China: The Aggravating Crisis Cannot be Solved Even with Wen Jiabao's Push for Political Reform

Wednesday 8 February 2012, by ZHANG Kai (Date first published: December 2011).

Jiabao's Proposal for Political Reform

On September 14, 2011, Chinese Premier Wen Jiabao made a high-profile plea for political reform when he attended the World Economic Forum Annual Meeting of the New Champions, also known as the Summer Davos Forum, in Dalian, a coastal city in northeast China's Liaoning Province. Wen offered his "five points of political reform": 1. ruling the country by law, and ensuring separation of the party and government; 2. promoting social justice, addressing unfair distribution of wages and closing the gap between the rich and the poor; 3. ensuring an impartial and independent judiciary; 4. protecting the democratic rights of the people and expanding grassroots elections; 5. opposing corruption, requiring government officials to make public their financial affairs.

For the past two years, Wen repeated his idea about political restructure in different public events. Wen presented himself as a modest reformist within the Chinese Communist Party, whose position is similar to Zhao Ziyang. In 1989, Zhao, accompanied by Wen, visited the students and protesters on Tiananmen Square. Later Zhao stepped down and Wen disappeared from sight for a long time.

President Hu Jintao's speeches to mark the 30 years of the Shenzhen Special Economic Zone supported Wen, to a certain extent. Hu stressed that China should push for economic, political, cultural and social reforms. On the other hand, the conservative faction of the leadership dismissed any notion of political reform. Wu Bangguo, the chairman of the National People's Congress, advocated the five NOs: "no multi-party election; no diversified guiding principles, no separation of powers, no federal system and no privatization."

Modest reformists such as Zhao and Wen urged resolving the serious tension between the bureaucracy and the people. But it is still extremely difficult to restructure the political system.

The Background of Wen's Speeches

In the absence of political reform, social unrest is everywhere. The Beijing International City Development Institute has recently released China's first Social Stability Risk Assessment Index System Report, at the International City Forum 2011 in Beijing on September 15. Lian Yuming, president of the Institute, warned that because of the incubation period and uncertainty of these risks, crises could be massively spread and magnified if risks are not solved now.

Furthermore, Lian pointed out that the gap between the rich and the impoverished was widening, and the Gini Coefficient exceeded 0.5, seriously challenging social tolerance. Second, social contradictions were increasingly emerging. Third, public security problems were severe, with protests by disgruntled people on the rise. Fourth, the social mentality of resenting the rich, officials and the authorities could result in social crises. Fifth, unconventional security hazards were becoming main threats of society.

Lian also remarked that nine categories of disputes — land disputes, relocation disputes, property disputes, restructuring disputes, medical disputes, labor disputes, pollution disputes, loan disputes, and disputes between locals and foreigners — could easily be transformed into social risks. He examined that these disputes are caused by the complicated and profound roots of economic and social development process.

Civic disputes and social tragedies forced the People's Supreme Court to issue an emergency notice on September 9 that all people's courts should seriously settle the cases and solve the disputes based on law. However, scuffles have continuously broken out between police and protesters. For example, Wukan villagers of Guangdong Province protested against the land grabbing by the local government and a Hong Kong capitalist. Longtou villagers also complained about the illegal land confiscation by the developers. Irritated by land disputes, Yilong villagers attacked the developer's industrial park. There are many social conflicts yet to be disclosed.

Consequences of Capitalism

The Chinese Communist Party (CCP) has committed a serious mistake in implementing capitalism with corruption and negligence. The mushrooming growth of factories brought harm not only to people's health but also to the environment. For example, the Dalian PX protest was a public protest up to 80,000 people against a toxic PX (paraxylene) chemical factory built inDaliancity. The government agreed to move the factory out of the city, although the new location of the factory and the date of its move were not announced. More than a thousand people blocked the main road in Gutian county, Fujian Province, to protest the death of tons of fish in the river Min, caused by the discharge of chemical waste.

Worse still are the most destructive and widespread pollutants — tiny particulates widely known as PM 2.5. According to the research of China Environmental Science Institute, cities in the Pearl Delta, Yangtze Delta, Sichuan plain and northeast region are seriously affected by PM 2.5. Air particulates with a diameter of 2.5 microns or less (hence "PM 2.5") have serious health implications. They are small enough to penetrate human lung tissue and can cause asthma, lung cancer and cardiovascular disease. The research states that 58% of cities in China have exceeded five times the standard for PM 2.5 set by the World Health Organization. In 2004, air pollution killed 358,000 people.

Poor Public Health Services

Public health services have become worse. China Central Television reported that hospitals made fivefold profits from the most 20 popular drugs, some even 65-fold. Doctors were involved in sharing the profits. People's Daily, dated 1 September, reported two cruel medical events. In Wuhan city of Hubei Province, a doctor immediately tore open the stitched wound of a peasant worker once he admitted he did not have enough money. In Anguo-City of Hebei Province, a mentally handicapped street girl was abandoned into the remote area by a hospital. She died soon after. It is not only a question of morality, but also a question of the public health system because of the implementation of a market economy in which profit-making is the first priority.

Moral Decline

Capitalist economy has led to social indifference, moral decline, profit-orientation and selfishness. In Foshan City of Guangdong Province, a two-year-old girl, Yueyue, was knocked down by two cars, but the 18 passengers all turned a blind eye. In Shandong Province, a five-year-old boy was dying due to the collapse of the house, but no one gave him a hand. These events stirred national debates about moral decline. Wen Jiabao criticized the moral decline but the editorial of Guangming Daily refuted

the fact. Nonetheless, according to Wen Wei Po dated 23 October, research conducted by the Global Net and Global Public Opinion Research Center found that 86% of respondents thought moral standards have largely declined in today China, and officials, doctors and businessmen were considered to be the most immoral groups.

Other figures prove that there is widening gap between the rich and the poor in China. The Gini Coefficient has already gone beyond 0.4, the acceptable line. [The Gini coefficient is a number between 0 and 1, mathematically measuring income inequality. In the United States, after taxes, the Gini coefficient hovers around 0.38. Hence inequality in China today is somewhat greater than in the USA.]

According to Wen Wei Po dated 6 December, the gap between the highest income group and the lowest income group in the city is also enlarging. It increased from 2.9 times in 1985 to 8.9 times in 2009. According to Xinjing Daily dated 8 December, the research conducted by Guangzhou Popular Opinion Research Center showed that in Beijing, Shanghai and Guangzhou, the elites with high income were 81% satisfied with the situation, but at the grassroots only 18%. Meanwhile, Fang Xiaojian, the head of Poverty Alleviation Office of the State Council, estimated that at the end of 2011, there would be 128 millions rural poor, accounting for 13.4% of whole rural population.

According to the research on peasants in current development situation conducted by Central China Normal University in Wuhan, the percentage of peasants who felt they were respected by doctors, officials and the rich were respectively 4.7%, 3.7% and 2.5%; even when they were shopping, only 10.7% felt they were respected. They were not interested in national policies that did not concern peasants, and only half of them had heard of the 12th Five-year Plan.

From the above, we can conclude that the political system has caused serious consequences and it should completely be reformed. But the conservatives within the party refused to make any change even when reformists such as Zhao and Wen proposed modest reforms. Hence, only radical reforms will be the solution to solve the problem.

Zhang Kai, 2 December 2011

Postscript

In the following 20 days, Wukan villagers continuously protested and then self-organized in the "Temporary Representative Council." Other villages also followed suit. It seems that a new peasant movement has appeared. At last, Guangdong's deputy Party secretary Zhu Mingguo met with the protest leader and agreed to make concessions: (1) to release those arrested within three days: (2) to disclose the postmortem report of Xue Jinbo who died in custody; (3) to acknowledge the legitimacy of the Temporary Representative Council. This is indeed a victory of the people, which will affect the struggle for democracy and livelihood in China.

P.S.

* From October Review, December 31, 2011 issue http://www.october-review.org/