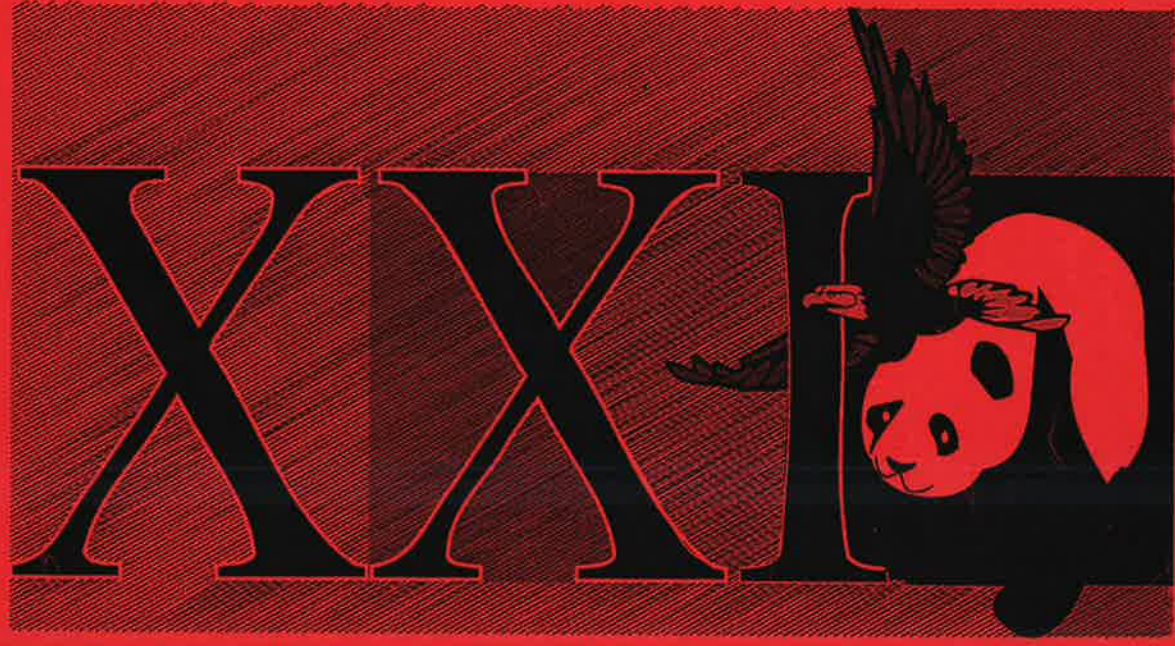


Garver

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U.S. Army War College Annual Strategy Conference

# China into the 21st Century:



## Strategic Partner and ...or Peer Competitor

WILL CHINA BE ANOTHER GERMANY?

John W. Garver

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Carlisle Barracks, Pennsylvania

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## **WILL CHINA BE ANOTHER GERMANY?**

**A paper prepared for the Conference on  
China into the Twenty-First Century: Strategic Partner  
and/or Peer Competitor**

**23-25 April 1996  
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## POSING THE QUESTION

China is in the midst of a profound transformation. Its economy grew at a rate of 9.8 percent between 1979 and 1994. Industrial growth has been even more impressive, increasing at a rate of 14.9 percent during that period. Between 1986 and 1994 industrial growth was a whopping 17.9 percent.<sup>1</sup> These growth rates are among the highest in history. By way of comparison, Japan's economy grew at 7.8 percent per annum between 1946 and 1986, while Germany's achieved 2.8 percent annual growth during the years between 1870 and 1910, and the United States 3.3 percent between 1891 and 1931. The USSR averaged 6.5 percent growth between 1928 and 1968, excluding the W.W. II years.

Even more important than sheer speed of China's economic growth has been its origin and structure. Since 1978 there has been dramatic movement towards a market economy. Government planning—whether central or local—no longer dominates China's economy. The state sector—state enterprises—increasingly account for a smaller percentage of China's total economic activity. A dynamic and large market sector has grown up around the vestigial institutions of a centrally planned command economy. In terms of where new investment capital comes from, the role of central state organs has withered. In 1994 appropriations via the central plan accounted for only 3.2 percent of all new investment. Another 22.6 percent was "domestic loans" by state banks mostly to state enterprises. Another 10.8 percent was foreign investment. A whopping 48.9 percent was accounted for by local "fundraising" including private borrowing, issue of stock, retained earnings, lending by local credit institutions, and so on. In terms of investment by ownership, in 1994 56.9 percent of all investment still went to state enterprises not receiving foreign investment. Another 10.4 percent of investment went to enterprises with some foreign investment—a situation which made them Sino-foreign joint ventures. Most of these were state enterprises. The remaining 32.6 percent of investment went to exclusively non-state enterprises.<sup>2</sup> Whether one looks at where capital comes from or where it goes, China's economy is increasingly becoming market based and market driven.

Social changes have been as profound and rapid as the economic. The pervasive controls over people's lives that characterized the pre-1978 period have been steadily rolled back. While important controls remain (birth control, the dossier system, residence registration, etc.), and while Chinese are far less free than citizens of a liberal capitalist polity, Chinese today enjoy a wider range of social freedoms than in any period after 1949. Regarding freedom of movement for example, there are today far fewer official obstacles to changing residence or work within China. It is estimated that 100 million Chinese from poor rural areas have left their homes and traveled to large cities in search for work. Rapid growth has often produced growing inequality, inequality which has been very jarring for raised on Maoist, and older traditional, notions of equity. Urbanization is proceeding rapidly. Society is becoming more complex and pluralistic. Professional associations only very loosely linked to the CCP are emerging. Other sorts of voluntary associations are multiplying: churches and temples associations, clan groups, intellectual circles, criminal organizations, etc. With increased freedom has come increased insecurity. Workers in state enterprises --- 2/3 of which operate in the red --- face the spectre of unemployment. Large holes are also being torn in China's social welfare net as the state enterprises that previously administered those benefits decline, but governments at all levels have neither the fiscal resources nor the knowledge to establish adequate comprehensive welfare schemes. In terms of values, Marxist-Leninist-Mao Zedong Thought orthodoxy is rapidly decomposing and being replaced by new ideological systems: modernization theory with Chinese characteristics, new-authoritarianism, neo-traditionalism, and nationalism. The passing of the Maoist totalitarian era plus the rapid growth and opening of the 1980s has produced rising expectations of continued economic growth. Ideas from abroad are also flooding into the country in a fashion unparalleled during the post-1949 period.

Politically there has been much less change. China's ruling elite is still comprised of a fairly small group of people clustered around the Nomenklatura of the Chinese Communist Party (CCP). The total membership of the CCP represents about 5 percent of

China's population, and almost all important decision making positions are filled by Communists seconded by the Nomenklatura apparatus. The people under the purview of that Nomenklatura still constitute a well-defined, self-selected group set off from the rest of society by clear differences in status, and retaining an effective monopoly on political power. Communist rule differs, however, in important regards from the recent past. The Communist ruling elite has abandoned the totalitarian project in which it sought maximal control over society in order to accomplish creation of a qualitatively new social order. The Communist elite is less centralized and more fragmented now than in the past because of the disintegration of the ideology that previously united it, because of reduced charisma of the "3rd generation" leaders, and because of the growing linkage of middle and lower levels of the Nomenklatura to local, non-central sources of wealth and influence.

The last point is perhaps especially important. Commercialization of the economy has created ever more opportunities for acquisition of significant wealth outside the sphere of the centrally controlled economy. The Nomenklatura increasingly functions as a rent-seeking class licensing access to commercial opportunity. Officials vetted by the Nomenklatura hand out the many permits, licenses, and approvals required by entrepreneurs seeking wealth through market-based activity and who may not themselves be a part of the Nomenklatura. This combination of the Nomenklatura's role as gate-keeper to the arena of commercial opportunity with rapid growth of such opportunity has led to an explosion of corruption. This has meant increasing penetration of the Nomenklatura by local interests. As more and more local officials receive significant income deriving from market-based, non-centrally controlled economic activity, the more the Nomenklatura is colonized by local interests. As middle and lower levels become more responsive to market-based local interests, they become less responsive to central Communist authorities sitting atop the Nomenklatura. The symbiotic relation between rent-seeking officials and market-based entrepreneurs creates a mutual interest in sustaining this relation --- and in preventing its disclosure. It leads, in other words, to a division of loyalties, a weakening

of central control, and a decentralization of political power. Money means influence (or at least one type of influence), and one way to look at growing corruption, is as a flow of influence away from the center to market-based entrepreneurs outside the center.

Spiraling corruption has also magnified the legitimization difficulties of political authority. Just as the credibility of the Marxist-Leninist ideology which traditionally legitimized the Nomenklatura's rule has withered, and just as the tensions deriving from the profound changes underway have grown, the authority of the elite is eroded by corruption.

All the above is descriptive. The analytical task remains: how will these changes affect Chinese foreign policy in the years to come? Note that the assumption here is that these changes will continue.

This is a problem which necessarily must be addressed at a theoretical level. First of all, since the task of this paper is essentially predictive, dependence on theory is inescapable. All guesses about what will happen necessarily depend on ideas about cause and effect, about how things interact. Prediction requires theory. Secondly, given the great complexity of the problem at hand, without theory our investigation would be overwhelmed by data. If we take the factors enumerated in the several pages above, for example, and cast them as independent variables we get the following list:

**elites**

the composition and nature of the political ruling elite, the elite, or elites, which controls the institutions of state authority

the existence of important elites other than the political ruling elite and the relation of these elites to one another

**the nature of state institutions**

the ability of state institutions to aggregate the interests of new elites

the degree of state autonomy versus penetration of state institutions by local, parochial interests

**legitimization of state authority**

ability of central authorities to justify their power and policies with widely-believable ideas



the global telecommunications revolution

disintegration of a "moral economy" governed by notions of fairness, and its replacement with an economy inspired by selfish individual pursuit of gain

social tensions generated by

rising expectations

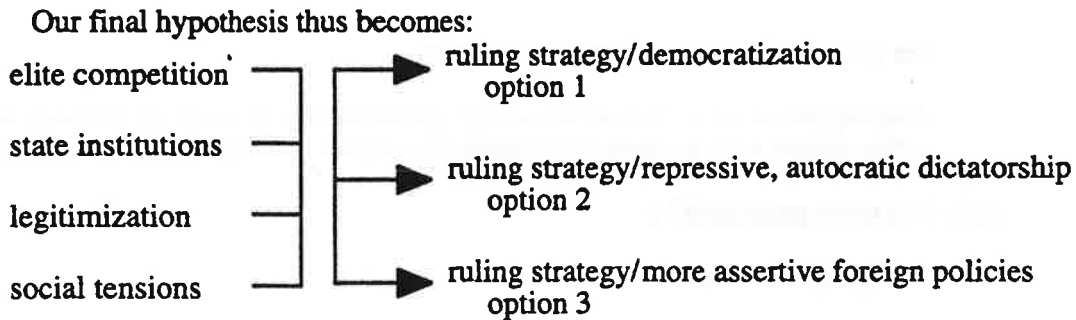
unemployment and fear of unemployment rising from rapid shifts in the structure of production

uprooting of large rural populations

rapid industrialization and urbanization

Our dependent variable is much easier to specify: the foreign policy behavior of the central state authorities. Even more specifically we are concerned with the degree of aggressiveness and assertiveness in the foreign policies of China's central government. The assumptions here are that foreign policy results from decisions made by a central elite, and that China will remain united.

We must also introduce an intervening variable: the political strategies of the ruling elite. The elite who controls central state institutions must deal with multiple, difficult problems: how to prevent social upheavals, how to manage competition among rival elites, how to deal with challenges to central authority, how to legitimize power, and so on. They can deal with these problems in various ways, through different sorts of strategies. One ruling strategy would be to preside over the construction of democratic state institutions which can mediate elite competition and accommodate popular grievances. A second strategy would be to maintain authoritarian state institutions and, repressing all challenges to those institutions. A third strategy of greatest interest to us here would be the utilization of assertive foreign policies to manage these problems. This third ruling strategy is often known as "social imperialism" or to use a less loaded term, a strategy of diversion.<sup>3</sup>



The list of dependent variables-policy outcomes could, of course, be expanded considerably. We are concerned here with only one, however, the social imperialist strategy of diversion. Our question thus becomes: what is the likelihood that the group Communists controlling China's central state organs will resort to assertive foreign policies as a way of building a stable political coalition involving newly-emerged social elites, maintaining control over state institutions in the face of mounting penetration by parochial interests, as a way of legitimizing their continuing hold on power, and as a way of managing high social tensions? As with all futurology, any answer to this question can be only suggestive.

### **Empirical Evidence of Proclivity toward War among Transitional States**

Samuel Huntington is one of the more authoritative writers who has attempted to theorize about the processes of modernization. According to Huntington the process of change from a traditional to a modern society is exceedingly complex and difficult. Social, economic and intellectual changes lead people to begin thinking about themselves in new ways --- as members of groups with distinct interests, as members of a larger political community, and as living in a world made by human efforts and subject to change through human efforts. As these tectonic processes unfold individuals begin to coalesce into groups and make demands on those in political authority. Accommodating these demands is difficult. It requires the construction of political institutions that can accept and process

these deeds, mediate conflicts among groups, and new ideas to uphold new forms of political authority.

The record of development occurs the world over the past 100 years. Abundantly demonstrates the difficulty of constructing political institutions which can process the increased political demands generated by modernization. Coup d'états, civil wars, revolutions, chaos, and repressive dictatorships are at least as common the emergence of stable political institutions appropriate to a modern society, according to Huntington. Moreover, the more rapid the state of social economic change, the greater the difficulty: "The higher the rate of change toward modernity, the greater the political instability."<sup>4</sup>

Huntington was especially concerned with the phenomenon of political violence and revolution. Recently, however, another body of theory has emerged to address the question of the relation of the deep tensions associated with modernization to aggressive foreign policies. In a series of recent articles Edward Mansfield and Jack Snyder investigate the question of whether "democracies" go to war.<sup>5</sup> Although their question is framed in terms of a contemporary debate in American political science, (whether democracies are peaceful and autocracies warlike), many of the issues they raise touch directly on our question. To begin with, we can take a decision for war as an operationalization of the "more assertive foreign policy" specified above as our dependent variable.

Mansfield and Snyder investigate this problem using a standard data set of all wars (defined to mean conflicts among nations involving 1,000 or more battle deaths) between 1811 and 1980. They begin by grouping all states involved in these wars into three categories: authoritarian, democratizing transitional, and democratic states. Democracy is operationalized to mean increasing constitutional constraints on the chief executive, increasing openness in the process of selection of a chief executive, and increased openness in participation in politics. The underlying social phenomenon manifested in these

institutional arrangements are increasing pluralism and increasing participation of the masses in political activity. We shall return to this point below.

Mansfield and Snyder next correlated regime type with involvement in war, allowing for time lags between change in regime and onset of war. They found a very strong correlation between "democratization" and war. While autocracies and fully developed democracies were relatively unlikely to go to war, authoritarian states in the process of becoming more democratic were much more likely to become involved in war. "Democratizing" states were fifty percent more likely to go to war than states remaining autocratic. The chances were 1 in 4 that a state that underwent basic structural changes in the direction of democracy would be involved in war within a decade of that change. The impact of increased openness of political participation was particularly striking. Increased political participation resulted, Mansfield and Snyder found, in a 90 percent increase in the likelihood of war.

Mansfield and Snyder postulate an explanation of this strong empirical correlation between democratization and war as a result of the role of nationalism in managing conflicts experienced by a "democratizing" society. The number and diversity of interests represented in the widening political spectrum makes agreement among these groups more difficult. Often they are separated by wide cleavages: capital versus labor, industry or agriculture, old elites versus new elites, and so on. As elites begin competing with one another they often find mobilization of mass support useful. Old non-commercial elites (landowners, military officers, etc.) may find their positions challenged by developments, and seek ways of maintaining their traditional positions. Central authorities charged with engineering stable government are also weakened by the very processes that lead to increased tensions—increased pluralism and the emergence of mass politics. Finally, democratic institutions that might be able to mediate these elite competitions and mass demands are incomplete and weak. Elections are distrusted because they are rigged, parties are irrelevant because they are weak, and there is no true marketplace of ideas that might

challenge politically useful but dangerous myths. To cope with these immense difficulties, leaders may opt for aggressive foreign policies. Nationalism is immensely popular and may provide a way of binding together disparate elites, bridge social cleavages, and avert or minimize rebellions by legitimizing authority. Nationalism may also be used by non-commercial elites threatened by the development of a profit driven market-based economy as an instrument that allows them to halt the process of democratization. Dealing with the tensions generated by these profound processes of social, political change is difficult. Resort to war, and to assertive foreign policies that lead to war, is a frequent strategy.

### **A SECOND CUT: COMPARISON WITH THE HISTORIOGRAPHY OF WILHELMINE GERMANY**

Another potentially useful way to approach the problem of predicting China's future is to compare China's development with that of Wilhelmine Germany, i.e. Germany between 1871-1914. There exists a near consensus in the field of Wilhelmine history that internal factors drove Germany to aggressive foreign policies during that period. We can thus use the state of current historiographic knowledge about Wilhelmine Germany as a yardstick to measure contemporary China.

There has been an extremely interesting evolution of Wilhelmine historiography over the past forty or so years. Until the late 1960s historians of Germany, especially those who were themselves German, tended to stress the primacy of international politics in explaining Germany's path to August 1914. Germany was a late-arriving power caught up in a global imperialist game and an unstable European balance of power. There were a few historians who argued against this then reigning orthodoxy and in favor of the "primacy of domestic politics." The most notable of these was Eckart Kehr who argued in the 1920s that Germany's Wilhelmine rulers had used a program of aggressive imperialism to serve the economic and political interests of a coalition of elite groups.<sup>6</sup> This interpretation remained a distinctly minority interpretation for sixty years. Then in 1961 Fritz Fischer

published a book maintaining, on the basis of extensive new documentary evidence, that Germany's leaders deliberately took their nation to war in 1914 as part of an effort to dominate all of Europe.<sup>7</sup> The evidence Fisher marshaled was persuasive and the impact of Fisher's interpretation shattered the old ruling paradigm. The "Fischer controversy," as it was known, prompted a deep rethinking which over the course of the next several decades led to a "new orthodoxy."<sup>8</sup>

According to this new orthodoxy, the central defining characteristic of Wilhelmine Germany was its domination by "pre-industrial elites." The aristocratic land owning class of Prussia, the Junkers, and the feudal military caste deriving from that land-owning class dominated Germany via the Hollenzollern dynasty, the state bureaucracy, the officer corps, and the privileged position of Prussia itself within the state system of Germany established in 1871. These "pre-industrial" elites were threatened by forces generated by Germany's rapid industrialization and urbanization in the decades after unification: by the creation of powerful spigots of commercial wealth beyond the grasp of traditional agrarian-based elites, by the rapid growth of educated professional and middle classes, by the emergence of an industrial proletariat, by the spread of mass education and mass communications, and by the powerful influence of modern democratic ideas. These processes created pressure for a democratization of German society and politics. Yet democratization would have ended the dominance of the "pre-industrial" elites. The problem for those elites was how to foil these pressures.

Beginning with Bismarck and continuing through Wilhelm II, Germany's "pre-industrial" elites acting through the German state, adopted a number of strategies designed to foil pressure for democratic reform and uphold what Richard Evans called a "pseudo-constitutional semi-absolutist" empire. Repression was one key ruling strategy outlined by Evans. Opponents of the established order were, at best, excluded from positions of power. Socialists or Liberals could not become teachers, high government officials, or military officers. Police powers and informants were extensive. There was the ever-

present threat of martial law. Over all loomed the threat of a "coup d'etat from above" in which the rulers would suspend constitutional forms and exercise direct dictatorship. Manipulation was another technique involving efforts to divide opposition forces and co-opt former or potential opposition elements to support of the status quo. Members of the ruling elite played instrumental roles in the organization of the patriotic societies that multiplied in the 1890s, for instance, with the purpose of mobilizing the petty bourgeoisie and the proletariat behind the imperial German state. Compensation rewarded loyalty to the autocratic status quo with social insurance schemes, welfare programs, and so on. Indoctrination in the ethos of loyalty to the authoritarian state began in primary school and continued through university or military conscription, and was facilitated by associations ranging from student clubs to the Lutheran Church.<sup>9</sup>

For the purposes of this paper the two most interesting strategies of rule by Germany's pre-industrial elites via the Wilhelmine state were Sammulungspolitik and Weltpolitik or diversion. Sammulungspolitik (coalition politics) involved the formation of a coalition of elite groups supporting the authoritarian state. The crux of this was the famous coalition of "iron and rye," of owners of heavy industry and the land-owning aristocrats cobbled together by Bismarck in 1878-9. The industrialists directing the process of Germany's pell mell industrialization agreed to act as junior partners of the aristocratic-military elite because they feared that confrontation with the old rulers would open the way to a radical challenge from the proletariat, and because the "pre-industrial" elite agreed to key policies that served industrial interests very well. Thus, while the pre-industrial elite was left to run the state, that state pursued policies that served well enough the interests of heavy industry. When that elite coalition had become quite frayed in the 1890s, it was rejuvenated by agreement on a new policy package: Weltpolitik -- the drive to establish Germany as a leading world power. Large naval construction programs delivered lucrative contracts and sustained demand for heavy industry, especially iron and steel, while higher tariffs protected Junker agriculture against cheap food imports. The industrialists

reaffirmed the status quo of the dominance of the lauded aristocracy in state and society, while the navy provided a potent nationalist symbol.

"Diversion" and "social imperialism" are terms used by Wilhelmine historians to describe the technique of directing reformist impulses into enthusiasm for foreign conquest and empire. Throughout the Wilhelmine period Germany's rulers deliberately used nationalist themes associated with Germany's conflict with other nations to rally support for Germany's authoritarian state. Bismarck was largely able to coast on the glories of the wars of unification in the 1860s and 1870s reinforced by continued vigilance against the nemesis France. An even more forceful version of social imperialist diversion was adopted by Bismarck's successors under Wilhelm II in 1897. In that year the decision was made to begin building a first-class high seas navy and the doctrine of Weltpolitik was promulgated. The drive to "world power" began with the acquisition of Qingdao in China's Shandong province as a naval base in China in 1898. The next two decades saw vigorous efforts to expand German influence in the Ottoman Empire, in Africa, in the Pacific, and in the Far East. Over the past two decades historians of Wilhelmine Germany have documented that, in the minds of the architects of this Weltpolitik, its domestic political consequences were primary.

Simply stated, an aggressive drive for world power was intended to stabilize the authority of Germany's authoritarian state against the challenge of reform. It was a way of diverting the democratic reform sympathies of the subordinate classes. The petty bourgeoisie, or middle class, was made up of educated urbanites such as journalists, lawyers and judges, teachers and professors, mid-level civil servants, clerks and office workers, and the owners of small businesses such as restaurants, shops, beer houses, hotels, and so on. These people often chafed at the aristocratic prerogatives built into imperial Germany's state and society. They could have become a major force pushing for democratic reforms --- as happened in many other countries both in Europe at the time and around the world in later periods. By mobilizing them psychologically and organizationally



behind the grandeur of Germany's drive to world power, however, Germany's ruling elite was able to channel middle class impulses for political involvement away from support for democratization and towards support for Germany's drive for world power. Germany's rulers also hoped that the pursuit of world power would also have a powerful integrating impact on the industrial proletariat. This was less successful. While large numbers of middle class people flocked to patriotic societies, only a few proletarians were enthused by imperial grandeur. Most importantly, however, nationalism provided a basis for legitimizing an authoritarian state. Authoritarian political arrangements gained a plausible, new justification. Firm leadership was necessary to establish Germany as a world power, while democratization would lead to internal disunity and lack of resolution. In the words of Immanuel Geiss, "Weltpolitik . . . came into existence as a red herring of the ruling classes to distract the middle and working classes from social and political problems at home at the risk of war, of losing war, monarchy, and all . . . A breathtaking foreign policy was intended to unite the nation and, through mobilization of the masses, would increase her power."<sup>10</sup> As one of the key architects of Weltpolitik Chancellor Johannes von Miquel put it in 1910, the way to win popular support for the monarchy was to "revive the national idea." "A victorious war", von Miquel felt, would "solve many problems, just as the wars of 1866 and 1870 had rescued the dynasty from the steady decline which had begun in 1848."<sup>11</sup>

Driven by these deep domestic sources, Germany's assertive drive for world power led the countries challenged by that drive to join together in efforts to check Germany's advance. Germany then pushed harder. The result was a series of crises in which Germany tried to brush aside the obstacles in its way. The culmination of this process was the July 1914 decision to implement the Schlieffen Plan.

## **MARKET TRANSFORMATION of SOCIETY under a NON-CAPITALIST STATE**

At the center of the post-"Fisher controversy" orthodoxy regarding Wilhelmine Germany is the notion that the German state was dominated by pre-industrial, non-bourgeois elites. Here the similarity between Wilhelmine Germany and contemporary (post-1978) China is striking. Wilhelmine Germany and post-1978 China both combine extremely rapid development of market-based economic and social relations with continued domination by a non-capitalist state. As noted at the outset of this paper, Germany underwent and China is undergoing record-breaking rates of market-oriented economic growth along with a derivative wide-ranging transformation of social relations. This was and is presided over, however, by an essentially non-capitalist state committed to maintaining its dominance over society. Germany's and China's market transformation both occurred under states in which non-capitalist elements played a crucial role. Both occurred under authoritarian states with institutions designed to perpetuate the dominance of the non-capitalist elements. Both occurred, that is, under essentially non-capitalist states.

Having made this assertion it becomes necessary to define "capitalist state." I believe we can define such a state as a set of institutions designed to contain and negotiate solutions to class and other social conflicts emerging in a dynamic, market society. The institutions constituting a capitalist state are those of liberal democracy: legal equality and protection for property and political rights, competitive multi-party elections plus freedom of speech, and effective control of government by popularity elected representatives. A non-capitalist state thus conceived becomes a set of institutions designed to maintain the dominance of a particular class or group over society.

As noted earlier, there is a consensus among historians of Wilhelmine Germany that the landowning Junker class whose wealth and position was based on quasi-seigniorial control over their vast estates east of the Elb River constituted a non-capitalist element of

Germany's ruling elite. The Junkers were, of course, the traditional ruling class of Prussia which extended their domination to all of Germany via Prussia's direction of Germany's national unification process. After 1871 the Junker land owners continued to dominate Germany through the special position of Prussia within the empire combined with Junker control over Prussia's upper chamber, restricted franchise in most states of the Empire, relative independence of the government and executive organs from parliamentary control, Prussian control over the Ministry of State, a socially weighted tax system, Junker predominance within the officer corps of the military combined with a tradition of military independence, and, perhaps most important of all, a hereditary, dynastic monarchy. Over succeeding decades, the problem faced by this non-capitalist group remained constant: how to respond to the immense economic and social changes underway in Germany in such a way as to uphold the aristocratic domination of the Wilhelmine state and, by extension, their own social privileges and dominant social position.<sup>12</sup>

How like the Junkers is China's Communist elite? Like the Junkers, China's Communists are a numerically small (4.5 percent of total population), clearly differentiated from the general populace (by Party membership and the social status and difference that comes with that membership). Both elites also effectively control their respective states. There are, of course, important differences. As the appellation "pre-industrial" connotes, the wealth, social status and power of the Junkers were based on control over land and serf-like laborers rather than on control of industry and commerce. Thus, the rapid growth of industry threatened the Junker class. The wealth generated by industry was primarily in the hands of a class (the bourgeoisie) who viewed the world very differently and who chaffed at the arrogance and pretensions of the aristocratic landed elite. The torrents of money derived from industry gave the new industrial elite mechanisms of political influence that placed the traditional "pre-industrial" elite at a handicap. The respect of society (social status) also increasingly went to Germany's "captains of industry" who were presiding

over the birth of a new, much wealthier, form of society. Thus threatened, the old "pre-industrial" elite dug-in and defended its position.

The CCP is not a "pre-industrial" elite. Throughout the post-1949 period it has presided over a sustained, deliberate process of industrialization. Moreover, substantial elements of the CCP elite derive wealth, social status, and political influence from control of industry. Moreover, as Milovan Djilas argued, it makes sense to think of the Communist apparatus as a whole as constituting an owning class exercising property-like control over industry.<sup>13</sup> Although Djilas was talking of a centrally-planned command economy rather than the "socialist market economy" of the 1990s, to some degree his argument still holds. In any case, the important point here is that the CCP is an industrial, rather than a pre-industrial elite.

In other regards, however, there are important similarities between the Junkers and the CCP. The similarities, it seems to me, are:

1. ideologies and derivative prescriptions regarding political institutions.
2. both are closed elites controlling the state and, through this control, enjoying a multitude of officially-sanctioned privileges.
3. the dominant position of both elites was/is threatened by the full development of market relations.

Regarding ideologies and prescriptions about political institutions: how a group of people view the world, their shared belief system, is important. The CCP, like the Junkers, is anti-capitalist. Between 1949 and 1977 the CCP, guided by a thorough and militant anti-capitalist ideology, extirpated capitalism root and branch in China. In 1977 it began restoring markets as a way of vitalizing stagnant agriculture and an immensely inefficient industry. The purpose of the leaders who pushed through these market-oriented reforms, however, was not to establish capitalism but to improve socialism. In terms of political arrangements this meant continued Party dictatorship. The CCP maintained tight control over the electoral process, limited the powers of parliament and the independence of judicial organs, insured its control over state bureaucracies via the twin mechanisms of

encadrement and Nomenklatura, and last but by no means least by direct and violent suppression of open challenges to CCP authority. Repeated ideological campaigns were waged, and continue to be waged, against the "bourgeois liberal" ideas associated with these institutions.

The problem for the CCP, as for Junkers a century earlier, is that a large segment of China's middle classes would prefer "bourgeois," liberal democratic institutions to the existing authoritarian arrangements. Traveling in China and talking to Chinese intellectuals and ordinary urban dwellers, one is struck by the extent of disbelief in the CCP's political orthodoxies and by the yearning for a less repressive order. The problem for the CCP, as it was for the Junkers, is how to deal with these widespread popular yearnings.

Regarding the second similarity between Junker and Communist elites --- closed character and official privileges --- neither elite recruits new members through impersonal competitive, market-based, meritocratic accomplishment. Both are essentially closed elites --- the Junkers via formal titles and aristocratic birth, the Communists via a rigorous, top-down process of recommendation and sponsorship by existing members, together with careful review of candidates' ideas, activities, and social origins. All new entrants into the Communist elite are carefully considered and approved by higher levels of the elite itself. Recruitment into the elite is not based fundamentally on performance. Many broad categories are excluded from the elite: religious believers, anti-Communists of any ideological complexion, foreign-born people and aliens. Social backgrounds (whether ones parents were Reds or counter-revolutionaries, from a good or a bad class, etc.) also play a significant role in recruitment into the Communist elite.

The Communist elite also enjoy a number of officially sanctioned privileges similar to the privileges of the aristocratic Junkers. The way ordinary Chinese speak and act in the presence of party members (especially unfamiliar and high ranking ones) is familiar to anyone who has lived in China. While this deference and caution is partly a function of China's long past, it is also a function of the institutional arrangements controlled by the

Communist elite. Angering party members can create multiple difficulties for a common person, while catering to his/her vanity may lead to real benefits. More important than amorphous social status are CCP control over the state and the economic privileges deriving therefrom. The modalities of CCP dominance of the state are almost too well known to require discussion. While the overall ratio of party membership is 4.5 percent and drops to about 1 percent in the countryside, over fifty percent of the people employed in government organs are Party members. In each organ of government there are Party cells, branches, and (usually) committees. Important organs will have a series of Party secretaries, with the ranking secretary having final authority within that organ. Ranking officials often serve concurrently in important CCP positions.

In terms of the economic privileges that the CCP derives from control over the state apparatus, there are two main ones: 1) a near class monopoly on the right to engage in large scale profit seeking activity, and 2) the right to seek rent from profit seeking activity. Regarding the first, large scale production and distribution of marketable goods in China's non-planned sector is largely restricted to enterprises tied to some official or quasi-official entity—to enterprises owned and generated by some level of government or some governmental body. Communists under the purview of the Nomenklatura or relatives or close friends of these ranking Communist apparechik, run these enterprises. As one Communist entrepreneur in northern Heilungjiang who was a key figure in a provincial company conducting trade with the Russian Far East explained to me, it was only logical that all large-scale trade should be conducted by official organs. Since the profits from the trade were so large, of course those profits had to go to the state to serve China's modernization. The only private trade that was permitted was "shuttle trade" in which individuals were permitted to trade the relatively small amounts they could carry on their backs or as "luggage."

As regards the township and village enterprises (TVEs), most are, of course, in the non-state, collective sector fully functioning in a market environment. Again the Party

controls who is allowed to enter this sphere. New TVEs must be approved by the Industrial Commercial Management Office under the county government. The Party secretary of that office, has the final say in approvals. It is imperative for would-be entrepreneurs to court this individual. Very often approvals go to relatives or friends of the secretary. If a loan from a state bank is needed, another approval and often nominal ownership, must be secured from the local People's Government. Again as an organ of government, the Party apparatus plays a leading role in approving or denying official sponsorship.<sup>14</sup> The point here is that the CCP elite controls access to market-based commercial opportunity or itself conducts this activity through some organ of the state.

Private economic activity is almost entirely confined to small scale service sector activity. Private manufacturing activity is an increasingly important but still small proportion of overall manufacturing (at least in most provinces; Fujian and Guangdong may be an exception to this). Would-be private entrepreneurs find it very difficult to borrow money. Official entities go to the head of the line at the lending counter at China's banks. There is no institutionalized, indigenous lending counter for private entrepreneurs. China's first private commercial bank was established only in 1995. Private entrepreneurs must mobilize capital outside formal institutional channels—e.g., by borrowing from friends. Even then private activity is carefully monitored. Private operations which might compete with those of official entities simply are not authorized are not permitted. From the perspective of limiting access to the market, to market-based commercial opportunity and profit, the concept of a "socialist market economy" functions as an ideological defense of the CCP elites' monopoly on commercial opportunity.

The second and related major economic privilege of the Communist elite is the right to extract rent from profitable commercial activity. This derives from the pervasive system of state controls over economic activity outlined above, and from Party member's control of state organs. Multiple official permissions are required for an array of economic activities and the officials granting those permissions are in a position to take "rent" on that activity.

This rent may be in the form of fees, special taxes, or corrupt black money. While it may be true that not all the black money goes to Party members, much does. From this perspective too it makes sense to view the "socialist market economy" as an ideological defense of arrangements allowing the CCP elite to exclusively control and generously benefit from the development of a commercialized market economy. In this regard the Junker and CCP elites are clearly different. The Junkers were an agricultural rent-taking class. The CCP is an industrial rent-taking class. Perhaps the more fundamental point, however, is that the rent-taking position of both elites was made possible by control of the state apparatus. Moreover, possible loss of control over the state threatened the maintenance of that rent-taking position.

The third similarity between Junkers and Communists postulated above is that the CCP, like the Junkers, finds its dominant position threatened by the marketization of society. During the eighteen years between 1978 and 1996 the CCP's Party state lost a substantial degree of power due to market-driven reform. One aspect of this derived from the progressive rolling back of the scope of the planned economy. A comprehensive centrally planned economy had given central party organs a strong ability to reward and punish provinces, plus the ability to siphon necessary levels of financial resources into central coffers. Market reforms have enriched the provinces (or at least some provinces) while impoverishing the center and lessening the center's ability to reward and punish provinces. Reform has also weakened the CCP state's ability to define and police ideological orthodoxy.

Development of a genuine market economy would endanger the CCP's ability to benefit from control over access to commercial activity. If barriers to entry into markets were lifted and genuine private industry and commerce allowed to blossom, "socialist" commerce and industry would be subjected to sharp competition. The situation would be comparable to a protected national industry losing its protective barriers. Similarly, if governmental power were disentangled from the market and the forces of supply and



demand allowed to operate more freely, opportunities for CCP rent-taking would decline. The CCP elite would lose substantial opportunities to siphon off wealth derived from markets. Even more ominously, the Communist elite would confront the emergence of new and truly capitalist elites controlling large amounts of wealth and leading the process of the rapid emergence of whole new industries. Power follows money—at least in market societies. The architects of social-economic progress would increasingly be China's capitalists, not its "socialist market economy" Communists.

The progressive marketization of China's economy has given rise to a class of private investors and entrepreneurs, capitalists. At the outset of this paper we referred to the 33 percent of all investment that goes into the non-state sector. The vast majority of these firms are not private. Some are, however, and some of these are large. In 1993 Fujian province reported nine private entrepreneurs with registered capital value greater than US\$10 million. Private enterprises were so numerous and large that they provided 20 percent of all revenues taken in by the Fujian provincial government.<sup>15</sup> The role of China's capitalists, its bourgeoisie, will almost certainly continue to increase in the future. The relative size and role of this new elite group will also vary greatly across region. It will play a much greater role in the south than elsewhere. This will greatly complicate the regional problems discussed below.

While CCP leaders do insist on drawing a clear line between private and non-private but non-state enterprises, in economic terms this line is much less distinct. Many "collective" enterprises function in a fashion very similar to private enterprises. This similarity may well become even greater in the decades to come, with collective enterprises gradually evolving in the direction of private operations. Even in the state sector some enterprises have been very successful in the transition to market operations and benefited greatly therefrom. Some analysts have suggested that the managers who have attained a high level of autonomy in the running of their firms and who derive great material benefits from this autonomy should be considered a new social stratum.<sup>16</sup> Among the chief benefit

to this stratum accruing from state ownership is the ability to write off losses. From the standpoint of this paper the main significance of the blurred distinction between the managers of market-successful state and collective enterprises along with China's genuine capitalists, is that they might all coalesce to push for a fuller marketization—a development which would threaten eradication of the CCP's rent-taking privilege and monopoly on state power. These new elites, in other words, might emerge as competitors of the CCP.

What then is the relation between the CCP elite and China's nascent bourgeois elite? Currently it is symbolic: the CCP controlled state authorizes profit seeking activity and the entrepreneurs pay rent to the CCP for that permission. But there is also resentment among China's bourgeoisie. Their grievances include excessive taxation, a state run banking system that discriminates against private enterprises, and "a political structure that does not give them adequate respect."<sup>17</sup> In other countries, indeed in most countries which have made the transition to a full market economy and political democracy, the bourgeoisie became a force pushing against the ruling authoritarian elite and for reform. In a few countries this was not the case. In those countries the bourgeoisie did not defect from the authoritarian order, but supported it. Germany was, of course, one such case. In Germany a strategy of social imperialist diversion was a major factor cementing bourgeois loyalty to the authoritarian order. In many respects the CCP's problem here is similar to that of Germany's rulers: how to keep an increasingly powerful capitalist elite from defecting and supporting a push for reform? The social imperialist solution to this problem resorted to by Germany's rulers may also prove very attractive to China's.

A final way in which marketization of Chinese society endangers continued Communist rule is through the free flow of ideas. This is, after all, a central aspect of a market-based society. If China's mass media, higher education, literary and artistic scene were allowed free debate of ideas unfettered by the vast propaganda and ideological work apparatus currently sustained by the CCP, the appeal of Communism would probably be reduced to a position roughly comparable to its position in Poland or Russia. It would

remain an important political force in society. But it would no longer dominate society: it would no longer authoritatively define and uphold political correctness and the define limits of permissible debate.

Let me briefly recapitulate the argument made above. Post-1978 China, like post-1871 Germany, is ruled by a non-capitalist elite. That elite's dominant position in society is dependent on continued control of the state. Full marketization undermines that elite's dominant position in the economy, society, and politics, while democratization would destroy that elite's rent-taking privilege. Upholding the instruments of Party dictatorship is, thus, in line with the economic interests of the Communist elite. Yet, the CCP's dictatorship is widely unpopular among the middle classes and the emerging bourgeois elite. Upholding this dictatorship is, therefore, a very difficult project. In this context, a social imperialist strategy of diversion is an attractive elite option.

## **INTEGRATION OF A FRAGMENTED SOCIETY**

The reigning orthodox "social imperialist" interpretation of Wilhelmine Germany also views the assertive imperialist policies adopted by Germany's rulers as an effort to cope with deep divisions in society. The divisions were many. The cleavage between the aristocratic land-owning Junkers and the industrial capitalists has been discussed earlier. There was also a confessional division between Protestants (mostly Lutherans) and Catholics that tapped into bitter historic memories of the barbarities inflicted by both faiths on the other during the Reformation and Counter-Reformation.<sup>18</sup> The confessional division overlapped with regional divisions, with Catholics being concentrated in the Rhine valley, Bavaria, Baden-Wirtenberg, and the Marchlands to the east. The north and the east (except for recently acquired Polish or Czech lands) were solidly Protestant. This confessional division was exacerbated by variants of German nationalism that defined German-ness in terms of liberation from Roman Catholicism. Bismarck feared that Catholicism might become a rallying point for groups that had not wanted to become a part

of the new Prussian-dominated Germany, and he waged a decade-long Kulturkampf (culture struggle) against that faith. In addition to favoring political liberation, the Catholic Center Party was also a vocal opponent of Wilhelmine imperialism. Eventually (by the first decade of the twentieth century), the Center Party dropped its opposition to imperial foreign policies in hopes of increasing chances for domestic democratization. It was not successful in this, but it was brought in this fashion into the coalition supporting the drive for world power.

Then there were the deep divisions arising out of Prussia's unification-via-conquest and the imposition of Prussia's authoritarian political institutions and social traditions on Germany. As noted earlier, Prussia-Germany was deeply authoritarian. There was strong sympathy, however, for liberal, democratic institutions and values deriving from Germany's western neighbors, France and Britain. Much Catholic opinion also tended towards liberalism. The rapidly expanding middle classes had a natural affinity for liberalism and democracy, as indeed did the industrial capitalists. The latter constantly confronted the option of breaking with the Junkers allying with the middle classes and moderate sections of the working class to push through the democratization of German politics and society. Persuading the industrial capitalists to rally the flag of social imperialist policy and rewarding them with lucrative defense contracts for doing so, was a critical glue used by Wilhelmine statesmen to keep "iron" from defecting from the "iron and rye" coalition.

The deepest cleavage of all was between the industrial proletariat and the German-Prussian autocratic state. The proletariat grew in size as Germany rapidly industrialized. Workers flocking to the new, teeming cities had few political rights and little social status. In 1875, the two wings of German socialism merged to form the Sozialdemokratic Parti Deutschland (SPD). The party grew rapidly, appealing to a large number of industrial workers and city dwellers. As the proletariat and the SPD grew in size, level of organization and militancy, fear of revolution become palpable among the propertied

classes. Preventing such a revolution was a major concern of Germany's political elite. Bismarck's solution to this problem was a combination of repression and compensation. Anti-socialist laws were passed in 1878 banning organized socialist activity. Labor militants and socialists were major targets of police repression. Simultaneously Bismarck engineered the passage of social welfare schemes remarkably bold for their time. Bismarck proposed continuation of this approach when he became advisor to the young Kaiser Wilhelm II in 1888, but the latter concluded the old approach would no longer work. An attempt to repress the increasingly politicized working class could backfire, Wilhelm II and his new advisors feared, perhaps perpetuating the dreaded revolt. A new more social imperialist approach seemed more promising.

An assertive drive to establish Germany as a world power was Wilhelm II's solution to overcoming these deep and dangerous cleavages. Vigorous moves to enhance Germany's position and status would strengthen the "national ideal" rallying a divided people around crown and flag. A world class high seas navy was both a potent symbol and an instrument of this drive. Even war, should it come to that, was not to be shied away from. War would, after all, unite a divided nation, or so Germany's rulers calculated. Let me again stress that these interpretations are representative of the mainstream of current historiography on Wilhelmine Germany.

In contemporary China, too divisions are many and deep. Moreover, these cleavages have grown greater as China has moved towards a market economy. The equalitarian ethos of Maoism combined with the redistributive powers of a centrally planned economy meant that pre-1977 China was highly equalitarian -- if poor. This is less and less the case. Inequality and marketization are proceeding hand-in-hand.

Reform has led to deepening division between different regions of China, especially between the North and the South. The southern provinces of Guangdong and Fujian led the way in China's long march away from comprehensive planning and Maoist autarky. As Deng Xiaping began offering incentives for various centers of power in Chinese society

to venture into the deep waters of market competition,<sup>19</sup> the southern provinces responded earliest and most enthusiastically. The seminal proposal in 1979 to establish Special Economic Zones was a southern initiative.<sup>20</sup> The South then pioneered the development of TVEs and the drawing of Overseas Chinese in Hong Kong, Taiwan and elsewhere into China's development efforts. Even in the area of social and political freedom, the south was a step ahead of the rest of China.

Reform led to substantially greater southern autonomy from the northern capital. As the economies of the southern provinces into world markets proceeded apace, resources allocated by central authorities became less and less important to the South. The ability of the northern capital to influence the south was reduced. As the southern provinces grew rapidly wealthier and more integrated into world markets, they not only became less dependent on the northern capital, the center also found itself more desirous of the things the south could provide. The south gained new resources in its bargaining with the northern capital.

As important as conflict over wealth and economic resources are, even more important has been what Edward Friedman calls conflicting northern and southern visions of China's national identity.<sup>21</sup> The experience of China since 1949 has reinforced centuries-old differences between China's north and south, according to Friedman, to give rise to conflicting northern and southern concepts of China's identity. The northern "discourse" posits China's authoritarian state as responsible for China's remarkable post-1978 growth. A powerful authoritarian state is also required to make China's way in the world. China must become a great military power whose destiny is to keep Asia free of Japanese or extra-regional domination. The southern "discourse," on the other hand, sees China's authoritarian state as an obstacle to (rather than as the font of) China's post-1978 growth. That growth resulted not from the Centerwise guidance, but from local initiative finding ways around obstacles created by Beijing. The future of China's greatness lies, according to this southern vision, not in a militaristic Leninist Confucianism, but in an open

commercialized society akin to and linked with the non-Communist politics of Hong Kong, Singapore, and Taiwan.<sup>22</sup>

Rural inequality between regions and between households within the same region is also increasing rapidly. During the first seven years of reform (1978-1984) decollectivization produced rapid increases in rural incomes (about 10% per year) with the little increase in inequality. Since the mid-1980s, however, the overall growth of rural incomes has slowed while inequality has increased markedly. In regional terms, the southern coastal provinces of Guangdong, Zhejiang, and Fujian have seen annual per capita growth of rural incomes of 3-5 percent during the 1984-94 period, while the interior provinces of Shanxi, Anhui, Hubei, Hunan, and Guizhan have seen 0 to -3 percent growth during the same period. Within provinces, the distribution of incomes among rural households have become increasingly skewed, with the wealthiest households taking a larger and larger portion of total income leaving the poorest to stagnate in poverty. This growing inequality is linked to some of the central dynamics of reform, especially the use of rural industry producing under near market condition.<sup>23</sup> Provinces and families plugged into rural industry, have prospered while those left outside have remained in agricultural poverty (especially after the initial boost in agricultural productivity following decollectivization). Moreover, the impact of rural industry on inequality has increased, accounting for only 55 percent of inter-provincial inequality in 1983 while climbing to 80 percent by 1992.<sup>24</sup>

Increased rural inequality creates resentment, especially given the strong moral-economy tradition of the peasantry combined with the highly equalitarian (if poor) order of the Marxist years. The CCP recognizes the problem presented by these "equity concerns," but its ability to address them are, and will probably remain, limited. One solution would be to limit the growth of rural industry. That could be done only at the expense of overall growth and of China's export earnings. Another solution would be to stimulate growth in the agricultural sector. This, however, would greatly increase spending (e.g., on higher

agricultural price supports) by central and provincial governments. Those governments are not likely to be in a fiscal position to do that until the problem of the state enterprises is solved and a modern system of tax collection established. Both of these will take some time.

Superimposed on these growing equity grievances is a huge chasm between the CCP party-state and the peasantry. Although the party apparatus in the village lost much power with decollectivization, its powers are still extensive and arbitrary. In the first instance Chinese farmers are not protected from state authority by property right. They use the land only with the consent of the state. While revocation of land use permission is probably rare, permission of the local party boss must be obtained whenever there is a change in land allocation due to birth, death, marriage, or migration.<sup>25</sup> Party authorities are also responsible for enforcing -- or not enforcing -- unpopular policies such as the one child per family policy. Licenses to engage in economic activity, and jobs in locally owned TVEs, are handed out -- or not -- by local Party officials. Rural residents have few legal rights requiring a certain type of treatment by public officials. Anyway, there is little recourse short of riots or rebellion. Then there is the problem of the ridiculously low prices paid by state organs for their mandatory purchases of agricultural produce. As the fiscal position of the state has deteriorated, even these have not been forthcoming, farmers being paid instead with IOUs.

There is no way of telling how widespread or deep rural discontent is. It could be very serious. In my own travels in the Chinese country, I have often been struck by the directiveness and bitterness of anti-Party sentiments expressed by farmers I met. It may also be well to recall that China's history is littered with peasant rebellions, the most recent of which brought the CCP itself to power.

Closely related to rural poverty and tying directly into social instability, is China's large immigrant population. Official Chinese sources in 1994 estimated China's internal migrant population at about 140 million.<sup>26</sup> Most of these are people from agricultural



families in rural areas who have moved to cities, especially the booming cities of eastern and coastal China, in search of work. From our standpoint, it perhaps makes most sense to see this vast movement as an aspect of marketization. It is, after all, testament to the emergence of a labor market in China. As important for our purpose, however, are the implications of this large migrant population on social stability. The large migrant population in China's cities constitutes some of the most volatile "social dynamite" lying about China. These are mostly young men uprooted from their home communities and families. They hold, when they are lucky, the lowest paying, dirtiest jobs. They have little social or legal status. They are looked down on by "regular" city dwellers. They are often victimized by their employers or the police. They are concentrated in communities on the fringes of China's vast cities. They are truly marginal men. Exploited, uncertain, and uprooted, they provide ready recruits for riots or protests. During the June 1989 fighting in Beijing, for example, much of the violence inflicted on martial law forces was at the hands of these young men.

Another strong similarity between Wilhelmine Germany and Dengist China is fear of popular rebellion. While China has no militant, organized industrial proletariat comparable to that of turn of the century Germany, the fear of popular revolt among the ruling elite is nonetheless very strong. There is abundant social dynamite lying around in China that could touch as social explosion.

From the standpoint of this paper, adoption by China's central authorities of a policy of social imperialist diversion would probably be of little use in managing rural discontent. I could well be wrong, but it is my impression that people in the countryside, especially the interior regions where hardships are greatest, are probably little moved by flag waving and demonstrations of China's power in the international arena. The utility of diversion would come, rather, from isolating the urban populace and especially the intelligentsia from rural disturbances. From the standpoint of the CCP elite, rural disturbances would become dangerous if and when they spread to the cities. As long as the disturbances remain

confined to the countryside, as long as urban centers with their transportation and communications infrastructure remain firmly in CCP hands the Party will be able to repress the challenge. The loyalty of the urban populace is critical. Here the use of social imperialism to rally popular support for state authority could be extremely useful in helping to isolate rural discontent and preventing its spread to the cities.

Another deep cleavage is the alienation of a large part of the intelligentsia from the Communist state. We can roughly define the "intelligentsia" in China as anyone with higher education. Prior to 1978 the intelligentsia suffered heavily. After 1978 while the status of the intelligentsia improved, its relative (though not absolute) standard of living probably declined. At least this belief is widespread among the intelligentsia. The intelligentsia was also targeted by the various "anti" campaigns of the 1980s and 1990s: against bourgeois liberalism, humanism, alienation, spiritual pollution, and peaceful evolution. Simultaneously, increasing contact with the world made clear the contrast between the abundance and freedom of the capitalist countries and the poverty and unfreedom of the socialist countries. Within China, Deng's unfolding market reforms demonstrated at first hand the productive powers of markets. The result was that by the mid-1990s disbelief in Marxism and Leninism --- still the formal legitimizing orthodoxy of the CCP state --- is remarkably widespread.

Securing the loyalty or at least the passivity of the intelligentsia is critical to the CCP. Anonymous eruptions by the subordinate classes (riots, strikers, riots) will probably remain unconnected and isolated as long as large sections of the intelligentsia do not join those actions. If, however, significant numbers of the intelligentsia support these movements they can articulate their demands in terms much more politically difficult for the Communist elite to repress. Intellectuals also provide critical leadership skills, link the subordinate class movement to other sources of discontent in society, and disseminate news about the protests of the lower orders within China and abroad.

There seems to be a strong functional similarity between the petty-bourgeoisie of Wilhelmine Germany and the intelligentsia of post-1978 China. Both were intermediate classes between the elites who controlled power, wealth, and property and the toiling classes who labored in factories or fields. Both were educated enough to feel confident of their judgments and were interested in broader public affairs. Both had enough security and leisure to be concerned with ideas, and were frequently inclined to turn to political involvement as a source of personal identity and fulfillment. These abilities and interests often permit individuals from this intermediate class to play important roles in the politics of mass society, of modern society. They may provide the skills and ideas that mobilize popular pressure for a democratization of society and politics. Or they may mobilize popular support for the authoritarian status quo. Insuring that they do the latter and not the former may be a major factor determining whether a polity moves towards democracy or remains an autocracy.

Herein lies a large part of utility of a strategy of social imperialist diversion for the elite ruling the authoritarian elite. Many studies have demonstrated the powerful urge of modern individuals to identify with the collectivity of the nation, to derive personal satisfaction and pride from the power, status, and accomplishments of the nation. These tendencies are especially strong for the intermediate classes, and it is those classes who have provided the seed beds for nationalist movements. There are of course, possibilities for personal satisfaction and identification other than nationalism. But nationalism has been one important form of middle class self expression and fulfillment.<sup>27</sup>

The utility of nationalism for an authoritarian state is that ability to achieve nationalist objectives provides a plausible rationale for the continuation of authoritarian institutions. Discipline and respect for clear authority is necessary, so the argument runs, for the nation to achieve its objectives. Democracy would lead to disunity and irresolution -- to the failure of the nation to achieve its objectives. Therefore, the people, especially socio-economic elites, the middle classes, and the intelligentsia should submit to the authoritarian

state so effectively serving the nation. Of course this requires that the authoritarian state effectively enhance the power and status of the nation.

### THE AUTONOMY OF IDEAS

The notion of social imperialist diversion as an instrument of elite anti-democratic rule became the orthodoxy of Wilhelmine historiography in the 1970s and 1980s. Gradually a critique of this new orthodoxy emerged. This critique stressed the autonomy of ideas and non-elite groups and the fact that the maintenance of elite dominance occurred through a dynamic process of interaction between independent actions by subordinate groups and elite intervention.<sup>28</sup> The emerging critique of the current "social imperialist" orthodoxy is that approaches emphasis on "manipulation" too much on the ruling elite and its calculations, thereby attributing too much control to them. It confuses elite intentions with the real effect of actions based upon those intentions. It understates the role of autonomous action by subordinate classes. Members of the elite may seek to manipulate subordinate classes, but those classes may also mobilize themselves for their own purposes. The "social imperialist" orthodoxy also understates the autonomy of ideas. The elite may advance one type of nationalist idea that serves its interests, but those ideas may be interpreted in many ways, some of which may, in fact, be antithetical to continued elite dominance. In the words of Richard Evans, "The actions and beliefs of the masses are explained in terms of the influence exerted on them by manipulative elites at the top of society. The German Empire is presented as a puppet theater, with Junkers and industrialists pulling the strings, and middle and lower classes dancing jerkily across the stage of history towards the final curtain of the Third Reich."<sup>29</sup>

The 1890s saw not only the promulgation of Weltpolitik and the reconsolidation of the elite industrial-agrarian coalition, it saw also the emergence of nationalist pressure groups. These groups were organized around such issues as naval expansion, acquisition of new colonies, intensified Germanization of ethnic minorities within the Empire's

boundaries, anti-Catholicism in-gathering of all German-speaking peoples into the Empire, increased armaments, and so on. These groups typically had links to elite figures, parties, and institutions, but they also mobilized large numbers of non-elite middle class people: journalists, judges and barristers, government officials, teachers, and university professors. These people were excited by and identified with the power of Germany. Generally they were anti-democratic because they believed that democracy was incompatible with German national vigor and power. These attributes made these groups useful to the ruling elite, and that elite supported and encouraged these nationalist groups as a way of mobilizing the middle classes in anti-democratic directions and building popular support for expansion abroad.

The relation between the ruling elite and these nationalist groups was not, however, merely one of top-down manipulation. Once roused nationalist ardor was not easily controlled. By the time of the second Moroccan crisis 1911 the activities of middle class nationalist groups had taken in a life of their own. Chauvinistic popular sentiments in fact often outpaced the government, pushing it towards harder more "nationalist" positions, and denouncing as "treason" any moves to reduce tension or compromise. This chauvinistic climate of opinion spread from the nationalist groups to the public at large, influencing all political parties other than the left Liberals and the SPD.<sup>30</sup>

As Marxist-Leninist ideology decomposes in China, as China's intellectuals gain a somewhat greater space within which to independently formulate ideas, and as nationalist symbols become hegemonic in China's intellectual sphere, nationalist critics of Communist rule may emerge. Indeed, this may be the most likely, and the most significant (at least for our purposes) form of political challenge to Communist rule in the coming decades.

There is some evidence that in China too the nationalist ideas cultivated by the ruling elite for instrumental purposes are already taking on a life of their own. A good example of this is provided by anti-Japanese nationalism. Throughout the 1980s and 1990s Beijing promoted memory of Japan's aggression against China during the 1930s and 1940s. An

important demonstration of this symbolism came in 1995 during the 50th anniversary of Japan's defeat when central officials and media dwelled at length on Japan's crimes against China and Japan's ultimate defeat by China. This anti-Japanese symbolism served important purposes. It legitimized the CCP's rule since the CCP was, in that Party's interpretation of things, the leader of China's 1937-45 anti-Japan struggle. It legitimized the growth of China's military power while "inoculating" Japan against the revival of its own military capability. Most important of all, holding up Japan's past crimes warned Chinese that they should rally around China's Party-state lest Japan be tempted to repeat the mayhem of the past. These were the purposes China's CCP elite hoped would be served by manipulation of anti-Japanese symbols. In fact, anti-Japanese sentiments soon became independent of CCP control and were even directed against the CCP itself. People were increasingly critical of the CCP's refusal to seek reparations from Japan. In the 1950s CCP leaders renounced any claim to reparations from Japan and has stood by this position til today. By the mid-1980s, individuals and even a lost quasi-movement had begun to call on Japan to pay reparations to individuals for hardships suffered during the 1930s and 1940s. Increasingly sentiments were heard that China's leaders were too willing to forgive Japan's past crimes. For reasons of its own Beijing had renounced government-to-government reparations, people began to say, but it should support rather than bloc efforts by victimized individuals to obtain compensation. These sentiments were sometimes linked to criticism of Japan's growing economic presence in China --- something nationalist students in 1986 termed Japan's "second invasion" of China. At that juncture anti-Japanese symbols provided a rallying cry to young critics of China's CCP leaders. Those leaders were selling out to Japan, opening China to exploitation while benefiting from corrupt side-deals with wealthy Japanese interests.

It may be that popular anti-Japanese sentiment, initially stimulated and encouraged by the CCP Party-state but now autonomous of its control, will become a significant constraint on the foreign policies of that Party-state, pressuring it to take a tougher approach towards

Japan less it appear to be weak on the issues itself specified as crucial. This could easily influence Beijing to take tougher policies toward the Sengaku dispute, for example, or toward the continental shelf dispute with Japan in the East China Sea, or towards naval construction programs of the two countries. A similar dynamic, according to historians of Wilhelmine Germany, occurred during the increasingly frequent international crisis of the 1900-1914 period. Having told the German people that Germany was being strangled by an encirclement of France, Russia, and Britain, why was it attempting to conciliate these powers over such issues as Morocco, German nationalist critics asked. This popular demand for firm, resolute action in the face of hostile encirclement was a significant factor pushing Germany's leaders to decide for war in July 1914. Again, let me stress that this is the conclusion of professional historians of Germany.

Fritz Stern in his classic work, The Politics of Cultural Despair, explored the process through which nationalist ideas became radically anti-establishment in Germany.<sup>31</sup> According to Stern, a subterranean but vast culture of rejection of modern society developed in Germany based on revulsion at capitalist society: pervasive materialism, the harshness of the factory system, and a deeply divided society, and weak leadership deriving from Liberalism. A longing for a new and better Germany emerged, a Germany unspoiled by materialism and social divisions, and led by firm leaders who would unite and renew the nation. Once this occurred, these critics argued, Germany would finally be able to fulfill her destiny of becoming the greatest nation in the world. These "conservative revolutionaries" as Stern calls them, sought not freedom but firm, resolute leadership which would purge Germany of domestic conflict, disunity and materialism, and rally it to its realize its great national destiny. This discontent with modern secular, industrial, liberal society was given clearest expression by a series of writers, outcasts in their own time but retrospectively viewed as precursors of Adolf Hitler. The exception to this was Fredrich Nietzsche, one of the giants of 19th century European intellectual history was a powerful critic of bourgeois society. While not placing Nietzsche in the category of "conservative

revolutionary" thinkers, Stern argues that his monumental influence, especially as decanted by lesser "Germanic ideologists," contributed to the rejection of modern, bourgeois society. Long before that final act of the Third Reich, sentiments of "cultural despair" were powerful. Already by 1914, according to Stern, the "dominant sentiment" in Germany was a longing for a powerful Caesar to unite and lead the nation in bold action.

One striking difference between China today and Wilhelmine Germany is that it is China's ruling elite, the CCP, which upholds the anti-liberal banner. In Wilhelmine Germany the "conservative revolutionaries" were sharp critics of established authority --- of the Hollenzollern dynasty, of the aristocracy, of the industrialists and financiers, the Jews, and so on. In Germany the anti-Liberal, anti-bourgeois forces were outsiders challenging the existing political-social setup because it prevented the German people from realizing their great national destiny. In China, by contrast, it is the ruling elite which condemns materialism and individualism, which demands self-sacrifice, unity, and discipline which justifies existing illiberal arrangements in terms of realizing the nations greatness. In Wilhelmine Germany the "conservative revolutionaries" were in opposition. In China they are in power.

CCP leaders undoubtedly hope to maintain a monopoly on illiberal, authoritarian nationalism, and to use this monopoly to co opt otherwise critical nationalist intellectuals. It may well fail in this, however, because of the huge discrepancy between its rhetoric and its actions. This discrepancy makes the CCP vulnerable to criticism on the basis of the very criteria it upholds. The CCP calls for self sacrifice yet its leaders and their families lead pampered, privileged lives. Corruption among the leadership is rampant. The CCP talks of unity, but its policies are leading to deeper and deeper divisions --- between coast and interior, between north and south, between rich and poor. The CCP talks about the need for strong central leadership, but its policies have deprived the Center of key instruments of control over the provinces, and have massively shifted resources from Center to province. The CCP talks about making China a strong and respected power, but



it caves in repeatedly to American demands for market opening, intellectual property rights, and so on.

My argument here is not that critical but authoritarian nationalist intellectuals might take power away from the CCP. That seems very unlikely. The point is, rather, that they may generate political pressure the CCP to act in a way that disproves the charges of these conservative critics. The charges of critical but authoritarian nationalist intellectuals that the actions of the CCP are insufficiently tough and hobbling China in its quest for national grandeur, may lead CCP leaders to decide on actions which have the benefit of disproving those criticisms. Under challenge from authoritarian nationalists, the CCP may feel compelled to actions validating its nationalist claims and credentials.

The greater the disparity between the CCP's conservative rhetoric and its market driven policies, the more vulnerable it will be to criticism from authoritarian nationalists. The greater will be the need for the CCP to prove its nationalism. If, on the other hand, part of the CCP elite takes the conservative nationalist criticism to heart, they may try to reduce the discrepancy by moving China away from marketization. Strong central controls might then be superimposed on the economy to redistribute wealth and recentralize political power. Corruption would be extirpated by the reintroduction of police terror. Unity would be imposed on an increasingly factious society through reactivation of the CCP's apparatus in social organs, though not that apparatus would be armed with nationalist rather than class symbols. In order to respond to the criticism of the conservative nationalists, the CCP might co opt part or all of their program. The result could be a more assertive approach to other countries.

An important group which may provide a social base for critical authoritarian nationalism are intellectuals returned from study in the West, especially the United States which Chinese tend to see as "the other" in conceptualizing their own identity, and which has hosted especially large numbers of Chinese. It is often assumed that these "returned students" will be agents of Liberalization and Westernization. Some probably will be, but a

significant number of others will not be. Many Chinese who study in the United States react negatively to that experience. Older students often hold quite responsible positions and high status in China. They are often accustomed to and expect deference. During their stay in the United States, however, they are typically treated as very ordinary individuals. They may be criticized and slighted by their teachers. American students may treat them with a combination of arrogance and patronizing condescension. They may even be expected to wash dishes or cook in restaurants to support themselves. They do not come from a culture in which students are expected to pay their own way, and may find humiliating the demands imposed by such a culture. Younger Chinese probably find the American experience less jarring. But even they may find disconcerting the discrepancy between their anticipated status as a future high ranking cadre in China and the reality of their low status in the United States. There will be a strong tendency to interpret perceived derogatory treatment in socialist terms -- as a function of American racial prejudice. Their indoctrination in China insures that most of these students know the history of racial injustice in the United States. Racist thinking is strong in contemporary China.<sup>32</sup> And race does, after all, play an important role in contemporary America. Many will leap to the conclusion that they were treated poorly because they were yellow skinned. And while both younger and older students may marvel at the technological level of U.S. society, they will find much to be repelled by: the pervasive sexuality and materialism of U.S. popular and advertising culture, crime, drugs, racism, the abandonment of the elderly to retirement homes, and so on. Even American political institutions are not necessarily judged positively; money dominates politics, political debate is superficial, and pitting one branch of government against the other undermines effective government. The combination of resentment at perceived slights and negative judgments about American society may lead many returned students to conclude not only that the American Way is not what they want for China, but also to a determination to pay the United States back for the humiliations suffered while in that country. China must stand up to the United States, reject its arrogant

demands, for only in this fashion can China force the United States to respect China and deal with it on equal terms.

### **THE MILITARY INSTITUTION IN THE STATE AND SOCIETY**

There are striking similarities between the role of the military institution in Wilhelmine Germany and in China a century later. One similarity is the central role accorded to military force in nation creation and national identity. German unification came about through a series of victories by the Prussian army and led to identification of the military with the fate of the nation. Through participation in the victories over Bonaparte in 1814-15 the Prussian state acquired extensive territories along the Rhine. The defeats of Denmark, Austria, and France in 1864, 1866 and 1871 respectively marked further critical moves towards unification. The Prussian Army's pivotal role in the creation of a united German nation helped transform that army into a symbol of that new nation. In the process of unification the armies of Germany were nationalized under Prussian direction. The constitution of the North German Confederation adopted in 1867 made the King of Prussia commander over the armies of member states. When the Empire was created at Versailles four years later this command was expanded to include the military forces of all German states other than Bavaria. The officer corps of the Prussian army then proceeded to "nationalize" these heterogeneous forces, imposing on them its own ethos and spirit. This powerful and obviously effective military force was a source of great pride to the ordinary people of the newly unified Germany.<sup>33</sup>

In China too the military played a crucial role in the formation of a unified state. China's contemporary process of national unification traces to the Northern Expedition of 1925-28. Although under Chiang Kai-shek's command, that campaign included many of the military and political officers who would subsequently constitute the PLA. More importantly, by pending the period of extreme warlordism that had prevailed since 1915, the Northern Expedition demonstrated the centrality of military force in China's nation

building. Then followed the "eight years war of resistance against Japan" in which, according to the Communist interpretation of history, the PLA played the leading role. Next came the Civil War of 1946-49 in which the PLA finally swept across China establishing the PRC and an effective centralized state administration across the length and breadth of mainland China for the first time in many years. As Mao's famous aphorism pointed out, political power, in China, grew out of the barrel of a gun. Most important of all, perhaps, at least in terms of popular nationalism, was the "defeat" of U.S. forces in Korea by Chinese armies during the Korean War. The fact that Chinese armies inflicted heavy defeats on U.S. forces in 1950-51, pushed them back in the longest retreat in U.S. military history, and then held the line for two years under intense U.S. bombardment, was a source of deep national pride among Chinese. For the first time in a century during which China was repeatedly "humiliated" by Western powers, China had "stood up" and defeated a leading Western power. Chinese armies fought, defeated (both on the battlefield and in terms of attainment of political objectives) the forces of the leading Western power. The result was a deep and abiding pride in China's military power by the people of that newly united nation.

A second marked similarity between the military institution in Germany and China is the commitment of both to the maintenance of authoritarian social-political arrangements, and a perception of the military, both by itself and by the ruling authoritarian elite, as a bulwark against rebellion against the established authoritarian order. The army of Prussia-Germany perceived itself as a last, vital bulwark against the forces of revolution. The danger of revolution came from the industrial proletariat which was rapidly growing in numbers, in levels of organization, and in socialist militancy. It came also from the middle classes, and even from sections of the large capitalists who chafed at the privileges, status, and power of the aristocracy and who aspired to liberal democratic institutions along the lines of France and Britain. As noted earlier, fear of rebellion was a constant in the politics of Wilhelmine Germany. The officer corps of the Prussia-German army was determined to

thwart these forces of revolution and uphold the traditional authoritarian order capped by the Hohenzollern monarch. The officer corps resisted until 1919 any sworn obligation to uphold a particular constitutional arrangement and swore loyalty only to the Kaiser. Throughout the Wilhelmine period (and even after) the officer corps was prepared for and discussed a coup d'état in which constitutional forms would be discarded and martial law would be imposed. This would permit the thorough quashing of the forces of rebellion and the discarding of institutional arrangements (universal male suffrage, parliaments, etc.) which encouraged those forces.<sup>34</sup> Fear of a military coup d'état was a major, if implicit, factor in the politics of Wilhelmine Germany. Fear of provoking such a coup was a major factor dissuading the bourgeois elite from going too far, in pushing too strongly for democratization.

Again we find strong similarities between China and Germany. The PLA, like the Prussian-German army, is deeply committed to the maintenance of authoritarian social-political arrangements and sees itself as the bulwark against revolution against those arrangements. Mao Zedong spoke eloquently and at length about the need for violent dictatorship in the construction of a socialist social order. During his rule the PLA was often turned against class enemies of the new proletarian Party-state: during the 1951-53 campaign to suppress counter-revolutionaries, during the land reform of 1947-1952, during the twists and turns of the Socialist Education Campaign, and again during the Cultural Revolution. After 1978 Deng Xiaoping decreed that the primary contradiction in Chinese socialist society was no longer that between exploiting and exploited classes, but between the needs of the people and the underdevelopment of the forces of production. Economic development rather than class struggle was now the order of the day. Campaigns of repression were periodically launched (against bourgeois, liberalism, spiritual pollution, alienation, humanism, etc.), but generally these campaigns were not carried out by the PLA. In 1989, however, when demands for the democratization of society and politics grew powerful, the PLA moved ruthlessly to crush that challenge to the

authoritarian order. The authority of the Party-state was reimposed via martial law. In the months after June 1989 the disintegration of Communist regimes in Eastern Europe and then in the USSR itself convinced PLA leaders that Deng's decision in June 1989 had been correct. Failure to crush the challenge to CCP authority, acceptance of demands for democratization and coddling of those forces who raised those demands, would only make China weak.

Traditionally the PLA has seen itself as the defender of the Party, of the rule of the proletariat. During the 1980s the notion of a purely professional, apolitical army emerged in the PLA. According to this concept, the military should stand apart from internal, domestic politics and concentrate on the use of force against foreign countries at the order of China's civilian leaders. This notion of an apolitical military was excoriated in the aftermath of June 1989, and its advocates apparently purged from the PLA. Today the PLA very consciously perceives itself as the defender of the Communist rule against internal subversion or rebellion. Loyalty to Communist rule does not translate into loyalty to any particular institutional arrangement of the state. Very much as the German army's loyalty was to the monarch or more broadly to the Hollenzollern dynasty, so the PLA's loyalty is to the circle of leaders constituting the top leadership of the CCP. The relation of the various organs of state to one another — the constitutional makeup of the state — is not of primary importance to the PLA as long as there is a generally authoritarian relation between those institutions and society. As demonstrated during the crisis of 1989, the PLA was quite willing to contenance gross violations of formal institutional norms to facilitate crushing of challenges to Party rule. What was at stake in military eyes was upholding the Party's dictatorship, crushing the challenge to Party authority, not upholding this or that institutional arrangement of the state.

The specter of military coup d'état hangs over Chinese society much as it did over Wilhelmine Germany. It is sometimes asserted that China's tradition would not contenance a military coup against civilian leadership. This may be true in terms of outright

displacement of civilian leaders by military leaders. If, however, one understands as a coup d'état a discarding of existing institutional arrangements of the state and imposition of direct military rule over society with the authorization of a few top civilian leaders dedicated to upholding an authoritarian order, then China's experience in 1989 amounted to a coup d'état. More is involved here, I believe, than a quibble over terminology. The more important point is the existence of the military as "a state within a state" committed to the perpetuation of an authoritarian social-political order. The PLA's relation to the CCP is very similar to the German army's relation to the Hohenzollern dynasty. What matters is maintaining the power of this ruling elite and the authoritarian system upon which that rule is based.

The Prussian-German army and the PLA share remarkably similar views about the efficacy of authoritarian institutions. Both believed that authoritarian values represented the best in the national character and that authoritarian institutions were necessary for the achievement of national greatness. The ethos of the German officer corps extolled a hierarchical ordering of human affairs. Respect for the authority of superiors, obedience to orders, and discipline were cardinal virtues. These values were seen as applicable not only within the military, but as desirable for the German social order as a whole. The successful rise of Prussia to dominance in Germany's modern history was seen as proof of this, as vindication of these values. After unification, if Germany was to realize its destiny in the world, as the officer corps certainly felt it should, the values of Prussia would have to become those of all of Germany. It was within the army, of course, that those values found their most pure, concentrated expression. It followed that part of the army's mission was to defend the national essence against abasement by the forces of bourgeois, democratic, mass society. The deep antipathy of the military towards democratic social leveling, the parliamentarism of mass society, and so on were linked to adherence to these "feudal" values.

Regarding the PLA, that institution has a well defined system of ideology inculcated and enforced by an extensive political control system (PCS) derived from the Bolshevik model of party-army relations. Indoctrination in the politically corrected ideology begins with recruitment and is sustained throughout the officer's career. While the intensity of this "political ideological work" varies from period to period, it has been a constant throughout the PLA's entire history.

The crux of the PLA's ethos is absolute loyalty to the CCP as the vanguard of the Chinese nation. The absolute leadership of the CCP is necessary to the advance of the Chinese people and nation, and no challenges to that leadership are to be tolerated. Challenges to Party directives and authority are by definition counter-revolutionary and, as such, are appropriate targets of the "proletarian dictatorship." The CCP is the savior of China. Without it China would not have defeated Japan, united itself, defeated the Americans, or carried out substantial economic construction. China must have a very strong central authority. Without such it will fragment, stagnate, and be vulnerable to foreign aggression. Democratic institutions will not work in China, but would return China to a position comparable to its pre-1949 "semi-colonial position." Positive values attached to these political beliefs include self sacrifice and self abnegation, embrace of a spartan lifestyle, and unquestioning obedience to Party authority. While these values find their most concentrated form in the PLA, they are appropriate to society as a whole. Thus, the PLA has periodically been held up as a model for emulation by society. The most recent example of this is the Lei Feng campaign.

The ideology outlined above is that propounded by the CCP Center and by the Party's PCS within the PLA. But to what extent do PLA officers actually embrace these ideas? This we have no way of knowing. There is substantial evidence indicating significant financial linkages between PLA officers and members of their families with various manufacturing and commercial interests. This suggests that many officers do not take the anti-bourgeois ideology to heart. It may be useful, however, to distinguish



between elite Group Armies and more mundane garrison forces. The Group Armies are much less involved in commercial activities, and they, along with the PLA's political control system, may be the true defenders of the "national essence" in China.

In terms of relation of the military to civilian organs of state there are also strong similarities between Wilhelmine Germany and contemporary China. The German army leadership relied on two major approaches to maintain military autonomy and keep the military prepared for its anti-revolutionary role. One was to resist efforts to impose parliamentary controls over the military. The second was to keep liberal, socialist, or other unorthodox influences out of the officer corps.

The degree of parliamentary control over the military was important in Germany because parliament reflected a wide range of social interests as well as the sentiments of the ordinary people. Elections in Wilhelmine Germany were relatively non-coerced and competitive, especially after the final lifting of the anti-socialist laws in 1911. This meant that parliament provided a focused expression of mass sentiment and of views and interests of elites beyond the ruling elite. If parliament had substantive powers over military affairs, it was less likely that the military would be used in ways antithetical to the democratic views and interests of the people. Over the longer run it might also mean that the military would become more reflective of society --- that there would be less of a gulf between the military and the masses. One important implication of this was that the military would become a less reliable instrument of repression on behalf of an unpopular authoritarian order.

Throughout the Wilhelmine period, democratic forces in parliament struggled to impose greater parliamentary control over the army, while the army leadership struggled to thwart these efforts and keep the army subordinate only to the Emperor. After 1871 Parliament succeeded in compelling the War Minister to appear before it to answer questions. The army responded by reorganizing military administration so as to turn that particular position into a nearly powerless office. Administration over most vital military

affairs was shifted to such constitutionally irresponsible agencies as the General Staff, the Military Cabinet, and the Prussian War Ministry. Parliament had the power of an annual vote on budgets and occasionally (in 1874 and in 1883) tried to use this power to determine the size of the army. Army leadership viewed these moves as dangerously revolutionary and as proof of the unsuitability of parliamentary institutions for Germany. Parliamentary pushes for greater control were thwarted by the army leaders, Chancellor Bismarck and his successors, and the Kaiser.<sup>35</sup> These periodic pushes for greater parliamentary control over the army was a key reason why Bismarck lost faith in the limited parliamentary institutions he had helped establish in 1871 and to advocate their severe abridgment in the early 1890s. As we have seen, Wilhelm II rejected this advice. Instead of emasculating parliament, Wilhelm II turned to more aggressive foreign policies to rally parliamentary support for Germany's military.

China's national parliament, the National People's Congress (NPC), is very different from the limited democratic institutions of Wilhelmine Germany. The NPC is not directly elected. Nor is it selected through competitive, non-coerced elections. Consequently it does not provide a forum for mass sentiment and only for very limited non-ruling elite sentiment. The NPC does not function on the basis of free debate. Opposition to the CCP or to the government is not allowed --- although criticism of particular government policies is increasingly permitted. The entire proceedings of the NPC are guided by the CCP itself. Nor does the NPC have any significant powers vis-a-vis the PLA. It seems fair to say that there is no significant degree of parliamentary control over the military in China.

The second technique used by the German military to maintain its autonomy as a state within a state was to deliberately withhold commissions from persons with unorthodox social backgrounds and political views: liberals, socialists, Jews, and so on. In this fashion the officer corps would remain unquestionably loyal to the Kaiser: a "bulwark of royal absolutism."<sup>36</sup> Initially this meant systematic elimination of bourgeois/middle class officers from the army. In 1865 80% of the officer corps were of noble birth. Increasing

demand for educated manpower for officers led to the gradual lowering of the barrier against middle class men. By 1913 only (!) 52% of the officer corps were of noble birth. Men of common birth accepted into the officer corps, however, were expected to fully embrace the authoritarian ethos of the aristocratic officer class. Because of rising level of affluence, desires for social status that came from approval by high ranking officers of noble birth, and fear of revolution by the propertyless classes, middle class officers usually conformed to this expectation. If they did not, they were encouraged to find another profession. Throughout the Wilhelmine period, liberals, socialists, Jews, and others with unorthodox views or backgrounds were excluded. In this fashion the officer corps could be relied on once the barricades went up and the shooting began.

The PLA, like the army of Wilhelmine Germany, insists on ideological orthodoxy. Unlike the officer corps of imperial Germany, the PLA officer corps is not, of course, based on noble birth. Indeed, many PLA officers are recruited from middle, working, and peasant classes. It does seem, however, that certain social categories are disqualified for commissions: Tibetan, Uigurs, Uzbeks, and other problematic minorities, plus all religious believers. More importantly, all officers are expected to conform to the elaborate belief system carefully defined by the CCP's PCS within the PLA. As noted earlier, at the core of this belief system is absolute loyalty to the CCP's party dictatorship. From the General Staff level down to companies, the PCS made up of political officers and party branches, reports through a chain of command parallel to, but independent from, the line of military commanders. Its purpose is to inculcate the orthodox belief system expected of all officers and soldiers, and to watch for any indication of disloyalty to this orthodoxy. Reports of heterodox thinking have a substantial adverse impact on an officer's prospects for further promotion.

The role of the PCS within the PLA has varied over time. After June 1989 the somewhat lapsed PCS was reinvigorated. Political ideological work was again stressed — though not as much as during the Maoist era. The words and actions of all officers during

the critical days during and before June 1989 were reviewed by the renewed PCS. All those who had "waivered" during this critical period were given black marks. Many left the service. Ideological orthodoxy was effectively reimposed.

Is it likely that in the near or mid-term future the PCS will again be allowed to fall into relative diswutude permitting heterodox thinking to emerge in the PLA? My own guess is that it will not. The CCP, having escaped from the close-call of 1989, and having witnessed the demise of similar Party dictatorships in East Europe and the USSR will, I expect, hold on to control over the PLA's ideology as desperately as it holds on to political power itself. What this means for our purposes is that the PLA will remain united around an anti-democratic ideology and committed to upholding China's existing authoritarian institutions. The political role of the PLA, in other words, is likely to be similar to that of the army of imperial Germany.

Lack of obligation to a particular institutional arrangement of the state, immunity to parliamentary control, and insistence on ideological orthodoxy within the officer corps insured a high degree of autonomy of the army within the Prussian-German state. The army's strong corporate identity founded on protection of authoritarian values as the core of the nation's identity, was combined with a very low degree of civilian control. The army was, in Gordon Craig's words, "a state within a state." Even the most powerful Chancellor such as Bismarck was able only with difficulty to override and restrain the army. Weaker, less skillful Chancellors found this virtually impossible. Technically the army was subordinate to the Emperor. Yet, when the Kaiser was inclined to listen to his military advisors (as was the case with Wilhelm II), military influence could be very great since there were few institutional arrangements allowing civilian elite opinion to counter military pressure and advice. Below the very apex of the state there was very little civilian control or supervision of the military. By and large military affairs were handled by military authorities with little direction from civilian state institutions. The military also defined its own interests --- which it of course perceived as representing the highest, purest

interests of the nation --- and formed political alliances to achieve these interests. The military became a major actor in German politics becoming a major player in the long struggle against constitutional democracy. The German military maintained its institutional autonomy throughout the Weimar period. Indeed, one of the fundamental weaknesses of that republic was its dependence for protection upon a military lacking loyalty to constitutional democratic institutions. According to Craig, it was not until Hitler's repression following the attempted coup of June 1934 that the German military was finally subordinated to civilian (in that instance National Socialist) authority.

In terms of relations between the civilian ruling elite and the top military elite, there are major differences between Germany and China. The principle that "the party controls the gun, the gun does not control the party" is the principle edict governing civil-military relations in China. The Party, a civilian institution, is to command and control the army. At the apex this is institutionalized in the Central Military Commission (CMC), the chairman of which serves as the supreme commander of the PLA. Usually the civilian and uniformed members of the CMC have been about balanced. More important than such ratios, however, has been the fact that without exception the chair of the CMC has been the paramount leader of the CCP --- Mao Zedong, Hua Guofeng, Deng Xiaoping, and Jiang Zemin. In terms of the substance of political influence, the crux of Party control over the military has been the standing of the paramount CCP leader with ranking military circles. In this regard Mao and Deng had great influence due to their many years of close association with military affairs and leaders, fighting and winning wars, and advancing the careers of the generals who finally set atop the PLA when Mao and Deng reigned as paramount leaders. Hua Guo feng and Jiang Zemin have much less such informal influence with the military. Since succeeding Zhao Ziyang in mid-1989 Jiang has paid considerable attention to military affairs in an effort to overcome this shortcoming. It is doubtful how successful these efforts have been given Jiang's dearth of previous military, and especially combat, experience. Of course, a desire to overcome these shortcomings, to

garner military experience and to achieve great successes in establishing China as a great power, could be one factor inclining Jiang, or another similar paramount leader, to accept more assertive, high-risk foreign policies. Military accomplishments were central to both Mao Zedong's and Deng Xiaoping's consolidation of paramount power. Deng's engineering of the 1974 seizure of the Parocels from South Vietnam and his "teaching Vietnam a lesson" in 1979 were important factors convincing PLA leaders that this was a man with the requisite firmness to be China's leader.<sup>37</sup> Jiang Zemin's desire for nationalistic achievements of his own, achieved via military means may be one factor inclining him to accept the PLA's hard-line approach to Taiwan during 1995-96. A similar dynamic could continue to operate in the future.

The CCP's penetration of the PLA through the PCS clearly distinguishes contemporary Chinese civil-military relations from those of Germany a century earlier. Germany's non-capitalist elite --- the aristocratic land-owning Junkers --- had nothing comparable. In one sense, however, the Junkers did not need such a system to ensure the loyalty of the army since such a large proportion of the officer corps, especially the higher ranks, came from the Junker class. Moreover, many of the ideological watchdog and personnel selection functions exercised by the PCS in China were carried out by the Personnel Bureau under the German General Staff.<sup>38</sup> Still it is probably safe to say that China's PCS represents a somewhat greater degree of civilian control over the military than was present in imperial Germany. Having said this, however, we should recognize that both Germany and China had a relatively low degree of civilian control over the military, at least compared to the level common in democratic polities. Neither imperial Germany nor China today have parliamentary control or supervision over military affairs. Neither has a defense ministry with a stratum of top ranking civilian officials handling vital military matters but with career paths defined by the civilian rather than military sectors. Most importantly, perhaps, the top civilian rulers of neither country had the legitimacy and stature that selection via free and competitive elections automatically confers. This lessens

the authority of civilian leaders in overruling military leaders. It also makes them more willing to endorse foreign policies that promise to win them the stature they need and which will win them the support of the military.

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## NOTES

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- <sup>2</sup> Statistical yearbook, 1995, p. 137.
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