

## **An Unholy Trinity? Civil Society, Economic Liberalization and Democratization in post-Mao China**

THE TURBULENT EVENTS OF 1989 IN POST-MAO CHINA STIMULATED A spate of literature commenting on the rise of civil society. Whilst China-watchers drew parallels with Eastern Europe, expectations grew that the democracy activists of Tiananmen, in a similar fashion to Solidarnosc supporters in Poland, would hasten the collapse of the Chinese Communist Party and set in train a process of democratization. Following the tragic events on 4 June 1989, outside observers became more reticent in their claims for an emerging civil society and more modest in their aspirations for fundamental political change.

Despite the clamp-down on politically motivated organizations since 1989, the intermediary sphere of organization linking society and the party/state has been undergoing rapid transformation. In particular new forms of intermediary organizations such as chambers of commerce and private entrepreneurs' associations have mushroomed, suggesting a link between economic liberalization and the emergence of civil society.

It is the purpose of this article to explore the connections between civil society, economic liberalization and democratization in post-Mao China. We begin by examining the process of economic transition and its impact on the structure and nature of society. We then proceed to explore the concomitant reworking of the intermediary sphere, focusing in particular on the rise of new forms of social organization. This leads us into a discussion of whether this new intermediary arena of organizations constitutes a civil society or not. In the next section we address the links between this new sphere of organization and the process of democratization, reflecting finally upon the potential social forces which might combine to trigger a democratic break-through.

## ECONOMIC LIBERALIZATION AND SOCIAL CHANGE

Historically it has been observed by writers such as Marx and Hegel that the process of capitalist development in eighteenth- and nineteenth-century Europe gave birth to an autonomous, self-regulating economy driven by capital, which was held together at the social and institutional level by associations such as chambers of commerce and trade groups. The social relations operating within this private, autonomous economic sphere constituted civil society. For Marx civil society was not only historically specific but also intimately related to the emergence of a bourgeoisie.<sup>1</sup> In contemporary thinking about civil society it is implicitly assumed that the rise of the market and the emergence of a civil society are likewise linked in a determinant fashion. Such an assumption is not only historically embedded but also gains some credence from recent events in Eastern Europe where market reforms have sponsored new forms of independent association. It is the purpose in the subsequent two sections to explore the extent to which the economic reforms in post-Mao China have given rise to an independent sphere of association, akin to Marx's '*bürgerliche Gesellschaft*'. We begin by outlining the key elements of reform and reflecting on their impact upon social relations.

Since 1978 the reformers, under the leadership of Deng Xiaoping, have embarked upon a programme of economic reform which shares many common features with liberalization packages in both the industrialized world and so-called developing economies. This programme has involved a number of fundamental changes in the management of the economy. These include a shift from command planning to guidance planning, the increasing allocation and distribution of resources according to the price mechanism, decentralization of economic power to lower levels, the diversification of ownership forms and the opening up of the domestic economy to foreign direct investment. Compared with the 'big bang' approach of some Eastern European countries, China has implemented a gradualist programme of reform, although the pace of change has been temporally and

<sup>1</sup> 'Civil society as such only develops with the bourgeoisie' in K. Marx and F. Engels, *The German Ideology*, ed. C. J. Arthur, London, Lawrence & Wishart, 1970, p. 57.

geographically uneven.<sup>2</sup> While the initial popularity of the agricultural reforms amongst farmers led to their rapid implementation, reform of state-owned enterprises has proved a much more arduous task.<sup>3</sup>

By the mid-1990s the nature of China's economy had changed dramatically. In the rural areas decollectivization had led to a *de facto* privatization of land. In order to absorb the surplus rural labour resulting from population growth and lower labour input requirements on the farm, the government had promoted the development of rural industry, fostering a rapid process of demi-urbanization and demi-proletarianization.

By the end of 1996 over 131.4 million people were employed in township and village enterprises,<sup>4</sup> making up almost one-third of the rural workforce. These rural industrial enterprises accounted for two-thirds of rural output value in 1996. Moreover, some were already becoming located within a much larger international division of labour.<sup>5</sup> The promotion of the private sector had by 1996 provided employment for 23 million people in the urban areas and 41.4 million in rural locations.<sup>6</sup> By the end of 1996 over 280,000 foreign companies had invested in China, of which 120,000 are already in operation, primarily in the eastern coastal areas.<sup>7</sup> Not only has China become the largest recipient of foreign direct investment in the so-

<sup>2</sup> It is beyond the scope of this paper to go into the temporal unevenness of the reforms. For further details about the periodization of the Open Door Policy, see J. Howell, *China Opens its Doors: The Politics of Economic Transition*, Boulder, Colo., Lynne Rienner, and Hemel Hempstead, Harvester Wheatsheaf, 1993, chs 1-3.

<sup>3</sup> R. Smith, 'The Chinese Road to Capitalism', *New Left Review*, 199 (May-June 1993), pp. 55-99, argues cogently that the reformers have been unable to reform the state sector and that a dynamic, expanding capitalist sector has emerged outside of the state.

<sup>4</sup> See 'State Statistical Communique on 1996 Development' in *Summary of World Broadcasts*, FE/2886 S1/8, 07.04.1997.

<sup>5</sup> According to S. Yan, 'Export-Oriented Rural Enterprises', *JETRO, China Newsletter*, 118 (September-October 1995), p. 10, and *Summary of World Broadcasts*, W/0393 WG1, 19.07.1995, in 1994 130,000 of these enterprises were export-orientated, accounting for one-third of exports, and employing ten million staff and workers. 35,000 involved some foreign equity investment and had actually utilized US\$ 15.6 billion. TVEs in Eastern China accounted for 90 per cent of all exports from such enterprises.

<sup>6</sup> See 'Statistical Communique on 1996 Development' in *Summary of World Broadcasts*, FE/2886 S1/8, 07.04.1996.

<sup>7</sup> *Summary of World Broadcasts*, FE/2806 S1/1, 01.01.1997.

called developing world, but it is also the world's eleventh largest trader, with manufactured goods accounting in the 1990s for over 80 per cent of the value of its exports.<sup>8</sup>

The diversification of ownership forms, decentralization of economic powers such as the right to trade and attract foreign investment, and the increasing importance of the price mechanism have not only fostered competition between firms but also encouraged greater horizontal links between economic actors. This has been evidenced in the growth of enterprise groups which link enterprises around the production and trade of particular products; the establishment of 'neilian' enterprises which are formed by enterprises in inland areas (*nei*) joining up (*lian*) with companies in coastal areas through joint venture arrangements, so as to reap the special advantages in foreign trade and investment; and the vast increase in rural markets.

These far-reaching changes in the economy have in turn impacted upon the structure of society. Following the promotion of the private sector, decollectivization and the Open Policy new socio-economic groups have begun to form. These include newly rich farmers, private traders and entrepreneurs, a new managerial stratum in collective and state enterprises and Chinese managers in foreign-invested enterprises. These form the backbone of a newly emerging domestic bourgeoisie. The relaxation of controls over rural-urban migration has spawned a very diverse 'floating population' of over 50 million, who may work as self-employed petty traders, as providers of tertiary services and as migrant workers in foreign-invested enterprises and township and village enterprises (TVEs). Unlike their urban counterparts they do not benefit from the various medical, education and housing privileges associated with urban residence.

The change in forms of ownership has also complicated the categorization of workers.<sup>9</sup> Whilst in the pre-reform era there was a clear hierarchy of workers, with state employees at the pinnacle, the current variety of employment conditions has created a more diverse set of workers, such as migrant workers in TVEs and foreign-invested enterprises, employees in collective enterprises and private companies, the self-employed and the growing stratum of un-

<sup>8</sup> See *1994 Statistical Yearbook of China*, China Statistical Publishing House, p. 507.

<sup>9</sup> For further details on this see J. Howell, 'The Chinese Economic Miracle and Urban Workers', in *European Journal of Development Studies*, 9: 2 (December 1997), pp. 148-75.

employed, both official and unofficial.<sup>10</sup> Given the erosion of various privileges enjoyed by state workers and the changing labour-capital relations in domestic and foreign private enterprises, these workers provide the backbone of a new proletariat as the economy makes the transition towards the market.

Not only have the reforms led to a restructuring of society, but they have also resulted in greater differentiation between rural and urban areas, between coastal and inland areas and between different social groups. Whilst rich farmers, successful traders and entrepreneurs, some intellectuals and state cadres have benefited economically from the reforms, others such as migrant workers, the unemployed and state workers in loss-making enterprises have drawn the short straw. Moreover it should be noted that there is a growing stratum of people living precariously on the margins of society such as beggars, prostitutes and petty criminals.

The transition towards a market economy has required and brought about a change in values, expectations and lifestyles. Consumerism has become a key feature of the reform culture, with the new joint-venture stores in Beijing and Shanghai drawing thousands of window-shoppers and purchasers every day. The introduction of the market has created new avenues of prosperity and advance so that young people are less willing to engage in politics and increasingly reluctant to join the Chinese Communist Party. Not only is there greater physical mobility, but the opportunities for switching jobs and moonlighting have fostered a more stimulating environment, especially for those who felt thwarted in their aspirations by the predictabilities of the 'iron-rice bowl' system which guaranteed permanent employment for life.<sup>11</sup> The spread of new social organizations such as poetry societies, sports clubs and photographic associations provide new ways for people with common social interests to come together.

It is important to note that the formation of new socio-economic groups, the changes in values and expectations and modes of social

<sup>10</sup> By 'unofficial unemployed' is meant those workers in loss-making state-owned enterprises, who receive only a basic wage but are not actively engaged in production and who are not included in official statistics on unemployment.

<sup>11</sup> In urban areas of China employees usually live in the compound of their workplace. The work-unit is thus a site of both production and reproduction and provides the focal point of social activity. During the 1989 democracy movement, for example, work-units often formed the organizational basis for participation in street protests.

interaction are as much a product of state policy as of the market. In order to cultivate the private sector, develop scientifically and technologically and foster economic relations with the world economy, the reformers realized that intellectuals and former capitalists had a crucial role to play. Formerly denounced capitalists were therefore put again into leadership positions in enterprises. Intellectuals were given opportunities to travel overseas and a more liberal atmosphere of debate was tolerated. However, the party has been more reluctant to accord higher official status to private entrepreneurs and traders. Ideologically the party has encouraged greater initiative and dynamism with slogans such as 'get-rich-quick' and 'the colour of the cat doesn't matter, as long as it catches mice'.

The process of reform has had an impact not only on the nature of society but also on the sphere of intermediation. After Liberation in 1949 the Chinese Communist Party reduced the number of intermediary organizations such as chambers of commerce, trade associations and trade unions through prohibition and mergers.<sup>12</sup> A limited number of such organizations like the All-China Federation of Trade Unions and the All-China Women's Federation was created to mediate between the party and society. These served as 'transmission belts', relaying party policy downwards and the views of the 'masses' upwards according to the principle of democratic centralism. However, in the reform era these intermediary organizations have become increasingly inappropriate. This is in part because a growing section of society, such as migrant workers, lies outside their organizational remit; in part because their mode of operation still bears the hallmarks of a 'mobilization' style of participation; and in part because they still have not resolved the dilemma of having to represent the oft-conflicting interests of the party and their constituents. Although both the All-China Federation of Trade Unions and the All-China Women's Federation have taken several steps towards responding to the radically different needs of a changing society,<sup>13</sup> the latter more extensively than the former,

<sup>12</sup> For further details of this process see chapter 5 in G. White, J. Howell and X. Y. Shang, *In Search of Civil Society: Market Reform and Social Change in Contemporary China*, Oxford, Clarendon Press, 1996.

<sup>13</sup> For a discussion of the Women's Federation's attempts at reform, see J. Howell, 'The Struggle for Survival: Prospects for the Women's Federation in Post-Mao China', *World Development*, 24: 1 (1996), pp. 129-43.

still the pace of change has proved tortoise-like. It is against this background of a rapidly expanding private sector, social restructuring and pressures on increasingly inappropriate mass organizations that we have to place the rise of new forms of social organization such as peasant associations, private entrepreneurs' associations and academic societies, which might provide the structural ingredients of a civil society in China.

### THE RISE OF CIVIL SOCIETY?

The Ministry of Civil Affairs coined the term 'social organization' (*shehui tuanti*) to refer to those organizations situated in the intermediary sphere between the party and the masses. It thus includes both the old mass organizations such as the All-China Federation of Trade Unions and the new social organizations which have emerged in the reform period. New social organizations embrace a range of entities, such as sports clubs, friendly societies, trade associations, professional bodies, foundations and federations. While the growth of these organizations took off from the mid-1980s, reaching a peak in the tumultuous year of 1989, the tragic events of June that year led to a clamp-down. Those organizations which were perceived as a threat to the Chinese Communist Party were hastily prohibited.

In order to exert central control over this motley collection of organizations the Ministry of Civil Affairs issued Document No. 43 entitled 'Management Regulations on the Registration of Social Organizations', requiring all such bodies to register with the newly established Department for the Registration of Social Organizations.<sup>14</sup> By specifying what types of organization could register and limiting their number, the party/state began to reassert its control over the intermediary sphere in corporatist fashion. According to the regulations any organization posing a threat to the authority of the party/state was prohibited. Furthermore a later unofficial rule

<sup>14</sup> It should be pointed out that there were up to this point no clear guidelines about the registration of social organizations. As a result a range of government departments at all levels had social organizations registered with them. For details on all previously existing regulations governing social organizations see White, Howell and Shang, *op. cit.*, pp. 98–127.

indicated that organizations could not be formed along ethnic, religious, gender or nationalist lines. The Document also permitted only one organization to represent any particular interest.

These controls and restrictions bear similarities to the features of a corporatist system of state-interest group relations outlined by Schmitter in the late 1970s. According to this analysis the state retains control over the intermediary sphere by limiting the number of organizations representing particular interests. By guaranteeing organizations a monopoly of representation and including key bodies such as the trade unions in the policy process, the state secures the compliance of their membership with policy.<sup>15</sup> In the Chinese case, however, there is little evidence of involvement of the new social organizations in central government policy.<sup>16</sup> This suggests first that in the post-Tiananmen period the balance of power between social organizations and the state is in favour of the latter; secondly, that control and coercion constitute the leitmotiv of the state, but by no means the only factor, in its relationship with these new social organizations; and thirdly, that the power of these new organizations is not yet sufficient to be drawn into the policy arena. Thus it would be more accurate to describe the relationship between the party/state and the new intermediary sphere as one of *incorporation* rather than corporatism per se.

Despite the repression of politically motivated organizations post-Tiananmen, social organizations of a technical, scientific, professional, trade and cultural nature have continued to proliferate.

<sup>15</sup> For a detailed exposition of corporatism, see P. Schmitter, 'Still the Century of Corporatism?', *Review of Politics*, 36 (1974), pp. 85-131, and P. Schmitter and G. Lehmbruch (eds), *Trends Towards Corporatist Intermediation*, London, Sage, 1979; for a discussion of a corporatist analysis of new social organizations in China, White, Howell and Shang, op. cit., pp. 98-127; and for a more general discussion of corporatism in China, see A. Chan, 'Revolution or Corporatism? Workers and Trade Unions in Post-Mao China', *Australian Journal of Chinese Affairs*, 29 (January 1993), pp. 31-61, and M. M. Yang, 'Between State and Society: the Construction of Corporateness in a Chinese Socialist Factory', *Australian Journal of Chinese Affairs*, 22 (July 1989), pp. 31-60.

<sup>16</sup> A few organizations have been consulted on policy relevant to the interest groups they represent, such as the Chinese Enterprise Management Association in relation to the bankruptcy law. Some organizations have been requested to provide advice on particular policies such as the Xiaoshan Association of Science and Technology with regard to land reclamation.



By October 1993 there were 1,460 registered national social organizations, 19,600 branch and local organizations registered at provincial level and over 160,000 social organizations registered with county authorities.<sup>17</sup> These are mainly located in the coastal areas where the reforms have proceeded most rapidly.

In the light of this rapid expansion of a plurality of intermediary organizations, to what extent can we observe the rise of a civil society in China? Clearly this depends in part upon how we define civil society and a cursory survey of the literature would reveal that there is considerable ambiguity and room for interpretation here. Historically the concept of civil society has been used in a variety of ways. In the ancient Greek polis, where the citizenry was perceived to participate fully in the management of public affairs,<sup>18</sup> civil society and the state were deemed one and so civil society was equated with political society.<sup>19</sup> It was not until the Enlightenment period that an empirical and theoretical distinction began to be made between the state and civil society. In their critiques of absolutist states and their concomitant concern to mitigate the assumed disorder of nature, writers such as Tocqueville<sup>20</sup> and Paine<sup>21</sup> began to highlight the role of civil society, that is non-state organizations such as citizens' associations, in checking the excesses of the state. As mentioned previously, the Marxian association of civil society with capitalist development and the rise of a bourgeoisie gave this concept yet an additional dimension.

Another strand of thought about civil society is apparent in the works of Rousseau.<sup>22</sup> While writers such as Fergusson, Locke and Tocqueville were more concerned about the state, Rousseau focused

<sup>17</sup> Interview, Ministry of Civil Affairs, Beijing, October 1993, and *China Daily*, 7 May 1993, p. 3. Before 1989 there was no system of monitoring the growth of social organizations. As the departments for the registration of social organizations have only recently been set up and are not well staffed, it will take some time before accurate data on the spread of these entities is available throughout China. In the meantime we can expect data to remain uneven and incomplete.

<sup>18</sup> In reality, however, it is well known that slaves, women and 'foreigners' were excluded from citizenship and participation in the political arena.

<sup>19</sup> For a historical overview of some of the meanings given to civil society, see K. Tester, *Civil Society*, London, Routledge, 1992.

<sup>20</sup> See A. de Tocqueville, *Democracy in America*, London, Fontana, 1968.

<sup>21</sup> See T. Paine, *The Rights of Man*, Harmondsworth, Penguin, 1985.

<sup>22</sup> For a discussion of Rousseau's imagination of civil society, see Tester, *op. cit.*, pp. 63-75.

his attention on the state of nature and the crucial role of the law in binding together society. Civil society was thus the expression of freedom, contractual obligations and rights and universality. Civil society turned the 'noble savage' into a moral being.

Theoretical discussion about civil society re-emerged in the early twentieth century in the works of Durkheim and Gramsci. While the Enlightenment thinkers had highlighted the political, economic and ethical dimensions of civil society, Durkheim examined it from a sociological perspective. His work centred on the notion of 'anomie' and the concomitant importance of professional organizations in binding an atomizing society together. Like Tocqueville he stressed the importance of associations of people, but in the face of the growing power of the market rather than the excesses of the state.

Gramsci likewise highlighted the significance of various types of people's associations such as trade unions, the church, burial associations, as expressions of 'common sense' and as organs of political mobilization. For Gramsci this intermediary sphere of organizations was the site of hegemonic struggle which had been too long ignored by Leninists in their quest for power.<sup>23</sup>

Thus historically the concept of civil society has been linked with political society, efforts to limit the power of the state, the growth of an autonomous market economy, ethics and the alienation of the individual in the process of rapid socio-economic change. Given the multitude of nuances and interpretations imputed to the concept historically and contemporarily, the empirical quest for a civil society in China has first to begin by identifying the most salient elements. In the context of a society and economy such as China where the state has in the past exerted considerable control over social and economic affairs, where participation has been mobilized from above by the party and the mass organizations rather than initiated from below and where the market is now taking on its own independent logic, features such as autonomy, spontaneity, voluntariness and self-regulation are central to the search for civil society. Moreover, these notions are integral to the diverse renderings of civil society outlined above.

By autonomy we understand that the organization relies upon

<sup>23</sup> For a discussion of Gramsci's notion of civil society and its role in hegemony, see R. Simon, *Gramsci's Political Thought: An Introduction*, London, Lawrence & Wishart, 1991, pp. 68-77.

its own financial resources, sets its own agenda and activities independently of the state. A spontaneous organization is one which has grown from below rather than been imposed from above. An organization is voluntary if members can join and leave at their own will. By self-regulating we understand that the organization governs its own affairs.

According to these criteria we can identify four broad types of intermediary organization in post-Mao China, namely, the old mass organizations which are not required to register as social organizations; officially registered social organizations; those with an ambiguous status; and prohibited organizations, suggesting that the quest for civil society is much more complex than might first appear. The old mass organizations are the least autonomous, voluntary and self-regulating of the four types as their cadres are appointed and remunerated by the state, the goals, ideology and work-style of the organizations approximate closely to those of the party and they are structurally an organic part of the overall political and economic system.

Formally registered organizations include semi-official organizations and popular organizations. Compared with the old mass organizations, semi-official social organizations enjoy a greater degree of autonomy, though not as much as popular or illegal organizations. They earn the title 'semi-official' as both members and the state are involved in setting objectives, management and funding. In some semi-official organizations membership is compulsory, whilst in others it is voluntary. They include organizations such as the China Enterprise Management Association, the Shenyang Lawyers' Association, the Shanghai Women Engineers' Association and the China Poultry Association. They enjoy some degree of autonomy from the party/state precisely because it is in the latter's interest that they do so.

The initiative for setting up semi-official organizations can come from above, with the state providing starting funds and ongoing support in the form of personnel and office space, or from below, as in the case of the Self-Employed Households' Association in Xiaoshan,<sup>24</sup> which was founded by a dynamic young entrepreneur.

<sup>24</sup> For further details of social organizations in Xiaoshan, see J. Howell, 'The Poverty of Civil Society: Insights from China', Discussion Paper 240, May 1993, pp. 1-40, and G. White, 'Prospects for Civil Society in China: A Case-Study of Xiaoshan City', *Australian Journal of Chinese Affairs*, 29 (January 1993), pp. 63-87.

Since the 1989 regulations the impetus for the establishment of semi-official social organizations has increasingly come from the party/state, consistent with an incorporating approach to the intermediary sector. In brief, the semi-official social organizations are hybrid creatures, operating on behalf of both the state and their members, as reflected in their functions, funding and staffing arrangements.

From the point of view of the state these organizations perform several important functions such as linking together otherwise atomized actors in the market-place, providing a bridge between the state and the people, serving as a new ideological channel, coordinating sectoral policy and regulating the market.<sup>25</sup> Given the desire of the party/state to withdraw from microeconomic management as well as the need to cut back on state expenditure, the new social organizations play an important part in relieving the state of some of its former responsibilities.

The new popular social organizations, such as calligraphy associations, literary societies or volleyball associations, stand more towards the pole of greater autonomy, voluntariness, self-regulation and spontaneity. Such organizations are situated primarily in the cultural sphere but there is also a growing number in the social welfare domain as the unit-centred system of welfare is being overhauled. These include a very few grassroots support organizations where non-state professionals provide services for a particular client group. Buddhist and Christian associations, for example, have set up schools and hospitals in China. These popular organizations rely on their own fund-raising efforts, set their own goals and manage their own affairs with voluntary labour. In this sense, of all the officially registered bodies, they approximate most closely to the notion of a civil society-type organization. As they are not perceived to pose a political threat, they are able to pursue their activities with minimal interference from the party/state.

Next to these officially registered organizations stand a number of associations with ambiguous status. They are either still seeking state approval or have not sought official approval and are tolerated by the party/state. Illustrative of the first sub-category is an environmental protection group set up by a few intellectuals in Beijing. In

<sup>25</sup> For further details of these functions, see J. Howell, 'Striking a New Balance: New Social Organizations in Post-Mao China', *Capital and Class*, 54 (Autumn 1994), pp. 89-112.

order to register, a social organization is required to attach itself to a relevant government department, so the founders of this group sought the support of the municipal Environmental Protection Bureau. As the latter had already set up its own environmental protection association and as the regulations prohibit more than one association in any interest area, the sponsors were faced with a setback. However, following the advice of an official in this bureau they planned to resubmit their application using a more specialized name which would distinguish them from the official organization.

Typical of the latter sub-category are the various women's groups which proliferated in the run-up to the Fourth World Conference of Women in 1995.<sup>26</sup> For example, an informal women's salon of 20 people met regularly at the Beijing Institute of Geology without registering, until their activities attracted the attention of the Public Security Bureau. Given the international focus on China as host of the women's conference, these organizations lay precariously in a no-man's-land of non-recognition but toleration, neither sanctioned nor prohibited. Like the popular organizations, they are voluntary in character, relying on their own funds and self-regulating. However, as they are still under state scrutiny, their ease of organization is inhibited.

Finally there are the illegal organizations which are the most autonomous, voluntary and spontaneous, precisely because they are not approved and seek distance from the party/state. These can be subdivided into those organizations which have opted to work outside the law such as triads, secret societies and clan societies and those to which the party/state has not granted permission to register because they are perceived as a political threat. The latter include underground political organizations, pro-democracy groups, women's salons, religious organizations such as the China Christian Association and alternative interest groups such as the National Autonomous Federation of Students.

From the above brief typology we can observe that social organizations differ considerably in their degree of autonomy, spontaneity, voluntariness and self-regulation. While the hybrid semi-official organizations have complex relations with the party/state, popular organizations experience less state interference in their

<sup>26</sup> For further details of the impact of this conference on women's groups, see J. Howell, 'Post-Beijing Reflections: Creating Ripples, but not Waves in China', *Women's Studies International Forum*, 20: 2 (March-April 1997), pp. 235-52.

activities. In the post-Tiananmen era, however, state attempts to capture popular organizations, partly to gain legitimacy and partly to maintain control over an increasingly fluid and unstable society, have more often than not stymied the initial enthusiasm of the original members and undermined their voluntary and autonomous dynamism. The expanding sphere of intermediary organization is thus a complex arena of state-society relations in transition. In the post-Tiananmen era the party/state on the one hand has attempted to exert greater control over this unwieldy proliferation of entities through regulation and prohibition, yet on the other hand has tried to refashion this intermediary stratum to its benefit through active sponsorship, incorporation and passive toleration.<sup>27</sup>

To what extent then are these new agencies a product of economic liberalization and do they constitute a civil society? While the expansion of a private sector has created a social space as well as a need for new forms of association, and to this extent would seem to confirm the thesis that economic liberalization engenders a civil society, the crucial difference in China compared to eighteenth- and nineteenth-century Europe is the role of the state in actively sponsoring social organizations. As a result the autonomy of particular organizations varies while the overall autonomy of this intermediary sphere is curtailed. Most crucially the very organizations which should be autonomous, namely, the business and trade associations, are only partially so. This would suggest that there is both a market and a state imperative to the new social organizations, which cannot be adequately captured within a framework of analysis centred on civil society.

Furthermore, it was suggested that voluntary participation and self-regulation were crucial characteristics of a civil society. However, as state cadres occupied leadership positions in semi-official organizations and frequently also in popular organizations, the pattern of membership participation tended to echo that in mass organizations, where members were more mobilized than actively involved. Except for the women's salon and democracy salons there

<sup>27</sup> See He Baogang, 'Dual Roles of Semi-Civil Society in Chinese Democratization', *Australian Journal of Political Science*, 29 (1994), pp. 154-71, for a discussion of the reasons for Deng's rejection of totalitarian control and tolerance of a limited civil society. These include, first, the expectation that greater autonomy will lead to greater productivity; secondly, that autonomy will lead to shared responsibility; and thirdly, that a limited civil society will create a new form of intermediary linkage between state and society.

was little evidence that members initiated activities, voluntarily raised funds or regularly attended meetings. So while new structures of participation and communication have emerged, they do not appear to harbour the participatory elements envisioned by, for example, Tocqueville and which might be considered crucial to a definition of civil society.

In brief China lays claim to a new intermediary sphere of organizations consisting of loosely arranged and fragmented elements, linked in diverse ways to the state. Together these amount to less than the sum of their parts. Whether or not they could add up to more than this will depend on their ability to become more independent of the state, which in turn is intimately and immediately linked to their capacity to raise their own funds.

That it is so difficult clearly to distinguish a definitive civil society in post-Mao China should in some ways not be too surprising. Not only is the economy undergoing rapid restructuring, but the state and state-society relations too are in transition. The attempts by the state to regulate and incorporate this arena reflect the desperation of the party/state in the wake of Tiananmen as well as a more general process of redefinition of the relationship between the party/state and society. Furthermore the shifting relations between the party/state and society reflect too an implicit struggle between the market and the state in relation to society and a concomitant battle for hegemony. How then does this fragmentary sphere of intermediary organization relate to the political project of democratization?

#### CIVIL SOCIETY AND DEMOCRATIZATION?

Following the collapse of socialism in the late 1980s the term 'civil society' has reappeared in academic discourse and become closely linked with democracy.<sup>28</sup> Eastern European academics such as Arato and Havel portrayed the overthrow of the authoritarian Stalinist states in terms of a battle between civil society and the state.<sup>29</sup>

<sup>28</sup> After Gramsci's exploration of the term civil society in the *Prison Notebooks*, the term fell out of academic discourse until its revival in the 1980s by Eastern European academics such as Arato.

<sup>29</sup> A. Arato, 'Civil Society against the State: Poland 1980-81', *Telos*, 47 (1981), pp. 23-48, and V. Havel et al., *The Power of the Powerless: Citizens against the State in Central-Eastern Europe*, London, Hutchinson, 1985.

Although civil society is currently endowed with a wealth of different meanings,<sup>30</sup> its predominant usage, which is in any case of most relevance here, is in relation to democracy. Implicit in the oppositional dichotomy of civil society and the state are the assumptions that civil society is the bearer of democracy, that it reflects the universal aspirations of society, that it is a liberating and benign rather than repressive or coercive force and moreover that it is neutral and benevolent. Many analysts of the 1989 democracy movement sketched these events in terms of a repressed civil society rising up against an oppressive state, to some extent reading their own ideological aspirations into their analyses.<sup>31</sup>

It is argued here that the current bedrock of officially sanctioned social organizations cannot provide the basis of a popular thrust towards democracy. The reasons are threefold. First, the most significant missing element in the emerging civil society in China is a Habermasian critical public sphere.<sup>32</sup> According to Habermas the dichotomies of state/civil society and public/private spheres are closely intertwined. Public life expands within the broader context of an evolving civil society, asserting its power against the state. Habermas describes in depth the proliferation of tea and coffee houses in nineteenth-century Europe which provided a locus for critical discussion of public affairs. At the moment the officially approved social organizations do not serve as forums for critical public discussion of political affairs. As noted previously the party/state will seek technical advice from and sound out sectoral views concerning related policy issues through the associations but criticism beyond the narrow interests of an organization is cultivated neither from within the organization nor from above by the party/state.

Secondly, apart from some of the politically-orientated organiza-

<sup>30</sup> See E. M. Wood, 'The Uses and Abuses of "Civil Society"', *Socialist Register* (1990), pp. 60-84, for an excellent discussion of the multiple usages and indeed 'abuse' of the term.

<sup>31</sup> See e.g. T. Gold, 'The Resurgence of Civil Society in China', *Journal of Democracy* (Winter 1990), pp. 18-31; D. Strand, 'Protest in Beijing: Civil Society and Public Sphere in China', *Problems of Communism*, 39 (1990), pp. 1-19; and A. Walder, 'The Political Sociology of the Beijing Upheaval of 1989', *Problems of Communism* (September/October 1989), pp. 30-40.

<sup>32</sup> See J. Habermas, *The Structural Transformation of the Public Sphere: An Inquiry into a Category of Bourgeois Society*, Cambridge, Mass., MIT Press, 1989.



tions which operate underground, all the other associations have neither an explicit nor an implicit democratic programme. While it might be argued that these organizations provide new channels of participation and a potential training ground in democratic participation, none of these organizations had experimented with or set out to experiment with new participatory styles. Indeed, the semi-official organizations displayed a clear hierarchical structure, with relationships between leaders and members bearing a strong resemblance to those in state bodies.

Thirdly, the new social organizations lack any self-consciousness of being a unified whole, with common interests, goals and, perhaps most important, a sense of being in opposition to the state. This is reflected in the fact that there is no self-regulation amongst social organizations. While these new associations seek to regulate their members, they are themselves regulated by the Ministry of Civil Affairs. In brief, the absence of a critical public sphere, of any consciously articulated democratic agenda, of any sense of being unified in opposition to the state inspires little confidence in the potential of these new social organizations as vehicles for democratic change.

This pessimistic conclusion, drawn upon the basis of empirical research, highlights a much deeper problem concerning the theoretical framework of analysis which assumes, explicitly or implicitly, a necessary causal link between civil society and democratization. It is not so much the arena of civil society or the very plurality of structures that is crucial for democratization but the balance of power relations within civil society, within the state and between the state and civil society. Here it is important to recall the Gramscian perspective on civil society, according to which civil society is the site of hegemony, the arena where ideas are fought over and the state seeks to rule by consent.<sup>33</sup> Civil society is on the one hand premised on, and reflective of, economic and political inequalities and on the other hand provides the organizational and public forum where these imbalances are expressed, challenged, struggled over and renegotiated.

Recognizing the heterogeneity, the inequalities and the conflicts

<sup>33</sup> For a discussion of Gramsci's perspective on civil society, see A. S. Sassoon, *Gramsci's Politics*, London, Croom Helm, 1987 and R. Simon, *Gramsci's Political Thought: An Introduction*, London, Lawrence & Wishart, 1991.

within civil society thus makes it possible to focus more sharply on the significant social and political forces which could provide an impetus towards democratization. This necessarily entails moving beyond a way of thinking which is grounded, like a ship on a rock, upon an uncritical acceptance of a clear-cut, oppositional dichotomy between the state and society. Transcending this dualism also implies challenging an unwarranted assumption that civil society is made up of a mass of like-minded people and organizations, unified in purpose, ideology and deed, and constituting a political actor in its own right. What is crucial then is not so much the balance of power between the state and civil society but the underlying configuration of power relations which permeate both sites of rule.

Having shifted the analytic focus away from this distracting dichotomy to the dynamics of power relations, we are now much better placed to address the question of what might be the potential forces of democratization in post-Mao China. Given the huge scale of this task, we confine ourselves here to briefly sketching the key potential forces of democratization in contemporary China and reflecting upon the conditions under which these might cohere into a democratic opposition. We can identify six key social categories which could potentially act as forces of democracy, namely, the emerging domestic bourgeoisie, workers, intellectuals, feminists, ethnic separatist groups and foreign agents.

China's incipient post-Mao bourgeoisie is made up of at least the following elements: private entrepreneurs owning large businesses and factories, petty commodity producers and traders and managers in collective, private and foreign-invested enterprises.<sup>34</sup> These are disparate sub-groups with overlapping and competing interests. What they have in common is the pursuit of profit and the survival of the private sector vis-à-vis the state. Associations such as the China Enterprise Management Association and local-level Private Entrepreneurs' Associations play an important role in creating a sense of shared interests and identity amongst their members vis-à-vis both the market and the state.

<sup>34</sup> Whilst strictly speaking the term 'bourgeoisie' refers to the owners of capital, it has long been noted that the relationship between ownership and control is complex and that top-level managers align themselves politically to capital rather than labour. Hence, they are subsumed here under bourgeoisie.

The national-level association worked hard to secure a place for private entrepreneurs in the National People's Congress, reflecting a growing awareness of the economic importance of these actors and the need for the expression of this in the political arena. It should also be noted that the private sector joined forces with workers and intellectuals in the 1989 democracy movement, pointing to the emergence of common, anti-party/state interests. In particular private traders on motorbikes delivered messages while large companies such as the Stone Group provided financial support to the protesters.<sup>35</sup> However, it cannot be assumed that the private sector would necessarily back a democratic programme. In Hong Kong business leaders have tended to go along with the Chinese government rather than back democratic spokespeople such as Martin Lee. The priority of private capital is with stability so as to guarantee accumulation rather than with the democratic flavour of the government.<sup>36</sup> Hence private capital might well be content with an authoritarian political regime, as in other Asian economies such as Singapore, provided it has sufficient autonomy to pursue its economic ends.

The second key group are Chinese workers, which in the reform era constitute a much more heterogeneous body than before. Like the incipient domestic bourgeoisie, workers have both mutual and divergent interests. As state employees face redundancy, there is festering resentment against migrant workers who are prepared to work for lower wages. In the coastal areas migrant workers from different provinces, counties and villages employed in the same factory have sometimes fought against each other.<sup>37</sup> Organizing this disparate and fragmented mass of workers is no easy task. Since the mid-1980s spontaneous and organized protests in foreign-invested

<sup>35</sup> A. Walder, 'Popular Protest in the Chinese Democracy Movement of 1989', UCLA-CSA Working Paper 6, June 1991, pp. 1-33, for example, refers to the 'Flying Tiger Brigade', an informal association of several hundred owners of motorcycles, which spread leaflets during the Tiananmen protests. Strand, *op. cit.*, p. 14, discusses in detail the activities of the Stone Group in the pro-democracy movement.

<sup>36</sup> See He Baogang, *op. cit.* (n. 27), pp. 161-3, for a discussion of the ambiguous response of entrepreneurs to democracy and its contingency upon historical circumstances and assessment of current benefits.

<sup>37</sup> Interview with private factory owner, Xiamen, 1994.

enterprises have escalated.<sup>38</sup> The key demands have been for higher salaries, shorter working-hours and safer working conditions rather than for greater participation in the running of the factory or for a more democratic local or national government.

While the All-China Federation of Trade Unions has begun to address some of the burning needs of new categories of workers, the pace of change has been all too slow. During the Tiananmen period some trade union branches and officials came out in support of the protesters. Following the clamp-down the pace of reform within the trade unions slowed down and those officials who supported the democracy advocates were demoted or criticized. However, historically there have been cadres within the All-China Federation of Trade Unions such as Li Lisan in 1950–51 and Lai Ruoyu in 1957, who have since Liberation argued for greater autonomy from the party.<sup>39</sup> While it is likely that such cadres, who also supported the democracy protestors in 1989, will continue to push for the prioritization of workers' interests over national or capitalist interests, it does not currently seem probable that a democratic initiative will emerge from this mass organization.

The democracy movement of 1989 spawned a number of independent trade unions such as the Beijing Autonomous Workers' Union which have since been banned. Since then a small number of underground trade unions and labour activists' organizations have emerged in the south of China such as the Free Labour Union, whose leader, Liu Jingsheng, was arrested in 1992; a League for the Protection of the Rights of Working People set up in May 1994; and a group printing an independent bulletin 'Work-Fellas' in Shenzhen Special Economic Zone.<sup>40</sup> As well as addressing the dismal

<sup>38</sup> In Shanghai, for example, 111 labour disputes were handled in foreign-invested enterprises in 1992; see *Jiushi Niandai*, 4 (1 April 1994), pp. 53–5, translated in *Summary of World Broadcasts*, FE/1966 G4, 08.04.1995. In Xiamen Special Economic Zone over 155 labour disputes were recorded between 1982 and 1992 and 14 strikes and slowdowns between 1988 and 1992; see Z. G. Lin and Y. L. Chen, 'Nature of and Policies Regarding Slowdowns and Strikes in Foreign-Invested Enterprises', *Xiamen Tegu Diaoyan*, 3: 57 (1993), pp. 36–9 (in Chinese).

<sup>39</sup> See L. T. Lee, *Trade Unions in China, 1949 to the Present*, Singapore, National University of Singapore, 1986, and P. Harper, 'The Party and the Unions in Communist China', *China Quarterly*, 37 (January–March 1969), pp. 84–119.

<sup>40</sup> For further details of these organizations, see *China Labour Bulletin*, November 1995, pp. 5–8.

plight of workers in some foreign-invested enterprises these organizations also call into question the legitimacy of the political system. Some activists, such as Liu Jingsheng, not only tried to organize independent unions but also founded alternative parties such as the China Liberal Democratic Party.<sup>41</sup>

In political movements all over the world intellectuals have played a prominent role in articulating demands, in formulating theories and strategies and in mobilizing people. In the case of China the democratic role of intellectuals has been evidenced on numerous occasions such as the 4 May movement of 1919, the 1957 Hundred Flowers Movement, the 5 April 1976 demonstrations and the 1978–79 Democracy Wall campaign. While the students were able to arouse considerable support for their movement, more because of dissatisfaction with inflation and corruption than for broader goals of democracy, they failed to articulate a clear democratic programme. This should have involved a theorization of democracy within the Chinese context, an analysis of the potential social and political forces which would support a democratic agenda, a translation of these theories into practical policies to constitute a democratic system and the development of an ideology to mobilize support. Furthermore, because of the lack of a theoretical basis and a concomitant tactical programme, the students did not nurture potential alliances. Walder, for example, points out how students were reluctant to cooperate with workers in Tiananmen Square.<sup>42</sup>

In the post-Tiananmen era most students, apart from a very small minority, have tended to eschew political activity and debate and focus instead on their studies and securing a lucrative job upon graduation. At the ideological level the most articulate challenge to the Chinese Communist Party has come from dissident intellectuals overseas in the United States or Europe. While these groups have played a prominent role in lobbying Congress on issues of human rights and in supporting dissident activity within China, like many exiled groups they do not have a strong social base within China from which to organize politically.

In the histories of many nations the feminist movement has played an important role not only in securing democratic rights for women but more generally in supporting democratic initiatives. While the

<sup>41</sup> *Ibid.*, p. 6.

<sup>42</sup> Walder, *op. cit.* (n. 35), pp. 23–4.

All-China Federation of Women has a virtual monopoly over representation of women's interests, the more liberal atmosphere of the reform period created a space in which women intellectuals could meet in salons to discuss women's issues. This process was accelerated in the run-up to the Fourth World Conference on Women, and indeed tolerated, as it was important that China be seen to have 'NGOs'. While women participated in the protests of 1989, and one of the principal leaders, namely Chai Ling,<sup>43</sup> was a woman, women did not organize themselves into separate groups and there were no autonomous women's groups challenging the representative authority of the All-China Federation of women. Despite the restrictions imposed on Chinese women and Chinese non-governmental women's organizations participating in the NGO Forum, the numerous discussions held beforehand on some of the key topics to be addressed at the conference as well as the contacts forged between foreigners and Chinese women are likely to have exposed some women to alternative analyses of gender oppression as well as to the notion of democracy. While it is unlikely that in the current climate there will be any open discussion of democracy within women's studies circles and in women's studies literature, it is possible that informally such issues are being discussed, particularly with regard to female political representation. Thus while these groups and individuals are confined to a small minority of intellectuals and are poorly organized, if democratic appeals come onto a public agenda again, they are likely not only to add a voice of support, but also a gendered perspective.

Other potential sources of democratic initiative are the underground separatist forces of Xinjiang and Tibet. However, given their nationalist and secessionist rather than democratic objectives, it is unlikely that they would be able to organize a democratic opposition throughout China. Although some overseas Chinese dissidents have called upon these groups to 'form a close union with the forces of freedom and democracy in all of China',<sup>44</sup> there has been little evidence so far that these organizations are prepared to abandon

<sup>43</sup> For details about Chai Ling, see Han Minzhu (ed.), *Cries for Democracy*, Princeton, Princeton Paperbacks, 1989.

<sup>44</sup> Quote from an article by Yuan Ming, published in Paris-based *Minzhu Zhongguo* (Democratic China), cited in L. C. Harris, 'Xinjiang, Central Asia and the Implications for China's Policy in the Islamic World', *China Quarterly*, 133 (March 1993), pp. 111-29.

their nationalist goals for a broader democratic challenge.

Finally, it is important not to overlook the international dimension which was touched upon briefly in relation to overseas dissident groups. While foreign organizations clearly do not enjoy a social base within China from which to organize a democratic movement, they can support democratic elements and initiatives. Foreign governments and non-governmental organizations such as Asia Watch and Amnesty International have contributed towards raising the issue of human rights in China. Sponsoring overseas study and visits is also a way in which foreign governments try to influence the nature of future leaders. With the unification of Hong Kong in 1997 we can also expect existing democratic forces to continue to press for democratic procedures.

From the above cursory overview of the potential social forces within civil society that might press for democratic change, it is evident that no individual group could take on this task singly and that alliances would be crucial to any such endeavour. Moreover, it is not clear that any of these groups would prioritize the achievement of a democratic government over stability, order and immediate economic interests. The most likely candidates for propelling forward a democratic programme would be the labour activists but, again, alliances with other social forces would be crucial to gaining power.

We can, however, reflect upon the political conjuncture of events that might favour the formation of alliances amongst the above groups and mark another milestone in the history of democracy in China. While China-watchers long speculated that the death of Deng Xiaoping would provoke political turmoil, most analysts now agree that power has already been transferred, thus mitigating the potentially devastating impact of his death. This is not to say that there may not still be a political struggle within the leadership for power or that separatist movements might not seize this moment to attempt to overthrow local Chinese government.

The opportunity for a resurgence of a democratic impulse will depend on at least the convergence of the following political and economic factors. First, a worsening economic situation, whereby mounting inflation, increasing regional and socio-economic inequalities as well as rising rural and urban unemployment create further dissatisfaction with the reform programme; secondly, a loss of legitimacy of the incumbent power-holders, which might be triggered by a perception of growing corruption amongst state cadres,

fuelling frustration and discrediting further the Chinese Communist Party; thirdly, a perception of social disorder, evidenced in rising crime and the concomitant social pressures of rural-urban migration, which would add to the lack of confidence in government. As the increasingly complex social situation undermined the ability of the party/state to control society and as the expansion of a private sector created a separate source of power, the spaces would open up for more independent organization and debate, albeit unofficial and illegal. Finally, the discourse of democracy has to become widespread so that alternative expectations can be fostered.

However, for a democratic initiative to emerge out of this conjuncture, certain preconditions have to be fulfilled. First, the forging of alliances will prove essential to the success of any democratic initiative. This implies a cohesion which was lacking during 1989 and a recognition of common interests. In a nutshell some of the diverse forces within the new intermediary sphere have to find a common agenda and gain a consciousness of themselves as standing in opposition to the state. Secondly, the support of the army and police will be crucial for the articulation, promotion and maintenance of democratic ideals. Given that there were some army units and generals in 1989 who sympathized with the students, the possibility of winning the support of some sections of the army is not beyond imagination. Finally, democracy activists would have to win the support of sympathetic leaders within the party/state.

## CONCLUSION

In this article we have explored the links between civil society, economic liberalization and democratization. While the rise of the market has created a space and need for new forms of social organization responsive to the interests of newly emerging socio-economic groups, the state has also played a crucial role in refashioning the intermediary sphere so as to regain control over society. The contemporary thesis that economic liberalization precipitates the rise of a civil society, or in Marxian terms 'without a bourgeoisie, there can be no civil society', has thus to be modified to take account of the predominance of the state in transitional economies and societies such as China.

With regard to the relationship between democratization and civil society, the evidence from China suggests that the creation of



a social space for new forms of association and the concomitant rise of a plurality of intermediary structures is not in itself sufficient for the development of a democratic challenge. Signs of a process of democratization should be read not so much from the expansion of an intermediary sphere as from an analysis of the relations of power within society, which permeate the state, civil society and the economy. The overemphasis on the state/civil society dichotomy thus detracts attention from a more thorough analysis of the social formation, which could provide greater insights into the potential forces of democratization.

A final point concerns the more general discourse of that unholy trinity of civil society, economic liberalization and democracy which pervades discussion of transitional societies. The juxtaposition of these linkages reflects not only an expectation that historical trajectories in Western Europe can be repeated,<sup>45</sup> but also an ideologically-informed and perhaps orientalist aspiration that in the end all societies will gravitate towards capitalist economies and liberal democracies. However, as Gray cogently argues in relation to the post-communist world, there is no reason why transitional economies should adopt Western liberal democratic systems.<sup>46</sup> An authoritarian regime might well indeed suit the needs of an emerging domestic bourgeoisie.

<sup>45</sup> For a discussion of historical and cultural embeddedness of the term 'civil society', see Howell, 'The Poverty of Civil Society' (n. 24), p. 210.

<sup>46</sup> J. Gray, 'From Post-Communism to Civil Society: The Reemergence of History and the Decline of the Western Model', *Social Philosophy and Policy*, 10:2 (1993), pp. 26-50.