

**A PRELIMINARY INVESTIGATION INTO THE  
EMERGENCE OF CIVIL SOCIETY  
IN RURAL CHINA**

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Certified that the dissertation entitled "A PRELIMINARY INVESTIGATION INTO THE EMERGENCE OF CIVIL SOCIETY IN RURAL CHINA" submitted by Sanjeev Kumar in partial fulfilment of the requirements for the award of the degree of **MASTER OF PHILOSOPHY**, has not been previously submitted for any other degree of this or any other university and is his own work.

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## INTRODUCTION

Rural reforms in the People's Republic of China (PRC) are an important component of any investigation into the emergence of Civil Society. As Chinese President Jiang Zemin says the peasant and the countryside have always been vital to the overall development in China. China has a vast market that lies largely in the countryside and therefore purchasing power of the peasantry is closely related to industrial development<sup>1</sup>. Chinese officials have said many times that "without stability in the villages there will be no national stability"<sup>2</sup>. Hence rural China plays a very important role in shaping the relationship among reform, development and stability. It is in the rural sector that the impact of reform in terms of Social and institutional change has been most profound and penetrating, opening up the earliest opportunities for a nascent civil society. China is largely a rural state with nearly 80 per cent of its population engaged in agricultural pursuits. It is also important that rural areas have always been the mass base of the Chinese Communist Party (CCP). Add to this the fact that the reform policy was first implemented in rural China and that Chinese liberal socialism, which has implemented market oriented reforms has significant implications

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<sup>1</sup> "Jiang Zemin's Speech at the Central Conference on Rural Work," March 23, 1994, *Issues and Studies*, vol 30, no.9 Sept. 1994 pp.123-25.

<sup>2</sup> Willy Wo-lap Lam "Governing an Intransigent Society in Kuan Hsin-Chi & Maurice Brosseau eds., *China Review 1992*, (Shatin : The Chinese Univ. Press, 1992) p.2.14

for the emergence of civil society in China and it becomes clear why an investigation of civil society in rural China becomes an important concern.

The proposed study is closely linked with Post-Mao rural reforms. However a brief review of the literature reveals that China has had a significant history of associational activities that civil society in late Imperial and Republican China was engaged in articulating and dealing with urgent social and economic issues. Notable Western scholars who hold this view are Mary Backus Rankin, William Rowe, David Strand and Martin K. White<sup>3</sup>. These scholars argue that many of the characteristics of civil society or of a public sphere had emerged in the late Imperial and Republican period largely facilitated by associational freedom. These associations include guilds, native place (local) associations, clan, lineages surname associations, neighbourhood associations and religious groupings.

David Ownby sees the emergence of "brotherhood associations" in the late Imperial China as a partial explanation of the relationship between population growth, social structural change and violence. He argues that high population growth produced

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<sup>3</sup> Mary Backus Rankin, "Some Observations on Chinese Public Sphere" *Modern China*, vol. 19, No.2, Apr. 1993 pp.158-62. William Rowe "The Problem of Civil Society in Late Imperial China", *Modern China*, vol. 19, no.2, Apr. 1993, pp. 139-57. David Strand "Protest in Beijing : Civil Society and Public Sphere in China", *Problems of Communism*, vol. 39, May-June 1990 pp.1-19. Martin K. White, "Urban China : A Civil Society in the Making" in Arthur L. Rozenbaum ed., *State and Society in China : Consequences of Reform*, (Boulder, Westview, Press, 1992) pp. 77-101

more young man than could be absorbed into institution like family, lineage and village. He notes that the state was not powerful enough to suppress or to impose its own idea of associational practice but it influenced the environment in which brotherhood associations functioned, effectively<sup>4</sup>.

Prasenjit Duara argues that large scale commercial networks, a wide-spread money economy and urban development made the creation of strong association life inevitable to manage the economic and social infrastructure. Duara concludes that elements of civil society, including a tradition of defence of its autonomy, had emerged in China by the last decades of the Qing. But at the same time he also notes that "the Chinese narrative of the Imperial period did not envision the past in terms of emancipation of individual or the triumph of civil society over the state" and thus elements of civil society existed only as a potential history or these elements restricted autonomy of civil society association<sup>5</sup>.

As Martin K. White points, the progress made in developing civil society during the Republican period was rubbed out by changes introduced by the CCP after 1949. Autonomy and rights of associations / groups were not recognised<sup>6</sup>. This is

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<sup>4</sup> David Ownby, *Brotherhoods and Secret Societies in Early and Mid-Qing China: The Formation of a Tradition*, (Stanford ; Stanford Univ. Press, 1996), pp. 179-83.

<sup>5</sup> Prasenjit Duara, *Rescuing History from the Nation : Questioning Narratives of Modern China* (Chicago : Chicago Univ. Press, 1995) pp. 150-52.

<sup>6</sup> Martin K. White pp. 84-85

primarily because the post revolutionary Chinese state took over the functions of civil society. It appropriated the associational activities of civil society within extra-party volunteer associations. The state also chose to follow policy of "mass line", where grievances or dissatisfaction of common people could reach the top leaders or officials through mass organisation, such as the Women's Federation, the official trade union, the peasant associations, the Communist Youth League, etc.<sup>7</sup>. This it provided formal channels of communication between masses and the leader. In the mid 1960's rural organisation for peasant such as the poor and lower-middle peasants associations were established. Although these organisation functioned primarily to gain support for the state and it's policies but at the same time representatives of these associations exerted pressure on brigade and commune authorities to change unpopular policies<sup>8</sup>. Peasant were also encouraged to attend to wide range of mass meeting called regularly at team and brigade level<sup>9</sup>. And thus it can be said that during Mao's period, there was a broad acceptance of the CCP policy against bourgeois civil society associations.

Contrary to the interpretation of scholars like M.B. Rankin and others who believe that China enjoyed civil society associational life during the late Imperial and

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<sup>7</sup> Anita Chan "The Changing Ruling Elite and Political Opposition in China" in Garry Rodan (ed.), *Political Opposition in Industrialising Asia*, (London : Routledge, 1996) p. 163.

<sup>8</sup> John, P. Burns, "Chinese Peasant Interest Articulation" in David S.G. Goodman (ed.) *Groups and Politics in the PRC* (Cardiff : Univ. College Cerdiff Press, 1984) p. 133.

<sup>9</sup> *Ibid.*, p. 130.

Republican periods, scholars like Liang Zhiping and Ambrose Y.C. King believe that there is an absence of civil society in the Chinese tradition and that China has never had a civil society<sup>10</sup>.

This study will argue that the rise of civil society in China is to be sought in rural rather than in urban China. Rural reforms have brought about significant changes in the structure and dynamics of Chinese society and these changes have important political consequences.

Despite the debate on the existence of civil society, there is little work that links changes in post-Mao rural reforms to civil society concerns. But there is an adequate and important corpus of work in the area of civil society as well as on rural reforms in general which enable a link to be made between the two areas. Some scholars like Gordon white have already begun to link the two areas of reform and civil society. White's *Riding the Tiger : The Politics of Economic reforms in post-Mao China*, explores the causes, conditions and the consequence of economic reform in post-Mao China. In a separate chapter, he investigates how economic reform has contributed to the emergence of a space for civil society. White, however, deals with the reform as a whole without a consideration of the emergence of civil society in rural China. Moreover, he does not deal with political reform, which have significant and direct

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<sup>10</sup> Quoted in Baogang He, "The Ideas of Civil Society in Mainland China and Thailand 1986-92, *Issues and Studies* vol 31. No.6, June 1995 p.33 & 35.

implications for the emergence of civil society. White in his another work argues that socio-economic changes facilitated by economic reform, have shifted the balance of power between state and society and reduced the power of state to control and manipulate society. However, White assumes that it is difficult to find ideal type civil society organisation, even though reform is creating more space for civil society<sup>11</sup>

On the same lines, in the process of discussing 1989 spring movement, Clemens S. Ostergaard state that a civil society had been developing for some years as a consequence of economic reform, which have reduced the control of the state. He believes that the emergence of civil society reflects the need to create a new market system and to strengthen new independent social groups<sup>12</sup>.

There are very few scholars who make a distinction between rural and urban civil society. However, B.L. McCormick, Su Shaoshi and Xiao Xiaoming provide some insights into rural reforms and civil society while arguing that economic reform have eroded the rigid control of the state on society. They use figures from Nicholas R. Lardy and Bruce Reynolds on the growth of rural industries and collective firms to point out that there is more space for autonomous entrepreneurial activity and hence

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<sup>11</sup> Gordon White, "The Dynamics of Civil Society in post-Mao China" in Hook Brian (ed.), *The Individual and the State*, (Oxford Clarendon Press, 1996) pp. 197-221.

<sup>12</sup> Clemens S. Ostergaard, "Citizens, Groups and Nascent Civil Society in China : Towards an Understanding of the 1989 Student Demonstration", *China Information*, vol. 4, No.2 Autumn 1989 p. 28.

the possibility for the emergence of civil society in rural rather than in urban China<sup>13</sup>. Bettina Gransow very briefly separate urban and rural civil society. She endorses Chen Kuide's view that in the countryside the beginning of civil society is an outcome of agrarian reforms<sup>14</sup>.

Other studies dealing with the impact of reform policy leading to decentralisation and resistance throw light on the nature of strains created by the reforms in Chinese rural society and the conclusion that can be drawn for the potential for civil society association.

The economic reforms of China's countryside has gone through two consecutive phases. The first phase (1978-84), was primarily characterised by the introduction of the household responsibility system. The second stage of reform beginning in 1984, was characterised by the development of rural industries. Today a considerable segment of the Chinese peasantry is engaged in non-agricultural activities like industry, commerce, the service, trade and transportation. This has led to a rapid increase in the income of rural Chinese. An overview of the impact of reform suggests that overall impact has been positive for a large proportion of the people. As Steven Fish argues privatisation affects the prospects for civil society in as much as the

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<sup>13</sup> B.L. McCormick, et.al "The 1989 Democracy Movement : A Review of the Prospects of Civil Society in China", *Pacific Affairs*, Vol 65, No.2, Summer 1992 pp.182-202.

<sup>14</sup> Bettina Gransow, "Following its Own Ways : The Chinese Society" in Kuan Hsin-chi & Maurice Brosseau (eds.), *China Review 1992*, pp. 11.15-11.16

process encourages a redistribution of wealth and social differentiation<sup>15</sup>. In Chinese rural society, as well, the process has created new groups and stratas like agricultural labours, peasant workers, private entrepreneurs and the new rich peasant with clearly articulated interests and demands. Weakening state control over lives of the peasant and increasing individual autonomy can be seen as a consequence of reform. Given this social change the prospects of civil society in rural China are encouraging.

At the same time reform has created serious problems like economic inequality, unemployment, corruption and withdrawal of the state investment from the agricultural sector. Official reports indicate that in recent times there has been an increase in incidents of opposition to the state involving a few thousand people in rural China.

The state policy of decentralisation in the economic and political sphere has also set the stage for inclusion of non-governmental groups in any debate on the formulation and implementation of reform. The development of local electoral politics and the emergence and articulation of local communitarian interests have the potential to place checks on local officials and providing inputs for a central government policies and interventions. Decentralisation, which in China has significant implication for the movement of the Chinese economy towards the market system, is therefore necessarily lays the foundation for the emergence of civil society.

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<sup>15</sup> Steven Fish, "Russia's Fourth Transition", *Journal of Democracy*, vol.5, No.3, July 1994, p.36

The conceptual framework for the study will draw on a discussion of the Sino-centric approach to the definition of civil society in China. It will juxtapose this against the western definition of civil society and investigate their relevance to social change in rural China as a consequence of the reform process.

**CHAPTER I**  
**UNDERSTANDING CIVIL SOCIETY**

This chapter presents a theoretical analysis of civil society as a concept in Marxist, liberal, post-modernist as well as Chinese discourse. Keeping in mind various interpretations of civil society its investigation in China, as elsewhere, depends a great deal on a specific understanding or definition of civil society. The logic or relevance of exploring the emergence of civil society in rural China rather than urban China has already been discussed<sup>1</sup>, but the complexity of definitional issues vis-a-vis civil society still remains.

The concept of civil society is a relatively modern concept and its emergence in eighteenth century Europe sparked a new debate in political and social theory. The industrial revolution provided a significant impetus to the emergence of civil society and helped refine the concept in the sense that the rise of capitalism and the corresponding retreat of the state from specific economic spheres/ functions can be considered as two important components for the emergence of civil society.

#### **HISTORICAL INTERPRETATIONS : HEGEL, MARX AND GRAMSCI**

Pre-Hegelian philosophers from Aristotle to Kant including Locke, used the term civil society and cognates interchangeably with political society. For them civil society was political society.<sup>2</sup> Hegel is credited with distinguishing civil society from political society or, in narrow sense, civil society from the state. In the *Philosophy of*

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<sup>1</sup> Introduction.

<sup>2</sup> Michael D. Hardiman, *Hegel's Social Philosophy : The Project of Reconciliation* (Cambridge : Cambridge Univ. Press, 1994) p. 190.

*Right* (1821) Hegel highlights the family-civil society-state networks. Hegel considers family as an ethical idea which goes through three phases a) marriage b) creating family property and capital and attention to these and c) the education of children and the dissolution of the family<sup>3</sup>. As the family disintegrates into its many units, it creates a self-subsistent objective reality leading to the stage of difference from the unity of the family. In Hegel's view the transition from family to civil society take place due to this stage of difference.<sup>4</sup> In other words civil society is a stage of difference which intervenes between the family and the state. Hegel notes that :

In civil society the family is something subordinate and only lays the foundation; its effective range is no longer so comprehensive. Civil society is rather the tremendous power which draws men into itself and claims for them that they work for it owe everything to it do everything by its means<sup>5</sup>.

According to Hegel Civil society establishes a) the system of needs through mediation of the satisfaction of one man's need and the satisfaction of the needs of all others b) the administration of justice through the protection of property through which the universal principle of freedom is realised and c) the establishment of the police and corporation as a provision against contingencies still lurking in systems a) and b).<sup>6</sup>

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<sup>3</sup> G.W.F. Hegel, *Philosophy of Right* trans. with notes by T.M. Knox (New York : Oxford Univ. Press. 1967), p. 111.

<sup>4</sup> *Ibid*, p. 122.

<sup>5</sup> *Ibid*, p. 276

<sup>6</sup> *Ibid*, p. 126.

Scholars like Jean Cohen and Michael Hardiman equate Hegel's system of needs with the market economy, since the *Philosophy of Right* deals with the economy of exchange, money and private property, although Hegel does not use the term market economy<sup>7</sup>. But system of needs cannot be equated only with market economy. Hegel also points out the formation of association on the basis of just needs<sup>8</sup>. In the "Administration of justice" Hegel a) emphasises justice as the core of civil society and b) legal recognition to private property. While to police is equated with public authority capable of bringing about justice, the corporations has the right, under the surveillance of the public authority a) to look after its own interests within its own sphere b) to co-opt sufficient proportion of its members qualified objectively by the requisite skills and rectitude c) to prevent the members of the corporation against particular contingencies d) and to provide the education requisite to fit others to become members<sup>9</sup>. Hegel sees the corporations as substitute for the normally restricted activities of citizens in the public sphere.

Hegel, however, never privileges civil society over the state. He is all too aware of the potential political inequities inherent in a situation where society may be

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<sup>7</sup> Jean L. Cohen, *Class and Civil Society : The Limits of Marxian Critical Theory* (Amherst : The Univ. of Massachusetts Press, 1992) p. 25. Michael D. Hardiman, p.191. G.W.F. Hegel p. 131-132.

<sup>8</sup> G.W.F. Hegel, p. 110

<sup>9</sup> *Ibid.*, pp. 152-53.

held ransom to the excessive powers of one corporation or association of interests. The functions of the state then becomes that of equaliser or mediator, never seeking to supersede the independent authority of civil society, only to restrict its power or the power of one section of it. Religion, a significant concern of contemporary civil society discussion, plays no part in Hegel's assessment.

## MARX

Marx uses the concept of civil society in a) *On the Jewish Question* b) *Contribution to the Critique of Hegel's Philosophy of Right* and c) in the *Preface to a Contribution to the Critique of Political Economy*. In the first work, Marx explains that civil society emerged from the destruction of medieval society. Earlier, individuals were closely linked with different associations like guilds, or estates which has direct political character/role, so there was no civil sphere. The elements of civil life such as property, the family and types of occupations has been raised in the form of lordship, caste and guilds to elements of political life. As their relations and societies broke down, civil society emerged<sup>10</sup>.

Marx argues that "political revolution is a revolution of civil society". He explains that political revolution abolished the political character of civil society, in the sense that it overthrew the power of the ruler, democratized state affairs, brought the political state into the sphere of general concern and necessarily shattered all privilege

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<sup>10</sup> Karl Marx, *Early Writing*, Trans, and Ed. by T.B. Bottomore (N.Y. McGraw-Hill Book Company, 1964) pp.27-28.

in the form of estates, corporations, guilds by establishing the supremacy of the individual<sup>11</sup>. However, even as the political state moves into the sphere of general concern, religion, now separated from the political state, becomes the spirit of civil society, creating an universal secular contradiction between state and civil society, between the individual and his relationship with the state<sup>12</sup>.

In the *Contribution to the Critique of Hegel's Philosophy of Right*, Marx gives a class dimension to civil society. He argues that "a class in civil society is not a class of civil society"<sup>13</sup>. He notes that a section of civil society emancipates itself and attains domination, undertaking from its particular situation, a general emancipation of society<sup>14</sup>. For Marx, civil society is equal to bourgeois capitalist society in which the rich or owners of instrument of production exploit propertyless masses.

In the *Preface to a contribution to the Critique of Political Economy*, Marx further argues that civil society can be understood only in relation to the political economy for all "legal relations such as forms of state....have their roots in the material condition of life"<sup>15</sup>.

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<sup>11</sup> *Ibid.*, pp.28-29

<sup>12</sup> *Ibid.*, pp. 15-21.

<sup>13</sup> *Ibid.*, p. 58.

<sup>14</sup> *Ibid.*, p.55.

<sup>15</sup> Karl Marx, *A Contribution to the Critique of Political Economy*, (Moscow, Progress Publishers), 1977. p.20.

For Marx, civil society, therefore, is the expression of bourgeois class interest pitted against the "super structural manifestation of class (the state)", both civil society and political society, must be abolished to liberate mankind through social and political revolution.

## GRAMSCI

Gramsci's picture of civil society is different from that of Marx. But first of all, it can be said that Gramsci's analysis of civil society in the *Prison Note Books* is fragmentary and inconsistent. While insisting that in reality civil society and the state are the same and the distinction between them can only be methodological in character.<sup>16</sup> Gramsci also defines the state as the sum of political and civil society<sup>17</sup>. At the least it can be said for Gramsci that the state includes elements of civil society. W.I. Robinson calls Gramsci's state the extended state (civil + political society). The distinction and unity of political and civil society is a critical element of Gramsci's concept. Social control take place at two levels: in civil society and through the state, which are fused in an extended state<sup>18</sup> civil society is the arena within which ideological hegemony and political consent are engineered and it therefore, contrasts,

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<sup>16</sup> Antonio Gramsci, *Selection From the Prison Note Books* ed. and trans. by Q. Hoare & G.N. Smith (New York: International Publishers, 1971), p.160.

<sup>17</sup> *Ibid.*, p. 263.

<sup>18</sup> W.I. Robinson " Globalization, the World System and 'Democracy Promotion' in U.S. Foreign Policy" *Theory and Society*, vol 25/5 Oct 1996 p. 629.

with the state, which is the site of political force and coercion. Such a conception of civil society and the state complicates the Marxist dichotomy of base/super structure. As Norberto Bobbio argues civil society for Gramsci lies in the superstructural sphere along with political society or the state<sup>19</sup>. Gramsci privileges superstructure over the base or economic sphere.

Gramsci inverts traditional Marxist theory in two ways a) by emphasizing the primacy of the ideological superstructure over the economic structure b) by emphasizing the primacy of civil society (consensus) over political society (force)<sup>20</sup>. It is open to question however, whether civil society can be equated with consensus and political society with force especially in view of Gramsci's basic distinction between the West in which he assumes there is widespread consensus based on civil society, and the East where the state dominates society and coercion is the norm<sup>21</sup>. Given the false dichotomy between East and West the imposed homogeneity on these categories, it would be more appropriate to examine particular state separately since the character of state varies greatly influencing the applications and importance of coercion and consensus. However, Gramsci goes on to argue that civil society and political society

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<sup>19</sup> Norberto Bobbio "Gramsci and the Concept of Civil Society" in John Keane ed., *Civil Society and the State : New European Respective*, (London : Verso, 1988) pp. 82-83.

<sup>20</sup> Martin Carnoy, *The State and Political Theory*,(Princeton : Princeton Univ. Press, 1984), p. 69. .

<sup>21</sup> Quoted in Bryan S. Turner, *Orientalism, post-Modernism and Globalism*, (London : Routledge 1994) pp. 24-25.

correspond on the one hand to the factor of hegemony in which the dominant group exercises throughout the society and on the other hand to that of direct domination or command exercised through the state<sup>22</sup>. As Bobbio explains, Gramsci's concept of hegemony includes both the factor of hegemony and the factor of cultural leadership and hence hegemonic forces include institution of civil society or civil society can be identified with the factor of hegemony<sup>23</sup>. Gramsci's concept of hegemony has two principle meanings<sup>24</sup>. First, it is a process in civil society whereby a fraction of the dominant classes exercises control through its moral and intellectual leadership over the allied fractions of dominant classes. Secondly its relationship between dominant and dominated class where hegemony involved the successful attempt of the dominant class to use its political, moral and intellectual leadership to establish its view of the world an all-inclusive and universal and to shape the interests and needs of subordinate groups.

Thus it is clear that all three philosophers (Hegel, Marx and Gramsci) analyses civil society as an effort to understand the capitalist system/society. All have analyses civil society from a different perspective. It can also be said that shifting meaning/emphasis of concept of civil society indicates changing theoretical attitudes

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<sup>22</sup> A. Gramsci, p. 12.

<sup>23</sup> Norberto Bobbio, p. 93.

<sup>24</sup> Martin Carnoy, pp. 69-70

towards the relationship between economy, society and the state and post-Gramscian interpretations will also endorse this view.

### **CONCERN OF HEGEMONY, DOMINANCE AND POWER OVER CIVIL SOCIETY**

Marx, Hegel or Gramsci follow different parameters in analysing Eastern polities. They view Eastern polities as despotic. They assume that in contrast to the West, where there is a general consensus on civil society, in the East the state dominates civil society and coercion is the norm. While Edward Said's *Orientalism* is a powerful critique of the construction of these view of the East.

Scholars like Bryan S. Turner argue that the notion of civil society is not only basic to the definition of political sphere in European societies but is also a point of contrast between the Occident and the Orient. He finds the absence of civil society in the Orient in the absence of modernization, middle class bourgeois culture and institutions/associations mediating between the individual and the state. These factors explain the failure of capitalist economic development outside Europe and the absence of political democracy<sup>25</sup>.

Gramsci's notion that civil society is the arena where consensus is engineered can be linked with Foucault's notion of the production of knowledge and its relation to hegemony. Foucault does not use the term civil society. Foucault does not incorporate

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<sup>25</sup> Brayan S. Turner, p.

society into economic substructure nor does he see class struggle as relevant to modern capitalist society. But as Andrew Arato and Jean Cohen argue, like Marx, Foucault argues that the locus of modern power relations is society independent/distinct from the state. Just as "Marx discovered power relations in the factory, constituted and concealed by the juridical ricties of the labour countract, Foucault uncovers asymmetric relations of power in other key institutions of modern society like hospitals, schools, prisons, asylums, armies, the family ad so on"<sup>26</sup>.

From the liberal perspective power and knowledge are antithetical. Knowledge requires the suppression of power and power impedes the development of knowledge.

This view has been challenged by Foucault, who argues that after the eighteenth century the growth of significant bureaucratic control over population "required more systematic forms of knowledge in the form of criminology, penology, psychiatry and medicine"<sup>27</sup>. The form of scientific knowledge/discourse contributed significantly to the exercise of power in society through which marginal groups are defined and controlled<sup>28</sup>. In other words, knowledge and power are interlinked and directly imply one another. For Foucault, knowledge also constitutes of certain values practised in society. It is linked with the interest of those with more power or state

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<sup>26</sup> Jean L.Cohen & Andrew Arato pp. 57-58.

<sup>27</sup> Bryan S. Turner p. 20.

<sup>28</sup> *Ibid.*, p.21.

fixes the value systems, which suits their own interest. Thus, power relations are inegalitarian and intentional.

While scholars like J. Cohen and A. Arato raise the critical question of the status of truth and the interests, strategies and forms of power relations disclosed by Foucault's genealogical investigation/analysis. Foucault provides significant insights into the play of power and domination within societies. These insights have significance if one were to view the emergence of civil society as an effort by marginal groups outside the arena of state power to create a space for the representation of their concern in the face of a hegemonic view of social & political interests.

For Foucault exercise of power in society, presupposes new forms of scientific discourse. For Gramsci, hegemony is a process where a fraction of dominant class exercise control over the allied fraction of dominant class through its moral and intellectual leadership and secondly, hegemony involves the move of dominant class to use its political moral or intellectual leadership to establish and impose its own vision to subordinate groups<sup>29</sup>. Thus for Foucault through systematic forms of knowledge, power, can be exercised to control marginal groups, but for Gramsci, hegemony required, political moral or intellectual leadership.

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<sup>29</sup> Martin Cornoy, pp. 69-70.

In the context of modern times, Noam Chomsky "manufacture of consent" provides more rational interpretation for establishing control over population<sup>30</sup>. Chomsky exposes the process and mechanism by which democratic states try to control public opinion and ensure that the fundamental legitimacy of the state is not challenged. "Violence, deceit and lawlessness" are natural functions of any state, totalitarian or democratic. Both kinds of states try to ensure adherence to "state religion" i.e. acceptance of such dogma and basic premises that the legitimacy of state is not challenged, and both do it in their own ways.

The totalitarian states, rule by violence and are behaviourist in outlook. Adherence to state religion is obtained in crude manner and dissent is met with torture, exile, psychiatric asylum, etc. Here the emphasis is not really on what people think of the state but what do they do. Indoctrination is there but as long as people's action do not sabotage the aims and objective of state, there is no problem.

In contrast, democracies have a very subtle form of indoctrination as in the domestic sphere the state cannot afford to indulge in naked repression. Therefore, the endeavour is to stem the possibility of origin of any such idea, which might question the very basics of the state or the nature of the ruling political forces. Chomsky argues that this is done by management of thought process, "the manufacture of consent", through such institutions as school press and mass culture in its multitudinous forms. The

<sup>30</sup> Naom Chomsky, *The Chomsky Reader* ed. by James Peck (New York : Pantheon Books, 1987) pp. 121-36.



intelligentsia becomes the victim of this mechanism and apart from subscribing to the fundamentals of this indoctrination also propagate it. This indoctrination by the state is called education, moral instruction etc. while the same thing done by an enemy the state is called propaganda spreading of falsehood etc. The democratic states provides a space for dissent, but only upto a certain point. The intellectual in the society can criticize particular actions of the state, point to the failures of state's action, but such intellectuals would never criticise the fundamental intentions of the state or expose them. The basic idea is that the ideal of state are lofty and noble and as such these under governing missions of the state are unchallengeable. Whatever is being done is done in national interests, thus, as long as even the critics of the state's policies play by rules of game, they are heard and provided space in the mainstream discourse. Thus, it is for everybody to see that the system is so democratic that even the critics are honoured within it. In other words the critic actually help to reinforce the systems.

The endeavour of the state lies in making "responsible intellectual" out of its education system. The irresponsible critics venturing beyond the permitted point are called emotional, irresponsible, anti-national and in the U.S. communists. Similarly in the media there is responsible press which constitutes mainstream newspaper. The irresponsible press does not know what facts to be highlighted and what be suppressed. Academic scholarship also contributes to the "manufacture of consent", The weight of dominant views weighs down any dissent on the part of the common man.

This is significant to our understanding of Civil Society if we view civil society as a forum of marginalized and powerless people, outside the mainstream and decision making body against those people who hold power. For Rajni Kothari civil society denotes humane governance or "bringing back human concerns to the centre of regulating both state and civil society"<sup>31</sup>. He notes, "source of regeneration in terms of being able to provide an alternative lie more in the South than in the North, more in women than in man, more in marginalized than in powerful, more in submerged civilization than in dominant cultures"<sup>32</sup>. Thus civil society provides alternative vision against mainstream dominant visions / themes. Civil society seeks change and thus it challenges dominant visions.

The focus on the legitimacy of marginal discourse that became centred to post-modernist debates in the 1970s and 1980s led to the argument in favour of rational relativism. This raised question about the usefulness of post-modernism for understanding and initiating social change.

#### **HABERMAS ON CIVIL SOCIETY**

Habermas's concept of civil society emerges from his critique of post-modernism. The problem of communication is largely rooted in textual critique or an anti-definition approach related to relativism is central to post-modernism. To address

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<sup>31</sup> Rajni Kothari, *State Against Democracy : In search of Humane Governance.*, (Delhi : Ajanta Publications, 1988) p. 2.

<sup>32</sup> *Ibid.*, p.3

this problem Habermas calls for communicative rationality to counter relativism and interpret the evolution of human society. As Anthony Giddens argues, for Habermas the concept of rationality has less to do with the foundation of knowledge than with the manner in which knowledge is used or communicated. Habermas claims rationality through procedures of argumentations, which makes possible continuance of communicative relations without recourse to duress, when disputes arise<sup>33</sup>.

Therefore, Habermas, unlike Marx and Gramsci and unlike Foucault and other post-modernists, view society not as the arena of class conflicts or for hegemonic strategies of culture and knowledge but as a rational arena that has left these concerns behind. Habermas views civil society as arena where people pursue their interests through rational communication. As M.Carleheden and R. Gabriels notes:

For Habermas civil society, is composed of those voluntary associations and conditions separate from the state and for economy that secure the communicative dimension of the life-world. Civil society is composed of those more or less spontaneous coalitions, organisations and movement which response to the resonance that societal problems have found in the private sphere and which condense them and amplify them in the direction of a public sphere. Public sphere can base itself only on civil society that has left behind class barriers and the century old chains of social stratification and exploitation<sup>34</sup>.

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<sup>33</sup> Anthony Giddens, "Jurgen Habermas" in Q. Skinner (ed.), *The Return of Grand Theory in Human Sciences*, (Cambridge : Cambridge Univ. Press, 1985), p. 128.

<sup>34</sup> M. Carleheden and R.Gabriels,"An Interview with Jurgen Habermas",*Theory Cultures and Society*, Vol. No.3, 1996, p.7

J. Cohen and A. Arato argue, Habermas differentiates between civil society and the state and also relativize the traditional distinction between the private and the public. He divides each sphere, public and private into two parts<sup>35</sup>.

Private : intimate sphere (family) private economy.

Public : public sphere public activity.

Arato and Cohen expect one specific role to correspond to each of the sphere though Habermas makes the point clear only in the case of the private sector<sup>36</sup>:

Private human being bourgeois

Public [citizen] [subject]

By public sphere Habermas means a sphere of social life in which public opinion can be formed. By principle, public sphere is open to all citizens constituted in every dialogues in which private persons come together to form the public. Citizens act as a public when they assemble and unite freely to express or public their opinions freely<sup>37</sup>.

In a recent interview Habermas distinguishes between the totalitarian mobilization of the masses and democratic movement emerging from civil society on the basis of a theory of communication. Habermas talks about a new kind of

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<sup>35</sup> Jean Cohen and Andrew Arato p.219.

<sup>36</sup> *Ibid.*

<sup>37</sup> Quoted in Gu Xin, "A civil society and Public sphere post-Mao, China? : An overview of Western Publications", *China Information* vol. 8, No.3, Winter 1993-94 pp.38-39.

massification. He gives an example that the people who protested in front of Party government officials in Italy were turned into participants in a live broadcast. Thus, Habermas argues liberal public sphere requires freely associating members, a limit on the power of the state media, the political culture of people went to liberty and moreover it needs the support of more or less rationalised world<sup>38</sup>.

### **INTERPRETATIONS OF LIBERAL POLITICAL AND SOME OTHER THEORIST**

Contemporary liberal discourse on civil society evolves around democracy. Paul Q. Hirst begins his discussion on the contemporary relationship between state and civil society within the context of classical liberalism. Central to liberalism Hirst notes is the distinction between public and private sphere. The former is based on representative government and rule of law, its purpose is both to govern and to protect the private sphere especially private property and individual rights. The private sphere is based on individual actions, contract and market exchange, protected by but independent from the state. Lawful association in civil society Hirst Notes is a private matter. Modern libertarian radicals and the free market rights lobby have major common objective in protecting civil society from "encroachment by the state and hierarchical bureaucratic administration"<sup>39</sup>. Despite the theoretical separation of state

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<sup>38</sup> M. Carleheden and R. Gabriels, pp.1-17

<sup>39</sup> Paul Q. Hirst "Democracy and Civil Society" in Paul Q. Hirst and Sunil Khilnani (eds.) *Reinventing Democracy* (Oxford : Blackwell Publishers, 1996) p.98.

and civil society in classical liberalism, Hirst argues that in reality both state and civil society are large complex organisations and the boundary between the two is not clear.

Hirst notes that seeking to preserve individual freedom in and through civil society treats it as if it could be purely a realm of individual choice, contract and voluntary associations. The issue is better conceived as the freedom of individuals within institutions and the autonomy of institutions within their legitimate sphere, how to achieve effective democratic governance of both public and private institutions<sup>40</sup>.

Hirst do not ignore role of politics in civil society. He believes that if civil society is conceived as private and prior to politics than it will become a marginal sphere<sup>41</sup>.

Larry Diamond on the other hand views civil society an district and autonomous from the state, society and political society. He defines civil society as the "realm of organized social life that is voluntary, largely self-generating, self supporting, autonomous from the state and bound by legal order or set of shared rules"<sup>42</sup>. In Diamond's view civil society is separate from society in general and it includes "citizens acting collectively in a public sphere to express their interests, passions and ideas, exchange information, achieve mutual goal, make demands on the state and hold state officials accountable"<sup>43</sup>. For Diamond civil society stands between private sphere and

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<sup>40</sup> Ibid, p.99.

<sup>41</sup> *Ibid.*

<sup>42</sup> Larry Diamond, "Rethinking Civil Society : Towards Democratic Consolidation, *Journal of Democracy* , vol. 5, No.3, July 1994, p.5

<sup>43</sup> *Ibid.*

the state and thus he excludes from a consideration of civil society a) individual and family life, inward-looking group activity e.g. for recreation, entertainment or spirituality b) the profit making enterprises of individuals business firms and c) political efforts to take control of state:

Diamond writes civil society encompasses a vast array of organisations, formal and informal. These include groups that are 1) Economic (productive and commercial associations and networks) 2) Cultural (religious ethnic, commercial and other institutions and associations that defend collective rights, values faiths, beliefs and symbols) 3) Informal and Educational (devoted to production and dissemination, whether for profit or note of public knowledge, ideas, news and information 4) Interest based (designed to advance or defend the common functional and material interests of their members whether workers, veterans, pensioners, professions or the like 5) Developmental (organisation that combine individual resources to improve the infrastructure, institutions and quality of life of the community. 6) Issue based (movement for environmental protection, woman rights, land reforms or consumer production and 7) Civil (seeking in non-partisan fashion to improve the political system and make it more democratic through human right monitoring, voter education and mobilisation, poll watching, anti-corruption effort, and so on<sup>44</sup> .

He also includes independent mass media and institutions engaged in autonomous cultural and intellectual activity like" universities, think tanks, publishing houses, theatres, film production companies and artistic networks"<sup>45</sup> .

The most basic democratic function of civil society according to Diamond is to provide" the basis for the limitation of state power, hence for the control of state by society and democratic political institutions, are the most effective means of exercising

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<sup>44</sup> *Ibid.*, p.6

<sup>45</sup> *Ibid.*

that control"<sup>46</sup>. Civil society restricts state power but at the same time it legitimates state authority when that authority is based on rule of law. His thinking revives the idea of civil society in opposition to state although he cautions against taking opposition too far.

J.Cohen and Arato and Andrew Arato disagree that civil society stands in opposition to economy and state. They believe that an antagonistic relation between civil society and the state exists only when mediation fail. They understand civil society as the sphere of democratic legitimacy and rights composed of private, but also of politically relevant public and social spheres, civil society provides a forum for individuals to speak assemble, associate and work together on matters of public concern in order to influence state and decision making<sup>47</sup>. Their definition of civil society reflects their adoption of Habermas's model that distinguishes between the political and economic sub-system and the life world. Their definition of civil society has the following components.

1) Plurality : families, informal groups and voluntary associations, whose plurality and autonomy allows for variety of forms of life. 2) Publicity: institutions of culture and communications 3) Privacy: a domain of an individual self development and moral choice and 4) Legality : structure of general laws and basic rights needed to demarcate plurality, privacy and publicity from atleast the state and fundamentally the economy<sup>48</sup>.

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<sup>46</sup> *Ibid.*, p.7

<sup>47</sup> Jean L. Cohen and Andrew Arato, p.65.

<sup>48</sup> *Ibid.*, p. 346

A recently published special issue of *Development* on civil society explains that in the last few years civil society has emerged as dynamic and critical political force. Civil society is defined as "third sector" taking its place alongside the state and private sector, in seeking to negotiate a new, more just, inclusive, sustainable and democratic relationship between the market and the state<sup>49</sup>.

Neera Chandhoke's work locates civil society differently. Her basic and final argument is that "civil society has to act as an intermediary filter between the particularistic loyalties of society, the individual and the state"<sup>50</sup>. She argues that the individual is merged by influences from the two sphere that flank civil society. On the one hand are the influences that emerged from particularistic loyalties like religion, caste, tribe, ethnicity and linguistic affiliations and on the other hand, is a state which seeks to interact directly to the individuals and encourage individual to commit himself to great causes such as war, national honour, and prestige. The individual prefers to either identifying with his particularistic groups or becoming subject to the state and in other words individual easily ignores the sphere of civil society<sup>51</sup>.

However, it is questionable whether particularistic loyalties can be eliminated from the sphere of civil society. Chandhoke emphasizes only the negative aspect of

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<sup>49</sup> Introduction *Development* Vol3., Sept. 1996, pp.3-4

<sup>50</sup> Neera Chandhoke, *State and Civil Society : Exploration in Political Theory*, (New Delhi : Sage Publication, 1995) p.247.

<sup>51</sup> *Ibid.*, pp. 244-47.

particularistic loyalties. They have some positive functions too. Particularistic localities may be the basis for mobilization of people to achieve progressive goals. And if the state is inactive in the interests of the people, they will seek affiliations to religious ethnic, tribe<sup>or</sup> linguistic organizations.

Like Diamond, Chandhoke also defines the main function of civil society as limiting state power and holding it accountable<sup>52</sup>. However, its essential importance lies in offering the possibility of democratization. Even though "the existence of civil society may not be a sufficient condition for democracy it is certainly essential for democratic life"<sup>53</sup>. In other words she makes a distinction between democracy and democratic life.

#### **GLOBAL AND NORTH-SOUTH PERSPECTIVE OF CIVIL SOCIETY**

In contemporary discourse some scholars are optimistic about global civil society<sup>54</sup>. Their basic argument is that people must view themselves in the framework of globalization and people must redefine themselves as citizens of globalized world. Global civil society recognize the state and interests with it, while denying the primacy of states or their sovereign rights.

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<sup>52</sup> *Ibid.*, p. 108

<sup>53</sup> *Ibid.*, p. 251

<sup>54</sup> Caridido Grzybowki "Civil Society's Response to Globalization", *Development* No.3, Sept 1996 20-23. Peter Marden, "Geographies of Dissent : Globalization Identity and the Nation, *Political Geography*, vol 16, No 1. Jan 1997 p. 37-64.

But sovereign rights of nation state or their primacy can not be marginalized. Secondly, components of civil society primarily think of work in terms of local/regional/national interests. Although some NGO's must work for global interests. NGO's are funded by various donors with their own agendas, needs and requirement. Thirdly, components of civil society of a nation-state can influence components of civil society of another nation-state and hence components of civil society of a nation-state might make their agenda and strategies on the same lines. But global civil society in real terms is a utopian concept and so this analysis of civil society will be primarily state-centric.

Some scholars have also analysed civil society from the perspective of north and south<sup>55</sup>. However, it would be better to analyse civil society in the context of a particular state. This is endorsed by Robert F. Miller, who shows that the degree of commitment to civil society and the market varies from state to state as well as among contending political groups within individual state<sup>56</sup>.

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<sup>55</sup> Frank Amalric, "In Search of a Political Agenda for Civil Society in the North" *Development*", No. 3, Sept. 1996, pp 6-10. Samitu Kothari, "Rising from the Margins : The awakening for Civil society in the Third World", *Development*, No.3, Sept. 1996 pp.11-19.

<sup>56</sup> Robert F. Miller (ed), *"The Development of Civil Society in Communist Systems*, (Sydney : Allen & Unwin 1992), p.130

## CHINESE DISCOURSE ON CIVIL SOCIETY

The concept of civil society has been a source of debate on Chinese ideological and political discourse since late 1980's. There are certain categories of scholars, who follow different approaches to the contemporary debate on civil society in China. Each section has its own assumption and agenda and they follow specific approaches in examining state and civil society in China.

First, there are western scholars, who follow western comparative political study approach. Scholars like Thomas B. Gold and Andrew J. Nathan, who impose concepts of democracy, human right, Capitalism and ofcourse civil society, fall into this category<sup>57</sup>. The assumption is that the CCP is a repressive institution, socialism has failed and the Chinese state can not prevent the resurgence of civil society. Their definition of civil society sets out its main functions as providing the basis from the limitation of state power and they view institutions / organisation independent from the state are the means of exercising control over the state. Without considering the different nature of the Chinese state, economy and society, these scholars follow a western model in investigating civil society in China and thus their arguments do not seem convincing.

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<sup>57</sup> Thomas B. Gold, "The Resurgence of Civil Society in China", *Journal of Democracy*, vol.1 No.1 1990 p.18-30. Andrew J. Nathan "Is China Ready for Democracy", *Journal of Democracy*, vol. 1, No.2 1990 pp.51-61

The second category includes writings by Chinese intellectuals like Chen Kuide, Liu Binyan and Su Xiaoming. Their view reveals concerns related more directly to their own confrontation with the Chinese state. As for Chen Kuide civil society provides a third alternative between communist authoritarianism on the one hand, and anarchism on the other and thus the construction of civil society is extremely important in China<sup>58</sup>. In a comparison with Hungary and Czechoslovakia in 1989 Liu Binyan argues that the current dissatisfactions and demand for change is much stronger amongst Chinese people<sup>59</sup>.

These scholars picked western comparative models for investigating civil society in China. They emphasize the independence of civil society from the state. They believe that the Chinese state/CCP is repressive and through civil society the totalitarian state can be overthrown or its power curtailed.

The third category consists of the writings of domestic Chinese scholars, in regard to the autonomy of civil society from the state. The concept has been a source of debate in China. In its initial phase the focus of the Chinese domestic discussion of civil society was on the creation of a modern citizenry through inspiration of civic awareness by the state among the people. They considered modern citizenry as the first

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<sup>58</sup> Quoted in Shu-Yun Ma "The Chinese Discourse on Civil Society, *China Quarterly*, No.137 March 1994 p. 187.

<sup>59</sup> Liu Binyan, "China and Lessons of Eastern Europe," *Journal of Democracy*, Vol.2, No.2, 1991, p.3-11

step towards the formation of civil society. While advocating individual rights and freedom, the Chinese domestic discussants of civil society recognized the inevitable existence of the state<sup>60</sup>.

However, according to Baogang He, Chinese scholars have developed at least four approaches to investigate the idea of civil society its value between 1987 and 1989<sup>61</sup>. Firstly, the reconstructed Marxist approach whose propounders like Rong Jian, Tong Xin and Yan Qiang view reforms as transforming the Chinese system from a state-centred one into a society centred one. Referring to Marx's model of the Paris Commune, they argue that the state should transfer power to society, which should have control over state.

Secondly, the civil discourse approach which has been set forth since 1978 by Chinese intellectuals such as Jin Guantao, Yan Jiaqi and Fang Lizhi. This signifies civil society as an arena in which "despite the existence of an ideological authority, politics and social norms are treated not as given but as objects of inquiry, dispute and even rejections<sup>62</sup>. Baogang He argues that Western philosophers like Karl Popper, Thomas Kuhn and others were catalysts in this intellectual transition.

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<sup>60</sup> Shu-Yun Ma p.128.

<sup>61</sup> Baogang He, "The Ideas of Civil Society in Mainland China and Taiwan, 1986-92", *Issues and Studies*, vol 31, No.6, 1995, p. 27-29.

<sup>62</sup> *Ibid.*, p.28

The third approach is known as the citizenship approach. Propounders of this approach, Liu Zhiguang and Wang Suli, criticized the idea of revolution in mainland China, which is based on the notion of masses rather than that of citizens. In Liu and Wang's view" the term masses carries the sense of a traditional dependency on the state and does not suggest equal rights as does the liberation notion of citizen"<sup>63</sup>. They argue that civil society is related to the idea of equal rights and the citizen has natural rights independent of the state and thus the Chinese people should have a strong consciousness of citizenship.

The fourth approach is in favour of private property and the protection of economic freedom by strong state this approach is known as neo-authoritarianism approach. Baogang He argues that neo-authoritarianism sets limits on the political dimension of civil society but it allows the development of the economic dimension of civil society under the state control. Propounders of this approach like Wu Jixiang used the term "profession society" or an equal society where distribution of income is based on merit and contribution but he does not favour adequate political freedom to the individuals.

The Fourth category of writings consists of those western and Chinese scholars, who make a link between reform and civil society. Scholars like Gordon white, Clemens S. Ostergaard and Su Shaozhi fall into this category. White's argument

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<sup>63</sup> *Ibid.*

is that the economic reform have brought about socio-economic changes which have shifted the balance of power between state and society and reduced the capacity of state to control and manipulate society. The economy has diversified in both sectoral and institutional terms and in consequence, Chinese society had become more complex and differentiated. New groups and stratas have emerged with their own distinct interest.<sup>64</sup> White also analyses the impact of economic reform on official mass organization like trade union. His analysis demonstrate that mass organization have got greater scope for autonomous action in more liberal atmospheres created by reform however, he assumes that it is difficult to find an ideal-type civil society organization. The principle of fully autonomous and self-regenerating social organizations have not been formally recognized but reform is creating more space for civil society.<sup>65</sup>

On the same lines, in the process of discussing 1989 spring movement, Ostergaard states that a civil society had been developing for some years as a result of economic reforms, which have reduced the control of the state. The rise of civil society partly reflects the need to create a new market system and partly the strengthening of new independent social groups<sup>66</sup>.

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<sup>64</sup> Gordon White, "The Dynamics of Civil Society in Post-Mao China", pp.197-221.

<sup>65</sup> Gordon White, *Riding the Tiger : The Politics of Economic Reforms in Post-Mao China*, (London : MacMillan, 1993), pp. 218-29.

<sup>66</sup> Clemens S. Ostergaard, p.40

Barrett L. McCormick, Su Shaozhi and Xiao Xiaoming analysis show how decentralization led to the re-emergence of civil society although even they conclude that Chinese civil society remains weak and its future uncertain<sup>67</sup>.

## TOWARDS CONCLUSION

In the contemporary scenario, there is a certain kind of disenchantment with the state everywhere. The degree of disenchantment may vary from one state to another. The most obvious reason is that both socialism and capitalism have failed to practice the principle of fraternity and individual find it difficult to interact with the "larger state". The central problem of the contemporary state is the relationship between the state and the individual. In this situation / background, the concept of civil society has become significant and fascinating, because the individual is the hero of civil society and civil society makes sure individual-state interaction through individual participation in institution/association/ group of civil society. Thus it can be said that civil society wants to fill the vacuum which is generated by disenchantment with the state.

As already analysed, for Hegel, civil society is the stage of difference interposed between the family and the state. For Marx, civil society can be reduced to political economy. For Gramsci civil society stands between economic structure and state coercion. In Liberal political theory, civil society (network of association/ groups/ autonomous from the state) provide the basis for the limitation of state power, For

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<sup>67</sup> Barrett L. McCormick, et.al., pp. 182-202

Rajni Kothari civil society is forum of marginalised or powerless people and it denotes humane governance. For Bryan S. Turner notion of civil society is basic to understand the contrast between the Occident and the Orient. Foucault provides significant insights into the play of power and domination within society and thus extends the debate of power and civil society. For Chomsky, states are not concerned with coercion or formed rule, but with "manufacture of consent". For Habermas, civil society secures the communicative dimensions of the life world. Ofcourse, Habermas gives a new communicative/cultural dimension to the literature on civil society but despite the variation or shift in meaning from the eighteenth century onwards, civil society retains some certain central features : a) civil society is part of society independent of the state<sup>68</sup> b) civil society describes institution/ association/groups, independent/autonomous from the state in which people conduct their affairs c) Individual rights and rights to property is a central element of civil society and d) civil society is inconceivable without state and market.

Civil society has a space of its own. It is different from the state and different from the economy or private sector. It stands between the individual and the state. It is a set of economic, social, cultural, religious, education and environmental institutes/ associations / groups, autonomous and independent from the state. Larry Diamond has given a micro account of these organizations. It is a space where people organize

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<sup>68</sup> Due to his unconsistency Gramsci can be an exception.

themselves, share their ideas and aspiration and work for the benefit of people or the community.

The scope of civil society largely depends upon the nature/character of the state and market. As Edward Shils argues a market economy is the appropriate pattern of the economic life of the civil society<sup>69</sup>. Civil society presuppose a particular kind of state, namely a constitutional democratic state. And as Michael Ignatieff's analysis shows without civil society, market and democracy will not be able to serve its actual purpose<sup>70</sup>.

#### **STATE, ECONOMY AND SOCIETY : IMPLICATIONS FOR THE PROPOSED STUDY**

Any investigation of civil society in rural China first requires analysis of character/nature of the state, economy and society. The interpretation of Kornai Janos is useful here. He defines Chinese socialism and the socialism of some other countries, as "reform socialism"<sup>71</sup> He argues, that to some extent reform socialist countries have decentralized the control of their state owned sector and allowed a larger scope for the

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<sup>69</sup> Edward Shils, "The Virtue of Civil Society", *Government and Opposition*, vol. 20, NO.1 winter 1991 p.9.

<sup>70</sup> Michael Ignatieff, "On Civil Society : Why Eastern Europe Revolution could Succeed, *Foreign Affairs*, Vol.74, No.2, March-Apr. 1995 pp.135-36

<sup>71</sup> Kornai Janos in his book, *Highway and Byway : Studies on Reform and post-Communist Transition*, distinguishes socialism into two types a) classical socialism b) reform socialism, for K. Janos classical socialism was the form of socialism prevailed under Stalin, Mao and their disciples in other countries.

private sector. But at the same time these countries still maintain the fundamental character of a socialist system. The communist party did not share power with any other political force, the state owned sector still played a dominant role in the economy, centralized bureaucracy worked as main co-ordinator of economic activities.<sup>72</sup> But more rational interpretation can be made on the basis of constitution of the PRC.<sup>73</sup> Article one of the constitution of the PRC states that the PRC is a socialist state under the people democratic dictatorship led by working class and based on the alliance of workers and peasants. Article 13, protect by law the right of citizens to inherit private property. Article 35, states that citizens of PRC enjoy freedom of speech, of press, of assembly, of association, of procession and demonstration. In other words the above mentioned articles fulfil the requirements of civil society. But according to article 51, the exercise by citizens of their freedoms and rights may not infringe upon the interests of the state. In other words it can be said that people interests and the state interests may not be same and in that situation supremacy of state interests will be maintained by the state. Thus, Chinese state does not provide space for dissent.

Third plenum of the 11th central committee (Dec. 1978) confirmed a shift of economic priorities towards rapid modernization. The Chinese official argument

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<sup>72</sup> Kornai Janos *Highway and Byways : Studies in Reform and Post-Communist Transition*, (Cambridge, MIT Press, 1995) p. 36.

<sup>73</sup> *The Constitution of the People's Republic of China* (Adopted on December 4, 1982), Beijing : Foreign Languages Press, 1983).

is that it was a mistake to neglect the development of productive forces since the founding of the PRC. Poverty is not socialism and to overcome this problem it is necessary to develop productive forces. The capitalist road can only enrich less than 10 per cent of the Chinese population<sup>74</sup>. Thus they call for socialism with Chinese characteristics or socialist market economy. Su Shaozhi argues that one can understand this with the example of introduction of production responsibility system in rural areas. Land is still owned by the collective but the right to administration and management is in the hands of contractors. This system brings into play the initiative of the farmers. In urban areas various forms of responsibility system, have also gained success. Thus, one can say public ownership is a dominant force and the introduction of responsibility system is one of the characteristic of Chinese socialism.<sup>75</sup>

The reforms have the aim of replacing the planned / command economy to socialist command economy by the market. A feature of the reform process is decentralization and withdrawal of the central government from certain sphere / function. One can also understand it by the example of townships and village enterprises. These enterprises operate in the market with greater freedom from

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<sup>74</sup> Deng Xiaoping, *Fundamental Issues in Present-Day China*, (Beijing : Foreign Language Press, 1987), p. 35.

<sup>75</sup> Su Shaozhi, *Democratization and Reform* (Nottingham : Spokesman, 1980) pp. 85-86

government control. The provinces and lower level governments are now permitted to keep part of the profits from enterprises controlled by them.

To a large extent, state and economy determines the structure and dynamics of society. Chinese market oriented rural reforms have brought significant changes in the structure and dynamics of society. Chinese peasantry has become differentiated. Recently Lu Xueyi has divided this class into eight different stratas<sup>76</sup> Private entrepreneurs have emerged as an important group in the countryside. There has been an impressive increase in the income of the peasantry as a whole. There are signs of increased individual autonomy. All these changes have significant implications for emergence of civil society. Which will be discussed in the second chapter.

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<sup>76</sup> Lu Xueyi "Rethinking the Chinese Peasantry : Ten Years of Transformation", *Chinese Law and Government*, Vol. 28 No.1, Jan-Feb. 1995, p.66

## **CHAPTER II**

# **THE IMPACT OF REFORM IN RURAL CHINA**

## **RURAL REFORMS AND PEASANT INCOME**

The first phase of rural reforms, beginning in 1978 primarily characterized by the introduction of the household responsibility system. In this system peasantry contracted land from the collectives for a limited period of time and the land continued to belong to the collectives.

Now peasantry has the right of management over agricultural activities like farming methods and disposition of surplus agricultural products. The result has been encouraging for peasant, who have an incentive to work to their full potential because there is direct link between their works and income. This is different from the Commune system in which all peasants in China played the same role and received roughly similar incomes in accordance with a single system of distribution, namely the work point systems. The second phase of reform beginning in 1984, was characterized by the extended role of the market and prices and the development of rural industries / enterprises. Development of Chinese industry has for a long time been concentrated in the coastal cities and regions and therefore rural regions remained comparatively backward. In this situation the emergence of rural enterprises has gone a long way in redressing the balance and raising the income of the rural people.

Apart from purely agricultural activities such as growing of crops and working in rural industries, there are many other economic activities in the countryside. These include animal breeding, forestry-related activities linked to gathering resources,

transport and communication, handicrafts and commerce and the service trades. From 1978-88 non-agricultural employment rose from 10 per cent of total rural employment to almost 21 per cent<sup>1</sup>.

The co-ordinated development of agriculture, side line occupations and industry has led to a thriving and prosperous countryside. In other words, there has been an impressive increases in the income of the rural Chinese. The per capita net income of farmers rose from 134 Yuan in 1978 to 922 Yuan in 1993 and 1900 Yuan in 1996<sup>2</sup>. Scholars like Carl Riskin and Lu Xueyi note that despite this economic prosperity inequality within peasantry and within rural regions persists. The reason is that the income of individual households conforms closely to particular characteristic like labour power, skills, education and political influence. At the same time difference in natural conditions and the rate of development of commodity economy are the causes of inequality within the countryside itself<sup>3</sup>. Government policies have encouraged this trend. Jiang Zemin emphasised that some areas and individual had to

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<sup>1</sup> Jeffrey R. Taylor, "Rural Employment Trends and Legacy of Surplus Labour 1978-89 in Y.Y. Kueh and R.F. Ash eds., *Economic Trend in Chinese Agriculture : The Impact of Post-Mao Reform*, (Oxford : Oxford Univ. Press, 1992) p. 291.

<sup>2</sup> *15 Years of Economic Reforms in China 1978-93*, Compiled by *Beijing Review*, (Beijing : New Star Publisher, 1994) p. 29., and "Chinese News Agency Releases Economic Facts and Figures for 1996", *Summary of World Broadcast* (Hereafter SWB). FE/2858 4 March 1997 p. S/2.

<sup>3</sup> Carl Riskin, *China's Political Economy : The Quest for Development since 1949*, (Oxford : Oxford Univ. Press, 1987). pp. 293-94. Lu Xueyi, pp. 44-46

be allowed to grow rich first encouraging s spin off to more areas and individual until common prosperity was eventually achieved<sup>4</sup> . In other words ideology, like egalitarian development has been pushed to the backs and overall national prosperity had become the prime task of the nation.

A key feature of reform is the withdrawal of the central government from certain functions. This can be seen in the decline of state allocation to investment in agricultural sector and the withdrawal of subsidies for fertiliser and seeds<sup>5</sup> . Investigation of agricultural survey teams show that prices of means of agricultural production for farming in Feb. 1995 were 30.6 per cent higher than in the same period 1994<sup>6</sup> . This has caused serious dissatisfaction amongst the peasantry.

Rising levels of unemployment amongst the peasantry has also been a consequence of reform. According to Jeffray R. Taylor tight restrictions on rural to urban migration and the existence of fixed land resources in rural China have simply forced more peasants into unemployment<sup>7</sup> . Thus it is clear that despite increasing

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<sup>4</sup> Jiang Zemin, "Accelrating Reform and Opening up", Report to the 14th National Conference of the CCP on 12 Oct. 1992, *Beijing Review*, vol. 35 No. 43, 26 Oct-1 Nov. 1992, p.15

<sup>5</sup> Robert F. Ash. "The Peasant and the State", *China Quarterly* No.127 Sept. 1991, p. 498-99

<sup>6</sup> "Agricultural Means of Production in Short Supply Prices High" , *Renmin Ribao*,, 3, Apr. 1995 trans. in *SWB FE/2275* 11 Apr. 1995, p. S1/3.

<sup>7</sup> Jeffray R. Taylor, p. 282

property inequality (within rural regions and peasantry), unemployment, withdrawal of investment from the agriculture sector and of course corruption have created serious problems. A growing opposition is challenging government's policies and perspectives with significant implications for the emergence of civil society.

It can be said that while some groups in rural China have benefited more than others but the overall impact is positive for large proportion of people. As Steven Fish has argued, privatisation affects the prospects for civil society in as much as the process encourages a redistribution of wealth<sup>8</sup>. From this perspective the prospects for civil society in rural China are encouraging.

## CHANGING STRUCTURE OF RURAL SOCIETY

Market oriented rural reforms since 1978, has brought about significant changes in the nature/structure and dynamics of Chinese society. Many scholars like Jude Howell and Gordon White give adequate emphasis to the emergence of new social and economic groups like new rich peasants and private entrepreneurs as a result of reform<sup>9</sup>. But Lu Xueyi's study challenges the mainstream writings on rural China. Refuting the general acceptance of peasantry as a homogeneous class, Lu Xueyi's

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<sup>8</sup> Steven Fish "Russia's Fourth Transition" *Journal of Democracy*, vol.5, No.3, July 1994, P. 36

<sup>9</sup> Jude Howell, "Civil Society" in B. Robert and P. Wingrove (eds.) *China in the 1990s* (London : MacMillan. 1995), Gordon White, "Dyanamics of Civil Society in Post-Mao China" p.203.

micro investigation shows that China's peasantry has become differentiated as a consequence of reform. He divides this class into eight different stratas.

**Table 1. The Stratified Structure of China's Peasantry Today.**

	Agriculture labours	Peasant workers	Hired workers	Peasant intellectuals	Individual labourers and individual industrial and commercial households	Private business owners	Village and township enterprises administrators	Countryside administrators
Percentage of the total peasant population	55-57	24	4	1.5-2	5	0.1-0.2	3	6

Source : Lu Xueyi p. 66.

It would be more appropriate to call this the stratified structure of rural China rather than the stratified structure of China's peasantry. For Lu Xueyi peasantry consist of all people who reside in village. But stratas like peasant intellectual, individual labours and individual industrial and commercial households, private business owners, village and township enterprises administrator, countryside administrates and even peasant workers and hired workers may not consider themselves as stratas / part of peasantry.

Maurice Brosseau (in his essay) uses a data of occupational structure in different types of villages, as follows.

**Table 2. Comparative Occupational structure in Different Types of Villages (%)**

	Low indust. Low collect.	High Indust. Low collect.	High Indust. Low collect.
Agriculture only	90.3	40.3	35.4
Peasant worker	1.1	14.9	30.5
Household business	3.2	23.9	9.8
Rural intellectual	3.2	9.0	9.8
Private entrepreneur	0.0	4.5	0.0
Village administrator	1.1	7.5	1.46
Total	98.9	100.1	100.1

Source: Maurice Brosseau "The Party's Dilemma : Leading or Reacting to Change?" in Kuan Hsin-Chi and Maurice Brosseau (eds.) *China Review 1992*, (Shatin : The Chinese Univ. Press), 1992, p. 4.16.

The study was conducted by Beijing University's "Social Differentiation study Groups and it looked at twelve villages across five regions of East and North China. However, Brosseau himself admits that the above statistics are not necessarily

representative of the true complexity of the whole rural scene. Thus there is more reason to accept Lu Xueyi view. Analysis of status, interests and demands of different stratas of peasantry can provide a much more genuine idea of social change/stratification in rural China.

Agricultural labour remains the most important and largest section within the Peasantry. Agricultural labourers takes farmland belonging to collectives on contract basis and is engaged in growing of crops and animal husbandry. Agricultural labour rely on agriculture as the main source of income and hence they are directly most affected by the state agriculture policies. Peasant's express their displeasure by posting posters critical of government policies on their front doors. An example of the posters enable us to understand the contemporary Chinese predicament vis-a-vis the issues of the relationship between the state and agricultural labour. On one side of the door the couplet reads "I will not buy high priced chemical fertilisers" on other side of the door it reads "I will not sell grain at low price and across the top of the doorway. "Please government forgive us".<sup>10</sup>

Lu Xueyi distinguishes peasant workers into two category. First category consists of those who have left their villages as well as their farmland. These people work in the cities in factories and mines, in public organisation, in sector of commerce and in service industries. Another category of peasant workers is made of those who

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<sup>10</sup> *Ibid.*, p.78

have left the farm but remain in villages. These people work in rural enterprises in their own township and village. They do not have much interests in agricultural policies and demands are thus of a different category like low prices commodity grain, various types of subsidies and medical facilities by the state, all of which are provided to the urban industrial workers<sup>11</sup> .

Lu Xueyi makes clear that a hired worker in rural China is different from a worker in a capitalist system. The difference between peasant-workers and hired workers is that peasant workers work for the collective and the state but the hired workers work for private employers. They choose to be hired primarily because the income they can make from being a hired agricultural worker is higher than they can make by engaging in agricultural works. The income of a hired worker is not lower than that of a peasant worker but hired workers have lower social status. Contrary to the peasant worker who are at least nominally equal with managers of village and township enterprises and some have the opportunity to take part in democratic management, hired workers is a servant for the private individual hiring him. They do not have any role in making managerial decisions. The immediate demand of hired workers are lowering of working hours, medical insurance, role in making managerial decisions etc.<sup>12</sup> , all of which are provided to the peasant workers. However the

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<sup>11</sup> *Ibid.*, pp. 46-49.

<sup>12</sup> *Ibid.*, pp. 49-51.

ultimate demand of hired worker (like peasant worker) is to get equal facilities comparable to urban industrial workers.

The stratum of peasant intellectuals are made up of people who are engaged in intellectual profession such as education, science and technological development, health care and cultural and artistic activities in the countryside. Zhu Qingfang points out that the number of schools in the countryside appeared to be decreasing. In 1987 the number of middle schools in the countryside was 16 per cent less than the number in 1980 and the number of primary schools, was less by 31 per cent<sup>13</sup>. This is primarily a result of government policy of less allocation of budget for the countryside. Lu Xueyi points out, that imperfect policies regarding intellectual professions, intellectual in these profession in the countryside have not been able to receive the kind of political economic and social treatment or security they deserve and there has not been much development in science and technology, culture and education, public health and medicine in the countryside. Some of the peasant intellectuals who had once been involved in these profession have already left to find jobs in industry and commerce<sup>14</sup>. Thus it is clear that government policy of giving second priority to rural sector has created problems for peasant intellectuals and they expect better treatment comparable to that of urban intellectuals by the state.

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<sup>13</sup> Zhu Qingfang "The Urban Rural Gap and Social Problems in the Countryside", *Chinese Law and Government*, vol.26, No.1 Jan-Feb. 1995, p.83

<sup>14</sup> Lu Xueyi pp. 52-54k

The stratum of self-employed individuals and industrial and commercial households is made up of small owners and shopkeepers in the countryside who have certain special technical and managerial skills and have their own means of production or capital and are engaged in some special crafts or manages small scale industries, commercial or service business. They are carpenters, tilemakers, masons, blacksmiths, cotton fluffers, tailor and barbers in the countryside as well as newly emerged drivers, those engaged in watch repair, radio repair, merchants, peddlers and owners of small shops small cateries and small factories. Again Lu Xueyi divides this class into two categories. One consists of those who develop in a political direction and have become cadres in the countryside and the other category consists of those people who develop economically and become self-employed individuals and individual industrial and commercial households. Data prepared by Lu Xueyi shows that there has been tremendous development in the number of industrial and commercial household in the countryside<sup>15</sup> .

The stratum of owners of private enterprise or private entrepreneurs refers to those people who own enterprises in which the means of production are privately owned in which business operations are conducted with autonomy and with the purpose of making a profit<sup>16</sup> . According to Zhang Houyi and Qin Shaoxing stratum of owner of private enterprises are becoming politically organised. One survey in the

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<sup>15</sup> *Ibi.d*, pp.54-56

<sup>16</sup> *Ibid.*, p. 56

late 1980s even suggested that 15 per cent were members of the communist Party<sup>17</sup> . Gu Yang expresses the opinion that a new "entrepreneur culture" is becoming established in China. According to Lu Xueyi privately owned enterprises fall under three basic categories a) enterprises run by single household, by far the largest category, b) enterprises run by several households and c) enterprises of joint stock<sup>18</sup> . Of course, before 1978 there was nothing like owners of private enterprise in China. This class has emerged in both cities and countryside as a creation of reform. This class has contributed significantly in the excessive imbalance in the distribution of income, but this has been encouraged by the government policies, who support the view that pursuit of individual wealth is necessary conditions of national prosperity in contemporary China. The future of this class largely depends on the continuation and deepening of reform and therefore they are very sensitive about economic policy of the state.

## **RURAL REFORMS AND INDIVIDUAL AUTONOMY**

Rural reforms have significantly changed the degree of autonomy enjoyed by households and individuals. Although the right of ownership belong to collective the peasant has the right of management over agricultural activities. The peasant is able to

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<sup>17</sup> Quoted in Gu Yang, "The People Republic of China : Socialism with a difference" in J.Heath (ed.), *Revitalizing Socialist Enterprises : A Race Against Time* (London : Routledge 1993), p.230

<sup>18</sup> Lu Xueyi, p. 58

deploy his own labour as well as the labour of his family household to engage autonomously in various kind of productive activities. In addition to being engaged in agriculture, he could also be engaged in non-agricultural activities like industry, commerce, the service trade and transportation. As Lu Xueyi notes "the peasant has become an independent commodity producer. A peasant can now engage in production autonomously, in commodity exchange autonomously and in distribution and consumption autonomously".<sup>19</sup> Thus rural reformers have strengthened the position and autonomy of individuals in Chinese society. Factors like a) state initiative to establish a more comprehensive legal system b) the increase in floating population and c) the decline in cadre/Party authority have significant implications for the autonomy of the individual.

A potentially significant development associated with the reform, which may give greater protection, to the individual is a series of steps taken to establish a more comprehensive legal system. On 1 Oct., 1990 the new administrative legislation law came into existence, which specified how citizens can sue officials, for wrong treatment<sup>20</sup>. Recent sessions of the National People's Congress (NPC), have given significant attention to administrative punishment and a criminal procedures law for China. The draft legislation of 16th session of the NPC Standing Committee, was

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<sup>19</sup> *Ibid.*, p.41

<sup>20</sup> Lucian W. Pye "State and the Individual : An overview of Interpretation", in Brien Hook (ed.) *The Individual and the state in China*, (Oxford : Clarendon Press, 1996), p. 34.

guided by three principle, a) integration of punishment and education; b) the implementation of punishment in accordance with largely established procedures and c) imposition of penalties, which were fair and open. For the first time the law provided for the separation of responsibilities between the who meted out the punishment and those who enforced them<sup>21</sup> . During the 16th and 18th session of the NPC's Standing Committee, draft legislation related to administrative punishment law and criminal procedures law were submitted for examination and consideration<sup>22</sup> . In short the new legislation has prepared the ground for law based comprehensive administration and the protection of the legitimate rights of China's citizens.

In spite of state initiatives to check illegal migration to cities, increasing number of mobile population shows a) loosening state control over lives of peasant and b) increasing individual autonomy. The household registration system restricts the change of residence from rural to urban area. But for large number of rural surplus labours industrial and other employment opportunities in the cities have forced them to violate the household registration system creating an illegal or floating population. According to Lucian W. Pye, structurally the most dramatic change in state-individual relations

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<sup>21</sup> "The 16th and 17th Session of the Eight NPC Standing Committee" Quarterly Chronicle and Documentation, *China Quarterly*, No.145, March 1996, p.241

<sup>22</sup> *Ibid.*, pp.241-43 and "The 18th Session of the Eight NPC Standing Committee" Quarterly Chronicle and Documentation, *China Quarterly*, No.146 June 1996 p. 664-65.

since the mid 1980s has been the rapid growth of a floating population of rural people coming into Chinese larger cities<sup>23</sup> . Arthur L. Rosenbaum also see this process as weakening Party / state absolute control over the lives of the peasants<sup>24</sup> . Xinhua News Agency reported on 6th August 1988 that nearly one in every 20 people in China is involved in the great population movement from the rural areas to the cities<sup>25</sup> . There can be various reason for this movement. The increasing number of floating population shows the weakening of state control i.e. the household registration system and the rationing system. Thus allowing rural residents to move to the cities with the hope of a better life. The closing of many rural industries and the suspension of large scale agricultural construction projects, caused largely by the credit-tightening that came with the general austerity politics after 1988, have further compounded the rural unemployment problem and hence encouraged rural to urban migration<sup>26</sup> . There are examples that the state through its administrative machinery is trying to restrict rural to urban illegal migration, but evidence reveals that the state has so far failed to convince the rural people.

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<sup>23</sup> Lucian W. Pye p.35.

<sup>24</sup> Arthur L. Rosenbaum, ed., Introduction, p.25

<sup>25</sup> *Ibid.*, pp. 35-36

<sup>26</sup> *Ibid.*, p. 36

The impact of reform on the party is also a significant factor, which enables us to understand declining state control and increasing individual autonomy. Jia Chen notes:

China's post-Tiananmen regime has a weak party leadership with loose grassroots organisation which are ineffective at controlling or monitoring the people's actions and loosely defined official ideology which is too weak to provide long term moral guidance to society and therefore is inadequate to support the regimes absolute rule<sup>27</sup>.

While there is a decline in the authority of the Party Jie Chen does not investigate the causes and the degree of decline. A more genuine analysis can be made on the basis of official reports / statements.

In the speech on "the challenges of feudalistic forces in villagers" the late vice president of the PRC Mr. Wang Zhen noted that in the rural areas, Party organisations and activities were being disrupted and broken up by the influence of religion, the developing capitalist class and clans. Many people in the villages, particularly young people had absolutely no desire to join the Party or Communist Youth League<sup>28</sup>. It

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<sup>27</sup> Jie Chen "The Impact of Reform on the Party and Ideology in China" *The Journal of Contemporary China*, Vol. 1995, p. 29.

<sup>28</sup> Willy Wo-Lap Lam "Wang Zhen Describes Loss of Party Influence" in Lawrence R. Sullivan (ed), *China since Tiananmen : Economic, Political and Social Conflict*, (Armonk ; M E Sharpe, 1995), pp. 202-03

can be said, thus that, reforms undermined the organisation and ideology of the CCP significantly and by implication, there has been a decline in cadre authority in the villages, But as Huang Shu-min notes the state still controls the allocation of crucial resources for peasants, such as financial credits, electricity, coal, gasoline, chemical fertiliser, pesticides and crop seeds<sup>29</sup> . Therefore the authority of cadres can not be fully superseded. Scholar like Elizabeth Croll analyses cadre village relationship from the new dimension of information network. Croll notes:

Stimulated discussion of cadre-villager relations were by the access of villagers to comparative knowledge facilitate by the new multi faceted flow of information between households, villagers, cities and capital, which more than any other factor, has undermined the empowerment of the village cadre with important consequences for the rule of village cadres<sup>30</sup> .

As Croll argues now villagers have a choice of media. There are increasing number of houses with televisions, radios, and cassette players and written materials on income generating activities and newspapers are also available. Croll argues that television and radio networks are likely to bring important and substantive changes into villagers lives. As one television owner said, that he feels as the distance between the

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<sup>29</sup> Huang Shu-min, "Rural China in Transition" in William A. Joseph (ed.), *China Briefing 1994*, (Bouldr : Westview Press, 1994), p.110

<sup>30</sup> Elizabeth Croll *From Heaven to Earth : Images and Experiences of Development in China* (London : Routledge, 1994) p. 118.

world and him has been shortened<sup>31</sup> . It can be said that the multi-faceted channels of information, have incorporated villagers into broader political and economic network, and have important implication for the cadre-village relationship. Now cadres do not have monopoly over outside knowledge and thus communicative network potentially provides bargaining power to the villagers in their negotiation, with village cadres. The press has also been an important channel for communicating views. Croll describes how a farmer in suburban Beijing held a press briefing in his house criticising the local government for unilaterally scrapping his land contract<sup>32</sup> . While the low level of literacy limits these events, there have been cases of conflict between cadres and villagers caused largely by the implementation of anti-peasant policies. These development show increased peasant initiative in village affairs and, by implication, increasing individual autonomy.

## **REFORMS AND THE AUTONOMY OF ORGANISATIONS**

Recent trends show that there has been a decline in the state control over economy<sup>33</sup> . Gordon White's investigation shows that the changes created by reform have made the process of economic reform much more difficult to direct and

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<sup>31</sup> *Ibid.*, p. 126

<sup>32</sup> *Ibid.*, pp.130-131.

<sup>33</sup> Michael, D. Swaine "China Faces the 1990's : A system in Crisis", *Problems of Communism* May, 1990- p. 22.

control<sup>34</sup> . As it is already been discussed, rural reforms have brought about changes in the nature and mobility of rural society, which have reduced the state control over society. Reforms have also created potential social base for autonomy. These factors have significantly changed the organisational structure of Chinese society and to some extent these organisation have changed the relationship between state and society. Broadly there are two types of organisation in contemporary China a) legal or official organisation and b) illegal organisation.

A further division can be made of official organisation on the basis of autonomy enjoyed by them. The first category consist of old official organisation such as the Women's Federation, the Federation of trade Unions and the Communist Youth League. These organisation enjoy least autonomy and their staffs are appointed and paid by the <sup>35</sup> They are not independent or autonomous from the state. But Gordon White's analysis of the impact of economic reform shows that reforms have acted to increase pressures on existing mass organisation to change their role and demonstrate greater independence<sup>36</sup> . But available evidence does not support this argument because party/state still play important role in determining activities of these

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<sup>34</sup> Gordon White, "Democrtization and Economic Reform in China" *Australian Journal of Chinese Affairs*, No.31, Jan. 1994, pp.84-85

<sup>35</sup> Jude Howell p. 77.

<sup>36</sup> Gordon White, "The Dyanamics of Civil Society in post-Mao China" p.208.

organisation. As Lieberthal's analysis shows these officially recognised organisations have failed to create a social consciousness independent of the state, largely because state plays important role in determining the activities of these organisations. There are evidences that in many cases state determined, who will hold the top office of these organisation. Moreover, local officials join these organisation to impose official views and to protect state interest<sup>37</sup>. The second category of new officially recognised organisation enjoy greater autonomy than the old ones. Example includes business and trade associations, professional association, academic societies and some social organisation such as sports, recreational and cultural clubs. They have emerged at both national and local levels. By late 1993 there were over, 1,460 registered national social organisation, 19,600 at the provincial level and over 160,000 at the country level<sup>38</sup>. Jude Howell makes a distinction between new semi official organisations (i.e. Private Entrepreneurs Association and Self-Employed Association) and new popular social organisation (i.e. Chess Club and Qigong Societies) His analysis show that new popular social organisation enjoy greater autonomy than new semi-official social organisation. Semi official social organisation receives some funding from the state and they assist in regulating the market and maintaining legal and social order. In some semi-official social organisation membership is compulsory in others voluntary. While new popular social organisation are more autonomous from the state, they rely on their

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<sup>37</sup> K.G. Lieberthal, *Governing China : From Revolution Through Reform* (New York : W.W. Norton & Company, 1995) p.299.

<sup>38</sup> Gordon White, "The Dynamics of Civil Society in post-Mao China" p.210

own fund raising efforts, setting their own goals and managing their organisation with their own voluntary members and they are required to register with the state<sup>39</sup>. These organisation can fit into the parameters of civil society, but according to article 51 of the constitution of the PRC, the exercise by citizens of their freedoms and rights may not infringe upon the interest of the state<sup>40</sup>. Thus the role of state is crucial in establishing the civil society organisation.

Illegal social organisation are most autonomous and voluntary largely because they are not officially permitted. These organisations include the secret societies ethnic societies and underground political groups. A document reportedly issued by the CCP in mid-1992 drew attention to the rise of spontaneous mass organisation which were neither officially reported to nor sanctioned by government organs<sup>41</sup>. These organisations set their own goals raise their own fund and manage themselves. These organisations are engaged in anti-state activities. In many villages these organisation control, land, farm prices and sates of agricultural products organises and many times tax revolts<sup>42</sup>. Su Xiokang refers to an official report that there are now more than

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<sup>39</sup> Jude Howell pp. 78-80.

<sup>40</sup> *Constitution of the PRC*, Adopted on Dec. 4, 1982, (Beijing Foreign Language Press, 1983), p. 39

<sup>41</sup> Gordon White "The Dynamics of Civil Society in Post-Mao China" p. 215.

<sup>42</sup> Shu-Yun Ma, p. 190.

1,800 illegal secret societies in China the largest one with a membership of over 10.000<sup>43</sup> . Thus it is evident that China has a organised networks of association. Villagers have created own voluntary associations at every level . But due to the significant presence of the state, organisation life in China is different from the concept of civil society suggests. Illegal organisation enjoy full autonomy but we can not equate them with civil society. Among legal organisation popular organisation enjoy more autonomy than semi-official organisation and semi-official organisation enjoy more autonomy than older official organisation. Civil society is related to market reforms. Market reforms weaken the control of state over economy and society. We can see the changing degree of autonomy of all official organisations as a result of fundamental change in the relationship of the state with economy and society, largely facilitated by market oriented reformer. Thus the degree of autonomy of official organisation or the future of civil society in rural in China depends on the deepening and continuation of rural reformers.

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<sup>43</sup> Quoted in Shu-Yun Ma p. 190

## **CHAPTER III**

### **THE POLICY OF DECENTRALIZATION : PROVINCIAL AND LOCAL AUTONOMY AND ITS IMPLICATION FOR CIVIL SOCIETY CONCERNS**

## DENG'S REFORM AND DECENTRALIZATION

Deng's reform aimed at replacing the planned/command economy with a socialist market economy. A key feature of the reform is decentralization and the withdrawal of the central government from certain spheres/functions. In rural areas the household responsibility system has given significant autonomy to peasant families in management and decision-making. The state has liberalized the procurement system through which the state purchases agricultural products for sale in urban market or for export. The state has also advocated the establishment of economic association because these are necessary for implementing market oriented reforms. And Zhao Zhiyang has said,

The deepening of the ongoing reform of the economic structure makes reform of political structure increasingly urgent. The process of developing a socialist commodity economy should also involve the building of socialist democracy. Without reform of political structure reform of the economic structure can not succeed in the end<sup>1</sup>.

The reform programme as articulated by Zhao Ziyang includes a) separating the functions of the Party and the government; b) decentralization (delegating powers to lower level); c) structural reform in government; d) reform of the cadre system; e) establishing a system of consultation and dialogue; f) improving a number of systems relating to socialist democracy and g)

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Zhao Ziyang, "Advance Along the Road of Socialism with Chinese characteristics" Report Delivered at the National conference of the CCP. *Beijing Review*, vol.30, No.45, Nov.9-15 1987, p. XV

strengthening the socialist legal system.<sup>2</sup> Decentralization in China has significant implication for the movement of the economy towards the market system. Theoretically it lays the foundation for the emergence of civil society.

The emergence of non-state or private sector has provided a social space independent from immediate state control. This social space has encouraged interaction among individuals and social groups. Therefore, it provides space for articulation of the interests of diverse groups provincially or locally.

#### **PRE-1978 CENTRAL-LOCAL RELATIONS**

When China was liberated in 1949, it inherited a situation where effective control over the provinces had been absent for almost a century. Thus there was an immediate need to build a system of management and control throughout the country<sup>3</sup>. State established centralized planning system and the central government controlled all revenue collection and allocation. During this period provincial government were under the leadership and supervision of the central government. Bureaucratic agencies largely monopolized the process of decision making. But it soon became clear that sustaining a highly centralized political system in China was not easy. As Zhong Zhu Ding Notes:

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<sup>2</sup> Ibid pp. XV-XXI

<sup>3</sup> Shaun Breslin, "Centre and Provinces in China" in R. Benewick and P. Winggrove eds. *China in the 1990's*, (London : Macmillan, 1995), p. 63

As early as 1956, Mao Zedong pointed out that under the centralized system, the relationship between the centre and locality was a "contradiction". It was necessary to enlarge local powers and grant localities, certain independence under the central plan, because Mao Justified "two enthusiasms" which referred to enthusiasm of both central and local governments, were more beneficial than only central control.<sup>4</sup>

To resolve the dilemma in central-local relation, Mao launched re-adjusting programme three times between 1957 to 1970. But the results were not satisfactory. When the centre assigned more power to local authorities, the local government used its power to extort revenue from enterprises controlled by them, leaving the central government with a revenue shortage. At the same time excessive construction projects in regions and unreasonable competition among provinces worsened. This caused the centre to recall powers which has been transferred to the localities previously<sup>5</sup>.

The policy of decentralization was first introduced in 1957-58, when the state transferred policy and operational decision-making powers to local government. The local authorities were assigned decision-making powers to adjust local production plans. They were also empowered to use or allocate excess funds after fulfilling revenue quotas set by the state. Local industries developed dramatically under provincial authorities. Meanwhile the second five year plan was scrapped in favour of the Great Leap Forward resulting in serious economic

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<sup>4</sup> Quoted in Zhong Zhu Ding, "Mainland China's New Dilemma : Decentralization and Central-local conflicts in Economic Management", *Issues and Studies*, Vol.31, No.9, Sept. 1995, p.20

<sup>5</sup> *Ibid.*, pp.20-21

disorder and imbalances. In the name of restoring economic order nationwide, the central government appropriated most of the power which has been transferred to the localities. Two further attempts at implementing the policy of decentralization occurred in 1964 and 1970 but had a similar fate<sup>6</sup>.

## DECENTRALIZATION OF DECISION-MAKING

The economic reforms have had significant implications for the Chinese political sphere. Now the state follows a policy of decentralization in decision-making in a wide arena of economic activities from central to provincial and local authorities. But as this analysis will show, although at the province and local level the respective government may enjoy a significant degree of autonomy in their own decision-making, they are not however effectively represented in the central decision-making process.

Under the rectified relationship between the CCP and the government, the locus of economic policy-making has shifted from the Party to the government. The CCP sets the outline for economic reforms, but the formulation and implementation of policies have become the function of government. The Standing Committee of the State Council has become the main policy making body and the influence of the Standing Committee of the CCP Politbureau has decreased<sup>7</sup>.

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<sup>6</sup> *Ibid.*, pp.21-22

<sup>7</sup> Susan L. Shirk, "The Chinese Political System and the Political Strategy of Economic Reform" in K.G. Lieberthal and D.M. Lampton (eds.), *Bureaucracy, Politics and*

*Contd.*

The Chinese government bureaucracy makes policy according to, what Edward Lawler calls "management by exception". At each level of organizational hierarchy, agency representatives make decisions by rule of consensus. If they all agree, the decision, is maintained by the higher level. If the bureaucrats cannot reach a consensus, then the decision is referred to higher levels and if consensus is not reached at the higher level then either nothing happens or the CCP intervenes to impose a solution<sup>8</sup>. In other words the CCP remains the supreme authority if consensus is not achieved.

The structure of the bureaucracy reflects the CCP's notion of which group should be represented in policy-making. The Chinese bureaucracy is organized by functions i.e. education, culture, public security and by economic sector i.e agriculture, coal, machinery, and not by geographic regions. Ministers articulate the interests of their particular sector. But regional concerns play an important role in government policy-making. The State Economic Commission and the State Planning Commission have regional as well as sectoral bureaus that raise the demands of the North-East, the South-West and so forth. And whenever economic policy proposal one being discussed the head of provincial bureaus are invited to participate. Each province sends a delegation to the annual national planning and budget meeting to lobby in its own behalf. But yet provinces do not have

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*Decision-Making in Post-Mao China*, (New York, W.W. Norton & Company 1995), p. 68.

<sup>8</sup> *Ibid.*

permanent formal representation in the bureaucratic procedures, where policy-making debates take place<sup>9</sup>. Provinces are able to negotiate the terms of their revenue-sharing with centre. And as David S.G. Goodman and Shaun Breslin argue that each province has its own ability and desire to gain autonomy from the centre, determined by various factors. Decentralization policy is a significant factor in shaping the centre-provincial relationship, but factors like economic development of the province, the location of raw material, international and strategic importance of the province and the link between its leader and national politicians play an important role in shaping centre province relationship in China<sup>10</sup>.

In the evolving centre-province locality relation the process of policy-making has become market oriented and more democratic. Each policy is discussed in series of meetings to which large numbers of related units/organisation as well as technical experts are invited. Hence decisions are generally not the outcome of process confined only to bureaucratic agency but the result of debates and extensive lobbying and bargaining among relevant units/ organization. Thus it can be said the larger participation from various groups in decision-making

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<sup>9</sup> *Ibid.*, pp. 69-72

<sup>10</sup> David S.G. Goodman, "Province Confronting the State?", pp.3.9-3.10, Shaun Breslin, "Centre and Provinces in China" in R.Benewich and P.Wingrove (eds.) *China in the 1990's* (London : Macmillan, 1995) p. 64.

prevents over centralization of power in the hands of a few individuals in the Party and the government<sup>11</sup>.

However, there are various factors which make the position of the central leadership more strong. First, there is an effective Party norm against making of open alliances on certain policy matters and thus local officials do not manage to build a united block against the centre. Secondly, although Party norms and discipline have declined in the reforms era but the central leadership still possesses powerful resources and sanctions in dealing with provincial officials. Very important among the sanctions is the power of appointment and dismissal of provincial leaders (through the Nomen Kalatura system). Thirdly, the lack of political cohesion within a locality has undermined the degree of autonomy and administrative efficiency and by implication invite central interventions<sup>12</sup>.

## FISCAL DECENTRALISATION

Maintaining a balance between the powers and resources of the centre and the provinces of China is a dilemma for the central government. Some provinces have now acquired an increased ability to determine their strategies for economic development to a significant degree, irrespective of what central government may

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<sup>11</sup> Michael D. Swaine, "China Faces the 1990's : A System in Crisis", *Problems of Communism* vol. 39, No.3, May-June 1990, pp.22-23

<sup>12</sup> Dali L. Yang, "Reform and Restructuring of Central-local Relations" in David S.G. Goodman and G. Segal (eds.), *China Deconstructs : Politics, Trade and Regionalism*, (Lodon : Routledge, 1994) pp.84-86.

dictate. For example, since 1991 Guangdong has been the largest supplier of tax revenues to the central government. So the central leadership may not easily ignore Guangdong's wishes for fear of depriving itself of resources<sup>13</sup>.

Provincial officials are the largest section within the two Central Committee, thus to win the support of provincial officials for reform, Deng Xiaoping introduced fiscal decentralization in 1980. The policy has officially called "apportioning revenues and expenditures between the central and the local authorities, while holding the later responsible for their own profits and loss"<sup>14</sup>. Under this policy provinces fixed an amount of revenues for the centre to a period of five years and got the privilege of keeping proportion or all of the remaining revenues. Provinces were divided into five categories ranging from Guangdong and Fujian who retained all above quota revenues, to the municipalities like Beijing and Shanghai, who retained nothing from their above quota revenues<sup>15</sup>. In 1989, China started officially a new policy/system to divide revenue incomes between the central and the provincial government. This system allowed the provincial government to collect local taxes and to dispose off them autonomously<sup>16</sup>. Now the province have the authority to approve construction

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<sup>13</sup> V. Cable & P. Ferdinand, "China as an Economic Gaint : Threat or Opportunity?", *International Affairs*, vol. 70 No.2, April. 1994, p. 248-49

<sup>14</sup> Quoted in Susan L. Shirk, p.83

<sup>15</sup> Susan L. Shirk p.83

<sup>16</sup> Zhong Zhu ding p. 27.

projects and import joint ventures and to set licence fees and other local commercial taxes. Under the foreign trade responsibility system (implemented in 1988) provinces constructed with the centre to share the foreign exchange revenues from trade as well as the local currency profits and deficit from trade<sup>17</sup>. The new policy of decentralization has also specified that a proportion of enterprises profits will be divided between the authorities exercising control over the enterprise and the enterprises themselves. These fiscal policies have increased the power of local government over local enterprises and industry. According to research by the World Bank, by 1989, the local governments were taking 62.5 per cent of China's total national revenues<sup>18</sup>. The fiscal decentralization has reduced the central share of revenues. State revenue income, as a result of gross domestic product was reduced to 16.6 per cent in 1992 from 26.7 per cent in 1979. Central revenue income as share of total national revenue income was 57.6 per cent in 1981 but declined to 45 per cent in 1992<sup>19</sup>. Thus it can be said that fiscal decentralization has increased the power and resources of provincial and local government.

#### **NEGATIVE ASPECTS OF DECENTRALIZATION**

The 1982 revised version of the local Organic Law permitted provincial level government to formulate their own rules and regulations in line with state

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<sup>17</sup> Susan L. Shirk pp. 84-85

<sup>18</sup> Zhong Zhu Ding p. 27

<sup>19</sup> *Ibid.*, p.28.

laws and administrative regulations of the State Council<sup>20</sup>. This policy has significant positive implication for provincial autonomy. This is designed to meet the demands and requirements created by deepening of economic reforms. But it is also argued that to some extent policy of decentralisation in China has undermined the national market and competitive activities. To protect local interests, local government have the tendency to exercise their regulatory and administrative powers to restrict the smooth functioning of market system. Many provinces have introduced protectionist policies to protect their local products against product from other provinces<sup>21</sup>.

Jun Ma analyses the negative impacts of decentralization on the functioning of the market system in three areas<sup>22</sup>. Firstly, decentralization has imposed restriction on inter-regional trade. Now local government imposes various trade barriers to safeguard local products. These include the use of a) export embargoes b) transport licenses c) levies on exporting products and d) requests for rewards in exchange for exports. Secondly, decentralization has created barriers to industrial re-organization. Most state-owned enterprises have been transferred to the ownership of local government. The ownership of enterprises by regions and their industrial bureaus dictate that new investments and industrial re-organisation,

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<sup>20</sup> Ya-Chun Chang, "Provincial-Level Government in Mainland China : Organization Structure and Central Control", *Issues and Studies*, Vol.31, No.4, April. 1995, p.75

<sup>21</sup> Zhong Zhu Ding p.28

<sup>22</sup> Jun Ma, "Defining the limits of local Government Power in China : The Relevance of International Experience," *The Journal of Contemporary China*, No.10, Fall 1995 pp.4-15

including mergers and acquisitions are confined to administrative boundaries. This has created the problem of duplication of investment and small scale of enterprises or lack of economies of scale. Thirdly decentralization also creates local protectionist intervention in legal cases. Jun Ma's analysis shows that, generally local courts make judgements in favour local parties and in many cases, local judges refuse to take action against of local parties.

Thus it can be said that factor like formulation of rules and regulation by provincial government and imposition of various trade barriers by local government are negative fall outs for national market economy but at the same time it makes local network more effective.

#### **DECENTRALIZATION AT LOCAL LEVEL**

Victor Nee has advanced the notion of market transition as a theoretical framework to analyses rural reform in China. His basic argument is that the reform process is a transitional process and this transition is characterised by decentralization of command and infusion of market mechanisms<sup>23</sup>. Jean C.Oi however, refutes the notion that the decentralization of central command in rural China has dismantled the government command structure. Instead the command has been transferred to local authorities<sup>24</sup> In this view local government holds the

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<sup>23</sup> Victor Nee, "A Theory of Market Transition : From Redistribution to Market in State Socialism" *American Sociological Review*, Vol. 54, No.5, Oct. 1989, p.663-81.

<sup>24</sup> Jean C.Oi, "Fiscal Reform and the Economic Foundation of Local State Corporatism in China" *World politics*, vol 45/1, Oct. 1992, pp.99-126

key to rural reform in China and it reveal the transfer of power from the state to the peasantry.

After the dismantling of the Commune system separate village governments are now being set up to regulate the political and administrative functions in the villages. Now village leaders represent government at lower level of administration and implement rural policy. Many time they also represent the CCP, and are engaged in the Party organization of their village but at the same time they are members of the village community and identify closely with farmers<sup>25</sup>. This view is also reflected in John P. Burns analysis which shows that peasant influence in most effective on local issues, where decisions can be taken locally. But, conversely, on issues decided at higher levels peasant influences are less likely to be felt. According to John P. Burn peasant do not have the direct means to effect policy making but they can influence political process through informal means such as personal network or individual contracts with village leaders<sup>26</sup>.

In Nov. 1987, the Organic Law on Village committee was passed by the NPC. According to this law the villager's committee was to be established "in order to safeguard farmers opportunity and right to political participation"<sup>27</sup>. It

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<sup>25</sup> Scott Rozelle, "Decision-Making in China's Rural Economy : The Linkage between Village Leaders and Farm Household", *China Quarterly*, No.137, March 1994, p.113

<sup>26</sup> John P. Burns, "Chinese Peasant Interest Articulating" in David S.G. Goodman (ed.), *Groups and Politics in the PRC*, (Cardiff : Univ. College Press,1984), p.144

<sup>27</sup> Jiang Wandu, "Grassroots democracy Taking Root", *Beijing Review*, vol. 39, No.11, March 1996, p.11.

empowered villagers to elect directors, deputy directors and members of villager's committee. Each administrative village, governed by villagers committee usually consisted five persons, including a director, two deputy director, an accountant and an women in charge of women's affairs<sup>28</sup>. The Organic Law defined Villagers' Committee as "basic level mass organization of self government through which villagers manage their own affairs, educate themselves and served their own needs"<sup>29</sup>. Article two of the Organic Law highlighted "Villagers' Committee responsibilities for village public welfare service, dispute mediation, maintenance of public order and communication of villagers opinion to township government"<sup>30</sup>. But at the same time villagers' committee was also supposed to assist and take guidance from township government, and according to the Organic Law "villagers's committee must stand for leadership of the Party"<sup>31</sup>.

Although Villager's Representative Assemblies (VRA's) was not mentioned in the Organic Law, Ministry of Civil Affairs has encouraged the formulation of VRA's. These are assigned to supervise the work of villager's committee. According to Jiang Wandu (staff reporter, Beijing Review) "Villager's Committee is the highest executive body of the Village and Representative Assembly work as a

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<sup>28</sup> Elizabeth Croll p.31

<sup>29</sup> Kenivn J.O' Brien, "Villager's Committee : Implementing Political Reform in Rural China", *The Australian Journal of Chinese Affairs*, No.32, July 1997, p. 39

<sup>30</sup> *Ibid.*

<sup>31</sup> John Dearlove, "Village Politics" in R. Benewick & P. Wingrove eds., *China in the 1990's*, (London : Macmillan, 1995), pp.124-125

lilliputian parliament<sup>32</sup>". VRA's consist of all adults in a village or a representative of each household by law but as it is a practical problem particularly in remote areas, the Ministry has encouraged small or manageable VRA's comprised of representative of 10 or the 15 families<sup>33</sup>.

Apart from political restructuring at local levels, the state has encouraged the establishment of new economic organization, companies or co-operatives at village level. In the Chinese countryside the state has introduced a "two-tiered" system of economic management. The first is individual management through household responsibility system. The second tier of economic management (comprising economic association, companies and co-operation), is aimed to support and service the peasant households in meeting new demand and needs created by economic reforms or to create a market environment for business dealing<sup>34</sup>. It was estimated that by the end of 1985 there were 480,000 new economic association, mainly engaged in industry, transportation and construction, commerce, catering and other service trades<sup>35</sup>.

Thus it can be said that a different picture is emerging in the countryside, where village self government is adopted. It is important that all important matters

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<sup>32</sup> Jiang Wandu p.11

<sup>33</sup> Kevin J.O' Brien pp. 42-43.

<sup>34</sup> Elizabeth Croll pp.32-33

<sup>35</sup> *Ibid.*, p. 3.

are initially addressed in open meeting by Villagers' Committee and VRA's, before making any final decision<sup>36</sup>. The introduction of electoral politics at local level is bound to create political consciousness among the people. Although there is very little possibility of challenging the policies of the CCP by Villagers' Committees or VRA but it will be helpful in advancing political democracy at the grassroots level.

Ministry statistics show that in 1991, 68 per cent of Villagers' Committee directors in Fujian were CCP members and nationwide only one fourth of Villagers' Committee members did not belong to the CCP<sup>37</sup>. But it also shows that CCP is popular among the people and that is why mostly people chose to vote in favour of CCP members.

It is also important to note that the work of establishing political democracy at the grassroots level is not over, China still has a long way to go. For example Villagers' Committees have not been established in many villages and moreover as Jiang Wandu reports, most of the villages do not have private polling booths<sup>38</sup>. In other words it infringes the basics of democracy, where villagers do not have opportunities to fill their ballots in secret.

Finally, the experience with self government or retreat of the state is evident. But at the same time the State/Party has a significant presence at the local

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<sup>36</sup> Ziang Wandu p.12.

<sup>37</sup> Kevin J.O' Brien p.54

<sup>38</sup> Jiang Wandu p. 14

level. Even though villager's committee must support the Party the development of local electoral politics and the emergence and articulation of local communitarian interests have the potential of creating checks on local officials and providing inputs for central government policies and interventions.

## **CHAPTER-IV**

# **CIVIL SOCIETY AND RESISTANCE IN RURAL CHINA**

Civil society secures communication and interaction between individual and the state through individual participation in groups, associations or institutions. Civil society is a forum, where people unite, express their view and work for the benefit of people or the community. Groups, association or institution of civil society works as a "watchdog" against increasing state power. Civil society wants to persuade and influence the state policies. Antagonistic model of civil society and the state arise only when mediations fail.

Rural critiques of the state share many of the forms of representation of civil society. Rural people express their displeasure through various avenues like writing letter to newspaper or government/Party officials, posting posters and giving petitions to authorities. These are the channels of communication between the individuals/group and state authorities. The difference lies largely in the associational aspect. Civil society consists of group, associations or institutions, autonomous/independent from the state and who follow certain norms. Civil society is the forum where public opinion can be formed. Contrary to civil society, rural dissent is largely un-associational and thus it is difficult to unite on a common platform and forms public opinion. Thus isolated critique has not been very effective.

When formal critique fails to influence the state or its policies, rural people turn towards collective action or violence against the state. Although collective violence indicates the strong discontent of large number of marginal people, who challenge the mainstream dominant vision/theme, the lack of proper associational

forum recognized by the state and the use of violence tactics differentiate informal resistance from civil society opposition. Due to violent activities the government has the excuse to suppress these groups making informal resistance, like collective violence, ineffective influencing government policies.

### **CAUSES RESPONSIBLE FOR RURAL RESISTANCE**

The Chinese peasantry as a whole has four main concerns a) to prevent lowering of prices of agricultural products b) to obtain fertilizers, seeds and other agricultural inputs at subsidized prices c) to solve the problems of rural unemployment and d) to achieve a standard of living comparable to Chinese urban residents. The introduction of household responsibility system and the development of rural enterprises contributed to the prosperity of peasantry as a whole. But at the same time the four chief concern of the peasantry have not been fulfilled properly by the state. There has been a sharp decline in state allocation for investment in the agricultural sector. The state has also withdrawn subsidies from fertilizer and seeds. The following table demonstrates the same.

**Table 1. Investment by the State in Agricultural Capital Construction**

Year	Percentage of overall capital construction investment
1953-57	7.1
1958-62	11.3
1963-65	17.6
1966-70	10.7
1971-75	9.8
1976-80	10.5
1981-85	5.0
1986-89	3.1
1994-95	2.5

Source : Robert F.Ash "The Peasant and the State" *China Quarterly*, No.127, Sept. 1991, p.498 and "Wen Wei Po Interview with Vice Premier Jiang Chunya on Agriculture", *Wen Wei P O Hongkong* 23 Apr. 1991 in Chinese 23 March, 1995, trans. *SWB*, FE/2269 4 Apr. 1995, p. G-15.

Moreover investigation and analysis carried on by the agricultural survey teams in 835 countries across the country show that the prices of means of agricultural production for farming in Feb. 1995 were 30.6 per cent higher than in the same period 1994, of which chemical fertiliser rose by 35.7 per cent, insecticides by 11.5 per cent, diesel for agricultural use by 6.4 per cent, small farm tools by 22.6 per cent and other items by 36.5 per cent<sup>1</sup>. Agricultural labourers, who rely

<sup>1</sup> "Agricultural Means of Production in Short Supply Prices High" *Renmin Ribao*, 3 Apr. 1995 trans. in , *SWB*, FE/2275, 11 Apr. 1995, pp. S1/2-3

on agriculture as the main source of income constitute the largest group within peasantry are directly affected by these policies<sup>2</sup>.

Unemployment and underemployment have also become serious problems in the countryside. Restrictions on rural to urban migration and the existence of fixed land resources in rural areas are the prime reasons behind surplus rural labour. Administrative measures like household responsibility system and urban grain ration system have acted as barriers to the migration of peasant to larger cities<sup>3</sup>. The increase in the percentage of rural unemployment becomes clear from table 2.

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<sup>2</sup> Based on Lu Xueyi's divisions of peasantry.

<sup>3</sup> Jeffrey R. Taylor p. 282.

Year	Employment shares (%)	
	Rural	Urban
1949	91.5	8.5
1955	87.5	12.5
1965	82.1	17.9
1975	78.5	21.5
1978	76.3	23.7
1980	75.2	24.8
1982	74.8	25.2
1984	74.6	25.4
1986	74.1	25.9
1988	73.7	26.3

Source : Jeffray R. Taylor p. 282.

In spite of the impact of rural economic reform, which has reduced the urban-rural gap, there has been a vast gap between the rural and urban sector of China, in terms of personal income. In 1996, the per-capita income in Chinese cities was 2.3 times the per capita income among the peasants<sup>4</sup>. In terms of level

<sup>4</sup> "Chinese News Agency Releases Economic Facts and Figures for 1996" Xinhua News Agency, Beijing 3 March 1997, Quoted in *SWB* FE/2858 4 March 1997 , p.S/2

of consumption in 1991 the per capita consumption of city dwellers was three times the per-capita consumption among the peasant<sup>5</sup>.

Rising level of inequality among the peasantry and within rural regions has also been a consequence of reform. The state has encouraged some areas and individual to grow rich first. If we compare the income of peasant in Shanghai with the income of Gansu province, we find that in 1988 the net income of a peasant in Shanghai was 1301 yuan and the net income of a peasant in Gansu was 340 yuan.<sup>6</sup> New social and economic groups like rich peasants, private entrepreneurs and peasant workers have emerged as a result of reform. Each group has different interest and demands<sup>7</sup>. The conflicting interests of different sections of the peasantry have generated social tension in society.

About 120 million peasant living in the poorest regions of China's hinterland, where industrial development has not taken place are the prime victims of the uneven developmental policy of the state. Since the state budget runs at a deficit and is unable to support these regions, provincial and local government have imposed many adhoc taxes and levies on the peasantry. Moreover instead of paying farmers in cash for their agricultural products, local government is used to

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<sup>5</sup> Zhu Qingfang, "The Urban Rural Gap and Social Problem in the Countryside", *Chinese Law and Government*, vol 28, No. Jan-Feb 1995, p.82.

<sup>6</sup> Lu Xueyi, p.72

<sup>7</sup> *Ibid.*, p.44

issue IOU's popularly known as "white slip" to be cashed in the later date and thus creating a cash crisis for the peasants<sup>8</sup>.

During Mao's period rural cadres carried out the centre's policies and hence gained recognition, prestige, and, in some cases, promotion in the Party hierarchy. Due to the loss of the traditional sources of influence in reform era many rural cadres have tried to establish alternative sources of powers and prestige outside the Party. In the reform era cadres are still in a privileged position to be able to exploit new opportunities for personal benefits. They sometime engage in illegal practices such as imposing illegal taxes and levies, corruption, speculation and the private selling of land<sup>9</sup>. However the implementation of the household responsibility system undermined the role of the rural cadres. Now peasantry make their own decision about farming method of disposition and agricultural surplus and hence rural cadres have less to do with the agricultural activities of peasantry.

Peasants do not get effective representation in policy-making forums. Fundamental decisions regarding policies and strategies for economic development are made by the Party Central Committee and National People's Congress at their

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<sup>8</sup> Anita Chan, "The Changing Ruling Elite and Political Opposition in China in Garry Rodan ed., *Political Opposition in Industrialising Asia*, (London : Routledge, 1996) pp.175-76.

<sup>9</sup> Elizabeth J. Perry, "Rural Collective Violence : The Fruits of Recent Reform", in Elizabeth J. Perry and Christine Wong eds., *The Political Economy of Reform in Post-Mao China*, (Cambridge : Harvard Univ. Press, 1985) pp.180-81

sessions<sup>10</sup>. The figures on the representation of different groups at eight NPC held on March 1993 are revealing.

Groups	No. of Deputies	Percentage
Workers	332	11.5
Peasants	280	9.4
Intellectuals	649	21.79
Cadres	842	28.27
Various Democratic Parties	572	19.21
People's Liberation Army	267	8.97
Returned Overseas Chinese	36	1.21

Source : *China's Political System* Ed. by New Star Publishers (Beijing : New Star Publishers, 1993) p.4

In spite of the fact that the peasantry constitutes nearly 80 per cent of total population, peasantry got only 9.4 per cent representation. The largest representation is by cadres and the second largest by intellectual also raise questions about intention of the state. Less or ineffective representation of the peasantry can be seen as an explanation for peasantry's inability to influence decision-making at high levels.

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Zhu Xiang and Tian Weiming, "The System of Decision-Making for Agriculture in China", *The Australian Journal of Chinese Affairs*, No. 21, Jan. 1989, p.161.

## FORMAL MEANS OF CRITICISM

As it is clear from previous analysis that rural reform in China faces a severe test. A growing opposition is challenging its policies and perspective especially in the face of the government policy of overall development at any cost and in the absence of proper institutional communication between the peasantry and the state. It has become a dilemma for the Party to deal with a situation where its own mass base is dissatisfied. Although there is no proper institutional means/avenue for peasants to express their discontent, they do express their displeasure through various means, which can be classified in terms of formal criticism and informal means of resistance.

State permits peasant to organize meetings, recall public officials, write letter to newspapers and officials, contact officials directly or demonstrate to attract the attention of government decision-makers. The right to demonstrate is constitutionally permitted but to organize a demonstration outside the Party office is illegitimate<sup>11</sup>. In other words the Party's supremacy can not be challenged. Peasants first express their displeasure through formal means like elections, meetings, mass organization, posting posters and written modes like writing letters to newspapers and officials.

Since villagers now elect officials to Villagers' Committees and Village Representative Assembly, electoral policies has significant implications for peasants interest articulation. Peasants can

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John P. Burns pp.129-30

demonstrate against unpopular policies at least at the time of election and they can elect candidates of their own choice, who wish to work for peasant welfare.

During collective era, peasants were encouraged to attend mass meetings called regularly at team and brigade levels. These meeting have usually been effective forums for peasant interest articulation. But since 1978, meeting have been called infrequently<sup>12</sup>. Although, we do not have much information about private meetings but it is significant that important matters are now initially addressed in open meetings of the Villager's Committee and VRA's before final decision are taken<sup>13</sup>. Thus peasant can also use these forums to express their displeasure. Burns demonstrates that contemporary associations are not important channels for peasant interest articulation. Although peasant do use these organization in some cases<sup>14</sup>.

To influence government decision-making or to express their discontent about unpopular policies or illegal practices, peasant generally write letters to editors of newspapers, to Party and government officials and to radio stations. Most often they demand a clear definition of rights and duties of cadres and peasants. Sometimes peasant give petitions to government or the Party to change their unpopular policies or their implementation<sup>15</sup>.

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<sup>12</sup> *Ibid.*, pp.130-31

<sup>13</sup> Jiang Wondi p. 12

<sup>14</sup> John P. Burns p. 133

<sup>15</sup> *Ibid.*, p.135

Now more villagers are turning to what Lianjiang Li & Kevin J.O' Brien call "policy based resistance "to defend their "legitimate rights and interests"<sup>16</sup> ". Policy based resisters obey laws and government policies but at the same time they meet government and Party officials with complaints to challenge the policies like over taxation and use of force. They also demand dismissal of corrupt cadres and improved accountability. It is important that they organize visits to government officials to express their protest collectively. When collective action proves ineffective at village level policy based resistance may also mobilize other villagers to take part in organized collective action.

Policy based resistance are challenging unpopular polices or practices effectively, Lianjiang Li and Kevin J.O. Brien describe how a group of policy based resistance in Hubei disrupted a villagers committee election successfully in which nomination were not dealt with according to approved procedures.

Lu Xueyi describes now some peasants express their displeasure by posting posters critical of government polices on their doors. Posters have been found in number of places including Hubei , Human, Anhui, Hebei and Jilin<sup>17</sup>. Although these are passive forms of resistance they highlights the strong feeling of discontent among peasants against unpopular government policies.

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<sup>16</sup> Lianjiang Li. & Kevin J.O' Brien, "Villager's and Popular Resistance in Contemporary China", *Modern China*, Vol. 22, No.1, 1996, pp.28-61

<sup>17</sup> Lu Xueyi pp.78-79

## INFORMAL MEANS OF RESISTANCE

When resistance through formal channels proves ineffective, peasants turn towards more informal means of protest like collective action and violence. The reforms have given peasant more opportunities to exploit informal channels and hence since 1978 there has been a significant increase in the incidence of reported use of informal strategies<sup>18</sup>. The nature and aims of collective violence are an important indicator of the effects of government policies. Hence an exploration of rural violence in China may also contribute to an assessment of the impact of reform in the countryside.

Violent incidents in rural areas can be classified into three categories based on their natures a) clash of interest type b) cadre -people conflict type and c) clan dispute type<sup>19</sup>. Generally in big disputes or violent incidents that arises in rural areas, cadres play an important role with some even playing a leading role. But at the same time anti-cadre violence is also on the rise in the countryside<sup>20</sup>.

Official reports indicate that in recent times there has been an increase in incidents of opposition to state policy involving a few thousand people in rural China. According to Lin Hexin (County Party Secretary in Shanxi province) from Jan 1990 to Oct. 1991, eight big violent incidents involving three thousand people

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<sup>18</sup> John P. Burns, p.143

<sup>19</sup> "Lin Hexin Analysis of Abrupt incidents in Rural Areas" in Lawrence R. Sullivan ed., *China since Tiananmen : Economic, Political and Social Conflict*, (Armok : M.E. Sharpe, 1995) pp. 206-7

<sup>20</sup> *Ibid.*

took place in his county<sup>21</sup>. In 1992 and 1993, throughout the inland provinces, peasant protest occurred against unpopular local government policies like imposition of several ad-hoc taxes and issues of white slips for agricultural products. The most serious protest occurred in Renshou county in Sichuan province where 10,000 people occupied and held out for some days<sup>22</sup>. Another means for peasant to react is to commit isolated acts of revenge against local leaders/cadres against illegal practices.

Clan disputes have also occurred many times in the reforms era. For example, in Chinese Tarkistan, Anti-Han violence has become a common feature. David S.G. Goodman argues that these are the cases of rising expectation in the reform era and at the same time religious freedom/inspiration always plays an important role<sup>23</sup>. However, Clan disputes may not be seen as an implication of reform because internal clan feuds and religion inspiration have been source of conflict in most cases.

Xueguang Zhou argues that the formation of collective action and its outbreak are rooted in institutional structure of state society relationship in China. He further argues that the Chinese state has effectively controlled the resources of social mobilization and prevented organized political activities. Chinese polity thus present a formidable obstacle to collective action which opposes the state. He

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<sup>21</sup> *Ibid.*, p.205

<sup>22</sup> Quoted in Anita Chan p.176

<sup>23</sup> David S.G. Goodman p.3.12

also argues that the market economy presents particular obstacle to collective action because it provides wide range of alternative for pursuing self-interest without resorting to collective action. And these reasons can be seen by as an explanation for infrequent collective action in China<sup>24</sup>.

But as it is clear from the previous analysis, during the reform era state political control on society has weakened considerably. As a consequence of economic and political reforms, there has been a significant increase in the private space outside state control and in the autonomy of individuals. The market economy does provide alternatives for pursuing self interests and empowerment of the common people. Although the overall impact of the reform has been positive for the large proportion of people, market oriented reforms in countries like China have also created serious problems like unemployment, rising inequality, corruption and withdrawal of investment from agricultural sector. Due to the lack of proper institutional communication between the state and peasantry, in other word civil society association, these and may other problems ensure collection <sup>action</sup> against state.

To a large extend the strategies of resistance have become popular strategies for "change" in the Chinese countryside. But for the moment there is very little possibility of an organized popular movement criticising specific state policies.

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Xueguang Zhou, "Unorganized interests and collective Action the in the Communist China", *American Sociological Review*, vol.58, No.1, Feb 1993 pp.54-58

## TRENDS OF ORGANISATION IN RURAL CHINA

Broadly, contemporary Chinese organisations can be classified in terms of legal and illegal organizations. A further division can be made of officials organisation on the basis of autonomy enjoyed by them. Old organization such as the Federation of Trade Union, Women's Federation and the Communist Youth League enjoy least autonomy and their staff are appointed and paid by the state<sup>25</sup>. Thus they are not independent from the state. The second category of new officially recognized organization enjoy more autonomy than the old ones. This includes business and trade association, professional association, academic societies and some social organization like sports, recreational and cultural clubs. The vast majority of these organization are local in character. And as Lieberthal argues these organisation have failed to create a social consciousness independent of the state because state plays major role in determining the activities of these organization. To large extent state determines who will hold the top offices of these organization. There are also evidence that local officials join these association and than use their official position to protect the state's interest<sup>26</sup>.

Illegal social organizations include, secret societies, ethnic societies and underground political groups. These organization are most autonomous and voluntary largely because they are not officially permitted. These organizations set their own goals, raise their own funds and manage themselves totally independent

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<sup>25</sup> Jude Howell p.77

<sup>26</sup> K.G. Lieberthal, *Governing China: From Revolution Through Reform*, (New York : W.W. Norton & Company, 1995) p.299

from the state<sup>27</sup>. In many village they control land, farm prices and sales of agricultural products, organize many times tax revolts and thus they are engaged in anti-state violent activities. Official reports demonstrates that there are now more than 1800 illegal secret societies in China<sup>28</sup>. These organization enjoy full autonomy but we can not equate them with civil society organization.

Liu Hexin (County Party Secretary in Shanxi Province) says that people's self rule organizations such as rural security and popular mediation organizations are in a state of paralysis and semi analysis<sup>29</sup>. John P. Burns notes that contemporary peasant association are an important channels of peasant interest articulation. Although peasant uses these organization only in some cases<sup>30</sup>. A survey of 50 villages in Shanxi province shows that half of the villages had not held any meetings during 1988.<sup>31</sup>

This demonstrates that although there has been a decline in state control over society as a consequence of reform, but the state has not opened avenues for creation of autonomous organization/associations capable of taking part in public policy.

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27 Jude Howell p.80

28 Shu - Yun Ma p. 190

29 Liu Hexin p.206

30 John P. Burns p. 133

31. J. Delman "Current Peasant Discontent in China: Background and Political Implications"  
China Information No. 2 Autumn 1989 p. 61

## CONCLUSION

The central problems of the contemporary state is the relationship between the state and the individual. The relations of power between the individual citizen and the "larger state" are so weighted in favour of the state, that the individual citizen finds it difficult to communicate or interact with it. To a large extent civil society is able to solve this problem because civil society ensures more equable individual-state communication/interaction through individual participation in institutions/associations / groups which are independent and autonomous from the state. However, the state and economy determine the emergence, scope and functioning of civil society because the nature and character of the state and its commitment to civil society and the market vary from one state to another. Thus any investigation of civil society is necessarily linked to an investigation of nature of the state.

The rise of capitalism and the corresponding retreat of the state from specific economic functions was an important premise for the emergence of civil society in the West. Thus the implementation of market oriented reform provides convincing reason for investigating civil society in China.

The justification for seeking civil society in rural China rests on the fact that China is largely a rural state, nearly 80 per cent of its population lives in the rural areas. The countryside has always been vital to overall national stability and development. In addition, reform was first implemented in rural China and the impact of reform in terms

of social and institutional change has been most widespread there pointing to rural China as the appropriate arena for an investigation of civil society.

Since 1989 when the concerns over civil society in China first emerged as an academic genre, different perspectives have been applied to the investigation of civil society in China. Each perspective has its own assumptions and agendas. A group of western scholars, without considering different nature of Chinese state, economy and society, follow a western model in examining state - civil society in China. Chinese exiled intellectuals also picked a Western comparative model for investigation of civil society in China, the arguments of these two categories do not seem convincing. Although Chinese mainland intellectuals have followed different approaches yet most of them acknowledge the crucial or inevitable role of the state creating non-antagonistic models of civil society. Another category of Western and Chinese scholars make a link between reform and civil society.

The impact of reform in rural China has been comprehensive. First, there has been an impressive increase in the income of the peasantry. In other words, the reform process has distributed wealth in the countryside. Secondly, the structure of Chinese peasantry has been transformed. Many stratas and groups have emerged, each with their own interests and demands. Thirdly, the household responsibility system has given significant autonomy to individual in their agricultural activities, clearly responsible for the decline in cadre authority in the countryside. These developments have provided inputs for increased individual autonomy most visible in the increasing numbers of

floating or illegal population migrating from a rural to urban area and indicating the decline in the state's political authority and control over society.

Decentralisation of decision-making and authority is a key feature of ongoing reform in China. Theoretically it lays the foundation for the emergence of civil society. In practice deepening of the economic reform has made the reform of the political structure inevitable and thus the Chinese state has advocated political re-structuring and the establishment of economic associations, because these are necessary for implementing market oriented reforms.

In the evolving centre-province-locality relations process of policy-making has become market oriented and more democratic. Provinces and local level government now enjoy a significant degree of autonomy in their own decision-making but they are not effectively represented in the central decision-making process. Fiscal decentralisation has also increased the power and resources of provinces and local government and thus the provincial and local networks have become more effective. The experiment with self-government through Villagers' Committee and Villagers' Representative Assemblies indicate the retreat of the state from certain political and administrative functions but this retreat is not complete and the state/party has a significant presence at every level. Although Villagers Committees are not completely independent of the Party and the state, the development of local electoral politics and the emergence and articulation of local communitarian interests have the potential of a) advocating political democracy at the grassroots level b) creating checks on local

officials and c) providing local inputs into central government policies and interventions.

The emergence of the private sector has created a social sphere outside immediate state control. This social space has encouraged interaction among individuals and groups and thus articulation of the interests of diverse groups.

Although the overall impact of the reform has been positive for the large proportion of people yet at the same time rising inequality (within the peasantry and rural regions) unemployment, corruption and the withdrawal of state investment from the agricultural sector have created serious problems in the countryside. Rural per-capita income and standard of living comparable to urban residents is very low. These problems have caused serious dissatisfaction among the peasantry and rural people express their discontent through various avenues like writing letters to newspapers or government/Party officials, posting posters on their doors and giving petition to authorities. These are the channels of communication between the individuals and the state authorities. Civil society also secures communication and interaction between the individual and the state but through individual participation in groups/associations/institutions. Civil society is a form where individuals unite, express their ideas and aspiration, form public opinion and work to counteract the power of the state for the benefit of people or community. Contrary to this rural dissent in China is largely unassociational and thus it is difficult for peasants to unite and form public opinion. Isolated and sporadic critiques have not been very effective.

When formal critique fails to convince the state or its policies, rural people turn towards informal resistance like collective action/violence against the state. Although collective violence indicates discontent of a large number of marginal/powerless people, who challenge the mainstream dominant visions, the lack of proper associational forum and use of violence differentiate informal resistance from civil society.

Rural reforms have brought, major changes in the nature and mobility of society, which has reduced the state control over society. Reforms have also created potential social base for autonomy. These factors have changed the organizational structure of Chinese society and by implication the relationship between the state and society. Yet in actual fact, the nature of state functioning ensures that civil society association are still absent. Broadly there are two types of organizations in contemporary China a) legal or official organizations and b) illegal organizations. A further division can be made of official organizations. The first category consists of the older official organizations such as the Women's Federation, Federation of Trade Union and Communist Youth League. The state controls these organizations completely and hence they enjoy least autonomy. The second category of official organizational includes business and trade associations, professional associations, academic societies and some social organizations, such as sports, recreational and cultural clubs. These organization enjoy greater autonomy than the old ones. But evidence reveals that the government plays a significant role in determining activities of

these organizations and thus these organizations have failed to create social consciousness independent of the state.

Illegal organizations such as secret societies, ethnic groups and underground political groups are engaged in anti-state activities. They are most autonomous and voluntary but we can not equate these organizations with civil society.

Contemporary evidence shows that rural people self rule organizations or peasant associations have not worked as an effective channels of peasant interest articulation, largely because the state has not opened avenues for the establishment of civil society organization, autonomous/independent from the state. Thus, although the state political control over society has weakened, social autonomy has increased but civil society associations/groups have not come into existence, largely because the state still has significant presence at every level.

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