Everyone knows that things are changing in China, and that they have been changing for some time: ever since Mao went to join Marx, to use his own expression, in September 1976. Two years later, China embarked upon a reformist phase which also signalled a broad process of 'de-Maoification'. More recently, the sudden chill in the internal conjuncture has led observers to wonder if reforms in China can have any lasting effect, and whether the appearance of Maoist gestures might not prefigure a return to a period of sinister repute. At a deeper and more fundamental level, the People's Republic of China, like the other Eastern bloc countries, experienced, and is still experiencing, a desire for reform, for economic and even for self-reform on the part of the system. It sometimes seems that even the reforms are in need of reform. Is this a real transformation or an illusion? Whatever the answer to that question, the movement towards change appears to be irresistible. But why are reforms necessary? And what is to be reformed? What type of changes should be introduced? Economic modernization? China's four great modernizations? But, as a number of oppositionists and, more discreetly, certain figures in the regime point out, the fifth modernization must not be forgotten: democracy, political change.

Whilst the stated objectives of the reforms are not always entirely clear, which must reflect tensions and uncertainties within society and especially within the ruling elite, alternatives to the official version of reform are also far from being as clear as one might wish. The shouts of protest, the determination to achieve democracy in China, and the sacrifices some people are willing to make to defend their convictions do little to define the contours of the democratic project with any clarity, or even to make it clear that we are in fact talking about a democratic democracy.

Despite the vagueness, it is obvious that vital issues are being raised, and that they relate to the real nature and the historical trajectory of a system established in the name of socialism. In many ways, the problem extends beyond the borders of China. But China is so broad and complex a case, and has so many specificities of its own, that no attempt will be made here to go beyond the country itself, except for a few comparative remarks and suggestions for further research.
We will attempt, first of all, to evaluate the meaning of Chinese socialism and of the Chinese state, or the importance of its state-bureaucratic dimension. In doing so, we will establish a framework of reference and outline the targets of reform, but also demonstrate that statism has deep roots, that it is strong enough to restructure the whole of Chinese society, and that it will therefore be a lasting phenomenon. We will then look at the current reform process, even though its outcome is quite unpredictable. And finally, we will put forward some hypotheses as to its future development.

I: STATE SOCIALISM IN CHINA

1. The Formation of a System
When Chinese Communism took power on 1 October 1949, the organized Party had been in existence for only twenty-eight years. Most of that period had been taken up with a twenty-year civil war—sometimes hot and sometimes cold—between the Communist Party of China and its adversaries. The essential features of the new regime were shaped by twenty years of bitter struggles. The Party which led the struggle at a certain remove was, then, the child of a divorce between the revolutionary elite and the broad masses—the peasantry—which the Party was trying to win over and organize. The people had to be mobilized, but they also had to be controlled by the Party's cadres. From the outset, the revolutionary process was therefore marked by two of 'real socialism's' characteristics: authoritarianism and a desire to revolutionize society. There is nothing surprising about this—the situation was the result of historical constraints. It was the seriousness of the situation that aroused twentieth-century China. The vast and centuries-old Middle Empire was threatened with being dismembered and colonized, a country the size of a continent was bogged down in its political and social backwardness. But the wind of modernity was also blowing through its world, or at least through parts of it.

The inability of this vast nation to adapt to a new period explains the influence and use made of the modern revolutionary practices which were being imported from the West, and which rapidly became popular with the intelligentsia of the towns: socialism, Marxism, the Workers' Party, vanguard action, and so on. Between the end of the nineteenth century and the 1920s, China had to learn and choose between problems ranging from liberalism to socialism. In the West, it had taken them at least a century to reach a certain stage of maturity. The acceleration and telescoping of history obviously made it difficult for China to digest everything. The themes and practices which had to be assimilated in such a short space of time could only take root by being merged with the national realities of China. It was this which gave Chinese socialism both its
identifiable features and its more mysterious aspects. Chinese Bolshevism looks familiar because the Soviet model was imported, imitated and even aped—to such an extent that it sometimes became an outrageous caricature of the original. The importers were not always aware of the fact that modifications and even mutations had been introduced by the elder fraternal Party. But for foreigners, and even for its Soviet mentor, there was something different, almost alien, about this Maoist Communism—which was, apart from the cadres, almost exclusively peasant-based. Not only was it written in Chinese calligraphy; it also had the inimitable tonal structures of Confucianism. Although it had something in common with the experiences of other nations in the twentieth century, this novel synthesis made it futile for Chinese revolutionaries to dream of fulfilling the ambitions of the revolutionary socialist tradition of the West. What autonomy of action could be expected of a passive fragmented peasantry which had no independent project for the transformation of society? The tireless action of the revolutionaries transformed this 'suffering humanity' into remarkable fighters, but it did not turn them into Communists, even in the peculiar sense in which Maoism understood that term. The CPC's relationship with the working class was more complex. But the potential of the working class was destroyed by the Kuomintang in 1927. Whilst the Party, and above all its Soviet mentor, must take most of the responsibility for the disaster of 1927, it has to be admitted that the revolutionary capacity of the very young and inexperienced Chinese proletariat had been overestimated. The working class did of course continue to evolve, and did gain a certain maturity. Twenty years after the defeat of 1927, the working class was putting forward its demands with remarkable energy, at least in major industrial centres such as Shanghai. The working-class agitation of 1946–48 was, however, essentially corporatist, and it had little to do with the actions of the Communists. It is, moreover, far from obvious that the Communists, who had lost their urban roots long ago, had any intention of reactivating the working class's potential for struggle, always assuming that they had the means to do so (this is still being debated by historians). And here we have the main point: the revolutionary elite set the revolutionary process in motion, and they quite naturally tended to be in control of it.

The formation of a revolutionary force, or of the so-called communist vanguard, in the harsh conditions of twentieth-century China inevitably transformed the original revolutionary project with its exalted ideas and its remarkable lack of precision, into a realistic revolutionary politics adapted to national conditions and to the specificities of a very specific society. Chinese society was in every respect too backward to bring to life a plan for a socialist transformation which had been conceived in and for a very different world, one which was much more highly developed in economic terms and which possessed an active civil society. In China,
where civil society was lethargic, it was the revolutionary vanguard itself which became the most significant body in society. The Party tended to be transformed into a coherent socialist elite with interests of its own. Being an elite, or even an embryonic socialist group, it became cut off from the rest of society, and even from the social forces it was leading. It was also an elite which rapidly came to regard the expression of autonomous interests as a threat. Even before it took power in 1949, the CPC was therefore already as Party-State, an authoritarian power which derived its strength and its revolutionary effectiveness largely from the almost statist and definitely rigid control it had established over an increasing proportion of a mainly peasant population from 1927 onwards. This was the period of Yenan Communism (1927–49). It derived considerable legitimacy from its ability to meet the expectations of broad sectors of the peasantry and, perhaps even more so, its ability to embody and defend national unity; it represented the only coherent anti-imperialism to be found in twentieth-century China. But this remarkable achievement also had its negative aspects.

Even in the 1930s, the CPC had in fact developed into a Party-State. When it was too weak to hold its territory in the South for any length of time, it became a mobile state; when it took refuge in the North, it became stronger, and Mao's Party expanded. Long before 1949, Chinese socialism was already a State socialism. Its skeleton consisted of a very hierarchical Party and of an army which was, because of its very nature and function, no less hierarchical.

2. Formation and Deformation of a Regime

This authoritarian, or at best paternalist, relationship with the 'masses' reappeared in even more pronounced form after 1949. The new government was highly structured, and it was opposed to all autonomous activity on the part of other sectors of society, even of social groups which were, or should have been, close to it. But, unlike the atomized Chinese peasantry, which was a class with no vision of its collective interests, which could not unite in order to defend its own aspirations, and always looked to outside representatives to speak in its name, the Chinese working class was capable of waging a collective struggle. Even in its fragmented form the Chinese working class was a force to be reckoned with. This explains the new regime's attitude towards it. Combining seduction with repression, it sought to form alliances with its most ambitious members and even offered to incorporate them into the new ruling elite, but at the same time it definitely attempted to subject the working class to work discipline and to the authority of the Party. Consequently, the status of workers varied considerably, and the working class could not become a homogeneous social force within the PRC. As a result of China's poverty, the working class became divided into two
categories; this may, however, also have been the result of a deliberate policy on the part of the CPC leadership. On the one hand, workers in State enterprises were guaranteed a job for life, enjoyed the benefits of social security, retirement pensions and, in some cases, free housing. On the other hand, a wide variety of temporary workers had no job security and could be exploited without mercy. Many of the latter were peasants who were 'hired' for a set period and then sent back to the countryside. This split in the working class, which gave rise to mutual suspicion, hostility and sometimes even hatred, was the source of the social tensions which reached exploding point during the Cultural Revolution, when temporary and state workers came to blows in virtual pitched battles. This strangely distant relationship with 'its' working class is one of the most distinctive features of the CPC.

The 'Communist' government was, as we have seen, based upon a vanguard which was from the outset (the 1920s) divorced from the population and even from its own social base. The vanguard had taken refuge amongst a huge but backward peasantry, and its activities amongst them had taught it nothing about the realities of modern classes. In 1949, modern classes—proletariat, bourgeoisie, and even intelligentsia—existed mainly only in embryonic form. It is therefore scarcely surprising that the regime established in 1949, like the Communist Party before it in the revolutionary struggle, should have manipulated its relations with these classes in a relatively arbitrary way, first to further the struggle, and then to stabilize and protect the new regime. The most obviously arbitrary form of 'classification' was the notorious 'class label', which was pinned and imposed upon citizens in the mid 1950s, and which was still the same almost thirty years later. A class label could be inherited, as though it were a family blessing or curse. Whilst the initial categories were not entirely artificial—landowners and capitalists were readily identifiable in 1950—the perpetuation of the same system over a long period transformed class relations, which are of necessity dynamic, into a static caste system in which everyone's fate was determined in advance. Some citizens bore an ancestral curse, whilst others were good elements with considerable social capital. The task of a true revolutionary upheaval is the overthrow of a social order and a scale of values. The almost arbitrary reification of reality—placing children in the same category as their parents—could only produce a stratified caste society. Class labels were abolished just as arbitrarily in the late 1970s, not because they no longer meant anything to the regime, but because the post-Mao leadership needed the support of the former pariahs.

3. The Maoist Dimension: Bureaucratic Anti-Bureaucratism

Statism and bureaucracy certainly existed from a very early date. And what of the Maoist dimension? It has been said that Maoism—the actions
of Mao himself—shook up the entire system in an attempt to halt the spread of bureaucratic sclerosis, which threatened to infect everything. That is undeniable. But the manipulative and bureaucratic nature of Maoist practice is equally obvious: directives from above, the use and abuse of secrecy, and of the secret police... A bureaucratic attempt at antibureaucratism inevitably ends in failure. Its failure in China was even more inevitable in that the Maoist project, which was never very explicit and could even be vague, was taken over and distorted by Mao's enemies, who represented powerful tendencies within the new ruling elite. But there is also another and more decisive reason for its failure. It has been suggested that the principle of 'class labels' (which was adopted in 1956 and classified people according to their social rank, the constitution of quasi-castes ranging from the privileged to social lepers) and the stratification of society, was simply an attempt on the part of the new government to mould the new China in its own image. A regime which derives its authority from its total control over the State and from its bureaucratic power quite naturally reconstructs a bureaucratic world: and, like any new bureaucracy, was more interested in fostering a passive, submissive and static attitude in its subjects than in liberating its naturally mobile and dynamic class potential. From that point of view, Mao was undeniably at the centre of the CPC regime. He criticised its rigidity, and quite rightly took the view that the subjugation of passive citizens is incompatible with dynamic economic development. He also loathed bureaucratic neatness, and the bureaucrat's slow, ponderous sense of reality and of priorities. But not only was this system of his own making: he had nothing else to offer. In that sense, he was similar to Stalin who thought, or wanted others to think, that the revolution from above which he inaugurated in the 1920s was a great antibureaucratic struggle and a powerful stimulus to economic reconstruction. In fact the practices of both Mao and Stalin involved the manipulation of the Party apparatus and ad hoc apparatuses designed for specific tasks—and, because they had insufficient support inside the Party, both leaders readily used secret powers and relied upon armed violence (the secret police in the case of Stalin; the police and the army in the case of Mao). Even Mao's mobilization of the masses during the Cultural Revolution—and this was something Stalin was unable or unwilling to achieve—was manipulative and ended in failure. A regime which takes shape by divorcing itself from society inevitably reproduces that divorce in more or less the same terms. This is especially true of a regime based upon control of the State. Withdrawal from the life of society and deployment of the State are complementary and quintessential expressions of a divorce between Party and society.

Like the liberal tradition before it, the socialist and Marxist tradition—or at least the tradition that stems from Marx himself—clearly saw the threat posed by the proliferation of statism. The anti-statist current,
which, in China, was defended most noticeably by the anarchists of the first two decades of this century, chose the right target. The young Mao, like many other intellectuals in the period 1915–1920, was influenced by anarchist ideas, both in the Western sense and in the sense that he was influenced by a certain continuity of Chinese tradition. His revolutionary Communist trajectory distanced him from these ideas, but a certain affinity could still be seen. The so-called 'anarchist' tendencies displayed by an ageing Mao, who also relied on State power, therefore inevitably let to the reappearance and reinforcement of State authority after more or less anarchistic phases (the Cultural Revolution). Mao's enemies inside the Party, who probably took a more realistic view of their own society and of their own political motives, knew that the official caste system masked the true nature of the real interests of the new social ruling group. His enemies could therefore deflect Mao's criticisms by finding scapegoats amongst social strata selected for their vulnerability (the intellectuals, and a bourgeoisie which had been crushed in the early 1950s). And, just like the Soviet bureaucrats under Stalin, the Chinese ruling elite learned how to use power. It became more skillful and sophisticated, and adept at frustrating the autocrat's more irresponsible decisions or those that went against its own elitist interests. The control it exercised over the masses became more sophisticated. Given that they had only a few decades to work in, the new leaders could not rival the efficiency of either the old mandarinate or the social elites of the West, but they learned quickly, as is obvious from the speed with which order was restored after the Cultural Revolution. Yet, so great was the damage done by the Cultural Revolution (or its distortions) that this had seemed to be a superhuman task. It is true that there is something banal about all this: a statism rooted in a revolutionary process consolidated itself in the post-revolutionary phase and fought off all challenges—even those coming from its charismatic leader himself—to the party-State system.

4. The Limitations of Bureaucracy

So long as the Party-State had a basis for a certain alliance with sectors of the working class and, which was more important, the means to fragment working-class social strata, its strength was assured. And because its legitimacy was based upon a revolution which had penetrated to the very heart of the rural world, had stirred the emotions of the peasantry, and had even won over part of a basically suspicious urban population, the regime had a lot of room for manoeuvre. It could implement its projects, and could even allow itself to make certain mistakes. The Party had room to manoeuvre against opposing or reluctant sectors of society and could also use dirty tricks in internal power struggles. There was sufficient room to implement the grandiose schemes Mao planned as he led China towards its somewhat shadowy promised land. In short, the apparatus was divorced from the nation, but it was not yet a question of the apparatus against
the nation. But as one scheme after another led both the people and society into a blind alley at the cost of great suffering, the bureaucracy or the Party-State increasingly came to be seen as a threat to the nation, to every sector, and even to itself. The Party-State had become such a powerful force and had established such a strong and restrictive form of control over society that foreign observers began to use the term 'internalized totalitarianism' (meaning that it had been internalized by all citizens) or even 'perfect totalitarianism' to describe the nature of the Maoist regime, which had now reached its apotheosis. This was in fact a false impression, as the power of the State had more to do with oppression than with its ability to make people internalize the regime's norms and orders. And it was perfect mainly in the sense that it had an admirable talent for concealing Chinese realities from foreigners, and even from foreign friends, who were, it has to be said, only too willing to turn a blind eye. There was no great need to throw dust in their eyes.

Within China itself, the process took a different form—that of sullen resistance to bureaucracy on the part of the nation. To be more accurate, every sector, sub-sector, and tiny fraction of the social body, and even whole sectors of the Party-State, resisted as best they could in an attempt to defend their interests and, in some cases, their very existence. And the Cultural Revolution forced one section of the nation after another to react, if only passively. It was in fact one of the rare moments when some forms of resistance turned into open rebellion.

Although some aspects of the Cultural Revolution remain opaque, it is now quite easy to draw up a balance sheet of its achievements. It was a huge exercise in manipulation on the part of the Maoist sector of the Party apparatus. It revealed the obvious frustration of various segments of society—notably students and school students, and, to a lesser extent, the underprivileged strata of the working class. The object of the exercise was to defeat Party elements hostile to Mao—or elements said to be hostile to him—and to give China a new direction under the leadership of a remodelled and less sclerotic Party with an unchallengeable leader. The results were not what Mao had hoped for. The young Red Guards, the students and school students and even young de-classed workers, began to exceed Mao's orders and even to disobey them. Acting in Mao's name, they began to challenge the system itself, and to attack not only bad bureaucrats, but the whole bureaucratic apparatus. They took Mao's professed egalitarianism at face value, and failed to understand that, even in Mao's version of People's China, some had to be more equal than others. They finally realized this to their own cost. Madame Mao's autobiography reveals through its naivety and arrogance the realities of Maoist elitism, and the element of material privilege within it,' but it is only one of many similar accounts.

We can ignore the more farcical aspects of a bureaucratic anti-
bureaucratic struggle led by a Mao who was only too willing to rely upon the police and the army, and the extremely rigid structure of the Party-State apparatus. The important point is that the increasing repression of 1967–68 was directed against a rebellion which Mao had instigated and manipulated but which was becoming more and more autonomous. The repression marked a break between the nation and the bureaucracy, between various social categories and a ruling group centred around the Party-State. We might say that, from this point onwards, civil society began to want autonomy. It might, however, be more accurate to speak of 'autonomies', given that there are so many disparities between the component elements of Chinese society, the greatest of all being that between town and countryside. But even in the towns which in 1967–68 accounted for between 15 and 20 per cent of the population (the figure may now be 25 per cent), urban sectors sometimes had mutually contradictory interests. That sector of the working class employed in the State sector still supported the bureaucratic apparatus to a certain extent in that the material privileges it enjoyed—a job for life and social security—were bound up with the continued existence of a statist bureaucratic structure. Although private entrepreneurs still represented only a very small social group, they had very different ambitions. The Party-State could therefore play social groups and sub-groups off against one another. But it had to be careful, as the limitations of the bureaucracy were not due solely to pressure from below, to the demand for a better standard of living and for better treatment at the hand of the authorities. They also resulted from the fragmentation of the Party-State itself.

As in the Soviet case, it was within the Party itself—a vast structure involving over forty million people in China—that the contradictory interests and tensions of society were concentrated and reproduced. Debates which were repressed or forbidden in society went on, more or less openly, in the Party. Reformers, quasi-reformers and those who hankered for a return to Maoism clashed in quarrels involving groups of varying sizes. It was the Party—a distorted reflection of the demands and aspirations of society—rather than society itself that defeated Maoism, which had become a threat to the very survival of the Party-State. The impetus for major reforms such as the de-collectivization of land came from reformist elements inside the Party, which reluctantly accepted the great demands of China's countryside. The difficulties the Party encountered in introducing reforms in the towns and in changing the status of State-employed workers—in, that is, taking away their privileges—were also an expression of social interests within the Party-State.

Relations between government and society therefore became more complex. It was not that the real problems were openly debated through channels of communication which could be used and influenced by all—far from it. But more fluid and mobile relations were established between
party and society as endless negotiations alternated with bouts of repression. The Chinese system became more flexible, but it also became more unpredictable and less confident of its ability to control the element of chance in economic development. The legitimacy of the power of the Party-State became more uncertain, but it was never directly challenged. It was, however, constantly outwitted, gradually infiltrated from the outside, and sometimes even ignored. The Party-State lost its sense of direction, and began to experience real identity problems.

II. CHINESE SOCIALISM AND REFORM

1. The Development of 'Real Socialism' and the Process of Reform

The moment for reform comes at a specific point in the history of 'real socialism', especially in such large and important countries as the USSR and China. This type of society in fact goes through a series of characteristic phases. Firstly, the new revolutionary regime enjoys considerable latitude. It is not that it can do whatever it likes, or that the heritage of the past is positive: on the contrary, the legacy it inherits is often poor, if not disastrous, and the young regime is surrounded by difficulties. But even so, the new government has an exceptional opportunity to seize the initiative and to remould society. This is a period of economic and social upheavals which sometimes seem to signal the eradication of the old society. 'Real socialism' uses its base to pursue its true vocation: modernizing the nation and helping it to catch up with modern society, at least in terms of its level of industrialization. Hyper-centralized planning, a high rate of accumulation, the concentration of capital in the most powerful sectors (and especially in heavy industry), the mobilization of resources and of the population are the means used to transform society. Conversely, the radical transformation of society implies these same developments. Such a sustained effort suggests a strong desire to speed up the rate of change and, whatever earlier intentions may have been, it leads to the creation and strengthening of an authoritarian and centralized system. Authoritarianism and centralization take the strikingly twentieth-century form of the powerful State system described above. And when these general aspects become combined with the particular effects of a national crisis, authoritarianism takes the form of despotism. This may be only a temporary development, but it has serious consequences. This was the case in both the USSR and China. Without going into details, let us recall how serious the crisis was in both countries: within three years of the revolutionary fervour of 1917, the young Soviet regime had been drained of blood; the country had been torn apart by a civil war; the cost in human life had been terrible, and many of the modern achievements of Tsarist Russia had been destroyed; both the role and the population of the towns had declined. On the
other hand, the traditional peasantry had emerged from the ordeal stronger, more demanding and more traditional than ever. For its part, the revolutionary government was isolated. But, although isolated, it was basically strong, as it could already rely on the State or the Party-State. There was, moreover, no alternative. What appeared to be a weak regime in 1921 was in fact a strong regime; it derived its strength from its control of the State, and from the political and social void in which it operated. A new social system could be constructed on this basis, and given the unequal relationship between an expanding state and a shrinking civil society, the system inevitably became authoritarian and statist. What was worse, the existence of a government which was at once fragile and strong paved the way for the transformation of authoritarianism into unrestricted despotism. Stalin, the firm-handed but apparently rational leader who emerged in the 1920s, was therefore able to become a tyrant whom not even the Party-State could control. The crisis in China was of course very different as China's civil war was already over by 1949. The country was therefore better prepared for take-off than the USSR. In fact one might almost say that the situation was clearer in China, and that the disciple grasped the important point more quickly than the mentor. And the important point was that a statist and authoritarian framework—the dominance of the Party-State—had been established, and even consolidated and strengthened, during the pre-1949 revolutionary process. As we have seen, this was a result of the serious crisis in twentieth-century China. As a result, the weak, even moribund, Party took the form of a mobile state from 1927 onwards. It was an army-State, and it became more stable from the Yenan period onwards. In 1949, Communism emerged victorious from a long and painful process, and it represented the major force in a weak society and nation. Its strength derived from the prestige it enjoyed in society as a whole, and especially in the peasant majority; having no roots in the rural world, the Soviet government did not enjoy that prestige. But ruling China, an economically poor country which was socially anaemic and which had a huge population, posed immense problems. As it had to rule a nation in crisis, the authoritarianism of the new government gradually and inevitably developed into the despotism of Maoism. Whether or not authoritarianism unavoidably leads to despotism, if only on a temporary basis, is irrelevant to our purposes; the essential point is that the results were the same in both countries.

The most obvious effect is that, sooner or later, the regime becomes exhausted and loses its dynamism. In the USSR, it was after the paroxysm of the great purges of 1936-38 that Stalinism lost its vitality, but it was only after the death of the tyrant that the imperative need for change became obvious. In the case of China, it was probably the Cultural Revolution rather than the terrible setbacks of the Great Leap Forward that destroyed the credibility of the Maoist regime which had once
promised so much. The time interval may vary from country to country, but after no more than two or three decades a 'Communist' government is faced with the need to resolve difficulties created by its own management of society. It can no longer blame the old regime for its present problems and difficulties. At this point, 'real socialism's' basic problem is real socialism itself. Come what may, reform is on the agenda of the day.

It is possible to approach the problem of 'real socialism' in a different manner using different terms. The necessity for reform, or for a process of reform, also relates to a further dimension of 'real socialism'. Whilst it is primarily the extent of the crisis (which is at once national, social and economic) that determines the existence of a type of regime almost inevitably authoritarian and open to the possibility of despotism, the type of economic development implemented is in many respects indeterminate -even though it results from the logic of statism. In a word—and this is a major question for the history of socialist doctrine—'real socialism' cannot generate a type of economic development which can be reproduced and extended. Unlike capitalism, which produces and reproduces its conditions of existence and expansion, 'real socialism' cannot generate a self-expanding powerful and innovative mode of production. On the contrary, after a few short decades, and often after three five-year plans at most, the system seems incoherent or at least irrational. It appears to become paralyzed by a variety of problems, and far-reaching reforms are therefore necessary. Indeed, the reforms required are so major that one has to ask whether 'real socialism' can in fact perpetuate its own mode of economic or social development or whether it might not be destined to revert, however reluctantly, to a universal capitalist norm. This was the major issue of post-Mao China and of the recent period of reform. The question is not so much 'What is left of Maoist China' as 'Is there still a road to "real socialism", old or new?' In the case of China, where the reform process appears to be—and may really be—more radical than in other Eastern bloc countries, it is the future of the country that is problematic.

2. The Impasse of Maoism and the Necessity for Reform
In order to understand the general features of the current reform process in China and its more unexpected aspects, we have to look again at Maoism's record. And, first of all, we have to challenge a cliché which is, in different ways, accepted by Maoists and anti-Maoists alike, namely the view that Maoism really was characterized by a search for a new road to socialism. That search is viewed by anti-Maoists as utopian and insane, and by Maoists as authentic socialism—or, rather, ex-Maoists, as there are very few true ones left, either in China or in the West. Reality is much simpler and closer to the obvious truth of the post-Mao period: Mao's heritage is in many ways a Soviet China, and it is similar to the Soviet Russia created by Stalinism. Was Mao no more than China's Stalin? Reality
is rather more complex than that. In both cases, the new revolutionary
government was authoritarian (as in China), or became authoritarian (as in
the Soviet Union), and domestic conditions led to the emergence of an
authoritarian and statist form of power. The leader then became
autonomous and the result was despotism. The novelty of the road to
socialism then tends to be confused with the process which makes the
despot autonomous. The unlimited and uncontrollable power which both
Stalin and Mao began to acquire did allow them to become autocrats who
could impose their views, ideas, impulses and whims on society. Whether
or not an autocrat sets himself above his own party or society, and whether
or not he has pertinent ideas rather than whims, is largely irrelevant. The
main point is that despotism can only beget despotism and paroxysmal
forms of power. But 'paroxysmal' does not necessarily mean 'new'. Stalin
and Mao set themselves specific and ambitious tasks, mainly in an attempt
to overcome the inertia, or supposed inertia, of their respective societies.
In fact they merely exacerbated existing difficulties and unbalanced every
sphere of society.

Both Party leaders deliberately relied upon State power—the power of
the Party-State—and therefore a State elite—a bureaucracy in the most
general sense of that term. They both caused constant upheavals in Party,
State and society, and therefore appeared to be very anti-bureaucratic.
But causing such upheavals is, so to speak, a normal feature of despotic
behaviour. It ensures that the despot depends upon no one and that he
is superior to everyone. In other words, a mode of power and a supposedly
novel or radical project become confused.

The extraordinary coercive power wielded by the despot is also his
great weakness: he mishandles the regime in order to rule, and he must go
on doing so in order to go on ruling. He cannot, however, mishandle it to
such an extent that he destroys it. The logic of the regime itself then
defeats him, and it does so sooner than historical appearances might
suggest. The all-powerful Mao of the Cultural Revolution, who had no
qualms about crushing his enemies in the Party without mercy, was
subject to continual manoeuvres and counter-manoeuvres on the part of
a Party apparatus which was certainly servile, but which quickly learned
to subvert the Great Helmsman's orders and to distort his intentions.
Similarly, in the 1930s, the Soviet Party apparatus was to a large extent
terrorized and marginalized, but gradually learned to manipulate the
tyrant's orders and counter-orders to its own ends. Despotism itself
begins to inspire the stubborn and increasingly open desire for bureau-
cratic normalization which becomes so obvious in the period following
the tyrant's death, or even in the period preceding it. The logic and
interests of the ruling elite gradually come to outweigh the will of the
omnipotent God, who is finally revealed to have feet of clay. In a sense,
the desire for continuity overcomes the wish to break with the past as
it reproduces the original project and features of the new regime: authoritarian statism, and a form of economic development dominated by the State (the planned economy); a determination—or rather a feeling of obligation—to catch up with the outside world which is basically, and not without reason, seen as a threat; the straitjacketing of a society which is weak, or kept weak. Prior to the reform period, the Chinese economy had all the features, advantages and disadvantages of the Russian economy. The only difference was, as specialists often point out, that China was much poorer than Russia: when the first five-year plans were implemented in 1952-53, China's industrial potential was equivalent to, or lower than, Russia's potential in 1928; and the population was four times larger. It is the peculiar scale of China's problems which explains the differences in the population-control policies adopted by the two countries, although their general features are the same. It is due to poverty rather than deliberate choice that China after Mao is almost as rural as it was in 1949, and that there are still two categories of workers. Mao's China was a very poor nation with a Soviet structure. It is now a country in which the cumulative effects of poverty, and above all the harm done by Maoist despotism, have resulted in a serious crisis and in an urgent need for a reform of the system.

As the reform process was, at least in its early stages, concerned primarily with the survival of a regime whose legitimacy was faltering, it initially took the form of a relaxation of the pressures on society. At the end of the Maoist period, China was a desert in which both social elements and the economy were beginning to dry up, not to mention the aridity of the cultural field. The whole nation was lifeless and drifting into a cataleptic state. There were sporadic signs of rebellion. And, as the reform process was a response to a crisis within the regime, it necessarily involved internal changes. We therefore saw a power struggle and gradual (or in the case of the Gang of Four, rapid) elimination of Mao's heirs. Whilst no team of reformers emerged, the upper echelons of the Party did at least reach agreement on the need for reform.

The economic reforms discussed immediately after Mao's death were not in fact concretely implemented until late 1978. And they represented no more than the beginnings of reform. The delay was not simply the result of the bitter battles being fought in the higher levels of the Party; they also related to the immensity of the problems that had to be dealt with. Once it had been accepted that China had a Soviet system, remedies had to be found for a more general problem with little to do with the Maoist line, or non-line. It had to be admitted that China's traditional problems, and the problems bequeathed it by the old Empire, had been exacerbated by the strange potion of Maoism, and that they added to
and were combined with the difficulties inherent in the economic and social management of 'real socialism'. The wind of reform had to blow through the entire country, and the very immensity of the task appeared to be the major problem. And, precisely because the process of modifying things was so complex, resistance began to make itself felt almost everywhere.

Resistance came from broad fractions of the Party and of the State which were conservative and unable to adapt. But resistance—passive but sullen—was also encountered amongst sectors of the population whose small but real privileges were being threatened. This was particularly true of the privileged sector of the working class, which came under attack from reformers who wanted to do away with the 'jobs for life' system—the famous iron ricebowl. Economic organs and the centralized planning system displayed a certain inertia, or contrived to frustrate the objectives of the reforms. Faced with these invisible obstacles during the initial stages, the Government turned to the countryside, and introduced impressive changes. The reform movement had been slowed down or blocked in the towns, but it accelerated in unexpected fashion in the countryside. Observers even speak of a silent revolution, or of a revolution in reverse, which resulted, more or less by design, in the decollectivization of land and in a return to the traditional family unit in agriculture. This rapid process, which came about in only two or three years (1981–82), consolidated the reforms introduced from late 1978 onwards. It contrasted sharply with the hesitations, reversals of policy and uncertainties which still characterize reforms in the urban industrial structure. And yet, despite the fluctuations and limitations of the industrial reform movement launched in the autumn of 1984, which is still going on, China has changed drastically since the death of Mao. The process of reform, or self-reform, is an on-going reality, and it is spreading, sometimes smoothly, but often with difficulty to all spheres of society. The beginnings of a legal system are being introduced; the administration and the education system are being laboriously overhauled and modernized; attempts are even being made, with patchy results, to rationalize the Chinese (or Soviet) price system which is so central to the logic of 'real socialism'.

This brings us to the period 1984–85. By now China had changed considerably. The decollectivization of the land had broken the State's hold over the peasantry. Similarly, early attempts at reform had begun to lessen the State's hold over industry. But the system itself had not changed to any great extent. Resistance to urban reforms—and perhaps the actual blocking of reform—which seemed to promise an alternative logic show that the desire for continuity is still stronger than the desire for change. Although the balance of power between social groups and the Party-State is more fluid and less stable than it was twenty or thirty years ago, it has not been reversed. There is no force capable of opposing
the Party-State or of modifying the system, either by itself or in alliance with other groups. As in the Soviet Union, the possibility of change rests upon modifications of the apparatus of the Party-State. The problem is that the Party-State in its turn becomes a sort of miniature civil society condensing within it a good part of the pressures and aspirations exerted and expressed by the latter and by various groups and subgroups. In that sense, movements within the Party-State or forces within civil society which are capable of influencing it may bring about social transformations. This is a delicate situation in that the beneficiary of power has to pave the way for the emergence of a new power. The system has to reform itself: there is an obvious realization that it is seriously dysfunctional or has reached an impasse; leaders are acutely aware that the outside world is growing stronger; that it is on China’s doorstep; and that the situation is now different as it offers apparently attractive economic models. Everything suggests change and the continuation of the reform process. But, insofar as it is designed to remedy the system’s shortcomings, the logic of self-reform implies the destruction of the system itself. If it is to be taken to its ultimate conclusion, it must be based upon a domestic alternative which does not exist. Tensions therefore arise, and the process is relatively blocked once the centre of the system (industry, the Party-State and relations with the outside world) is called into question.


The best illustration of both resistance to and the impossibility of preventing reform is provided by the events of 1986, which culminated in the student crisis of December 1986–January 1987 and with the forced resignation of General Secretary Hu Yaobang, the figurehead of the reform movement. This was followed by offensives on the part of the so-called conservatives and counter-offensives on the part of the reformers. The final verdict will be given at the Thirteenth Congress of the CPC, which is due to be held soon. As in the rest of this study, I have no intention of going into details, particularly as the events of the recent period are far from clear. The important point is to demonstrate that, throughout 1986 and the first months of 1987, the reform process was being evaluated, and that the record reveals its limitations in both town and countryside. All this relates to the difficult problem of the self-reform of the Party.

Let us begin with the countryside. It is probably no exaggeration to say that, especially in the early years, the driving force behind the reform movement was the success of decollectivization. Nor would it be a mistake to believe that the growing doubts being expressed inside the CPC apparatus as to the current situation in the countryside are helping to slow down the reform process or even, to some extent, to block it in the towns, where reforms are essential if China is to undergo any transformation. Between 1978 and 1985, reforms in the countryside were a prodigious
success. Whereas peasant incomes were only slightly higher in 1978 than they had been in 1957, between 1978 and 1985 they tripled in nominal terms. Even making allowance for inflation, that is an impressive achievement and an indication that agriculture had really taken off. But it rested, to a large extent, on the mobilization of the immense productivity reserves of a peasantry less and less motivated by the collective system, and especially by the low prices the State paid for agricultural produce. The return to family production, the increasing initiative left to the peasants in terms of the production and marketing of crops, and the higher prices paid by the State for food quotas all stimulated agricultural activity considerably. But in the last year or two, the new system has begun to slow down, and some of its perverse aspects have been revealed. Agricultural productivity has certainly risen greatly, but what is to become of the millions of workers who are no longer needed? According to official statistics, more than half China's three hundred million peasants will have to find work outside the agricultural sector by the end of the century. The regime's present response is to encourage industrial development—or rather, small-scale industries—in the countryside on the one hand, and to contain the exodus to the towns on the other by creating a network of new medium-sized towns. But, quite aside from the fact that it will not be easy to stop movement into the cities (though most peasants in fact migrate to small towns at the moment) that is not the real issue. The real issue centres upon the well-known limitations on endogenous industrialization in the countryside. The lack of capital and of technological skills, the inadequate infrastructure—many villages are inaccessible—not to mention the incompetence of the bureaucracy, are only some of the obstacles to the development of industries in the countryside and to improved productivity in agriculture. There is of course some industrial development, which is on the increase, and rural industry does mean starting from scratch. But an increasing awareness that a threshold has been reached is obvious both in rural areas and in government circles; it is also being realized that the era in which it was possible to develop the peasant world at little cost is over. The earlier phase of development was based upon the exploitation of enormous reserves of productivity. But where are the immense resources needed to increase agricultural productivity and to provide work for the millions of peasants who have moved to the towns, at a time when millions of young town-dwellers are also coming on to the labour market every year? This is a huge question, and it explains many of the present uncertainties. Not least the ever-present grain problem. Rural reforms have gradually put an end to the system of compulsory grain quotas, which were in effect a tax, and the introduction of a monetary tax system left peasants free to pursue activities of their own choice. What is more important, the government has encouraged farmers to form 'specialist households', in other words to specialize in producing the most
profitable crops and to abandon the Maoist—and traditional—principle of self-sufficiency. Producing grain is not, however, the most profitable of activities. And it did not take long for the results of this policy to be seen: grain production fell. Not to any great extent, it is true, as the 1985 harvest was only ten million tonnes lower than the record harvest of 1984 (400 million tonnes). It was however a sign, and the tone of recent debates in the CPC is reminiscent of those that occurred at the end of NEP in the USSR, though they are rather less dramatic. In a country where supplies of essential commodities such as grain have always been poor, there must now be some doubt as to the ability of the countryside to feed the towns. For the moment the threat is not very serious, and the problem has been the storage of surplus produce rather than shortages. The government can also stimulate production by raising the purchase price of grain. The price has in fact already been raised to bring it into line with those on the open market. As a result, the quota system has been abolished. But in order to prevent prices rising in the towns, the government then had to introduce subsidies to make up for the difference between the higher prices paid to the peasants and the deliberately low prices paid by urban consumers. Those subsidies were a heavy drain on state resources, so much so that it was impossible for things to go on in this way. A policy of unlimited subsidies is increasingly impractical, but the repressive policy of confiscating grain, which was used by Stalin in the 1930s is not the only alternative. There are many intermediate measures that could be implemented, and a flexible economic policy is conceivable. But this is still a difficult and largely unresolved problem.

Following the discussions that took place at the higher levels of the Party at the end of 1986 and the beginning of 1987, the grain problem, and new doubts about a previously prosperous sector whose success had in itself been used to justify reforms, helped to put an end to overall reform. Urban reform, as opposed to reform in the countryside, had never really taken off. Slowing down something that is already making very slow progress may, however, simply put a complete halt to what is already an uncertain policy of urban reform. But before we turn to resistance to urban reform, three other important factors must also be taken into account; they have modified, and to some extent disturbed, living conditions in the countryside, and they therefore contribute to the general climate of uncertainty.

1. The profound changes that have taken place in village life must be taken into account. There are as yet no systematic or reliable studies, but it does seem possible to detect a twofold and contradictory development. On the one hand, the return of the family unit of production has inevitably brought the old family structure to the fore. There has been a rapid return to patriarchy, and peasant values which had been more or less repressed have reappeared: ancestor worship, religion and even super-
stition, and many ancient traditions have reappeared. A decline in the status of women has been noted, and women are once more subordinate to both their husbands and their fathers. Female infanticide appears to have increased, as baby girls are regarded as less important than boys in the context of the enforced policy of one child per family. There has then been a revival in rural conservatism, which was always present, even during collectivization, but had until recently been contained to a certain extent. There is, however, also a trend in the opposite direction, sometimes in the same village. It has been noted that old traditions, or those established under collectivization, are being restructured. Monetary values, new commodity relations and the attractions of the city are beginning to alter village life, sometimes rapidly, and in all cases to a considerable degree. This is not a matter of the reappearance of a repressed traditional authority; it is a matter of the power of money and of the prestige acquired by living in a town. A son who has a job in a town may acquire more status than his father, and a woman who has a better-paid job than her husband can retain her independence and hold her head up. Old family and clan obligations—where they still exist—cannot withstand the spread of new social relations. This is a fairly commonplace situation, and it has been observed elsewhere. We have no reliable information about this challenge to the old Chinese family model, and neither foreign observers nor, in all probability, the Chinese authorities have any clear idea as to which tendency—the old or the new—will prevail. But we can certainly expect to see far-reaching changes in rural society and in the Chinese family unit—the source and the centre of continuity and of the Chinese tradition. No one really knows what effects this will have on the countryside or on society as a whole. But it is obviously a major issue which places a question mark over China's future.

2. The return to the family unit and the decollectivization of land are bound up with the Party's apparent loss of authority in the countryside. The regime is trying to introduce a new kind of cadre system in the villages, and it is designed to be less rigid than the system used during collectivization. The main objective is, however, to re-establish the government's authority in the countryside. And that is no easy task. It is not simply a matter of collecting taxes; these can be collected, with some difficulty no doubt, as the rate of taxation is not too heavy. Ensuring that collective work is carried out is more difficult; collective work was once planned and organized by the people's communes, but they have been broken up. A peasant who has gone back to his village after having worked elsewhere, or whose one dream is to leave for the city, is unlikely to be motivated by collective interests which offer him no obvious immediate benefits. He may agree to widen a road leading to the nearest market. But why should he even think of building a road which will do more for other villages than for his village? How can collective interests be protected at
a time when the Party's prestige in the villages is at an all-time low, and when the revelation that minor local leaders have been committing various abuses of the system is doing little to enhance it? How can a peasant world which has traditionally taken no interest in anything that happens outside the village be integrated into the collective life of the nation? And when a peasant does look beyond the confines of his village, his first thought is to leave it. This too is a huge recurrent problem which is typical of a developing country which will have to live with a large peasantry for a long time to come.

3. Decollectivization has, as expected, quite simply led to a process of increasing social differentiation in the countryside. Although this was expected, accepted and even encouraged, increased inequality has had destabilizing effects. The few who have become rich are still very suspicious; having learned from past experience, they fear a return to the repression of old. Their primary concern is to consume what they can, to build a house—and they are not alone in this, a good third of all peasants have built houses since the beginning of the reforms—to buy a television (preferably colour) and to give their children sumptuous weddings, rather than to invest in improving agricultural output. And if they do think of buying a tractor—an expensive item beyond the reach of most peasants—it is more likely to be used for transport than for ploughing the fields.

At the other extreme, the far from negligible number of people who have been left out in the cold are beginning to grumble. Social tensions are beginning to appear, but they do not yet seem to have reached a critical threshold. Even so, the fact that the average standard of living in the countryside has risen conceals a wide variety of different individual situations. Some—but not all—peasants have benefited from the reforms, but not always to the same degree. In some cases, they were in fact better off under the collective system. Precisely how the regime views these developments and problems is not always very clear. But it is probable that it views them with some apprehension. Here, however, we are concerned only with certain dimensions of the enormous problem of reforms in agriculture. In the cities, the difficulties are different but perhaps even greater.

The period 1978–84 was one of urban reform by trial and error. The management system in industry and in planning bodies was reorganized. In the Party, this was a period of debate, and it saw the strengthening of the leadership fraction most committed to reform—the fraction led by Deng Xioping. After many hesitations, the decision was taken to launch a general programme of urban reform in the autumn of 1984. What had been a kind of passive resistance almost immediately became an almost open hostility to reform. We have only to look at a few essential features of the urban and industrial changes to understand what happened and to see the difficulties inherent in reform. The reforms were designed primarily
to encourage factory managers to be autonomous, and to make them responsible for their profits or losses. Factories which systematically made a loss were to be allowed to go bankrupt. All this was very straightforward on paper. In practice, it was very complicated. If management is to be efficient, there must, among other things, be a coherent price policy. Prices must be real, and not, as they are in China and other Eastern bloc countries, artificial or even arbitrary. How can one tell if a factory is making a profit or a loss if the input prices do not reflect economic realities? Or, what is even worse, if the only way to ensure supplies of essential raw materials is to engage in complicated deals of dubious legality, and to pay arbitrary prices—prices which are not official, but which are established by new market forces?

Managerial autonomy also implies the decentralization of power. But who was to benefit from decentralization? The logic of the reform process suggested that it should be the factory manager. Experience quickly showed, however, that managers almost immediately began to bend the new rules. They did so in order to keep their factories open in the face of frequently contradictory or impracticable regulations and also in an attempt to meet the demands of the workforce, usually by paying bonuses on a systematic basis. But in many cases, they quite simply bent the rules to their advantage—or that of their families and associates.

Fearing that factory managers might escape their control, Party leaders who were not necessarily hostile to reform suggested that the Party should still have an effective power base inside the factories. It had certainly lost the complete power it had had from the late 1950s onwards, when the Party secretary was the real boss, even though he was subject to the very narrow constraints imposed by his superiors—most of whom were ministers. But, deliberately or otherwise, the proposed reforms were blocked. Party representatives inside the factories were on the losing side in the reform process, and their immediate reaction was to sabotage the logic of a process which threatened their position. The threat was all the more real in that Party cadres in the factories rarely had the technical competence to implement the new management system. Giving managers too much power often had perverse results, but giving the Party too much power might block the reform process. The dilemma was not easy. The probable outcome of debates around this issue is still uncertain. When the so-called conservatives began to regain their influence in early 1987, the accent was once more on giving the Party some authority in the factories, but that did little to clarify what was already a rather confused situation.

There is also another major obstacle to reform: the sullen but stubborn resistance of the working class. One of the major objectives of the reform programme was to do away with the privilege of having a job for life. As we have seen, this applies to most, but not all, workers. The objective was to take away their quasi civil-servant status and to give them a more
precarious contractual status. It was hoped that this would broaden the wage scale, and make it possible to pay major bonuses if the factory made a profit. It was also hoped to promote a mobility which did not exist in the still recent period when a guaranteed job for life often meant staying in the same factory for life. The carrot was not, it seems, sufficiently attractive. Workers in the State sector were afraid of losing their privileges. The many workers who did not enjoy their privileged status were also demanding a job for life. They therefore put up energetic resistance to the reform process. Resistance was rarely open—there were, for instance, few strikes—but it was effective. The egalitarian traditions of the Maoist years led workers to demand uniform wage increases and bonuses. And in most cases, they did all receive the same rises and bonuses. In order to preserve the social peace, managers were quite prepared to pay bonuses on an egalitarian basis. As a result, wages rose faster than productivity. The factories had yet to show a profit. Profits existed only on paper, and they were the result of massaged figures and creative accounting, or, in some cases, a reflection of a favourable pricing system. Wage reform was completely blocked. And it therefore had to be accepted that, for the moment, it was in practice impossible to implement the bankruptcy laws.

Although it is not openly admitted, there are anti-working-class sides to the reform process: it is designed to modify relations between the regime and the working class, and to remove privileges which are not compatible with the new productivist demands. Working-class resistance, on the other hand, is based upon a slow and painful realization that the workers and the regime do not necessarily have the same interests, and that there may even be a conflict. There is also an almost conservative side to it, notably a desire to preserve the relative privileges that have been won since 1949 at all cost, sometimes even at the expense of less privileged sectors of the population.

But this is not all. The destabilizing effect of a far from negligible rate of inflation must also be taken into account. Inflation is eroding the higher standard of living enjoyed in the towns and is a source of discontent or even tension, as it is obvious to all that anyone who has any power (such as some, but not all managers, and most cadres) enjoys considerable material privileges, many of them obtained illegally.

Faced with all these problems, and many others, the government and the Party are reluctant to go ahead with reforms that might lead to unemployment or even social explosions. They are also aware that reform would alter the nature of whole sectors of the system. This is why the Party, which is both the guardian and the beneficiary of the system is also putting up considerable resistance to reform. This is not merely a reflection of the objective difficulties; it is, rather, that people at the lower levels of the leadership hierarchy, and especially junior cadres, believe that their position is under threat; they face a loss of authority, and a
If we take all these factors together, we might say that the country is coming to the painful, and no doubt dangerous, conclusion that there are in fact several Chinas. Inequalities are increasing, and they are not restricted to the differences between the rural poor and the rural rich. A process of differentiation is at work between developing and stagnating regions, between prosperous and declining towns and, within the town themselves, between social sectors whose situations are very different. The realization that there are several Chinas has re-awakened the fear, which has been there throughout the twentieth century, that the nation might become ungovernable, or even the recurrent nightmare of the possible disintegration of this vast country. This is of course a very distant possibility. But China did come close to losing its national unity earlier this century, and the vague fear (which is rarely expressed as such) of disintegration has become an element in the CPC's assessment of the situation and in its political mobilization. It is also highly probable that considerations of this kind lay—and lie—behind the suspicion with which certain sectors of the CPC view reforms that are too rapid or too radical. And the debates of 1986—a year when discussions were particularly open—centred upon the radicalization of the reform programme. Hu Yaobang, the General Secretary of the CPC and therefore an extremely important figure, linked reform with the democratization of both society and Party. The meaning of the words must, however, be clearly defined. There was no question of Western-style democracy, with debates between parties, a free press, and so on. Nor was there any question of a workers' democracy, or of society being run by councils of workers and intellectuals. It would be more accurate to speak of 'tempered authoritarianism', or of a 'segmented democracy'. Social groups were offered an internal freedom of expression: scientists would be allowed to talk to other scientists, and technicians would be able to discuss their managerial problems openly. But there was no question of discussions between groups, or of democracy in any real sense of the term.

The Party-State was to retain control of society. But there was a desire for a new or even rejuvenated Party led by competent cadres with a high level of education, a Party which could incorporate the new strata of technicians and the intellectuals who were so essential to the implementation of reforms. What was being proposed was, therefore, an elitist or selective 'democracy', in which a certain freedom of expression would be extended, and a wider cross section of social strata would be involved in the running of society. The aim was to make relations between the Party-State and society more flexible.

But the Party-State was plagued with conflicts between the various currents within it. It also had to deal with a serious problem in terms of reduction in the various bonuses enjoyed by cadres who are often incompetent.
the succession of power. Deng was in his eighties, and many of the leaders— the last powerful survivors of the generation of Communists who had fought the Revolution and built the CPC—were in their nineties.

The war of succession, which could not be put off any longer, together with the realization of the problems and dangers facing China, broke the reformist consensus established in 1978. We do not yet have sufficient accurate information to describe the obvious break that occurred during the crisis of late 1986 and early 1987, a period which saw the removal of Hu Yaobang and the weakening of the reformist group. I will therefore restrict myself to a few remarks; the task of making a detailed analysis of recent conflicts in the Party apparatus will be left for a later study.

We can say, without any great risk of being contradicted, that between 1978 (or even 1976) and the present, the Party's top leadership had reached a broad agreement as to the need to put an end to the Maoist period and to reform the system, even though there was not always any general agreement as to how far Mao himself should be criticised. But as the reform process went ahead, and as its potential emerged, there was increasing disagreement as to how far it should go and what direction it should take. Hu Yaobang wanted society to have a certain autonomy and wanted to modernize the Party so as to improve its leadership capability, whereas old leaders like Chen Yun and Peng Zhen were more attached to a certain Soviet-style continuity. They began to disagree more and more violently. When the student demonstrations of December began to influence and even inspire sectors of the working class, especially in Shanghai, fears that a Polish-style situation might arise allowed those worried about the unpredictability of the reform process to gain the upper hand, at least for a time.

In the spring of 1987, the reform process began to slow down, but it did not stop. Given the absence of any convincing alternative, it was in fact impossible to halt the process. Recent calls to read Mao's *Talks at the Yenan Forum on Literature and Art* (1942)—which were designed to silence the intellectuals—may be regarded as disturbing, or simply ridiculous, but they do not offer an original or credible way forward. Nor is the new slogan 'Save, work hard and consume less' particularly attractive. It is not as though the population were prosperous! The important feature of the recent period is the slower rate at which reforms are being implemented. Major features of the programme have been dropped, and wage reform may have come to a complete halt. But the process goes on. One has the impression that the climate is similar to that which prevailed at the beginning of the reform period in late 1978: complicated and roundabout methods are being used because it is impossible to get to the heart of the problem. The Thirteenth Congress of the CPC is due to be held in the autumn, and an heir must be found to succeed Deng, who is now eighty-three. The climate is uncertain, as is the outcome of the struggles at the
5. Four Hypotheses as to the Future

The process of reform in China is unpredictable, but the changes the country has undergone in only a few years are so great that there must be a question mark over its future. No one predicted, and no one could have predicted, the transformations that have taken place in the ten years since Mao's death. The need for 'de-Maoification' was obvious. But no observer would have had the intellectual daring to predict that within six or seven years of Mao's death, nothing would remain of collectivization or of the people's communes, which had been one of the essential pillars of the regime. And whilst industrial reform is still in an embryonic phase, life in the towns and the whole quality of Chinese society have been considerably modified.

As a country, China is now more open to the outside world. It in fact depends upon the outside world for the training of high-level technicians and academics. The country has done more than any other Eastern bloc country to introduce elements of the capitalist system—elements of a stock exchange, direct investment of foreign capital. The regime has learned to be more flexible in its dealings with society. But it still will not tolerate open opposition. The 'grey economy', which is not even really underground, is essential to the workings of the system. China is quite definitely a member of the 'real socialism' family. The forms of corruption which are now so widespread may be painful reminders of the pre-1949 period, and similar to those found in so many Third World countries, but they involve officials—and therefore segments of the Party-State—and thus relate primarily to the indeterminacy of 'real socialism', which is neither a structured statism nor an articulated form of capitalism. Corruption has less to do with the existence of a system which has become corrupt than with the corrosive effects of an economy which has no powerful defence mechanisms. Indeterminacy, uncertainty, uncertain rules. . . what will become of China and of the reform process? Four hypotheses can be put forward for discussion.

a) The first is a matter of stating the obvious. China has entered its NEP period. It is possible that this period will last for a long time. Basically, the regime is now experimenting with something that Mao promised as early as 1940, and which the PRC implemented in the very first years of its existence: New Democracy. New Democracy meant accepting that, for a long time to come, a strong socialist government would co-exist alongside a capitalist economy. Capitalism was expected to develop in the towns, and small landowners were expected to prosper in the countryside. The CPC would retain a firm hold on power. But in 1952, the new regime adopted an anti-capitalist policy in the towns, and by 1956 the offensive had wiped out virtually every trace of urban capitalism. In 1955 the process of
collectivization began in the countryside, and within about a year private ownership of land had been eliminated. Only small individual plots were spared.

Even official publications now admit in more or less explicit terms that China was a very backward country and not ready for such a rapid anti-capitalist process. Hence the attempt to retreat and to (re-)construct a real NEP in which a 'Communist' government controls 'the heights of the State' and major areas of economic life, but in which the inhabitants of towns and villages alike have considerable room for economic initiatives. The introduction of an NEP is a forbidding task, as it goes against the cumulative effects of the decades in which the Party-State controlled every aspect of the country's social, economic and cultural life, and even individuals' private lives. The inertia of major sectors of the bureaucratic apparatus; the privileges enjoyed by workers in the State sector; the absence of any tradition of modern management and the suspicions of citizens who have learned from the bad experiences of the past; not to mention power struggles at the top, all make it difficult, to put it mildly, to organize a credible and lasting NEP.

b) It is particularly difficult to establish an NEP which could at last give China the economic base it has always needed so badly as the logic of NEP is hard to control. The regime rapidly entered an anti-capitalist phase in 1952 and began to attack private capitalism because it realized that the Chinese bourgeoisie, which had been so weak in 1949, was rapidly regaining its strength and was potentially a powerful enemy. This appears to have been an objective assessment of the situation. Capitalism is now being established in both the towns and the countryside. Neither development represents any real threat to the regime. In the towns, the process is largely restricted to small-scale enterprises. In the countryside it is more a matter of individuals acquiring a certain wealth and a desire for consumer goods than of real capitalist accumulation. All this is true, but things are changing rapidly. Given the strength of world capitalism, which is very active on China's doorstep—Hong Kong—the effects of corruption or even decay within the CPC, the temptation for cadres—or their children—to become private entrepreneurs, it is possible that fully-fledged capitalism will begin to appear. Many CPC cadres at least fear and think that this may happen. This is why they are so reluctant to allow this development to go on or to see the fulfilment of a capitalist destiny which has gone so sadly wrong in the twentieth century (for the Chinese bourgeoisie, the golden age lasted for less than ten years: from about 1910 to the early 1920s).

c) There is therefore a tendency, which is represented at the very top of the hierarchy (by Chen Yun and, with certain differences, Peng Zhen), to want to return to a sort of moderate Soviet classicism, whilst avoiding its errors. The objective is to reintroduce centralized planning, without excessive centralization, and to find a balance between heavy and light...
industry. To sum up this tendency in rather schematic terms, we might say that it relies upon an almost Weberian schema for a rational bureaucracy made up of experts, which resists corruption and will probably find support amongst sectors of the working class. This tendency derives its strength from its realization that if China is plunged into a reform process which creates major social inequalities between different regions and groups, or even different worlds, centrifugal trends may emerge. It is even possible that China might begin to disintegrate. The problem of Chinese unity has long been a major issue in the twentieth century, given the size of the country and the fact that it has been threatened with colonization and dismemberment. If the NEP trajectory or even deep capitalist penetration were to raise the question of China's unity once more, there would be considerable pressure for a return to the model of the 1950s, minus Soviet excesses. According to this scenario, the Party would recover both its pre-eminence and the initiative in slowing down the capitalist process. 'Chinese socialism' would assert its statist identity, and its vocation for protecting a fragile country against a powerful outside world without necessarily falling back upon an impossible Maoist autarky. This is far from being the least probable of our four hypotheses.

d) There is, however, another variant. According to this scenario, the current process would continue and neither tendency would prevail in the foreseeable future. We would then have the compromise position which can be seen in so many Third World countries: the state would, to a greater or lesser extent, be contaminated by private economic activity, but would co-exist with a private sector which would be too weak to transform China completely or to re-integrate it fully into the world market. The country would experience uneven regional development, and there would be a real possibility of a decline in its real unity, but not of its actual disintegration. Parasitic cadres, whose depredations are contained but already visible, would extract such tributes that they would place an impossible burden on society and on the Chinese economy. All these dangers, and the obvious fears of certain figures in the Party, explain both the caution with which complex industrial reforms are being introduced, and the constant pressure for a return to a well-tempered Soviet classicism.

All these new factors must be taken into account, whatever future development may emerge. The most important factor—and this again is not specific to China—is what might, with some circumspection, be termed the emergence of public opinion, and perhaps of an embryonic civil society. It would be a mistake to overestimate this tendency's importance. But the main point is that, as was the case in post-Stalinist Russia, it is no longer possible to rule Chinese society through terror, or simply by manipulating various social groups or sectors of the population. The State now has to find a way to negotiate with society. The negotiations are secretive, discreet, and no one admits that they are taking place, but they
are no less real for that. That they are going on is obvious, for example, from the reluctance to introduce reforms which would do away with jobs for life in the State sector, even though they are essential to the success of the entire reform programme. In a rather different way, it is also obvious from the attempts to create a legal structure: citizens are beginning to be given minimal guarantees of legal treatment at the hands of the apparatus.

The regime may have no qualms about crushing open opposition, but it does have to listen to public opinion and to the demands being put forward by different social groups and sub-groups. Various sectors of the population are, with some hesitation, beginning to find ways to express their demands and interests. It is no longer possible to ignore their calls for a better standard of living or for a better education. Even the atomized peasantry has succeeded in having land decollectivized and in returning to the family agricultural structure—with assistance from part of the apparatus. But China still does not have an active society, and there is still no open conflict between rival social interests. Far from it. The regime has, however, been forced to accept that China is, in the post-Mao period, a more modern country than it wished to admit, and that a Maoist-style rigid, systematic cadre system is no longer appropriate. This is an important factor, and its effects will be felt to an increasing extent, but it is impossible to say what economic and social—or even political—solution will emerge.

Translated by David Macey

NOTES

3. The improved grain harvest of 1986 reduced tension to some extent.
4. It is of course possible that when Hong Kong reverts to China in 1997, it will be drained of its capitalist substance and dynamism, despite all the promises that have been made.