chinese government initiated the 'service-oriented government' reform so as to create an environmental-friendly condition for developing a fully-fledged market system.

From 2002 to 2004 the State Council abolished or adjusted 1806 items of the system, reducing the number of activities requiring administrative examination and approval by 50.1 percent; second, it has implemented a one stop shopping service model in order to shorten procedure times and reduce administration costs; third, in an effort to clarify administrative responsibilities, it has adopted a services commitment and responsibility-investigating system that refrains from buck passing and punishes delinquent officials (Yu, 2008:52).

⁹ http://news.xinhuanet.com/employment/2008-12/03/content_10447536.htm, accessed at 06/11/2010.

Chen also argued that: ‘the central government has expanded considerably financial support to the public service delivery’ (Chen, 2010:4). the table one shows the increasing spending on public services in 2009.

| Items | Spending (Billon RMB) | Increasing percentage compared with 2008 |
|--------------------------------|-----------------------|--|
| Education | 749.153 | 17.5% |
| Social Security and Employment | 603.969 | 27.1% |
| Health | 263.529 | 29% |
| Community services | 359.038 | 11.2% |
| Transportation | 362.989 | 46.7% |
| Housing | 131.425 | 24.8% |

Source: Financial Report in 2009,9
http://gks.mof.gov.cn/zhengfuxinxi/tongjishuju/201010/t20101015_342886.html

Particularly, the Chinese government abolish the tuititon fees accross the nation in the nine-year compulsory education system since 2008 including providing free textbooks to the household registered in the basic-living allowances social welfare in the city and living expenses for the students in poor families (Si, 2008)¹⁰.

In addition, the Chinese government brought into the market mechanims in reforming the public service delivery, allowing non-state capitals into the arenas of public service delivery as a means to increase the efficiency (Sun, 2004). In the meanwhile, the govrnment prevented the market failure in providing public services through governmental regulations and supervision. Furthermore, through some scholars has argued that the government fails to encourage the increasing role of non-governmental organisations in providing public services, it actually can be seen that non-governmental agencies are playing more important roles on offering public services. For example, Xiaoyuan Shang, XiaomingWu and Yue Wu analysed how the civil society fills the gap in welfare provision for Vulnerable Children as the state’s role is missing (Shang, Wu and Wu, 2005:122). One of the interviewees commented: ‘non-governmental organaisations in China is transforming from personalism to institutionalism, in the past, non-governmental organisation’s development depends on its head as reputational person with close links with the government; but now, the non-governmental organisation’s is slowly getting into the rule-based development’ (Personal interview).

¹⁰ <http://www.chinacourt.org/html/article/200808/01/315027.shtml>, accessed at 07/11/2010.

4. CCP'S TRIAL ON GRANTING MORE POWER TO CIVIL SOCIETY

The CCP's third political reform rationale is to incrementally granting more power to civil society with caution. The meaning of civil society from sociological definition is an aggregation of many different types of social organizations, all of whom have voluntary memberships (Teets, 2009: 330). However, Yang argued that: the concept of civil society has four basic elements (1) autonomous individuals and (2) civic associations in relation to the state, (3) engaged in more or less organized activities in a (4) public sphere 'outside the immediate control of the state but not entirely contained within the private sphere of the family' (Yang, 2010: 455).

There are two opposite voices regarding whether China has entered the age of civil society. Scholars in Beijing University argued that China has the characteristics of civil society, such as a certain number of NGOs, increasing power of citizens' participation in the political activities, and internet democracy; on the contrary, scholars in Tsinghua University denies the fact that China has the civil society as citizens has no freedom of association and assembly.¹¹ Although the CCP has been extremely vigilant about discouraging the growth of NGOs, especially since the 'color revolution' of 2004-2005 overturned autocratic governments in Georgia, Ukraine, and Kyrgyzstan, the party has nevertheless recognized that NGOs can play a beneficial role in society. The CCP is increasingly aware of the significance of the civil society as an important instrument to the CCP's governing abilities.

4.1 The Growing Power of the Civil Society

In recent global financial crisis, China's economic growth still keeps at a pace of 9% increase annually, which in turn requires an innovation of social management as the economic development, on one hand, has transformed considerably the modernization process; on the other hand, enlarged the gap between the rich and poor contributing to the social unease. The CCP considers the function of civil society complementing the state function deficit in the rural and less developed regions, such as Tibet.

Yang argued that: 'studies of civil society in reform-era China have revealed three major areas of change that point to an emerging civil society: (1) existing forms of social organization have undergone change, new associational forms have appeared, and social organizations in general have proliferated; (2) both social organizations and individual citizens enjoy more autonomy from state power than in the pre-reform decades; (3) with the changing functions of the media and the increase in spaces for public discussion, a nascent form of public sphere has emerged' (Yang, 2010: 456).

According to the official statistics in 2010, there are over 400,000 registered social organisations in the Civil Affairs Department in China. Yu, director of Central Compilation and Translation Bureau, pointed out that there are around 3000,000 social organisations existing in

¹¹ <http://www.chinaelections.org/NewsInfo.asp?NewsID=141318>, accessed at 29/12/2010.

the society.¹² Particularly since 2008, China has experienced a series of devastating natural disasters, such as WenChuan earthquake in which death tolls reached 100,000, and YuShu earthquake in the north-east of QingHai province that hundreds of people passed away and thousands injured. The consecutive natural disasters triggers the dynamic and rapidly growing number of charity services. Accompanying this tragedy was a significant outpouring of donations and volunteers, leading many analysts to speculate that, similar to the SARS crisis in 2003, relief and reconstruction efforts will strengthen civil society in China (Teets, 2009:330).

Participation in relief efforts increases civil society groups' capacity through an expanded volunteer and donor base, improves experience in project management, and demonstrates to the government the potentially positive role played by civil society. Furthermore, The growth of business association, such as, chambers of commerce in Wenzhou Municipality in Zhejiang Province, suggests that such groups can play an important role in regulating the economy and aiding government without posing a threat to the authority of the CCP. Two examples of the latter are the development of 'democratic consultation meetings' in Wenling, Zhejiang Province, and the implementation of the 'public recommendation and public selection' system in parts of Sichuan and Jiangsu Provinces (Li, 2008:218).

Secondly, there seems to be a consensus that civil society is tightly under the CCP's political control, and has little leeway to execute its intentions, especially in the areas of promoting human rights and westernised political framework. Under the current legal regulations, the Chinese government requires every NGO to place itself under the 'professional management' of a state organ with responsibilities in its area of work, in addition to being registered and vetted annually by Civil Affairs department, namely called 'dual management system'. However, Lu in the paper 'The Autonomy of Chinese NGOs: A New Perspective' challenges two mainstream views in Chinese NGO studies: 'firstly, Chinese NGOs generally lack autonomy; secondly, within the NGO sector, popularly organised (or bottom-up) NGOs are relatively more autonomous than officially-organised (or top-down) NGOs' (Lu, 2007:173).

Lu argued that: 'officially-organized NGOs in China can enjoy a great deal of de facto autonomy' (Lu, 2007: 203), rather than strictly regulated by its superior organisations. In addition, the CCP has taken the initiatives to draft the first 'Charity Law' since 2006 that is still under the thorough discussion in the National People's Congress, and demonstrates its willingness to loosen the control of civil society¹³.

Thirdly, individuals and organizations have more autonomy in expressing their opinions and participating in political activities, particularly with the internet's popularity in the new technology revolution, than twenty years ago. Though the media and internet use is still under

¹² <http://www.chinanews.com.cn/gn/news/2010/05-27/2307036.shtml>, accessed at 30/12/2010.

¹³ <http://finance.qq.com/a/20100805/000370.htm>, accessed at 30/12/2010.

the strict restriction by the CCP, Chinese citizens do have more opportunities involved in the process of governmental policy consultation on the web, revealing improper behaviours of governmental officials, and expressing their concerns on social issues. The development of the Internet in China has given rise to online communication spaces, including chatrooms, listservs, newsgroups, electronic magazines, bulletin boards and so forth.

Discussions are common regarding the topics of governance, political reform, social inequalities, and democratic practices on the Internet. For example, there are a large amount of websites and forums on the web providing the space for citizens to discuss the current Chinese political life, such as the website of 'China Elections and Governance', and 'China Reforms'. In addition, China's online spaces serve a good function of articulating social problems as a means to link private sphere with the political centre (Yang, 2003: 463). Furthermore, The Internet also has an impact on social organizations taken as an important part of civil society in China. Yang concluded that 'existing social organizations use the Internet for publicity, recruitment, fund-raising, and public education, of particular interest are the growing number of environmental groups and NGOs in China' (Yang, 2003: 466) setting up active websites propagating the environmental knowledge and revealing the environmental problems.

More interestingly, the number of popular protest in China has been increasingly accompanied with the economic development. Since 1999, the official 'People's Daily Online' sets up a BBS named Protest Forum for internet users to air discontent as a result of shocking event of bombing Chinese embassy in Yugoslavia by NATO. Unexpectedly, this triggers the popular protest on the internet for ordinary citizens to express their contentions. The most typical case includes an environmental protest in Xiamen 2007 in which the internet and text message play a crucial role in mobilization. In addition, 'in recent years, appealing to state authorities through petitions in person, reporting to the media, and filing lawsuits have been the three most common methods to combat misconduct by local officials or business people closely aligned with the government' (O'Brien, 2008: 165).

5. EXPERIMENTING THE DIRECT ELECTION AT THE VILLAGE LEVEL

On 5th September 2010, Chinese Premier Wen Jiabao met the previous American President James Carter, commenting that 'direct election at the village level is an important part of China's political reform, and the ultimate goal of villagers's self-rule is to enhance the citizens' abilities of managing the state affairs, if villagers can successfully handle the village affairs, then it can be extended to a town, county, province and the state'¹⁴. The above comments reflect the fourth CCP's political reform rationale that experimenting the direct election at the village level would explore an alternative to develop China's democracy embedded within the Chinese political and societal culture.

Village elections are regarded as the core of the widely publicized basic-level political reforms

¹⁴ <http://www.chinaelections.org/newsinfo.asp?newsid=186419>, accessed at 05/01/2011.

in the People's Republic of China (PRC). Most people in the world subscribe to the vision of a liberal mode of democracy and criticize that the China's political reform is not a democratic process based on the westernized criteria. However, parliament chief Wu Bangguo made the comments in a speech to the National People's Congress, China's annual parliament session in 2009, that 'China would draw on the achievements of all cultures but would not simply copy the West; Communist Party leadership should be strengthened and the correct political orientation'.¹⁵

The first aim of experimenting direct election at the village level is to discover the new concept or model of democracy that adapts to the Chinese circumstances. Therefore, the CCP attempts to develop a new model of democracy. Some scholars state that villagers' self-rule is an experimental form of democracy with Chinese characteristics, and others argue that the CCP is to develop a 'developmental democracy' characterized by the pattern of first institutionalizing procedures resembling a democratic system and incrementally raising the level of democracy involved through more openness, competition (Alpermann, 2004: 197).

The Chinese government began to promote the villagers' self-rule (*cunmin zizhi*) countrywide, and the 'villagers's committee' (*cunmin weiyuanhui*) that originated as a grassroots institutional innovation was made the key component of The Organic Law of Villagers' Committee of the People's Republic of China (promulgated in November 1998, a trial version in 1987). The Organic Law sets out to enforce villagers's self-rule in all rural areas. It stipulates that the villagers' committee is a self-ruling grassroots mass organization by which villagers manage their own affairs, and educate and serve themselves.

The Law formulates a clear objective of promoting grassroots democracy in rural China, and emphasizes 'democratic elections' (*minzhu xuanju*) and 'democratic supervision' (*minzhu jiandu*) of the villagers' committee, besides 'democratic decision-making' and 'democratic management'. The Organic Law provides an institutional framework to enhance cadre accountability as well as empower ordinary villagers to make their own decisions, thereby improving village leadership and grassroots governance. Villagers are entitled to directly choose among themselves those who are impartial, honest and upright, and public-spirited to be chairman, vice-chairman, and members of their villagers' committee in free, fair and periodic elections.

Secondly, the second aim of experimenting the direct election at the village level is to cultivate the citizenship consciousness. Villagers elect the members composed of Village Committee that make decisions regarding villagers' daily life, such as road construction, village budgeting, village development plan and so on. Activities conducted by Village Committee are not taken as potentially damaging power to the ruling position of the CCP, but seen as an autonomous

¹⁵ <http://news.bbc.co.uk/2/hi/7932091.stm>, accessed at 05/01/2011.

organ to assist of villagers' political participation, and in most cases, discuss the village affairs. Many scholars believed that grassroots-level election in the Chinese villages has gradually cultivated the citizenship consciousness, such as the consciousness of people's affairs are determined by the people, and the enthusiasm of participating actively in the public affairs (Chen,2005 and Li,2009).

Thirdly, though the Organic Law sets up a framework for villagers to participate the political activities at the village level, the CCP is aware of the need to control the election process at the grass-roots level so as to maintain the CCP's politically dominant position and retain the social stability. As a Party-State system, there is an unavoidable trend of conflict between 'the two committees' (Liangwei)(Village Committee and Party Committee). the Organic Law, on one hand, states that Party branches 'is obliged to support villagers in developing self-governance and exercise their democratic rights', on the other hand, insists that Party branches are the villages' 'leadership core' (Lingdao Hexin).

Currently, it is an indisputable fact that Party secretary is the actual first ruling person (Yibashou), and the democratically elected villager committee is subordinate to the Party secretary as the second ruling organ (Erbashou). This power-structure design often results in the collision between the two bodies. Village Committee attempts to maintain the dominant position from the Party committees. Whereas, with the advocate of the upper Party organizations, Party secretary never give away the power to interfere the village affairs. In most cases, it is the village cadres that lose these skirmishes. And then, as they often do, some have become so frustrated that they have withdrawn from the political life (O'Brien 2009). For example, the crucial stage of candidate nomination and selection is still seen as being too much controlled by Party and state administrations. The reforms of CCP at the base of the PRC's political system are driven by the need to find a balance between democratic participation and citizens' rights on the one hand and state and Party authority on the other (Alpermann, 2004:198). the CCP reluctantly gives its citizens enhanced opportunities for political participation and merely if it serves at the same time to strengthen its authority at the basic-level of rural society.

6. CONCLUSION:

In the 21st Century, unquestionably, China has become the most important focus all over the world. China's economic achievement has been remarkable, particularly after the world financial crisis since 2008. The CCP's central politburo standing committee members are occupied with visiting around the world and demonstrate their rising economic power to the world by contracting and purchasing a large amount of foreign products. On the other hand, China is encountering unprecedented social unrest, such as social mass movements, suicides, enlarging gap between the rich and the poor, and corruption. The CCP certainly is clearly aware of the danger of its ruling legitimacy.

Scholars have largely differentiated views on the extent to which the CCP is willing to take

political reform, and what directions the CCP is leading to. This paper contributes to the numerous, but various, debates on the CCP's political reform. The first part argues that CCP's first rationale of launching political reform is to maintain its ruling position as a Party, and reluctant to give away its power, while adapting itself to the new domestic and international circumstances through ideologies adaption, cadre training, transformation from elite politics to incremental institutionalism and checks and balances in the Party.

The CCP's second political reform rationale is to strengthen the state's capacities through initiating a series of executive, legislature and judicial innovations. The nature of adaptive Party has trickled down to the necessity of adjusting state's functions, as better governance helps CCP to maintain its legitimacy. The CCP attempts to strengthen the state's capacities to grapple with the pressures internally and externally through institutional changes, transforming the role the civil service, and improving the public service delivery.

The CCP's third political reform rationale is to incrementally granting more power to civil society with caution. the CCP has been extremely vigilant about discouraging the growth of NGOs, the party has nevertheless recognized that NGOs can play a beneficial role in society. Finally, the fourth CCP's political reform rationale that experimenting the direct election at the village level would explore an alternative to develop China's democracy embedded within the chinese political and societal culture.

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