

Dark Side of the Chinese Moon

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Yang Lian on Chen Guidi and Wu Chuntao, *Zhongguo nongmin diaocha*. A catalogue of the iniquities visited on rural China as the CCP safeguards the 'investment environment' of the coastal cities, at the cost of the countryside. Impoverishment and extortion of 40 per cent of the world's peasants, in a survey suppressed by the PRC authorities.

A growing literature in recent years has documented the disparity between rural and urban living standards in China, and the deteriorating situation of the country's 900 million peasants. Li Changping's bestselling *Telling the Prime Minister the Truth*, He Qinglian's *Modernization's Pitfall* and other pathbreaking works have explored the social costs of China's headlong economic development. Intellectual journals and the popular press alike have devoted acres of space to the crisis in the countryside. Amid this ferment, Chen Guidi and Wu Chuntao's *Survey of Chinese Peasants* stands out for its vivid narratives of peasant life and for the real voices of the toilers that speak from its pages. Not only does it name the names, one after another, of the petty local tyrants whose abuses and brutalities make these agricultural labourers' lives a living hell. The *Survey* also raises the underlying political question of how this situation came about.

Chen and Wu—they are husband and wife—both come from peasant backgrounds, in Anhui and Hunan Provinces respectively, although they have made their careers as writers in the city. Wu had written warmly of her village childhood in an earlier essay, 'Cherishing a Faraway Place', while Chen, a novelist, had written on environmental questions. On 1 October 2000 they set out from Hefei, the provincial capital, some 500 miles south of Beijing, to explore the conditions of peasant life throughout the fifty-plus counties of Anhui, from the floodplains of the River Huai to the Yangtze Valley, travelling by bus or even on foot to reach the remotest villages. They describe the New China from below, documenting mud-hut hamlets where average annual earnings amount to 270 yuan, barely \$30 a year; where the toilers depend on giving blood to make a living; where, with a carbootful of onions selling at 2 yuan, less than 25 cents, the peasants who grew them would explain that they could not afford to eat any themselves. And at the same time, the brand new, two-storey houses of the village cadres, their cars, mobile phones, their growing retinues, all needing salaries, bonuses, good meals and office space that must be paid for by taxes extracted directly from the peasantry. They show that, beneath the soaring new skyscrapers, the spreading highways, the luxurious nightclubs and Karaoke bars and the thundering Formula 1 racing track, there lies a foundation of flesh and blood. The 'silver coins' whose jingling lights up the brightly coloured coastal cities are forged from the sweat and toil of hundreds of millions of peasants. This is the dark side of the legendary Chinese Moon.

The *Survey* details innumerable cases of abuse: if the peasants have no money to hand, the village Party Secretary's 'tax collection team' will confiscate their pigs, furniture, grain and machinery. If they meet with resistance they may call in the security forces and have the peasants beaten up, arrested or imprisoned. Thuggish behaviour and outright intimidation are commonplace: the son of a village Party Chairman in Jiwangchang District would drive up with an escort of the People's Militia and, if the peasants tried to hide indoors and not hand over the money he was demanding,

would have the door knocked down, get the peasant to pay up and also to reimburse him for the costs incurred in breaking down the door. After he had collected all the money, he would take his gang off to a restaurant for an enormous meal, which he would later demand be paid for by village funds.

The Party Secretary in Linqian County sent a 300-strong team to 'investigate' the family-planning situation in one village:

During the course of a single year, three government cadres from Sunmiao village, Lin Ming, Ai Zhidong and Li Peng, arrested over 200 villagers from the surrounding area for 'violation of the family-planning regulations' and kept them locked in a windowless detention centre until their families had come up with a hefty fine.

Chen and Wu sketch a brief history of peasant taxation in China, citing the seventh-century Emperor Tang Taizong's warning on the subject: 'The water can make the boat float, but it can sink it too'. High levels of local government corruption and thuggishness helped fuel the peasant unrest of the 1930s and 40s that brought down the Nationalists, they argue. With the collectivization of agriculture after Liberation, and then the further consolidation into People's Communes, the scale of the peasants' contribution to urban industrial development was 'camouflaged'; yet the famine of 1960 saw millions of deaths in the countryside as production plummeted. The introduction of the Household-Contract Responsibility System in 1979, under which the peasants were free to sell the remainder of their produce after they had fulfilled the government and collective quotas, brought measurable improvement. Peasant incomes and agricultural production began to rise, while local government was still financed from above and remained thinly staffed; collectively owned town and village enterprises began to flourish. With the abolition of the People's Communes in 1984, however, the focus of the reforms shifted to the cities and industrialized regions, leaving a policy vacuum in the countryside. Land titles were transferred not to the peasants but to the township governments. These were now permitted to levy their own funds, but without any mechanism of accountability or transparency being set in place, let alone any system of controls from below.

As a result, the expansion of local bureaucracy has led to a vast proliferation of taxes levied directly from the peasantry, no longer in goods or corvée form but in ready cash, and more or less at the whim of the lower-level cadres. Chen and Wu attempt to enumerate these fees—93 are charged by various government departments and an additional 293 are legally payable to township or county bodies—but finally admit defeat, concluding that the peasants were paying, as they put it themselves, 'more taxes than there are hairs on a cow'. These included levies for the village office-block construction fund, the school construction fund, the medical centre construction fund, the Party members' social club construction fund, the family-planning propaganda centre construction fund, the village enterprise construction fund, the environmental improvement fund and the crime prevention fund. There are education fees (for extra teachers' salaries, building repairs, library and equipment costs), family-planning fees (for child-health protection, post-abortion nutrition, officers' salaries), People's Militia fees and public welfare fees. In addition there are charges for road repairs, housing construction, veterinary services, vermin eradication, and police uniforms, motorbikes and megaphones. Pig fees were charged—for pig reproduction, pig slaughter and the birth of piglets—whether the peasants own pigs or not. And on top of this, peasants have to pay 'administration fees' for travel expenses and any other costs incurred by Party members or People's Congress delegates when attending official events or political meetings.

The situation worsened with the implementation of the 1994 'tax-sharing' reforms, which split fiscal planning into disconnected levels—'dividing the kitchen to cook separate meals'. The various administrative strata (China's 32 provinces are each further divided into districts/municipalities, counties, townships and villages) were urged to 'stimulate their economies to increase revenues' or

'cut spending and practise austerity', according to free-market discipline. The central authorities cut down their own budget by giving the green light to the local administrations to levy as much as they liked. But the cost of feeding the lower-level officials—leave alone their innumerable relatives, filling the ever-expanding local bureaucracies—had to be spread among the peasants: 'dozens of big hats ruling over a straw hat', as they complain to Chen and Wu. In practice, lower-level government debts soared, rising from 42bn to 820bn yuan (\$5bn to \$100bn) between 1993 and 1995, leaving the peasants to bear the additional cost of snowballing interest payments to local-government creditors, who are once again often Party cadres themselves. At the same time the privatization of successful town and village enterprises, from 1997 on, deprived the localities of an important source of revenue. Meanwhile, as the leading sociologist Lu Xueyi explains to Chen and Wu, the disparities between rural and urban development, locked in place from 1958 by the household registration system, have worsened dramatically since the late 1980s. Average income ratios between town and country are now around 6:1. But while city dwellers pay average annual taxes of 37 yuan per capita, peasants pay an average 146 yuan—four times as much.

As the *Survey* points out, the Chinese government is well aware of the level of peasant discontent, and since the early 1990s the official position of both the Central Committee and the State Council has been for a reduction of rural taxation. Yet the louder the central authorities bang the drum against excessive peasant taxes, the more they rise. In 1996 the State Council sent a large team of top officials from all the most important government departments to Henan, Hunan, Hubei, Anhui and Shanxi provinces to ensure that the tax reduction directive was being properly implemented; that year saw rural tax levels rise to record-breaking levels. In May 1997 the Central Committee issued four separate documents on the problem, but the level of peasant taxes rose even higher, although the prices of agricultural produce had dropped. In fact, the *Survey* suggests, the government's tax-reduction proclamations are as empty as the white-painted character slogans that adorn every wall in the countryside, proclaiming 'The People', or 'For the People', or 'The People Work for Themselves':

Chen and Wu offer warm support to the peasants who dare to resist these mafia-style expropriations—the villagers of Duzhuhu in Huangyu district, for instance, who have a set of signals for when a tax collection team is spotted coming towards the village. If the team is approaching from the west, the peasants on that side of the village bang a copper cymbal; if from the east, the villagers over there blow a whistle. At the sign, all the peasants grab hold of any weapons they can, sticks or knives, and run out to attack the tax collectors. Often it is villagers who have travelled to the cities or those with some education who take the lead, submitting written statements appealing for help from higher levels of government when they cannot bear such robbery any longer. The *Survey* opens with the story of Ding Zuoming, a young peasant from Luying village in Anhui's Lixin County, who followed the Central Committee debates on reducing rural taxation on the radio, and wrote a leaflet explaining to his neighbours that the fees for the village-development fund which the local officials were levying were far too high—'propaganda work similar to that undertaken by the underground Communist cells in Nationalist-controlled areas before the Liberation', comment Chen and Wu.

Ding led a delegation of peasants to the village Party committee, and fired off a series of letters to the higher authorities. Before long, some of the village cadres picked a fight with him, then had him charged with assaulting them. When Ding refused to pay the fine they demanded, he was locked up in the village police station, tortured and beaten to death. An angry crowd of villagers set out from Luying to the county capital, growing to a noisy demonstration thousands strong, with tractors, tricycles, farm trucks, carts and rickshaws by the time it reached Jiwangchang. Alerted by a Xinhua News Agency reporter, the central authorities knew of the protest almost before the Lixin Party Committee. They also knew that tens of thousands of peasants had just been clashing with the police in demonstrations against excessive taxes in Renshou County, Sichuan province, and wanted to

make sure the situation did not escalate. A Central Committee team was sent to Lixin to discipline those responsible for the 'Ding Zuoming affair'. But travelling to Luying village eight years after Ding's death, Chen and Wu discover that his family has still not been paid the compensation stipulated at the trial. Ding's children have had to leave school early to help their impoverished mother in the fields.

While the *Survey's* tales speak of great courage among China's peasants, they also show the many weapons that the authorities have at their disposal. In the case of the murderous brutality of Zhang Guiquan, the Deputy Party chairman of Xiaozhang village in Anhui's Guzhen County, these include both the tv and the courts. When over-taxed peasants demanded an investigation into the Xiaozhang village accounts, Zhang and his thuggish sons launched a knife attack on the local investigators, killing four of them. Under instructions from the Guzhen County Party committee, the local tv station reported the killings as the result of 'an argument', with no mention of Zhang's record of crime and extortion. When the victims' families marched to the County capital to complain, they were warned by the local cadres to keep their mouths shut: it was illegal to send reports to the higher authorities or spread rumours about the case. The relatives of the victims were not notified about when the murder case was going to be heard at the municipal court, and found out too late to get lawyers. No officer had been sent to Xiaozhang to interview the witnesses. None of the victims' relatives had seen the bill of indictment, which made no mention of the tax-investigation team. Hurrying to the court, they were told they could listen but would not be allowed to speak. When they tried to appeal against the lenient sentences passed on some of the murderers, their application was quashed. When Chen and Wu visited Xiaozhang in 2001 the families were living in fear, with one of the murderers still at large.

A village delegation from Wangying in Anhui's Linquan County travelled to Beijing in an attempt to get the official tax-reduction policies implemented in their locality, when local protest demonstrations against the extortionist practices of Zhang Xide, the County Party Secretary, only produced more threats. Though the three villagers were sympathetically received at the State Council's Department of Agriculture, and the County authorities were obliged to send an investigation team to Wangying, on their return one (Wang Junbin, a former soldier and Party member) was sacked from his post at the local Land Bureau, while the other two (Wang Hongchao and Wang Xiangdong) were beaten up by the municipal authorities. After security officers sent to arrest the three Wangs in the middle of the night were chased away by angry peasants, Zhang Xide sent eight trucks of heavily armed security forces to crush the resistance. During the mass arrests that followed, Wang Hongchao and Wang Xiangdong were dispatched to jail in Taihe, Zhang Xide's home county, where they were kept for two months with their hands tied behind their backs 24 hours a day, forced to eat from a bowl kneeling down on the floor like pigs. When finally brought to trial, mass protests outside the Linquan County Court won them light sentences, and Zhang Xide was transferred to another county. Wang Junbin, however, was won over by the authorities. His Party membership reinstated, he was appointed Wangying Village Secretary. By 2001—'as if the rural Party system in China were a magic lake, and anyone dipped in it must suffer a change of character', as Chen and Wu wonderingly comment—Wang Junbin was being accused by Wangying peasants of having pocketed the village drought-relief funds for himself.

The problems of the countryside are often discussed as though they had nothing to do with the central leadership, but were purely a matter of local corruption. Any attentive reader of the *Survey* will learn that the super-exploitation of the peasantry is a deliberate policy choice on the part of the Chinese authorities. Protests in the cities are far more threatening for them and are far more likely to get national and international media coverage, resulting in a negative impact on the 'investment environment'. The West shares the same agenda—indeed, Western capitalists fear China falling into 'instability' even more than the Chinese Communist Party does. They need the authoritarian rule of

the Party to safeguard their billions of dollars of investments, and for this reason are prepared to shut their eyes to any crimes it may commit against its own people, first delinking human-rights violations from trade and now keeping silent about the numerous bans on critical works and the suppression of the Fa Lun Gong. The wealth created by the blood and sweat of Chinese peasants is extracted by corrupt officials or sent abroad, via Beijing's use of their pitiful but numerous savings to buy us Treasury bills, to ensure that Western stomachs can continue their unending consumption.

Nor does the new Chinese elite show any concern for the plight of the peasants. When I wrote, in the aftermath of Tiananmen Square, that 'The same people weeping now will soon start laughing at those who cannot laugh', I had little idea of how quickly the words would turn into reality. Many of those who went through the hardships of being sent down to the countryside, and once fought fiercely against political oppression, have changed their stance over the last few years. It is not that they are unaware of the suffering of Chinese peasants, nor that of workers being made redundant, or residents forced to move to clear land for developers. But perhaps the conflicting desires became too burdensome for them; or they convinced themselves that nothing in their lives would, or could, ever be worth more than the title, car and house that the Party had bestowed; and that the quickest way to release the pressure of inner anxiety was simply to accept the status quo. Having done that, what would stop one from going further, climbing all the way up the ladder of power and playing an active role in the battle to redistribute social wealth? Of all the successes of the Party, number one is the creation of this breed of thoroughly shameless 'idealists'. A close second are those honourable 'sea turtles' who know all about world economic trends and who, having suffered from fierce competition abroad, are returning to China's shores to flaunt themselves in official circles, foreign passports hidden in their pockets. Their noisy talk of patriotism and heavy hints about 'descendants of famous ancestors' cannot conceal their true identities as soulless sales assistants for multinational brands. Others, waving the international hard-currency banner of post-colonialism, condemn with great moral indignation the injustices between rich and poor countries and the iniquities of the WTO, while keeping silent about the happenings under their own eyes.

Yet if the Chinese authorities succeed in imposing their 'order' on the peasantry, they will only be hastening the coming agricultural crisis. As the *Survey* puts it:

China's agriculture has been stagnant for years. In 2003, grain production levels were lower than they had been in 1990, while peasants' per capita average farming income has fallen by 6 per cent since 1997; given the rising costs of health and education, their real purchasing power has dropped still further. Rather than attempting to raise rural living standards and minimize the divisions between industry and agriculture, the central authorities are continuing to drive them down. The granaries stand empty and foodstuffs are increasingly being purchased abroad. The vast new consumer market remains a figment of Western capitalist dreams: over half the Chinese population falls into the World Bank's 'Fourth World' category, with the per capita purchasing power of the lowest-income countries. Thanks to the greed and short-sightedness of its leaders, China is entering the world economy with one hand tied behind its back.

There are alternatives. While the first four chapters of the *Survey* explore specific cases, and the central section considers more general aspects of the rural crisis (interviewing Lu Xueyi, Li Changping and other experts), the final chapters discuss attempts at reform. Chen and Wu give a detailed and sympathetic account of the work of He Kaiyin, whose insights point up some of the contradictions between land privatization (benefiting capitalist developers) and peasant land rights. He Kaiyin has argued for a properly targeted 'agricultural-rural plan' that would centrally address peasants' needs, whereas his opponents aim at a more general policy of 'local economic development', often a veil for official control of resources. But peasants need political rights as well as land titles: the right to form their own organizations and elect their own recallable representatives would give them real leverage over local officials and the rotten court system.

In one memorable scene, the *Survey of Chinese Peasants* describes how officials in Anhui's Nanling County scrambled to prepare for Premier Zhu Rongji's visit in 1998, to inspect the results of his grain-purchase policy. Since prices had plummeted and the county's barns were empty, 1,000 tons of grain had to be trucked in, with lorryloads arriving all through the night. The grain-centre workers were sent packing and local officials took their place, having learnt by heart the details of the State Council's directives and a list of false statistics, ready for any question the Chinese Premier might put. As the tv cameras rolled, Zhu struggled to the top of the grain mountain with the help of his bodyguards and postured on its summit, highly satisfied with his policy's success. Although Chen and Wu do their best to look for positive signs of rural reform, and report glowingly on Wen Jiabao's determined attempts to break through local officials' obfuscation and find out the truth about peasant conditions, the publishers of the *Survey of Chinese Peasants* were instructed to stop printing as the book hit the bestseller lists in March 2004. As Chen has said, 'It is really sensitive when you write that the top leadership of the Communist Party does not know what's happening in the country'.

An estimated 8 million copies of the *Survey* have now been sold in pirated form. Though Chen and Wu were allowed to collect an international prize in Berlin in October 2004, they were subsequently sued for libel by Zhang Xide, the former Linquan County Party boss—clearly with official backing. Their witnesses were subjected to the same well-calibrated mixture of bribery and repression that the *Survey* reveals to be a mainstay of the Party's continued rule over hundreds of millions of angry and impoverished peasants: 'Though their numbers are vast, they are not united, and are unable to combat the many pressures they face. But the rural cadres are, on the contrary, a very well-organized force'. When Chen and Wu petitioned for the trial to be moved to a neutral location rather than Zhang's home district, where his son is a judge, their appeal was rejected. In March 2005 they were found guilty and given heavy fines. The suppression of the *Survey of Chinese Peasants* is surely as good as a confession, confirming who the real criminals are.

P.S.

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