
The Democratizing Power of Economic Reform

The Revival of a Representative Institution in Rural China

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Liberal economic reforms in the post-Maoist era have deprived the grassroots party-state in rural China of its traditional sources of revenue, thereby gradually transforming it from a socialist rentier state into a post-communist taxation state. The need for taxation by consent to finance the provision of local public goods necessitates the opening of more institutionalized channels of representation and promotes democratic political change at the local level.

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SCHOLARS of communist and post-communist regimes have long tried to identify the dynamics of democratic change within these systems and to explain the inklings of democracy embedded in the structures of the *ancien régime*. What are the driving forces behind institutional changes toward democratic governance within a tightly controlled authoritarian polity? Why does the all-powerful communist party-state try new governing systems that, albeit on a limited scale, will put substantial limits on the powers it has held for years? What are the rationales for an illiberal polity to not only passively tolerate but also proactively promote democratic changes that carry with them both intended and unintended political consequences?

Based on the experience of post-communist transitions in Eastern Europe, researchers have noted that “departures from the practices of the command economy” lead to “political change in their wake.”¹ As Adam Przeworski suggests, during the retreat of authoritarian rule, the transition of economic systems and political democratization are two radical yet interdependent processes.² Nevertheless, scholars’ explanations of the nature of this interdependent link differ significantly. Modernization theorists—operating from very different perspectives—emphasize the importance of various concomitants of modernization. In their view, industrialization, urbanization, better education, and an emerging middle class are deemed both the necessary structural pre-conditions and the endogenous driving forces for democratization.³ Other scholars believe that market reforms tend to weaken the communist party-state’s economic control over society and thus shake the patronage network between members

of society and the state, inevitably leading to the decline of communism.⁴ Scholars also tackle the issue from the perspective of the adaptive transformation of authoritarian political parties—and local democratic reform can be seen either as the instrument for central authority to exert control over local governments⁵ or as part of a systematic reformist effort by the ruling elite, who strive to adapt to the changing external sociopolitical environment.⁶

All these studies shed light on our understanding of the interactions between the parallel processes of political and economic change in the post-communist context. However, crucial links and processes remain puzzling. As Bruce Dickson suggests, economic progress may “accentuate pressures on the party to adapt, but they do not automatically cause” this change.⁷ Students of authoritarian regimes are still searching for the concrete mechanisms through which the forces unleashed by economic transformation are integrated into the dynamics of political liberalization. This article seeks to answer the question of how the conditions produced by marketization under authoritarianism eventually pressed the regime’s local stakeholders to welcome more transparent and democratic governance, despite the intrinsic distaste of its elites for “Western-style” representative democracy. Which factors set in motion the ruling party-state’s self-reform, a process that aims to remodel its original governance structure into a more democratic and representative system?

Studies of state-building in West European countries have elaborated the important impact of taxation on state-building and on the genesis of modern representative democracy. Two models are offered. Scholars supporting the “bargaining model”⁸ suggest that rulers offer their subjects representation in exchange for state revenue.⁹ Those advocating the “legitimization model” argue that representation helps rulers to make war because it legitimizes taxation and facilitates the public’s consent to state extraction of revenue.¹⁰ Later theories on the “rentier state” further suggest that in countries where the government relies on taxation for revenue less than on external rents (like profits from oil export or monopoly income), there is a greater likelihood for nondemocratic regimes to survive.¹¹

Drawing upon this vast literature and my year-long fieldwork conducted in rural China, the present article studies intensively an influential democratic political reform launched during the first decade of the twenty-first century by the local communist party-state in a northern Chinese county here called “Q county” that aims at reinvigorating pre-communist representative institutions in village governance.¹² By exploring the dynamics and

rationales behind the initial construction and operation of the revived representative institution, the village council, this article demonstrates that liberal economic reforms in the post-Maoist era have deprived the grassroots party-state in rural China of its traditional sources of revenue and have gradually transformed the local state from a socialist rentier state into a post-communist taxation state. The newly emerging need for taxation by consent to finance the provision of local public goods, rather than coercive rent, as under the socialist order, necessitates the opening of more institutionalized channels of representation and promotes democratic political changes in local politics under market reforms.

The Ancien Régime

Before the communist takeover in 1949, representative institutions had long played a crucial role in village governance in China. Traditionally, on the North China plain, a representative institution known either as the village council (*cunmin huiyi*) or the village representative assembly (*cunmin daibiao huiyi*)¹³ had existed as both the decision-making body and the governing institution in village politics.¹⁴ In Q county, rural governance before the communist victory relied heavily on the operation of these local representative institutions. According to the *Q County Gazetteers* published in the 1930s, four institutions were essential to govern a typical pre-communist village: the village council, the village administrative body (*cun gongsuo*), the village mediation society (*cun xi song hui*), and the village monitoring committee (*cun jiancha weiyuanhui*). Of these, the village council played a central role.¹⁵ The division of labor among the major administrative institutions in the pre-communist villages is shown in Table 1.

In the 1950s collectivization broke down the traditional system of governance and enabled the Chinese Communist Party (CCP) to penetrate the most basic level of the polity via land reform, revolutionary war, and a series of mass movements. Under Maoist reign, the people’s communes (*renmin gongshe*), designated as the local-level extension of the party-state apparatus, exerted rigid control over brigades and production teams—the two lowest echelons in the administrative apparatus governing the organized peasantry in the Chinese countryside.

The Maoist order collapsed in the 1980s with centrally blessed spontaneous local economic liberalization. But in the post-Mao era Chinese villages faced a “crisis” of governance: Traditional gentry rule via representative assemblies had been overturned by the Revolution, and

Table 1

Pre-Communist Village Governance Institutions in Q County

Village council (<i>cunmin huiyi</i>)	Power of initiative
	Enact village regulations; Elect village head and assistant heads
	<i>Power of election</i> Elect members of mediation association Elect members of monitoring committee
	<i>Power of recall</i> Impeach and recall village public officeholders
	<i>Power of referendum</i> Decide on motions proposed by village heads and deputies Decide on motions forwarded by monitoring committee Decide on motions forwarded by county or district Decide on motions proposed by villagers Amend and modify village regulations
Administrative office (<i>cun gongsuo</i>)	Decide on village boundaries Arrange neighboring communities Enforce village regulations Manage corps of armed guards Manage village finance Build and repair village roads Improve local customs Clean waterways Prepare for national disasters Promote village hygiene Promote popular education Promote village industries Implement decisions by village council Perform duties required by county and district Report unusual occurrences in village (to local government) Other duties that should be performed by village government
Mediation society (<i>xi song hui</i>)	Hear and judge disputes filed by both parties involved Hear and handle cases forwarded by county or district
Monitoring committee (<i>jiancha weiyuanhui</i>)	Monitor daily work of village public servants Audit village finances Hear and deal with complaints filed by people

Source: *Q xian zhi-xu* (Q County Gazetteers), vol. 5 (March 1931), pp. 26-27.

the people's communes had proved a failure and thus had been abruptly abolished in the late 1970 and early 1980s. What, then, would fill the institutional vacuum left by these dramatic sociopolitical changes?

Although the Organic Law of the Village Committee (1987) created a nominally self-governing system in the Chinese countryside and installed a dual-power system made up of a village council branch of the CCP¹⁶ and a village administrative committee (*cunmin weiyuanhui*)

elected by the villagers, the division of power between the two institutions was left vague at best. In the 1987 trial version of the law, Articles 16 and 17 only casually mentioned the existence of a village assembly (*cunmin huiyi*) that was supposed to approve village-wide regulations and collect local levies and dues for public purposes. In the 1998 amended version of the law, Article 19 clarified this vague clause and listed nine different public issues that were to be submitted to the assembly for approval,

covering almost every aspect of village life. Nevertheless, this village assembly, despite being a legally mandated democratic institution in village governance, never actually functioned as prescribed and was indeed nonexistent in most places.¹⁷ The reason was political. Although the CCP has never formally repudiated the possibility of reforming the Soviet-style political regime after Deng Xiaoping's famous 1982 speech advocating reform of the party-state apparatus, the creation of a system of institutionalized checks and balances on power has never been the party's policy goal. As Deng, the paramount leader, noted, "[in terms of] political reform . . . we have to adhere to the system of the People's Congress, instead of the American-style separation of powers."¹⁸

This high-level opposition to representative democracy is reflected in the CCP's directives pertaining to grassroots governance. Consider, for instance, the Central Committee's "Regulations on the Work of the CCP's Grassroots Organizations in Rural Areas" (Zhongguo gongchandang nongcun jiceng zuzhi gongzuo tiaoli), issued in February 1999.¹⁹ Article 2 of this document announced in the clearest possible terms that the CCP's grassroots organizations were to be the "leadership core of all works and all institutions in the rural area." Backed by central authority, party branches in the reform era have stubbornly remained the supreme power-holder, ultimate decision-maker, and strong-handed policy implementer in China's villages. Institutional arrangements have also been made to warrant and enforce the power status of grassroots CCP branches. At a minimum, these include compulsory joint sessions of the village party branch and the administrative committee and the concurrent holding of principal party and administrative posts by a single cadre. These arrangements have further blurred the institutional boundary between the nominal self-governing body and the CCP, leaving democratic monitoring of village governance nearly impossible and the power of the party bosses virtually unchecked.

This institutional structure allows no room for representative institutions.²⁰ According to a survey conducted by the Chinese Academy of Social Sciences, 40.5 percent of the villagers interviewed had never attended a village assembly.²¹ Given this broader context, it is not surprising to find that, until 2001, no village in Q county had a functioning representative institution that could effectively monitor the power of the CCP branches. A document issued by the party committee of Q county acknowledges:

Although the Organic Law bestowed on the villagers the democratic rights that could be directly exercised through a

village assembly, this conference is impossible to convene (as prescribed by the Law) and the said rights thus remain nominal. The road of direct democracy was actually a dead-end one. . . . The self-governing of village affairs had in fact become the autonomy of village cadres.²²

The Reform

In 2001, the CCP in Q county launched a political reform aimed at reviving the village council—the pre-communist representative institution in village governance—into a substantial power-holder that could effectively balance the power of the CCP branch and hope to improve the quality of governance. After the reform, every village in Q county was to produce a village council via election that would be free of state interference. Every ten to fifteen households would be represented by one council member. Having, as a result of the reform, resumed their traditional power role in village politics, the revived village councils were again bestowed with considerable legislative power. According to the county's "Regulations on the Operation of Village Organizations," the revived village councils are entitled to approve budgets, collect fees and levies, decide on village zoning, allocate farmland, and make housing regulations.²³ They are also given the power to monitor the financial activities of the village governments, and a special standing group is created for that purpose at the first meeting of every village council.

The significance of this reform also lies in the institutionalized link between the revived village council and the CCP's village-level leadership. Elected membership in the village council is a formal requirement for any candidate who wants to be appointed village party secretary. Under the reform, in order to remain in office, an incumbent party secretary must win a seat in the village council election. An incumbent party secretary who fails to win the election must be removed from office immediately. The regulations formally state: "Party secretaries who fail in village-level democratic elections and are not elected to the village council or village administrative committee shall resign from their post."²⁴ In the first village council election, 85.4 percent of the incumbent party secretaries in Q county won council seats,²⁵ and those who failed were immediately removed from their posts.²⁶ In the second council election in 2006, the passing rate increased to 92.8 percent.²⁷

The reform advanced rapidly after its initial launch. Within a year, each of the 354 villages in Q county had successfully elected a village council and 6,409 councilors had been installed.²⁸ CCP members do not constitute a

Table 2

Village Council Membership in 71 Villages (June 2004): First Election

Number of villages: 71
 Number of council members: 1,323
 Number of members per village: 18.63

Description	Number	Percentage
Communist Party member	538	41
Private business owner	135	10
Wedding and funeral association leader*	128	10
Specialty household (that is, rural households engaging in specialized agricultural or sideline industrial production)	317	24

Source: "Zhonggong qingxian xianwei bangongshi" (General Office of the Party Committee of Qing County), in *Qingxian cunzhi moshi ziliao huibian* (Collection of Materials on Village Governance Model in Qing County), Q County, unpublished government document, 2005, p. 79.

*The Committee on Weddings and Funerals (Hongbai lishihui) is a voluntary organization that helps make arrangements for funeral and wedding ceremonies. It is the major unofficial village-level organization in Q County.

majority in the newly elected councils. In the first village council election, held in 2004, a survey sample of seventy-one villages shows that only about 41 percent of the elected councilors were CCP members, while 59 percent were not (see Table 2). In the second village council election, held in 2006, the proportion of CCP members in the village councils dropped to around 39 percent (see Table 3). Although CCP members are still overwhelmingly over-represented given the low percentage of party members in the overall population, the significance of this change can be viewed from two perspectives. First, a decade ago, Rowen complained that party membership was usually a precondition for qualification as village representatives in China.²⁹ These data show that under the new system, however, political loyalty or qualification is not a necessary condition for membership in the village councils. Second, with a non-communist majority present in the most powerful village governing institution, both the power configuration of village politics and the relationship between the CCP and the local communities should undergo substantial changes.

To accurately evaluate these implications, it is essential to examine the actual operation of the revived village councils. Because they have an average size of eighteen

Table 3

Village Council Composition in Q County (August 2006): Second Election

Number of villages: 345
 Number of council members: 6,341
 Number of members per village: 18.37

Description	Number	Percentage
Communist Party member	2,463	38.8
Party branch committee member	655	10.3
Village committee member	540	8.5
Woman	143	2.3
Age		
<35	294	4.6
36-55	3,963	62.5
>56	2,084	32.9
Education		
Junior middle school or less	5,116	80.6
High school or equivalent	1,190	18.8
College associate degree or more	35	0.6
Occupation		
Farmer	3,913	61.7
Specialty household	1,352	21.3
Private business owner	850	13.4
Other	226	3.6

Source: Zhonggong Q xian xianwei zuzhibu (Organization Department of Party Committee of Q County), "Quan xian di qi jie cun min wei yuan hui huan jie xuan ju gong zuo Q kuang tong ji biao" (Statistical Form on the Seventh Reelection of Village Organizations in Q County), 2006.

or nineteen members, it is relatively easy for the village councils to meet regularly and work relatively efficiently. The village councils' routine schedule follows a typical legislative workflow. Immediately after the election, the elected members meet and elect a chairperson who will preside over future sessions. The village councils meet on a fixed date each month as well as for special sessions if proposed by more than one-third of the members.³⁰ Proposals submitted to the council must be distributed to its members beforehand so that they can investigate or study the issue thoroughly and independently. At each meeting, after the councilors have debated and deliberated on individual proposals, a motion to vote will be proposed. To pass, a resolution must win at least 63 percent of the votes. The resolution will then be recorded, and each councilor will have to affix his or her personal seal to the official record. Resolutions are thus announced and implemented in the village. The village government (i.e., the village

administrative committee) has to report on its activities at the council's monthly meetings. The standing group that is charged with financial monitoring of the village government also reports to the village council. Compared to previous experimentation with village elections,³¹ this reform is innovative—it aims to re-create a representative institution as the power center in village politics rather than merely electing a village head or party secretary. The ultimate target for change under this reform is the way in which political power functions in the villagers' daily lives.

After several years of experimentation, the village councils in Q county have emerged as effective representative bodies that exercise substantial power in village governance.

Check on Party Power. The village council has become a powerful institution that imposes limitations upon the paramount power previously held by the CCP's grassroots branches. As a "mini-parliament" representing rural communities, village councils decide on important public issues and constantly monitor the daily operations of executive power. For example, in 2004 the CCP branch of W village proposed collecting RMB50 per household to rebuild a road and upgrade the local electrical system. When this proposal came before the village council, most of the members deemed it unnecessary and voted it down. No money was collected, and the project was halted.³² In 2003, when X village obtained outside investment to build a chicken farm, its CCP branch failed to obtain the necessary approval from the village council for land allocation; the project could not be implemented.³³ In March 2004, the party branch for N village decided on a plan to assign unoccupied plots to residential housing. However, the village council—by a vote—refused to support the proposal and drafted a different allocation plan. The council's plan was upheld.³⁴ In R village, the village council not only decided—bypassing the CCP branch—to sell the collectively owned enterprises to private owners but also closely monitored the entire transaction.³⁵ In C village, when party secretary W decided to sell three collectively owned wells and invest the money in another deep-water well, he did not consult with the village council. The councilors found out and challenged the plan on the basis that water supply was not an urgent issue for the village. W's original decision was reversed and the project was terminated.³⁶

Influence Cadre Appointments. The village council also exerts significant influence over the appointment of

principal village cadres, and by thus shaping personnel arrangements, it holds the local party-state more accountable to communal interests and demands. In S village, the party secretary and the village party branch found that they could not remove the village treasurer from his post without the consent of the village council, as is now mandated for all important personnel changes at the village level, according to the new regulations issued by the county government. The village council never granted approval in this case.³⁷ A more extreme case took place in B village, where the councilors successfully impeached the unpopular CCP secretary. After the impeachment decision reached the supervising township party committee, the secretary was dismissed.³⁸

Public Forum. In Q county, village councils provide an arena for pluralist social interests to compete with one another and reach a compromise—this has helped to mediate social conflicts that the Maoist party-state apparatus could not easily resolve. In January 2003, S village planned to renew the lease of its collectively owned jujube trees to the current lessees. However, a few villagers opposed the proposal and asked for rebidding, thereby deadlocking the process. It was not until the village council held a meeting, deliberated at length upon the arguments from both parties, and passed a resolution in support of the original bidding outcome that the problem was peacefully resolved.³⁹ In L village, the conflicting North and South lineages—two rival clans—had been fighting for half a century and public affairs remained frozen because of this internal feud. The village council became an institutionalized forum for the conflicting lineages to express their concerns, debate village affairs, gain a sense of shared power, and eventually reach compromise on a number of long-overdue public projects, such as the construction of village roads and water wells, the installation of cable TV, and the creation of village-wide public health insurance.⁴⁰

The Driving Force

The political reform in Q county and the resulting revival of village councils in village politics is a major rollback of the grassroots CCP organization's absolute and arbitrary power. But why did the local party-state decide to initiate this democratic self-reform in the first place? Despite the central leaders' explicit distaste for Western representative democracy, why are the regime's local stakeholders so determined to pursue institutionalized checks upon the power those leaders have exercised over the decades?

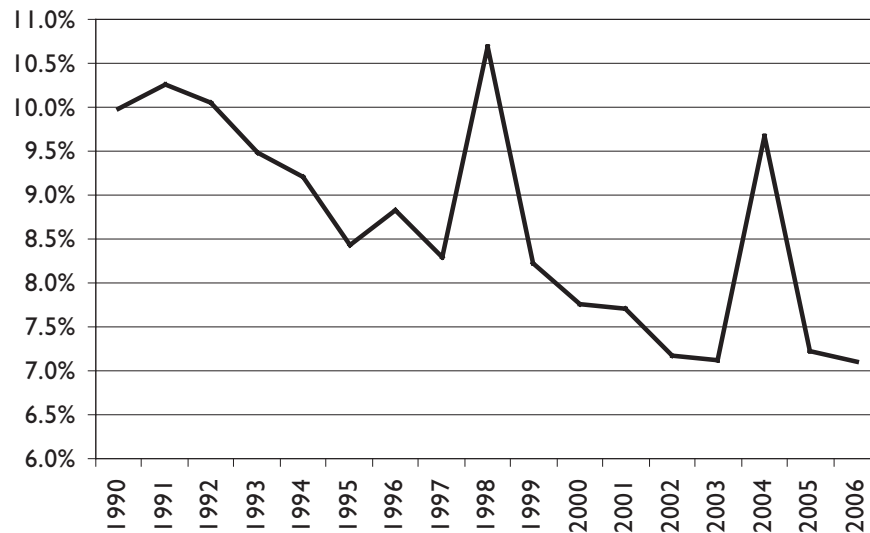


Figure 1. Percentage of Central Budgetary Funds Allocated for Support of Agriculture in National Budget (1978–2006)

Source: *Zhongguo tongji nianjian* (China Statistical Yearbook) (Beijing: China Statistics Press, September 2007), p. 282 (Form 8-6).

Notes: Since 2007 this figure has no longer been published in the China Statistical Yearbook. Special funding allocated for the experimental nationwide rural cooperative health insurance project is excluded from the 2006 data.

The gradual evolution of local democracy under an authoritarian regime is an extremely complicated process that involves multiple driving forces. Many of these forces—higher incomes, changing social factors, popular mobilization, rising consciousness of rights—have been discussed in the literature on socioeconomic functionalism and are certainly not insignificant in Q county.⁴¹ As a document issued by the local party-state suggests,

this new generation of peasants is educated and knowledgeable. Especially given their first hand experiences with the market economy, among the peasants there was a renaissance of the consciousness of liberty and equality as well as an enhanced recognition of democracy and the law. . . . And these changes all require a complete reform of our way of governance as well as the method we use in the Party’s daily work.⁴²

Although socioeconomic conditions conducive to democracy are crucial, voluntary political reforms in authoritarian systems eventually rely on the willingness of—and choices made by—the incumbent power-holders. As Rustow suggested a decade ago, students of democratization should realize that “circumstances may force, trick, lure, or cajole non-democrats into democratic behavior and . . . their beliefs may adjust in due course by some process of rationalization or adaptation.”⁴³ Hence, it is essential to examine the initial forces that drive stakeholders in nondemocratic systems to move the governing structure in a democratic direction. In Q county, the direct driving

force was the profound transformation of the regime’s revenue base at the grassroots level.

As Edmund Burke famously said, “The revenue of the state is the state.” Under the Maoist regime, village finances in Q county were based on the monopoly of the people’s communes over local economic production. Collective farming and brigade-level sideline industries under the auspices of the communes—however weak—constituted the financial capacity that supported public services and governance. Soon after Mao’s death in 1976, the communes were dismantled, and individual family farming reemerged as the foundation of rural political, social, and economic life. With the collapse of the Maoist rural collective economy, villages in Q county were immediately deprived of their primary revenue base.

At the same time, since the 1980s, the CCP has been eager to rebuild its political legitimacy on the basis of economic development rather than revolutionary ideology. The central state—now a “developmental state”—allocated most of the centrally controlled resources to urban and industrial development and was less willing to finance public works in the countryside.⁴⁴ As Figure 1 shows, from 1995 to 2006, the proportion of central funds allocated to support agriculture declined from around 10 percent in the early 1990s to around 7 percent in 2006.⁴⁵ Moreover, this limited funding was usually distributed through the party-state’s multilayered bureaucracy, and local governments at various levels often diverted a considerable portion. The situation is

Table 4

Village and Township Revenues Before and After Tax Reform in Q County

	Before tax reform	After Phase I	After Phase II
Village fund reserve (<i>gongji jin</i>)	Yes	No	No
Village public service funds (<i>guanli fei</i>)	Yes	No	No
Township levies (<i>xiang tongchou</i>)	Yes	No	No
Obligatory labor (<i>yiwu gong</i>)	Yes	No	No
Labor for village public works (<i>jilei gong</i>)	Yes	No	No
Agricultural tax*	Yes	Yes (7%)	No
Agricultural tax surcharge	Yes (rate varies)	Yes (1.4%)	No
Transfer payment (for village cadre salary subsidies)	No	No	Yes

Source: Author interviews with local officials and village leaders in Q County, winter 2005 and spring 2006.

*Before the tax reform, this included the agricultural tax (*nongye shui*), the special agricultural product tax (*nongye techanshui*), and the slaughterhouse tax (*tuzai shui*).

exacerbated when the county government controls village finances—a measure that makes interception or misallocation of already limited central funding even easier. As a consequence, post-Mao Chinese villages have to finance public services mostly by themselves.⁴⁶

A significant difference between the Maoist people's commune and the post-Mao village government lies in the fact that the former was at once a local government *and* a self-sustaining economic entity, while the latter is merely a political institution that relies on rent and taxation to function. After the communes were dismantled, financial resources for village government in Q county comprised primarily three types: (1) a tiny portion of the per capita central agricultural tax; (2) local levies (collected together with the state agricultural tax and shared by the township and village governments); and (3) profits generated by collectively owned township and village enterprises.⁴⁷ For almost two decades after Mao's death, these financial arrangements affected the ability of village government (although severely weakened) to provide basic public services to the rural communities.

Nevertheless, local taxes, levies, and dues under this system are usually collected through coercion and have been a major source of peasant resistance and social instability. Bernstein and Lu have suggested that the developmental state and the predatory state are mutually reinforcing at the grassroots level in China during the reform era.⁴⁸ In order to secure rural stability, the current administration, led by CCP General Secretary Hu Jintao and Premier Wen Jiabao, decided (without much preparation) to reduce the heavy financial burden levied on peasants.⁴⁹ The central party-state first initiated a campaign against excessive levies and fees (*zhili luanshoufei*

luantanpai yundong) that disqualified local state administrations from collecting levies or fees outside the national taxation framework. Then the State Council decided to abolish the agricultural tax in five years (which it soon reduced to three). Table 4 shows the structure of this tax-cut campaign. According to the National Bureau of Statistics, in 2005 the average tax burden per capita in rural China was RMB13.1, which indicated a 65.1 percent drop (RMB24.4) compared with the level in 2004. In Hebei province (which includes Q county), the average agricultural tax per capita in 2005 was RMB10.3—demonstrating a 67.3 percent drop compared with the previous year.⁵⁰ In the past, revenues from agricultural taxes had been a particularly important resource for Q county's public services and public projects. As Table 5 shows, revenue from the agricultural tax constituted an overwhelmingly important portion of the county's investment in public projects. The abolition of the national agricultural tax and the ban on local levies helped the Hu-Wen administration to garner popular support during its turbulent early years; yet these populist policies also undermined the village government's financial capacity.

Another major institutional change in the reform era was the large-scale privatization of collectively owned township and village enterprises (TVEs). After the CCP began to gradually abandon economic planning in the 1980s, many rural villages and townships obtained considerable leeway in managing their own economic activities beyond the reach of the state. Whether inherited from the people's communes or built from scratch by the local governments, collectively owned TVEs flourished in rural China under the post-Mao economic liberalization. The shining success of TVEs in the early years of economic

Table 5

Percentage of Q County Agricultural Tax Applied to Village Public Construction Projects

	Agricultural tax revenue (RMB)	Public investment in villages (RMB)	Tax/expenditure (percent)
1970	794,000	613,000	130.0
1971	602,000	811,000	74.23
1972	560,000	1,026,000	54.58
1973	696,000	1,174,000	59.28
1974	670,000	1,304,000	51.38
1975	671,000	960,000	69.90
1976	420,000	1,354,000	31.02
1977	545,000	1,329,000	41.01
1978	717,000	2,383,000	30.09
1979	490,000	1,671,000	29.32
1980	400,000	955,000	41.88
1981	530,000	811,000	65.35
1982	770,000	705,000	109.22
1983	850,000	755,000	112.58
1984	530,000	863,000	61.41
1985	865,000	606,000	142.74
1986	954,000	569,000	167.66
1987	1,010,000	817,000	123.62
1988	930,000	1,189,000	78.22
1989	956,000	2,040,000	46.86

Source: *Q xian zhi* (Q County Gazetteer) (Beijing: Local Gazetteers Publishing House, 1999), pp. 349–50, 352–53.

reform was viewed as an economic miracle in comparison to the declining state-owned enterprises. As the *de jure* owner of the TVEs under their jurisdiction, township and village governments extracted considerable amounts of revenue from the profits generated by these burgeoning enterprises. Until the 1990s, most village governments in Q county relied heavily on TVEs to finance the provision of public services. However, with the deepening of market reforms after Deng Xiaoping's Southern Tour in early 1992, most of the TVEs were sold to private owners, and after this wave of privatization village governments lost control over them. This process accelerated in the 1990s. Table 6 shows that in Hebei province, the proportion of collectively owned enterprises in the overall economy dropped from 14.4 percent to around 1 percent between 1996 and 2004. Table 7 reports the results of my survey, conducted during the reform and including 211 randomly chosen incumbent village party secretaries in Q county: The majority (about 74 percent) of respondents reported that they were not overseeing any collectively owned enterprises. About 60 percent reported that their villages had no collectively owned enterprises. Therefore, the wave of privatization took away yet another revenue base from village governments.

Taxation and Representation

Historically, financial crises at the village level have been a factor driving political change on the North China plain.⁵¹ In the early twenty-first century, rapid institutional reforms in the economic arena have again led to serious financial shortfalls at the village level, which in turn have a negative impact on the ability of village government to provide public goods. In November 2005, after the agricultural-tax-cut campaign, the *People's Daily* reported a 70 percent drop in labor investment and a RMB70 billion decline in financial investment for the construction of rural irrigation systems nationwide (one of the most important public goods in rural China). The *People's Daily* suggested that reversal of this investment deficit would be possible only if the party-state replaced the traditional communist "administrative command" with new "democratic management" systems.⁵²

The abolition of the agricultural tax and the ban on local levies, together with the large-scale privatization of TVEs, were devastating to village finances; yet their political consequences went beyond the mere loss of the revenue base. With the privatization of collective enterprises, the party-state's local organs also gradually lost economic

Table 6

Collectively Owned Township and Village Enterprises in Hebei Province (1996-2004)

	Total	Collectively owned	Percentage
1996	1,812,924	261,302	14.41
1997	859,832	44,925	5.22
1998	854,341	41,525	4.86
1999	974,061	37,256	3.82
2000	1,012,984	33,591	3.32
2002	1,053,624	22,432	2.13
2003	1,074,696	19,707	1.83
2004	1,180,890	12,084	1.02

Source: *Zhongguo xiangzhen qiye nianjian (1997-2005)* (Gazetteer of China's Township and Village Enterprises, 1997-2005), ed. Zhongguo xiangzheng qiye nianjian bianji weiyuanhui (Editorial Committee of the Gazetteer of China's Township and Village Enterprises, 1997-2005) (Beijing: China Agricultural Press, 2005).

Table 7

Collectively Owned Town and Village Enterprises in Q County

Question: Do you manage any collectively owned enterprises?

	Number	Percentage
Yes	21	9.95
No	157	74.41
No response	33	15.64

Question: How many collectively owned enterprises are in your village?

	Number	Percentage
0	127	60.19
1	19	9.00
2	5	2.37
3-4	2	0.95
7-8	2	0.95
>8	1	0.47
No response	55	26.06

Question: Are collectively owned town and village enterprises a major financial resource for public service in your village?

	Number	Percentage
Yes	25	11.85
No	179	81.00
No response	17	8.06

Source: Author's questionnaire survey of village political leaders in Q County, winter 2005 and spring 2006.

control over rural society, and the local communities were thus liberated from the pervasive socialist patronage network. For one thing, the CCP's traditional top-down control of rural society was largely based on its control of the income, employment opportunities, and welfare primarily financed by collectively owned TVEs. Today, the rural cadres' traditional dictatorial governing style cannot operate without control of the necessary economic means to reward loyalty and punish betrayal. Deprived

of their monopoly over the collective economic base, the grassroots CCP cadres can no longer sustain this dictatorial style of rule. A new sort of village governance—popularly based, democratically operated, locally oriented—is increasingly seen as much more suitable and desirable by both local politicians and ordinary citizens.

In this scenario, the bargaining model and legitimation models, both drawn from European experience, have explanatory power. In terms of bargaining, the reformed village government structure in Q county indeed provides a representative institution in which the people of the local community can bargain among themselves and with the authoritarian party-state on various public policies and projects, which inevitably facilitates the collection of levies and contributions to finance these endeavors. But the distinction between the Chinese and European cases is based on how the raised funds are used. While European systems regard these funds as state revenue, the village councils use such funds to provide local public services. In terms of "legitimation," the new representative institution offers the villagers concrete access to the government's decision-making process—a privilege scarcely available under authoritarian regimes. Compared with the party-state's absolutist command in the past, the new political power enjoyed by the village commoners can relieve social tensions and encourage communal political participation; ultimately, political empowerment of the masses may strengthen the populist legitimacy of the CCP's hold on power. As Perry and Goldman argued in 2007, China's current *grassroots* political reforms might actually help forestall *national* regime collapse or democratization.⁵³

For the central leaders, reform of village governance is also an urgent priority. Nevertheless, the institutional

arrangement that national political elites are willing to advocate in the financially devastated post-Mao Chinese villages is a system called “case-by-case deliberation” (*yi shi yi yi*).⁵⁴ Under this arrangement, whenever a need for public funds arises, the CCP’s village branch has to summon an assembly to discuss that need and, via collective deliberation, achieve a consensus to collect monetary contributions from the community. This centrally mandated system, however, is regarded by many as impracticable. It is simply not feasible to convene a village-wide meeting every time money is needed. Even when such a meeting is successfully convened, there are no defined procedures, so it is difficult for a group of villagers with diverse interests and calculations to reach a consensus. Also, the case-by-case deliberation system, lacking a standing representative entity and institutionalized monitoring mechanism for expenditures, does not have any credibility or legitimacy for the money-gathering agency (supposedly the CCP’s village branch) or provide any legal means to punish defiant villagers.⁵⁵ According to a 2004 survey conducted by the National Bureau of Statistics, only about 10 percent of Chinese villages have ever attempted this piecemeal system, and the per capita funding collected via the system was only RMB1.6 (about \$0.20).⁵⁶

Compared with this centrally designed system, Q county’s reform is more reasonable, feasible, and substantial. The open election of council members, the legislative workflow of the village councils, the institutional linkage between council membership and the appointment of principal party-state cadres at the village level all guarantee that representation—as revived in the operation of village councils—is actual, tangible, and effective. The driving force behind this self-initiated reform of the authoritarian governing structure, as this article has demonstrated, is the change in the local party-state’s revenue base from a socialist rentier state to a post-socialist taxation state. Students of West European history have long suggested that a change in the revenue base has enormous influence on state building, a view confirmed by many Middle East case studies.⁵⁷ In the Q county story, when the Maoist regime was able to extract enough revenue through coercive levies and shared in the profits generated by the collective economy under its control, the system sustained itself on the basis of external resources, or “rents.” But when economic liberalization undermined the domination and monopolies that the state relied on to extract rents, the grassroots party-state had to seek an alternative form of revenue—taxation by consent. As Samuel P. Huntington noted, “The lower the level of taxation, the less reason for publics to demand representation.”⁵⁸ The new need

for taxation by consent in rural China most certainly had profound political consequences.

When taxation of ordinary citizens becomes the primary financial base for village government, the newly empowered taxpayers inevitably demand sufficient representation in the policy-making process. This requires both a standing legislative body that can represent the interests and demands of the taxpayers and a clear set of regulations governing the process of obtaining consent. When public finance has to be built upon direct and voluntary contributions from the entire community, the traditional practice of excluding all villagers except for a tiny group of communist elites from public affairs is no longer possible. In Q county, the revival of the village councils re-created a framework that institutionalizes village-wide democratic consultation and decision-making, which in turn facilitates forming consensus and fundraising for public services. Economic reform, financial crises, and the new need for taxation effectively compelled the local communist party-state in Q county to accept the straightforward fact that government must be based on the consent of the governed.

During the past decade, the political reform initiated in Q county has spread across many provinces in China, demonstrating the increasing popularity of this new form of rural government based upon representation. For example, in the Daxing district of Beijing, the local state is proactively promoting a reform that would give the “village representative assembly” a more critical say in the decision-making process.⁵⁹ In Rizhao county, Shandong province, a similar system has been created under the name “village representative liaison system” (*cunmin daibiao lianxi zhidu*).⁶⁰ In Xiangfan, Hubei province, a system called “collective discussion” (*shuo shi*) was created, in which informal village household representative assemblies are the decision-making agency in rural communities.⁶¹ The reform in Q county has also begun to attract the attention and increasing approval of state-run news media. In April 2007, the *People’s Daily* described the reform in Q county as using “6,325 small personal seals [of the village council members] to promote democracy.”⁶² In 2010, *Studies Times*, edited and published by the Central Party School, commended the Q county reform model for solving the difficult problem of how to effectively implement self-governance in rural China.⁶³ Although further, nationwide field research is necessary for a more accurate evaluation, the proliferation of the reformist model of Q county and the increasingly positive feedback from Beijing in the past decade seem to show that financial shortfalls caused by the economic

reform and the resulting pressure for government reform are anything but peculiar to Q county.

Conclusion

Post-communist authoritarian regimes like the one in China do not survive by clinging to historical experience. Instead, they rely on a dynamic process that involves careful system maintenance, strategic adaptation, occasional remodeling, and constant transformation. After three decades of economic liberalization, China now has a unique combination of a partially free market economy and an authoritarian political system through which the CCP tightly controls society. Yet, beyond the party-state's original intentions, market reforms in China have had unintended but important political consequences that may open opportunities for democratization in some localities and to some extent. The reform in Q county was driven by endogenous forces generated by economic reform and was neither planned nor designed by the central state.⁶⁴ This pattern of local institutional innovation in response to the pressures created by market reforms deviates from the more common model of "proceeding from point to surface" (*youdian daomian*) analyzed by Sebastian Heilmann and deserves further scholarly and policy attention.⁶⁵

The Q county reform shows that abolishing agricultural taxes and privatizing collectively owned TVEs—the two key components of the ongoing economic liberalization in rural China—have had an enormous political impact on the CCP's village governance. Neither of these reforms was designed to bring democracy to the peasants in Q county; nevertheless, in practice they have transformed the revenue base, the legitimacy source, and eventually the power configuration under the traditional socialist order in Q county. The financial crisis in Q county produced by economic liberalization generated enormous pressure that compelled the local party-state to reconstruct its Maoist governing structure and to find newer, more workable, and more democratic alternatives. Eventually, it was the party-state apparatus—constantly shaped by contextual variables of change—that took the initiative and set in motion a series of political changes toward a more democratic system of village governance.

"Legislative development (or decay)," writes Kevin O'Brien, "is a component of political change. . . . growth or decline of an assembly's institutional importance alters the pattern of rule."⁶⁶ Examining the revival of a pre-communist institution in Q county under economic liberalization, this article argues that the externalities imposed on the communist regime by the ongoing market

reforms—most notably on the nature of its traditional revenue base—have become a major driving force that has pressed the illiberal polity's local stakeholders to welcome a more representative power configuration and a more transparent governance structure. As Merle Goldman rightly suggested, "Just as Western methods undermined the Chinese state and values at the end of the nineteenth century, so did the market economy undermine the Communist party-state in the twentieth."⁶⁷

Economic liberalization and marketization are indeed democratizing forces—but in the Chinese case, their democratizing power might not rely solely on the rising middle class, the *nouveaux riches*, an increasingly autonomous intelligentsia, or globalization. The reform experience in Q county demonstrates the possibility that the seeds of democratization in China might have been planted in the systemic reforms initiated by the *ancien régime* itself (albeit unintentionally). The party-state, frustrated by the externalities of marketization and pressed to cope with the new economic context, may itself become a principal promoter and facilitator of political reform and provide the necessary incentives, momentum, and institutional resources to breed a more democratic governing system. For students of China's political development, these unintended, yet politically influential, processes merit further attention.

Notes

1. Andrew Walder, *The Waning of the Communist State: Economic Origins of Political Decline in China and Hungary* (Berkeley: University of California Press, 1995), p. 1.

2. Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (New York: Cambridge University Press, 1991), p. ix.

3. For example, Seymour Martin Lipset, *Political Man: The Social Bases of Politics* (Baltimore: Johns Hopkins University Press, 1981); idem, "Some Social Requisites of Democracy: Economic Development and Political Legitimacy," *American Political Science Review* 53, no. 1 (1959): 69–105; Barrington Moore, *Social Origins of Dictatorship and Democracy* (Boston: Beacon Press, 1966).

4. For example, Andrew Walder, *Communist Neo-Traditionalism* (Berkeley: University of California Press, 1984); idem, *Waning of the Communist State*.

5. For example, Edward Friedman, Paul G. Pickowicz, and Mark Selden, *Chinese Village, Socialist State* (New Haven: Yale University Press, 1991); Edward Friedman, Paul G. Pickowicz, and Mark Selden, *Revolution, Resistance and Reform in Village China* (New Haven: Yale University Press, 2005).

6. For example, John T. Ishiyama, "Communist Parties in Transition: Structures, Leaders, and Processes of Democratization in Eastern Europe," *Comparative Politics* 27, no. 2 (1995): 147–66; Bruce J. Dickson, *Democratization in China and Taiwan: The Adaptability of Leninist Parties* (New York: Oxford University Press, 1997); Katrina Burgess and Steven Levitsky, "Explaining Populist Party Adaptation in Latin America," *Comparative Political Studies* 36, no. 8 (2003): 881–911; Eric Hanley, "A Party of Workers or a Party of Intellectuals? Recruitment into Eastern European Communist Parties, 1945–1988," *Social Forces* 81, no. 4 (2003): 1073–1105.

7. Dickson, *Democratization in China and Taiwan*, p. 4.

8. For discussion of the bargaining model and the legitimization model, see Michael Herb, "Taxation and Representation," *Studies in Comparative International Development* 28, no. 3 (fall 2003): 3–31.

9. Robert H. Bates and Da-Hsiang Lien, "A Note on Taxation, Development, and Representative Government," *Political Society* 14, no. 53 (1985): 53–70; Margaret Levi, *Of Rule and Revenue* (Berkeley: University of California Press, 1988); Charles Tilly, *Coercion, Capital, and European States, A.D. 990–1992* (Cambridge, MA: Blackwell, 1990).

10. For example, Philip T. Hoffman and Kathryn Norberg, "Conclusion," in *Fiscal Crises, Liberty, and Representative Government, 1450–1789*, ed. Philip T. Hoffman and Kathryn Norberg (Stanford: Stanford University Press, 1994), pp. 299–312.

11. Lisa Anderson, "The State in the Middle East and North Africa," *Comparative Politics* 20, no. 1 (1987): 1–18; Dirk Vandewalle, *Libya Since Independence: Oil and State-Building* (Ithaca: Cornell University Press, 1998); Michael L. Ross, "Does Oil Hinder Democracy?" *World Politics* 53, no. 3 (April 2001): 325–61; Rex Brynen, "Economic Crisis and Post-Rentier Democratization in the Arab World: The Case of Jordan," *Canadian Journal of Political Science* 25, no. 1 (1992): 69–97.

12. Located in the southwestern part of Hebei province, Q county is a typical North China county. It has 354 villages and a population of about 400,000. More than 90 percent of Q county's permanent residents live in rural communities. Q county's economic development is modest, and the scale of its private sector limited. No major political reform has been attempted in the county other than the re-creation of the village council. This provides a good opportunity to explore the cause, process, and impact of Q county's reform of village governance.

13. For previous discussion of the village representative assemblies, see Susan V. Lawrence, "Democracy, Chinese Style," *Australian Journal of Chinese Affairs*, no. 32 (1994): 61–68; Kevin O'Brien, "Implementing Political Reform in China's Villages," *Australian Journal of Chinese Affairs*, no. 32 (July 1994): 43; Jean C. Oi and Scott Rozelle, "Elections and Power: The Locus of Decision-making in Chinese Villages," *China Quarterly*, no. 162 (2000): 513–39; Robert A. Pastor and Qingshan Tan, "The Meaning of Chinese Village Elections," *China Quarterly*, no. 162 (2000): 494.

14. See Max Weber, *The Religion of China: Confucianism and Taoism*, trans. and ed. H.H. Gerth (New York: Macmillan, 1964), p. 91; Sydney D. Gamble, *North China Villages: Social, Political, and Economic Activities Before 1933* (Berkeley: University of California Press, 1963); Philip C. Huang, *The Peasant Economy and Social Change in North China* (Stanford: Stanford University Press, 1985), p. 219; Huaxin Li, *Village Governance in North China, 1875–1936* (Stanford: Stanford University Press, 2005), p. 8; Pauline B. Keating, *Two Revolutions: Village Reconstruction and the Cooperative Movement in Northern Shaanxi, 1934–1945* (Stanford: Stanford University Press, 1997). Weber suggested that the "self-government" of the Chinese village is one of the defining features of traditional Chinese rural society. Gamble, based on his fieldwork in eleven North China villages in the 1930s, also emphasized the important role played by the endogenous power structure of the local communities. Huang pointed out in his study that local communities played an important role in the "triangle structure" of "three-way relations among state, gentry, and village." Focusing on Huailu county, Hebei province, in the early twentieth century, Li argued, "What prevailed in the local communities was a form of voluntary cooperation among villagers who shouldered administrative tasks that had been performed by the *baojia* and *lijia* [two different systems of traditional social organization] personnel." Keating suggested that, after the founding of communist base areas in North China in the late 1930s, the CCP had to continue the traditional reliance on representative assemblies to carry out the administrative functions of the communist-controlled border region government (*bianqu zhengfu*).

15. *Q xian zhi: Xu* (The Q County Gazetteers, Book 5) (March 1931), pp. 26–27.

16. In most if not all places in Q county, CCP committees at the township level still have the most decisive power in selecting and appointing village party secretaries.

17. O'Brien, "Implementing Political Reform in China's Villages"; Oi and Rozell, "Elections and Power."

18. X. Deng, "Zai jiejian shoudu jieyan budui jun yishang ganbu shi de jianghua" (Remarks at the Meeting with Senior Military Officers from the Martial Law Enforcement Troops in Beijing), in *Deng Xiaoping wenxuan*

(Selected Works of Deng Xiaoping) (Beijing: People's Press, 1993), vol. 3, p. 307. See also Kevin J. O'Brien, *Reform Without Liberalization: China's National People's Congress and the Politics of Institutional Change* (New York: Cambridge University Press, 1990).

19. For the full text of this document, see <http://cpc.people.com.cn/GB/64162/71380/71382/71383/4844873.html>, accessed April 19, 2011.

20. S. Wang and J. Wang, "Liang wei wei shen me cheng le dui tou?" (Why Did the Two Committees Become Enemies?), *Xiang zhen lun tan* (Township Forum) (September 2001): 7–8.

21. X. Feng and R. Li, "Ju cunmin zizhi haiyou duo yuan" (How Far Are We from Village Self-Government?), *Zhongguo gaige* (China Reform) (June 2007): 57–79.

22. General Office of the Party Committee of Qing County (hereafter, GOPCQC), *Qingxian cunzhi moshi ziliao huibian* (Collection of Materials on the Village Governance Model in Qing County), March 2005, p. 3.

23. *Ibid.*, p. 21. The responsibilities of the village council include (1) deliberating on and drafting the village bylaws and charter; (2) deliberating and deciding on the annual village plan; (3) hearing reports from and monitoring the village committee; (4) reviewing the village budget and approving expenditures; (5) deliberating on and deciding other important issues.

24. *Ibid.*, p. 25.

25. *Ibid.*, p. 73.

26. Author interview with Organization Department officials (July 2005).

27. Organization Department of the Party Committee of Q County (hereafter, ODPCQC), "Quanxian di qijie cunmin weiyuanhui huan jie xuanju gongzuo Q kuang tongji biao" (Statistical Form on the Seventh Reelection of Village Organizations in Q County), August 2006.

28. GOPCQC, March 2005, p. 72.

29. Henry S. Rowen, "The Short March: China's Road to Democracy," *National Interest* (Fall 1996): 61–70.

30. This is a quite substantial arrangement for representative democracy. According to the National Organic Law, representative assemblies have to be summoned by the CCP branch via the village administration.

31. For an overview of the literature on China's village elections, see Kevin O'Brien and Rongbin Han, "Path to Democracy? Assessing Village Elections in China," *Journal of Contemporary China* 18, no. 60 (June 2009): 359–78.

32. Case 2, from "The Collection of Cases of 'Q County Model,'" comp. ODPCQC, November 2005 (internal documents, no page number indicated).

33. *Ibid.*, Case 1.

34. *Ibid.*, Case 3.

35. *Ibid.*, Case 11.

36. *Ibid.*, Case 5.

37. *Ibid.*, Case 4.

38. *Ibid.*, Case 6.

39. *Ibid.*, Case 12.

40. G. Ma, "Q xian moshi: Yige xianwei shuji de minzhu shiyan" (The Q County Model: A Democratic Experiment of a County Party Secretary), *Jingji guancha bao* (Economic Observer) (October 15, 2007): 41.

41. John Waterbury, "Fortuitous By-Products," *Comparative Politics* 29, no. 3 (April 1997): 384.

42. GOPCQC, March 2005, p. 3.

43. Dankwart Rustow, "Transitions to Democracy: Toward a Dynamic Model," *Comparative Politics* 2, no. 3 (April 1970): 344–45.

44. Thomas P. Bernstein and Xiaobo Lu, "Taxation and Coercion in Rural China," in *Taxation and State-Building in Developing Countries*, ed. Deborah Brautigam and Odd-Helge Fjeldstad (New York: Cambridge University Press, 2008), pp. 89–113.

45. The unusually high figure of 10.70 percent in 1998 was perhaps due to the passage of a major CCP resolution on agriculture at the Fourth Plenary Session of the Fifteenth Central Committee and the entire party-state apparatus's extraordinary attention to rural areas due to the preparation for and implementation of this resolution. A similar central party-state decision on improving the

income level of rural households in 2004 also resulted in a mild increase in budgetary allocations to rural areas that year.

46. See Linxiu Zhang, Renfu Luo, Chenfang Liu, and Scott Rozelle, "Investing in China," in *Paying for Progress in China: Public Finance, Human Welfare and Changing Patterns of Inequality*, ed. Vivienne Shue and Christine Wong (New York: Routledge, 2007), esp. pp. 121–24.

47. Author interviews with village party secretaries in Q county (July 2005).

48. Thomas P. Bernstein and Xiaobo Lu, *Taxation Without Representation in Contemporary Rural China* (New York: Cambridge University Press, 2003).

49. John James Kennedy, "From the Tax-for-Fee Reform to the Abolition of Agricultural Taxes: The Impact on Township Government in North-west China," *China Quarterly*, no. 189 (March 2007): 43–59.

50. Q. Ye and Y. Wang, "Dangqian nongmin fudan shui bian fei wenti yanjiu" (A Study on the Ongoing Levies-to-Tax Reform of the Financial Burden on the Peasants), *Defang caizheng yanjiu* (Local Finance Studies) (January 2007): 42–46.

51. X. Zhu, *Xiangcun shehui jiegou biandong yu zuzhi Zhongguo* (Social Transformation and Institutional Reconstruction in Rural China) (Shanghai: Shanghai University Press, 2004).

52. See H. Zhai, "Jinnian lai, yuanyou nongtian shuili jianshe de touru zhuti zuzhi xingshi deng dou zai fasheng bianhua, zongti touru xiahua mingxian: nongtian shuili jianshe huhuan xin jizhi" (In Recent Years, the Subjects and Organizational Forms of Traditional Irrigational Construction Investment Changed Dramatically; Overall Investment Declined Significantly), *Renmin ribao* (November 28, 2005).

53. Elizabeth J. Perry and Merle Goldman, "Introduction: Grassroots Political Reform in China," in *Grassroots Political Reform in Contemporary China*, ed. Elizabeth J. Perry and Merle Goldman (Cambridge: Harvard University Press, 2007), p. 2.

54. For the case-by-case deliberation (*yi shi yi yi*) system, see Ministry of Agriculture of the People's Republic of China, Document *Nongjingfa* No. 2000-5, "Cunji fanwei nei chouzi choulaoguanli zhenxing guiding" (Temporary Regulations on the Collecting of Cash and Labor Contributions at the Village Level), July 6, 2000. This temporary document was revised as a State Council General Office document in 2007 (Document *Guobanfa* No. 2007-4); see General Office of the State Council of the PRC, "Guowuyuan bangongting guanyu zhuanfa nongyebu cunmin yi shi yi yi chouzichoulaoguanlibanfa de tongzhi" (A Notice by the State Council's General Office on Forwarding the Ministry of Agriculture's Regulations on the Collecting of Cash and Labor Contribution from Village Residents Using the Case-by-Case Deliberation System), January 16, 2007.

55. For discussion of these problems, see A. Xu and W. Han, "Nongcun shuifei gaige hou shishi cunmin yi shi yi yi de jidian sikao" (A Few Reflections on the Case-by-Case Deliberation System After the Tax Reform), *Xiandai jingji tantao* (Modern Economic Research) (September 2002): 45–47; X. Wu, "Nongcun shuifei gaige zhong 'yi shi yi yi nandian' fenxi ji duice xuanze (The Difficulties with the 'Case-by-Case Deliberation' System During the Tax Reform and the Selection of Policies), *Nongye jingji* (Rural Economy) (November 2003): 24; J. Huang, "Yi shi yi yi xiacun jigong yi de kun jingyu chulu" (The Dilemma and Resolution of Public Welfare at the Village Level Under the 'Case-by-Case Deliberation' System)," *Xiangzhen jingji* (Township Economy) (January 2006): 60–63; J. Liu and D. Gong, "Xiangcun gonggong chanpin gongji: 'yi shi yi yi' de xiaolu he wanshan" (Public Goods Provision

in the Villages: The 'Case-by-Case Deliberation' System's Efficiency and Its Improvement), *Huazhong keji daxue xuebao (shehui kexue ban)* (Academic Journal of Huazhong Science and Technology University, Social Sciences Edition) 2007/2 (March/April 2007): 111–16; W. Yang and Y. Wang, "Nongcun gonggong chanpin tigong de 'yi shi yi yi' zhidu" (The "Case-by-Case Deliberation" System for the Provision of Public Goods in Chinese Villages), *Caijing kexue* (Sciences of Economics and Finance) 2005/1 (January/February 2005): 181–87.

56. J. Huang, "Cong yi shi yi yi kan zheng ce xing diao yan de pei he xian jing" (A Study of "the Trap of Collocation" in Policy Surveys: From the "Case-by-Case Deliberation" System), *Diaoyan shijie* (The World of Policy Research) (February 2007): 44–47.

57. Anderson, "State in the Middle East and North Africa"; Vandewalle, *Libya Since Independence*; Ross, "Does Oil Hinder Democracy?"; Brynen, "Economic Crisis and Post-Rentier Democratization."

58. Samuel P. Huntington, *The Third Wave* (Norman: University of Oklahoma Press, 1991), p. 65.

59. Organization Department of Daxing District, "Renzhen kaihao cunmin daibiaohui" (Holding Village Representative Meetings Seriously), *Beijing zhi bu shenghuo* (Life Within the Communist Party in Beijing) (December 2005): 2.

60. Q. Zhuang, "Cunmin daibiao lianxi zhidu" (Village Representatives Liaison System), *Xiangzheng luntan* (Township Forum) (November 2000): 16.

61. J. Zhang, "Tuijin nongcun jiceng minzhu zhengzhi jianshe de youxiao tujing" (An Effective Way to Promote the Construction of Grassroots Democratic Politics), *Dangjian yanjiu* (Study of the Construction of the Party) (June 2003): 52–53.

62. F. Wang and M. Wang, "6,325 xiao yuanzhang yinzheng minzhu" (6,325 Small Personal Seals Demonstrating Democracy), *Renmin ribao* (April 2, 2007).

63. M. Weng, "Tanxun dangzuzhi lingdao cunmin zizhi de shixian xingshi" (Exploring the Form of Implementation of Rural Self-Governing Under the Leadership of the Party), *Xuexi shibao* (September 2010).

64. For the local dynamics of democratic institutionalization in China, see John James Kennedy, "Legitimacy with Chinese Characteristics: 'Two Increases, One Reduction'," *Journal of Contemporary China* 18, no. 60 (June 2009): 391–95. Joseph Fewsmith also pointed out that in post-Mao China, "local tensions are forcing at least some local governments to experiment with new ideas." See Fewsmith, "Staying in Power: What Does the Chinese Communist Party Have to Do," in *China's Changing Political Landscape*, ed. Cheng Li (Washington, DC: Brookings Institution Press, 2008), pp. 218–25.

65. Sebastian Heilmann, "From Local Experiments to National Policy," *China Journal*, no. 59 (January 2008): 1–30.

66. O'Brien, *Reform Without Liberalization*, p. 4.

67. John King Fairbank and Merle Goldman, *China: A New History* (Cambridge, MA: Belknap Press of Harvard University Press, 2006), p. 409.

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