

Introduction

“Mao was great because he made China unified/independent. Deng Xiaoping opened China. And Jiang Zemin, he let the Chinese people have a normal life. Before, when I was young, my folks told me not to make political mistakes. Now I can tell my kids to learn in school well and they can be millionaires. The environment is now free, more relaxing. People now like to go see *Titanic* [the movie], and one lady saw it nine times and cried every time. Enjoy everyday life, this is our new idea. Before we had to talk about contributing to the masses. But we came to the world to enjoy our short lives. A normal life is very important for Chinese. In the Cultural Revolution I was a Red Guard, and my daughter was surprised and said I had been a bandit. In my house, growing up, before every meal, before a picture on the wall of Mao [Zedong], we recited quotations from Mao. Now it seems funny to have done such stupid things.”

—Secretary-general of a special event, July 2003, Beijing

Based on 558 interviews with Chinese leaders, on case studies, and on innumerable documents, this book humanizes China’s extraordinary course of development since Deng Xiaoping’s 1977 return to power, examining domestic politics, foreign relations, natural and manmade disasters, civil-military relations, and the Chinese style of negotiating. This volume reveals the human frustrations China’s leaders feel, the nightmares disturbing their sleep, and the sheer scale of the challenges they face. Challenges run the gamut from meeting rising political expectations and keeping the economic juggernaut going, to providing citizens breathable air and potable water and reassuring an apprehensive world that Beijing’s growing power is not a threat. In the second decade

of the new millennium, China is in a far different political space than it was in 1977. Today, with weaker leaders, an increasingly fragmented society and bureaucracy, and empowered societal and interest groups, bringing a lagging political system into increasing harmony with a changed society is the central challenge.

China's unparalleled growth and societal change since 1977 poses a vital question: "Will the Chinese government be able to control its own internal and external behavior in the years ahead?" If not, major trouble lies ahead for China and for the world. Part of the answer to this question of whether control will continue to be maintained lies in the types of leaders China has had and will produce. What vision do China's leaders convey to their people and the world, and how might that change? How will these leaders interact with the ever more complex and pluralistic society they seek to govern? Will China's pluralism become progressively more anchored in institutions, laws, regulations, and ethical norms that are increasingly shared worldwide?

Leaders count in world affairs. Their behaviors are grounded in a complex and ever changing combination of personal and group experience, domestic economic/social/political forces, institutional structures, international regimes, external pressures, and luck. Since leaders count in explaining the behavior of states, one must inquire into the specific motivations, capacities, and perceptions of individual leaders to anticipate future behavior. General theorizing is inadequate. China's leaders face internal governance tasks of such magnitude and complexity that they will be preoccupied for a long time. Present and future PRC leaders are, and will remain, ambivalent about assuming international burdens and responsibilities that many outsiders consider essential. These leaders are torn between the attraction of gaining greater global status and protecting the PRC's growing world-wide interests and the knowledge that their country remains poor and their grip on power tenuous. As China's citizens, companies, and other organizations expand their global reach, Beijing will find it increasingly difficult to control their myriad activities.

Since the early 1970s, how have Chinese leaders at all levels evolved their thinking about governing their own nation and dealing with the outside world? To what extent is the Chinese political system different than it was when Deng Xiaoping returned to the national and international stages in July 1977—the date at which I reckon the reform era began?¹ This book allows Chinese leaders to speak for themselves.

However, this book has broader purposes than simply to humanize China's extraordinary course of development—it presents an evolution-

ary picture, concretely specifying changes and continuities and revealing the reality, inasmuch as possible, of working in the often frustrating Chinese system. This work is a selective history of challenges confronting contemporary PRC leaders, illustrated with case studies and individual-level data. It defines in both graphic and theoretical terms how China has changed and the future challenges this presents to its people and to the world.

“Leaders” I define here as those persons in the public, private, and social organization sectors who exert significant influence over diverse realms of policy and public discourse (political, military, social, economic, and intellectual). Leadership in China is broader in scope than simply the small number of members of the Standing Committee of the Politburo who sit at the apex of the national power hierarchy. One of the most important changes in Chinese society over the reform era has been the gradual enlargement of the scope and diversity of individuals who reasonably can be counted as leaders.

There have been both continuities and dramatic changes in the reform period with respect to how Chinese leaders view the governance of China and its role in global affairs. Understanding these continuities and changes is important to those who live *in* China and to those abroad who must live *with* China in the twenty-first century. For example, one area of continuity with significant consequences for both citizens of the PRC and the outside world is the still deeply engrained idea among the vast majority of the Chinese population that the state has a legitimate, essential, and expansive role in information management; one Chinese Academy of Social Sciences study found that more than 80 percent of those urban Chinese respondents surveyed agreed that the Internet should be managed or controlled, with nearly 85 percent of those respondents arguing that the government should be the entity to manage it.² On the other hand, one great change over the past four decades is that the idea of global interdependence is increasingly recognized and accepted, not only by elites but by ordinary citizens as well. The biggest change is the development of a domestic social and political system characterized by a weaker, less cohesive leadership group, a more pluralized society and bureaucracy, and subnational actors in government, society, and the economy with more resources to promote their interests. If these trends continue in the absence of (a) more legal and regulatory control, (b) more transparency and accountability, and (c) more ethical constraints, an untethered China will spell trouble for itself, its neighbors, and the international community.

HISTORICAL BACKGROUND

In the twentieth century, China had three revolutions, two of which were in the communist era: the first was the collapse of the Qing dynasty in 1911 and with it the demise of the traditional dynastic system. After a protracted transitional period of domestic and international strife in the first half of the twentieth century came the second (communist) revolution with Mao Zedong in 1949 and what soon emerged as his grotesque exercise of power, which lasted until his death on September 9, 1976. Finally, in the last two-plus decades of the twentieth century came a third revolution, albeit a more gradual, less violent phase, in the communist order itself—the reform era. Its character is illustrated by an exchange between Deng Xiaoping and CBS journalist Mike Wallace in 1986. When Wallace commented, “The China of Deng Xiaoping is different from the China of Mao Zedong. It’s a new revolution that is going on here, at least you are trying to make a new revolution, it seems,” Deng replied, “You are right. We too say that what we are doing now is in essence a revolution. In another sense, we are engaged in an experiment. For us, this is something new, and we have to feel our way. Since it is something new, we are bound to make mistakes. Our method is to review our experience from time to time and correct mistakes whenever we discover them, so that minor mistakes will not grow into major ones.”³

After decades, the extremes of Mao’s era appear distant, almost ephemeral, while the implications of the changes Deng Xiaoping wrought become clearer and loom larger. Though there is a certain popular nostalgia for the faux equality and simplicity of Mao’s era, deep dissatisfaction with some of the unwelcome consequences of the reform era that followed his rule, and deep resentment at changes that have failed to occur, there is no significant constituency for the deprivation, brutality, social and economic control, and national dysfunction that were the central features of Chairman Mao’s “order.” Chinese society has changed so fundamentally since 1977 that, barring something approaching total social breakdown, the preconditions for such national tyranny no longer exist.

This book chronicles, explains, and assesses the evolution of the ongoing revolution from the death of Mao Zedong through the eras of Deng Xiaoping, Jiang Zemin, and Hu Jintao and into the era of Xi Jinping that began in the fall of 2012. Revolution is an abrupt and systematic change involving the repudiation and overthrow of the preexisting

sociopolitical order. Though it can be initiated from above or below, revolution is energized by mass popular participation and characterized by new institutions and patterns of behavior. As Crane Brinton observed in *The Anatomy of Revolution*, revolutions often go through cycles of initial moderation, growing excess, popular reaction, and sometimes a new revolutionary sequence—this describes the Mao Zedong-to-Deng Xiaoping progression.⁴

In October 1949, with the ascension to power of Mao Zedong and the Chinese Communist Party (CCP), China entered its communist revolutionary phase. Chairman Mao's increasingly excessive and ever more costly experiments over the next more than quarter century set the stage for what I will term (and what Deng himself called) a second communist-era revolution beginning in July 1977, when Deng Xiaoping returned from political exile to the upper reaches of leadership and quickly emerged as China's supreme—though not entirely unconstrained—leader. In a policy sense, the first dramatic evidence of Deng's revolution was expressed in the policies of the Third Plenum of the Eleventh Central Committee in December 1978. This conclave defined the new era as concerned with socialist modernization and decentralized rural production systems and came immediately on the heels of the announcement of the establishment of formal diplomatic ties between the United States and the PRC—a bold move that marked an entirely new posture toward the outside world.⁵

Much as Mao Zedong's 1949 assumption of power marked an abrupt and enormous change in governing regime, legitimating ideology, leadership characteristics, institutions, distribution of power, socioeconomic foundations, and active support of a large percentage of the governed (in the beginning, at least), Deng Xiaoping's rise nearly three decades later marked a similar immense revolutionary transformation. In the new reform era, there was dramatic change along a number of dimensions: from Marxist/Maoist political dogma to measurable and pragmatic economic and governing performance indicators; from the planned economy to a substantially more market-driven system and all that implied; from rule by older ideologues, peasants, and heartland revolutionaries to rule by younger, more urbane, coastal, educated technocrats and others with diversified disciplinary backgrounds;⁶ from an autarkic economy to a pacesetter for globalization and interdependence; from a system shut off from the outside world intellectually to an increasingly information-saturated society that sent its best and brightest abroad for study in great numbers while simulta-

neously dramatically expanding education at home; and from a totalistic political system to an authoritarian system with the more limited objective of keeping the CCP in power. In short, in moving from the first to the second Chinese communist-era revolution, the PRC transmogrified from a system that actively sought to shape human behavior (and thought) to one that cares principally about keeping a calm political status quo, and from a system that defined self-sufficiency and isolation as success to one that aims to keep expanding China's power and status on a global scale.

The description of the Deng-initiated changes as “revolutionary” requires one important qualification. By Deng's design, the CCP maintained its monopoly on political power and permitted virtually no non-party contestation for the commanding heights of the governing system. Over time, however, the composition of the CCP has changed considerably, becoming more reflective of the society it rules, and very limited political competition has gradually emerged at the lowest levels of the Chinese hierarchy (in villages and in urban districts). There have also been circumscribed attempts to introduce competitive and performance-based dimensions into official post selections within the CCP by using devices such as straw polls, putting forth more candidates than there are posts, and drawing on performance reports that incorporate popular input.⁷ Moreover, within the political elite, over time, competition to get on the Standing Committee, the Politburo, and the Central Committee and to attain specific posts at those commanding heights has become more publicly apparent, as seen in the run-up to the Eighteenth Party Congress in the fall of 2012 and the National People's Congress (NPC) the following spring. Chongqing first party secretary Bo Xilai is a case in point: during his several years there, Bo tried to elbow his way onto the Politburo Standing Committee by constructing a populist support base fueled by resentment toward corruption, a desire for a more secure and state-centered social safety net, and a vague nostalgia for the seeming simplicity of the Mao era. The spring of 2012 saw his rapid and ignominious political demise, in part precipitated by his wife's murder of the foreign businessman Neil Heywood and subsequently his desertion by subordinates who regarded him as a sinking political ship.

The struggles to achieve more harmony between the new society and the old politics, sustainable and balanced economic growth, and strengthened legal and judicial, regulatory, and auditing institutions will drive Chinese politics in decades to come. Reform, not least political reform, is like riding a bicycle—either you keep moving forward or you fall off.

THE ROLE OF LEADERS AND SOCIAL FORCES

There are at least two contending ways to understand, and perhaps even anticipate, the behavior of nation-states. One is to apply theories and observed general patterns of state and interstate behavior to a particular situation and to anticipate that future behaviors will accord with the general pattern. So, for instance, John Mearsheimer or Paul Nitze would consider that in the circumstance of a rising power (China) gaining strength in the face of a currently dominant power (the United States), in a largely anarchic international system, it is likely that the rising power will emphasize the conversion of economic power into coercive strength, thereby striving to displace the top dog and achieve dominance, hence security, for itself.⁸ In turn, this behavior by the rising state will theoretically induce the current top dog (the United States) to defensively react, thereby producing an upward spiral of competitive tensions and eventually conflict, if not war. Specific behavior is predicted from the asserted generalized pattern and theory, without much reference to the specific institutions or personalities within individual states at a given moment. The example of China's maritime behavior in Asia in the new millennium, the concerns of the PRC's neighbors, and the American response of trying to shift U.S. attention and assets toward the Pacific provides some evidence for this view.

This volume, however, is grounded differently. It seeks to understand China's institutions, sociopolitical systems, and leaders on their own terms. The focus is on discerning the goals and objectives of leaders, the institutions that constrain or facilitate their activities, and the lenses through which key individuals and groups filter information. This approach is inside-out; it is inductive. An additional perspective embraced in this volume is interdependence theory—the assertion that institutional and economic interdependence in the international system dampens impulses toward conflict. Interdependence constrains the choices facing leaders and can promote cooperation. Shanghai's city fathers, for instance, are forthright about how their city's welfare is directly tied to the economic vitality of its major export markets, especially the United States. The predominant inclination in Shanghai is to find a way to avoid conflict either across the Taiwan Strait or with America—it is simply bad for business!

No one perspective, either the deductive strategic perspective or the inductive, data-driven approach, is the sole path to understanding the PRC. Today, however, I see an understanding of China derived from

big-power conflict theory to be in dangerous ascendance, not just in the United States, but in certain quarters of China as well.⁹ This volume seeks to inform our understanding of China by populating our visions of the PRC in the early twenty-first century with real people, speaking in their own voices about their country, its current circumstances, and its future. I seek to convey a vision of Chinese leaders and society that is not only more authentic than the vision deduced purely from cross-national theory and generalization but also more predictive of future Chinese behavior—more human. The diplomat George Kennan, speaking to his biographer John Lewis Gaddis, expresses a similar approach to understanding another nation’s (in this case the Soviet Union’s) behavior and distinguishes it from that of his longtime Cold War associate Paul Nitze:

[Paul Nitze] has the characteristic view of the military planner. . . . Who is the possible opponent against whom you’re supposed to plan a war? What do we assume on his part? We assume that he wishes us everything evil. We don’t inquire why he should wish this. But, to be safe, we assume that he wants to do anything evil to us that he can do. And secondly, then, when we are faced with uncertainties about his military strength, about his capabilities, we take the worst case as the basis for our examination. These things, I suspect, enter into Paul’s views.

And you see, then, that one of the differences is that he [Nitze] is dealing with a fictitious and inhuman Soviet elite, whereas I am dealing with what I suspect to be, and think is likely to be, the real one.¹⁰

Inductive though my basic approach here is, this book reaches a central, theoretical conclusion and makes a prediction. The conclusion is that the Chinese polity has fundamentally changed since July 1977 when Deng returned to power—leaders have become weaker, society stronger, and both leadership and society more pluralized. The prediction is that it will be difficult to maintain social and political stability without further, dramatic changes in political and governing structures and processes, as well as further evolution of China’s political culture. China has undergone enormous change, but only further enormous change can preserve stability well into the twenty-first century.

THE INFORMATION BASE: STRENGTHS, LIMITATIONS, AND RESPONSIBILITIES

Though official, other documentary, and statistical data are critical materials upon which this volume draws, its foundation is a set of 558

interviews conducted between 1971 and 2013. The vast majority of these interviews (93 percent) were conducted by me personally, but I have also utilized interviews conducted by a few colleagues, most prominently Ms. Jan Berris, vice president of the National Committee on United States-China Relations. In very few cases, I have included in the data set U.S. government transcripts of high-level meetings and discussions and interviews by journalists, particularly from the 1971–77 period, a time when China was just opening to the United States and before I was regularly traveling to the PRC.¹¹ Overall, 70 percent of my interviews were conducted with PRC respondents (not including Hong Kong), and 19 percent with respondents from Taiwan (the Republic of China or ROC), with the remainder including “others” (including Hong Kong) who fell outside these two areas, as explained in greater detail in the Appendix.

Throughout my career, starting as an assistant professor at the Ohio State University and then becoming president of the National Committee on United States-China Relations in New York and founding director of the China programs at the American Enterprise Institute and the Nixon Center (which later became the Center for the National Interest) before returning to academe to become Hyman Professor and director of China Studies at the School of Advanced International Studies, I have taken nearly verbatim notes of most meetings, conversations, and formal interviews with people from Greater China and surrounding jurisdictions. The notes are from one-on-one and group meetings with leaders at all levels that took place during protracted periods of fieldwork in China (1982), Taiwan (1978), and Hong Kong (1972–73) as well as during shorter research stints, and from innumerable policy-oriented delegations and dialogues in which I have participated over the years since the mid-1970s.

The encounters occurred in a variety of settings, often circumstances in which I had a mixture of academic, bureaucratic, and policy purposes. These varied and often intertwined objectives meant that I was involved in building continuing, long-term relationships—some spanning decades. This has given me a feeling for individuals and their constraints and has provided me with a sense of change rather than just variation across personalities, but with this insight come possible blind spots and an empathy that not only can clarify but also can cloud judgment. Accompanying such association and access must come a sense of responsibility to one’s informants.

A significant fraction of interviews were conducted exclusively in Chinese, or in circumstances where the interviewee spoke in Chinese

followed by consecutive interpretation into English (often by Chinese government interpreters). When consecutive interpretation is used, as it often was, the bilingual listener has two passes at the information being conveyed, first in the speaker's native language and then in the note taker's mother tongue. This increases the reliability of what is recorded and how it is interpreted. With senior PRC academics, policy analysts, and think tank researchers, the interviews usually were conducted in English, given their relative language proficiency. This circumstance also meant that interpreters and note takers often were not present to officially record the conversation and disturb the intimacy of the setting. The overwhelming bulk of interviews were conducted in China, Taiwan, and the United States. Initially, in the 1970s and early 1980s especially, conversations conducted in the United States were relatively less constrained for the Chinese interlocutor, but it has seemed to me that over time PRC Chinese have felt less reticent to express their thoughts on the ground in China as well.

The 558 interviews in this data set are not all of the conversations I have documented during the forty-plus years covered in this book, but they are those conversations for which I have high-quality materials and that I believe to be most significant. Each document in my data set usually provides an introductory "Note" that sets the stage for the conversation, provides some biographic information about the subject as well as our possible prior interaction(s), and describes the setting (physical and political) that created the context of that particular conversation. Each interview has been entered into a Microsoft Access data management system that permits the researcher to search using key words as well as "fields" such as date of interview; interviewee name; political jurisdiction in which the interview occurred; interviewee gender; status; rank; and domain. More details of the data management system and all terms are provided in the Appendix.

Interviews are searchable by the "political jurisdiction in which the interview occurred," meaning that throughout my career I have adopted a "Greater China" perspective. While the dominant focus has been the PRC, I have never lost sight of the importance of Taiwan, Hong Kong, Macau, and the Chinese diaspora (especially the Chinese communities throughout Southeast Asia). These communities outside the administrative control of the PRC are vital sources of ideas, talent, marketing networks, capital, and sometimes political support for China, not to mention the sources of policy, security, and other challenges for Beijing. These jurisdictions should be factored into any comprehensive picture

of the PRC's governance, development, and international behavior, even though their populations are not large in comparison.

An "interview," by my definition here, is often, in fact, a group meeting, with the thoughts and views of more than one individual respondent expressed during the course of the discussion, including the views of one or more foreign guests.¹² I do not know how many different persons have their views reflected in the entire data set, but it is far more than 558. For instance, in one 1971 interview with Premier Zhou Enlai, two notorious members of the Gang of Four (Yao Wenyuan and Zhang Chunqiao) were present and expressed their frighteningly vacuous views. Parenthetically, the American visitors in that session did not generally acquit themselves very well either.¹³ Reading the words of this conversation more than forty years later, one would have had no inkling that today's China or, indeed, today's Sino-U.S. relationship would emerge. In other interviews, subordinates of the "principal" leader sometimes briefly contributed to the conversation, though subordinates seldom spoke; of the senior leaders I have met over the years, Premier (and subsequently general secretary) Zhao Ziyang was the most amenable to participation by subordinates.

The convention I have employed in quoting from these interviews is as follows: given that most interviews are characterized in their introductory "Note" as "near verbatim, with exact words in quotation marks," in the chapters that follow, where a passage is set off as a block quotation, I put double quotation marks only around the exact words within it (in a few instances, around the entire quotation to indicate that the entirety is exactly worded). Where a quotation is run into an ongoing paragraph or sentence, I put double quotation marks around the start of the "near-verbatim" portion and single quotation marks around the exact words within (which may be the entirety). With respect to the romanization of personal Chinese names, I use the spellings that the respondents use if they have a preferred romanization about which I know. In the absence of such a preference, I use Pinyin in most cases, with the exception of Taiwan. With place names I also use the locally preferred romanization.

THE PLAN OF THIS BOOK

This book is divided into four sections—a beginning, two major sections in the middle, and a conclusion.

I. Chapter 1 paints a broad picture of the changes and continuities characterizing the evolution of Chinese governance, leadership, and

elite perspectives on relations with the outside world from 1971 to 2013. This overview pays particular attention to the strategic thrusts of Deng Xiaoping's reform policy in the years immediately following his return to power in 1977 and the results of these policies from the perspective of the twenty-first century.

II. Part 1 (chapters 2 through 4), entitled "China, a Wide-Angle View," deals with system change and continuity from 1971 to 2013 across wide swaths of China's bureaucracy, society, and geography. Chapters 2 and 3 in this section focus on China's governance and leadership and the policy-making system because one of the thoughts suffusing much analysis of contemporary China is that there has been economic change but virtually no political system change. The truth is much more complex. There have been important areas of both change and continuity in China's governance, leadership, and policy-making system. In chapter 4 I discuss continuity and change in China's view of, and behavior in, the world.

III. Part 2 (chapters 5 through 7), entitled "China, an Up-Close View," takes a more fine-grained look at aspects of China's governance and dealings with the outside world. The chapters "Nightmares," "Soldiers and Civilians" (on civil-military relations), and "Negotiation Chinese Style" make the Chinese system come alive along specific dimensions of particular interest to policy makers, scholars and students, and general readers.

IV. The final chapter, "Conclusion: Driving beyond the Headlights," assesses China's trajectory, both internally and globally, in light of the many considerations that I have raised in the volume. I conclude with assessments of what this path will require of China's people and the rest of the world, not least the United States, in the years ahead.