

Taxation without Representation: Peasants, the Central and the Local States in Reform China

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China's countryside has undergone tremendous changes in the last two decades, but the changes and the benefits that came with them were not distributed evenly. Rapid rural industrialization in the Eastern, coastal provinces under the aegis of the local developmental state dramatically improved the lives of villagers.¹ In contrast, township and village enterprises (TVEs) and incomes grew much more slowly in the Central belt of provinces and still more slowly in the Western belt. Because agriculture was the major resource, rural governments had to rely on extraction of taxes and fees from the peasants in order to meet their expenses and to carry out developmental programmes. Here, predatory state agents imposed heavy financial burdens on the peasants. The result was a long festering crisis in the relations between peasants and the local state. Since the mid-1980s, the central authorities have been ordering their local agents to lighten the burdens of the peasants, yet the problem persists to the present. Why has it been so intractable?

This article first examines the financial burdens on peasants and the modes of collection, their impact on peasants' income and on worsening the lot of the poor. It then looks at the central government's responses and peasant protest. The extent to which the central authorities agreed with peasants that excessive burdens had to be lightened is emphasized, a stance that had the unanticipated consequence of encouraging peasants to resist local officials who "were driving the people to revolt." A substantial and possibly increasing number of peasant collective actions, some violent, erupted in recent years. However, rural protest did not constitute a generalized challenge to the regime.

The central state lacked the capacity to enforce its preferences or to put in place a fair rural tax system. At the same time, it also was not willing to moderate its developmental objectives by taking into account the limited resources available to officials in agriculture-dependent regions, hence undermining its own determination to cut burdens. Since ameliorative administrative measures from above were not adequate, the regime also promoted several policies that would empower villagers to resist illegal exactions, including village elections and transparency in village financial management, in the hope of reducing peasants' incentives to engage in collective resistance. This is examined in the last section.

1. See, for example, Jean Oi, *Rural China Takes Off* (Berkeley: University of California Press, 1999); David Zweig, *Freeing China's Farmers: Rural Restructuring in the Reform Era* (Armonk, NY: M.E. Sharpe, 1997); Andrew Walder (ed.), *Zouping in Transition: The Process of Reform in Rural North China* (Cambridge, MA: Harvard University Press, 1998).

Burdens: An Overview

“Peasant burdens” (*nongmin de fudan*) referred to an array of formal and informal exactions (see Table 1). Not all burdens were illegal or illicit. Formal state taxes and the village-township levies were set by laws and regulations. The problem lay in the extraction of funds that exceeded the prescribed levels. The combined village and township tax was not to exceed 5 per cent of the preceding year’s average net per capita incomes of the township inhabitants, but “in the absolute majority of localities,” the tax in fact significantly exceeded this level in the 1980s and early 1990s. Nationally, it rose from 6.71 per cent of incomes to 7.94 per cent of incomes in 1991, but this concealed enormous variation.² From 1995 on, national-level data indicate that the township-village tax remained more or less within the 5 per cent range but this was probably the result of intense higher-level pressures to comply with this limit which prompted local cadres to impose offsetting increases in other levies.

The most onerous and resented impositions were fees, assessments and fundraising, the “three unrulies” or *sanluan* (this term sometimes includes fines). Administrative agencies charged fees for numerous services such as registration of births or issuing of licences, which sometimes rose to bizarre heights.³ Officials imposed fines for numerous minor infractions. In 1996, the central government cancelled many “penalty items” (*fakuan xiangmu*) that lacked legal authorization. “We should resolutely correct such erroneous practices as imposing fines on peasants who fail to complete planting tasks.”⁴ Violations of the rules on spacing children lent themselves to lucrative fines: if a second child was born within five years of the first, a 2–5,000 *yuan* fine might be imposed.⁵

Fundraising drives and assessments on households were undertaken for developmental, regulatory and administrative purposes. A wide range of development projects were funded at least in part in these ways. Fundraising was supposed to be voluntary but often took the form of compulsory assessments or apportionments (*tanpai*) on households. Funds were raised for school or road construction, improving the water supply, building power stations, medical and health facilities, or for public security. A major impetus to pushing such programmes was that higher levels set targets for completion of projects (*dabiao*). Local officials and territorial units – counties or townships – were evaluated according to target fulfilment and competed with one another to be awarded the label “advanced.”⁶ Thus, the goal of reaching *pujiu* – universal nine-year education – was one for which many peasants paid

2. Li Qin, “Dui woguo nongmin fudan zhuangkuang de fenxi” (“Analysis of peasant burdens”), *Zhongguo nongcun jingji* (ZNJ), No. 8 (1992), pp. 47–51.

3. For examples, see *Fazhi ribao* (FZRB), 21 May 1996.

4. *Renmin ribao* (RMRB), 1 April 1997.

5. Interviews, Wuhan, September 1998. All interviews cited in this article were done by Bernstein.

6. On this see Xiaobo Lü, “The politics of peasant burden in reform China,” *Journal of Peasant Studies*, Vol. 24, No. 4 (October 1997), pp. 113–138.

Table 1: Peasant Burdens

<i>Type of Charges</i>	<i>Items</i>
State taxes	Agricultural tax and surcharge; special products tax; slaughter tax; farmland utilization tax; education surcharge.
Township and village levies (<i>cun tiliu</i> and <i>xiang tongchou</i> or <i>santi wutong</i>)	Villages collect three items – collective investments, welfare, cadre compensation; townships collect five – schools, family planning, support for veterans, militia, and road construction and maintenance.
Collective contracting fee for land Monetary equivalent of corvee labour services	5–10 days of labour on flood prevention afforestation, roads or school construction; 5–10 days on “accumulation labour” on state water conservancy or afforestation projects.
Fees, assessments and fundraising	For road or school construction and other local improvement projects; newspaper subscriptions, purchase of insurance, marriage certificates, etc.
Fines	Collected by numerous government agencies for infractions such as birth control violations.
“Hidden burdens”	Compulsory grain sales to state at below market prices; scissors differential between industrial and agricultural prices.

dearly, since adequate government funds to attain this worthwhile goal were not provided.⁷

Grievances about burdens were rooted in expectations of equity, fairness and justice as to how far state demands could go that had their origin in imperial times, which the state shared.⁸ Thus “reasonable” burdens were explicitly depicted as based on analysis of what was tolerable and fair. An explication of the 1993 Law on Agriculture justified the 5 per cent township and village levy by claiming that “this ratio was arrived at after comprehensive statistical and survey investigations. It is based on the actual income level of the peasants and on their capacity to endure.”⁹

Villagers had strong ideas about the legitimacy particularly of exactions. In 1983, in Taoyuan county, Hunan, villagers, beset by heavy burdens, agreed that they should pay the agricultural tax, to support military dependents, and the five-guarantee and poverty-stricken households. But they objected strenuously to paying for cadres, for the training of Party members, for the high cost of the collective accumulation, and for a charge imposed to pay for construction of a power station, the completion of which had been long delayed, and which, once in operation, would still charge them for electric power. Villagers also thought the state ought to pay for teachers and for one-child family awards.¹⁰

Lack of accountability was the major grievance: “It is both reasonable and lawful for peasants to pay grain (taxes). We peasants are not confused about this. But they just take money from us in a muddled way. We give grain and don’t know which ‘lord’s’ (*laoye*) pocket it ends up in.”¹¹ Peasants felt besieged by the unpredictable and arbitrary imposition of levies that were more numerous than “hairs on an ox.”¹² Lack of accountability enabled officials to “use their power for private gain,” since “the decision as to how these funds are used is usually a subjective one that depends on the whim of the local authorities.”¹³

Specific grievances included failure to deliver services paid for; turning user fees into taxes; imposition of multiple charges for the same service; diversion of funds; official “wining and dining”; and deduction of levies from procurement payments or by issuing IOUs, which sometimes left peasants with no earnings. Officials often raised the township and village tax by inflating household incomes in order to increase the levies under

7. See Han Hongjie, “Nongmin fudan yu xiang (zhen) fuzhai” (“Peasant burdens and township (town) debts”), *Nongcun jingji*, No. 6 (1997), for an analysis of the financial impact of *pujiu* on villages in Chengdu.

8. R. Bin Wong, *China Transformed: Historical Change and the Limits of European Experience* (Ithaca: Cornell University Press 1997), pp. 236–37.

9. Luo Yousheng and Sun Zuohai (eds.), *Zhonghua remin gongheguo nongye fa shiyi* (*Explanation of the PRC Agricultural Law*) (Qinhuangdao: Zhongguo zhengfu daxue chubanshe), p. 56.

10. Chen Yimin, “Nongmin fudan ji de jianqing,” (“It is urgently necessary to reduce peasant burdens”), *Nongcun gongzuo tongxun*, No. 8 (1983), pp. 19–20.

11. *Nongmin ribao* (*NMRB*), 20 January 1998.

12. *Xinhua ribao*, 30 October 1992, Joint Publications Research Service, 1992, No. 95, 22 December 1992, p. 32 (JPRS-92–95).

13. Tang Ping in *Zhongguo tongji xinxi*, 10 September 1992, JPRS-92–86, pp. 32–34.

the 5 per cent rule, or by including non-agricultural incomes which were supposed to be taxed separately, or by adding on additional charges from those already approved.¹⁴

Enforcement

The combination of villager suspicion and resentment with pressures on local officials to meet targets meant that for cadres the collection process was difficult, time-consuming and frustrating. The task could only be accomplished by *pian*, *hong*, and *he*, “deception, roaring and intimidation.”¹⁵ Central directives confirmed use of force in the collection process. “We should strictly forbid” coercive collection efforts such as the mobilization of expeditionary “small detachments, work teams or shock teams” (*tuji dui*) that invaded villages from the townships, ransacking homes, taking grain, furniture or livestock, which might or might not be returned when the household in question came up with the required cash. “The use of instruments and methods of dictatorship to collect money or goods from peasants is strictly forbidden.”¹⁶

Accounts in the Chinese media depict callous, officious, brutal and cruel officials who bullied and beat peasants with absolutely no regard for any Party mass line and painstaking ideological work.¹⁷ Fines and property confiscation were the “favorite means [used by] some local cadres against disobedient peasants.”¹⁸ In 1996, an internal journal reported that when cadres came to a Hubei village to collect, peasants would shout *guizi jin cun le* (the devils have come) as if the officials were Japanese.¹⁹ In September 1998, the *Nanfang zhounuo*, a muckraking weekly, reported on a search mission in Mengzi county, Yunnan. The head of the township and 40 men assembled in front of the house of peasant Liang Faling late at night, shouting, “whoever moves will be beaten to death” and severely mistreating the family because of failure to pay a charge of 75 *yuan*.²⁰ Chinese media reported cases in which peasants were either beaten to death or driven to suicide. “In connection with requisitioning of

14. See Andrew Wedeman, “Stealing from China’s farmers: institutional corruption and the 1992 IOU crisis,” *The China Quarterly*, No. 152 (December 1997), pp. 805–931, and “Jingtong nongcun xubao fukua feng,” (“Guard against false reports and exaggeration”), *Banyuetan*, No. 4, 25 February 1996, pp. 18–20.

15. Shanghai lingdian shichang diaocha youxian gongsi, “Miaodian: huangjie pinkun guocheng zhong de nonghu yanjiu” (“Research on the process of mitigating the poverty of peasant households”), *Zhongguo qingnian yanjiu*, No. 8 (1998), pp. 24–28.

16. See the directives published in *RMRB*, 1 April 1997 and *Xinhua*, 8 December 1996, *Summary of World Broadcasts – Far East/2797S1/3–4 (SWB-FE)*. For an earlier directive, see *Zhonghua renmin gongheguo guowuyuan gongbao (GYGB)*, No. 18 (2 September 1993), p. 856.

17. Tang Yinsu, “Jianjue renzhen de zhengdun ruanruo huansan de cunji zuzhi” (“Resolutely and earnestly rectify village organizations that are weak and lax”), *Zhongguo minzheng*, No. 9 (1991), pp. 18–19. For detailed descriptions of several such cases, see Chen Daolong, “Xiangcun zai huhan” (“The cries of the countryside”), *Yue hua*, 1994 Supplement, pp. 2–22.

18. *Beijing Review*, 13–19 January 1992, pp. 37–38.

19. *Xinhua neican xuanbian*, No. 4 (1996), pp. 4–5.

20. *Nanfang zhounuo*, 11 September 1998.

money and grain, vicious (*exing*) cases of deaths have occurred in Jilin, Hubei, Hunan, Sichuan, Anhui, Jiangsu, Hebei, Henan and elsewhere.”²¹ In Mouyang county, Jiangsu province, a death connected with burdens occurred in each of three years.²² That these were not isolated cases is indicated by a central “Decision” published in April 1997 which called for subjecting the responsible leaders to criminal investigation “when higher tax burdens lead to grave incidents including deaths or serious injuries.” Leaders of the provinces in question were to submit written investigation reports to the Centre.²³

Impact on Peasant Incomes

Table 2 depicts state taxes, the village and township tax, and the collective contracting fee. The burdens resulting from fees, fines, and apportionments were the most difficult to count. By 1991 they had “doubled and redoubled.” According to “incomplete” statistics compiled by the Ministry of Agriculture, in 1991 they amounted to 12 billion *yuan*, 13.8 *yuan* per capita or 2.3 per cent of net per capita incomes.²⁴ In 1996 the amount collected from the *san luan* nation-wide was only slightly higher than in 1991, 13.12 billion *yuan*, or 14.7 *yuan* per capita. But a 100 county statistical survey by the Ministry of Agriculture indicated that in these jurisdictions, the cost of *san luan* was 46.1 *yuan*, three times as

Table 2: Peasant Burdens Per Capita (*yuan*)

<i>Year</i>	<i>Net income</i>	<i>State taxes</i>	<i>T & V levies</i>	<i>Contract fee</i>	<i>Total</i>	<i>% of income</i>
1989	601.51	13.21	44.51	16.49	74.21	12.34
1990	686.31	13.21	50.79	25.45	89.45	13.03
1991	708.55	10.63	52.43	25.56	88.62	12.50
1992	783.99	14.05	58.01	27.08	99.09	12.64
1993	921.62	14.75	47.20	n/a	61.95	6.72
1994	1,220.98	27.06	n/a	32.10	n/a	
1995	1,577.74	28.10	31.99	28.56	88.55	5.62
1996	1,926.07	38.13	41.08	28.18	107.39	5.58
1997	2,090.13	37.52	42.76	27.74	108.02	5.17

Sources:

Zhongguo tongji nianjian (China Statistical Annual), 1993, p. 311; 1996, p. 300; *Zhaiyao* (abstract), 1998, p. 83, and Li Qin, “Dui woguo nongmin fudan zhuangkuang de fenxi” (“Analysis of peasant burdens”), *Zhongguo nongcun jingji*, No. 8 (1992), pp. 47–51.

21. Chen Daolong, “The cries of the countryside,” p. 5.

22. Wang Yanbin, “Nongmin fudan: anxia hulu qilai piao” (“Peasant burdens: solving one problem only to have another crop up”), *Minzhu yu fazhi*, No. 13 (6 July 1995), p. 12.

23. *RMRB*, 1 April 1997.

24. Li Qin, “Analysis of peasant burdens.”

Table 3: Comparison between Income and Taxation Increase (%)

	1995	1996	1997
Rate of increase of cash incomes	37	21	6.5
Rate of increase of three burdens (state taxes, <i>santiwuotong</i> , contract fee)	32.4	16.4	19.6

Source:

Wang Yaixin and Lu Yanzhen, "Nongmin fudan wenti jian xi" ("Abridged analysis of peasant burdens"), *Tongji yanjiu*, No. 6 (1997), pp. 7–12.

much.²⁵ If this was typical, it meant that the 1996 burden load was 153.49 *yuan* or 9.7 per cent. That the *san luan* became a substitute for the regularization of the township and village taxes is also revealed by the Ministry of Finance, which found that in 1996 the aggregate peasant tax load in a Hebei county totalled 27.7 million *yuan*, of which an astounding 71.5 per cent came from various fees and only 28.5 per cent from regular taxes.²⁶

National-level data show that during long periods the rate of burden increase exceeded the rate of increase of incomes. According to Li Qin, between 1985 and 1991 incomes increased at 10 per cent per year and burdens at 16.9 per cent, while the cost to peasants of the price scissors increased at 14.5 per cent per year. In the late 1990s, the gap varied (see Table 3).

Regressiveness of Burdens

Based on their analysis of income distribution in 1988 and 1995, Khan and Riskin conclude that "the burden of net rural taxes is largely borne by households who are poor in the rural context and extremely poor in the context of China as a whole. Therefore, a reduction in net taxes on rural households would have a strongly equalizing effect."²⁷ Moreover, they show that compared to 1988, the regressiveness of rural burdens had become far worse in 1995: "the poorest decile's share of net taxes was 12 times its share of income while the richest decile had a high *negative* rate

25. Sun Meijun, "Nongmin fudan xiankuang ji qi guozhong de genyuan" ("Peasant burdens and the sources of their excess"), *ZNJ*, No. 4 (1998), p. 9.

26. Gu Kang *et al.*, "Liudong guiwei – 'feigaishui' de jiben silu" ("Basic thoughts on the integration and distribution of funds by means of substituting taxes for fees"), *Neibu canyue*, No. 22 (6 June 1999), pp. 2–7.

27. Azizur Rahman Khan and Carl Riskin, "Income and inequality in China: composition, distribution and growth of household income, 1988 to 1995," *The China Quarterly*, No. 154 (June 1998), p. 249.

Table 4: Burdens as Proportion of Incomes in 1996 (%)

400–500 <i>yuan</i>	16.7
800–1,000 <i>yuan</i>	8.7
1,500–1,700 <i>yuan</i>	6.7
2,500–3,000 <i>yuan</i>	4.9
4,500–5,000 <i>yuan</i>	2.8

Source:

Sun Meijun, “Nongmin fudan xiankuang ji qi guozhong de genyuan (“Peasant burdens and the sources of their excess”), *Zhongguo nongcun jingji*, No. 4 (1998), p. 9

of net taxes (net positive transfer from state and collective.”²⁸ National-level data demonstrates the reality of the regressiveness of burdens (see Table 4). These data probably exclude fees, fines, and apportionments. “It is worthy of attention that the fee menu ... is in most cases uniformly assessed regardless of whether a household is rich or poor.”²⁹

Application of the 5 per cent rule at the level of the township often resulted in grossly regressive tax burdens. When business families were taxed together with farm households, the extent of the regressiveness increased further. Recent central directives called for lowering the “unit of account” (to use the term from the commune period) to the village. But this source of inequity can be removed only when taxes are based on the actual income of each household. Ascertaining the incomes of households was an administratively formidable task; hence cadres often confined themselves to aggregate estimates.

The impact of taxes on the rural poor is strikingly illustrated by the case of Miaodian village in Jinzhai county, Anhui, a poor area close to the Hubei border. The per capita income was 606 *yuan* in 1996, less than a third of the national average. In this village, 30–40 per cent of households found it difficult to grow enough food for their subsistence. If bad weather damaged their crops, as in 1995, more than half the households had to borrow money to buy grain. The next year, things improved a bit, but one third or so of the households were still in dire straits because taxes had substantially increased:

The ruthless pressure of taxes and fees on the impoverished households emerges with striking clarity. They either have to sell ration grain or borrow money [to pay taxes], but in the final analysis, either method has one result: they are thrown into the abyss of high interest indebtedness.

The researchers reported that Miaodian received 30,000 *yuan* in government anti-poverty funds each year but paid 70,000 *yuan* in taxes. They

28. *Ibid.* p. 240.

29. Wang Yushao, “Yingdang zhengshi ‘nongmin fudan kongzhi guiding’ suo cunzai de biduan” (“Attention should be paid to malpractice that arise from the directives on peasant burden control”), *Liaowang*, No. 7 (1997), p. 30.

Table 5: **Regional Variations (1996)**

	<i>East</i>	<i>Central</i>	<i>West</i>
Net Income (in <i>yuan</i>)	2,548.91	1,763.40	1,288.57
Burdens (in <i>yuan</i>)	100.42	141.21	72.64
% of income	3.94%	8.01%	5.64%

Source:

Wang and Lu, "Abridged analysis of peasant burdens."

observed that alleviation of the tax burdens was the simplest way to help the rural poor.³⁰

Regionally, the burdens were also highly regressive. Rural incomes were high in the coastal belt of provinces, medium in the Central belt and lowest in the Western belt, but the relative tax load was lowest in the richer East and highest in the Central region where most grain-producing provinces are located (see Table 5).

A high level of non-agricultural enterprise held out the prospect that revenues from TVEs could relieve farm households from some or all of their burdens. Highly industrialized villages in Southern Jiangsu, parts of Shandong or the Tianjin suburbs were able to build infrastructure, provide free schooling, health care, social welfare and other benefits, sometimes on a remarkable scale.³¹ In Qufu county, Shandong, enterprise profits enabled "the government to finance some 400,000 *yuan* in public expenditure aside from reinvesting in TVEs," while villages in Guizhou "spend nothing for education and health; their public expenditures are confined to paying nominal salaries ('a subsidy') to village officials and these are financed by a levy on each village."³² It is not surprising that policy makers and researchers saw the ultimate solution to the burden problem – and rural poverty generally – in the industrialization of the countryside.

Responses from the Central Government

The central authorities sided with the peasants on the burden issue. Central edicts regularly conveyed the same message. Heavy taxation jeopardized peasant support for the Party and government and constituted "a major political problem." Burdens that greatly exceed peasants' capacity to pay caused severe discontent, damaged peasant incentives and threatened rural stability.³³ According to *Fazhi ribao*, between October 1985 and March 1996 the central authorities issued 25 edicts of varying

30. Shanghai shichang gongsi, "Research on the process."

31. See Oi, *Rural China Takes Off*, pp. 79–80.

32. Christine Wong (ed.), *Financing Local Development in the People's Republic of China* (Hong Kong: Oxford University Press, 1997), p. 199.

33. See *GYGB*, No. 11 (20 November 1985), pp. 1043–46.

sorts on burdens.³⁴ Since then, more edicts were issued. As early as 1985, the central authorities complained that “time and again” burdens increased even after demands for reduction. In 1993, two scholars wrote:

Every year since 1985, the party Central Committee and the State Council have stressed the need to lighten peasant burdens. To this end, they have spared no efforts to promulgate documents, hold meetings, make arrangements, and have their leaders deliver speeches. Nonetheless, the result is that peasant burdens have become heavier each year, and the excuses used to collect money from peasants are multifarious.³⁵

In 1993, when widespread rioting, especially in Renshou county, Sichuan, frightened the leaders, the Central Committee and State Council abolished 37 fees and fundraising programmes and cancelled 43 target-setting programmes. Regulatory edicts imposed administrative controls, including ever more complex approval processes and establishment of a hierarchy of burden-control offices, and prohibited a wide range of practices. Yet, efforts to control burdens from above largely failed, reflecting the decreasing capacity of the central state at the local level.

Gaining control over burdens, however, was not simply a matter of securing the compliance of local officials. Central agencies themselves were responsible for a part of the burdens, especially fees, fundraising and assessments. In 1991, the Ministry of Agriculture found 148 documents issued by 48 ministries and commissions that authorized the collection of fees or of fundraising. Two years later, the Central Committee and State Council published a list of 99 fees and fundraising schemes imposed by 24 central-level ministries and commissions that were promoting their mission to develop or regulate the countryside, as well as 43 competitive target-setting programmes. These ranged from the Ministry of Agriculture, which was put in charge of implementing burden reduction, to the Ministries of Public Security, Water Resources, Public Health and Civil Affairs.³⁶ Central-level fees cascaded down the hierarchy. Lower-level units might add to the higher-level fees or add fees of their own, often in the belief that peasant incomes had risen and that a small charge would do no harm. In 1985, in Songhuajiang prefecture, Heilongjiang, peasants paid 95 different fees, 58 to provincial agencies, ten to prefectural ones, and 27 to county and township departments.³⁷

In effect, the central government-initiated programmes imposed unfunded or partially-funded mandates on the lower levels. In the first instance, this was a problem of bureaucratic co-ordination and of failure to set priorities.³⁸ Even more important, however, it was a problem of inadequate funding. As is well known, in recent years, the Chinese government at all levels captured only 10–11 per cent of GDP in taxes in

34. *FZRB*, 21 May 1996.

35. Lu Xueyi and Zhang Houyi, “Some comments on current agricultural problems,” *ZNJ*, No. 3 (20 March 1993), *JPRS*-93-35, 28 May 1993, p. 26.

36. *GYGB*, No. 18 (2 September 1993), pp. 850–57.

37. *RMRB*, 17 November 1985.

38. See Gu Kang *et al.*, “Basic thoughts.”

its regular budget. According to some data, the net flow to the central state (net of remittances to the provinces) also declined.³⁹ The result was that governments at all levels were beset by chronic shortages of funds, while the Centre's capacity to redistribute resources from the rich to the poor provinces declined. This meant that poorer, agriculture-dependent regions had to rely largely on their own funds to develop or provide essential services. Yet, in many of these regions in Central and Western China, the same conditions that made possible the extraordinary growth of revenue-generating TVEs in the Eastern region were not present to the same degree or not present at all.

Inadequate central fiscal capacity and inadequate control of the bureaucracy were the underlying causes of excessive burdens. Local officials were on the receiving end of bureaucratic hierarchies oriented to or, perhaps, obsessed with development, but which were better at issuing targets than supplying the means with which to meet them. At the lower levels, local Party and government leaders also had trouble controlling the functional units. Thus, county-level government bureaus set up offices in the townships over which county and township Party secretaries had little control. These offices were part of a vast and costly expansion of the rural bureaucratic apparatus largely paid for out of informal, extrabudgetary funds, which in turn came out of the pockets of the peasants in areas where TVEs could not provide resources.⁴⁰ The burden problem thus reflected systemic weaknesses in the political and administrative system as a whole.

Burdens, Protests and Violence

Peasants responded to excessive burdens and brutal modes of collection in both peaceful and violent ways, individually and collectively. This section focuses on collective protest and resistance that tended to be illegal and violent. Examples were peaceful petitioning for redress that escalated into violence, illegal demonstrations, sit-ins, sacking of government compounds, beatings and killings of cadres, starting fires, and violent resistance to collection efforts. Acts of collective protest and violence occurred fairly frequently but Chinese secrecy precludes a full-scale analysis. The government did not disclose statistics on type and trends in violent or non-violent protest. Hong Kong journals such as *Zhengming* carried incomplete frequency reports based on claimed access to internal (*neibu*) sources. Specific cases of collective protest sometimes came to light in PRC sources. One example is an account of the riots in Renshou county, Sichuan, in 1993, published by the Sichuan Information Office.⁴¹ Assessment is further complicated because peasants protested

39. See Wang Shaoguang, "China's 1994 fiscal reform: an initial assessment," *Asian Survey*, Vol. 37, No. 9 (1997), pp. 801–817, especially the table on p. 812 that shows three different sets of figures for central revenue.

40. See especially Xiaobo Lü, "The politics of peasant burden," pp. 127–130.

41. China News Agency wire, Beijing, 12 June 1993, Foreign Broadcast Information Service, *Daily Report—China* (FBIS), No 112, pp. 28–29.

against state agents over other issues than burdens and reports did not always distinguish among causes. Many sources, however, agree that burdens were the main source of protest and violence.⁴² The most closely linked and often indistinguishable cause of protest was abuse in grain procurement practices, especially payment in IOUs which, together with burdens, put peasant incomes into jeopardy.⁴³

Since the mid-1980s, excessive burdens were viewed as threatening rural order. In 1987 the official journal *Liaowang* wrote of the “rebellious mentality” (*zaofan xinli*) among peasants, a term used again in a Ministry of Agriculture report in 1990.⁴⁴ Euphemisms such as “vicious incidents” (*exing shijian*), “fierce dissatisfaction” (*qianglie buman*) or “fierce reaction” (*qianglie fanying*) were suggestive of violence. In March 1993, central leaders panicked over rural rioting over burdens and IOUs, which reached a peak in that year. The spectre that China’s history of “officials driving the peasants to revolt” might repeat itself reportedly shocked Zhongnanhai.⁴⁵ Wan Li, the outgoing chair of the NPC Standing Committee and one of the pioneers of rural reform in the late 1970s, reportedly spoke of local “landlords,” “despots” and “tyrants,” who had undone the work of the land revolution and of the reforms of the late 1970s. Wan Li had heard that when some peasants were asked what they needed, the response was, “we need nothing but Chen Sheng and Wu Guang,” the leaders of China’s first great peasant rebellion in the Qin.⁴⁶ Wan warned that “the situation in the countryside is desperate.” The severe undermining of the interests of peasants had “souring relations between them and the Party. Should the state neglect to find solutions to these problems, conditions will go from bad to worse, with the peasants turning against the state and letting agriculture slide into chaos.”⁴⁷ In retrospect, apocalyptic pronouncements of impending doom were obviously exaggerated. But in the years since, sombre warnings continued to be issued. In 1996, burdens were causing “extreme anger.” In 1997, they were “a problem that still arouses the most vehement peasant reaction,” and in 1998, they were “extremely unfavourable to the maintenance of overall social stability.”⁴⁸

In 1994, *Zhengming*, citing a Central Committee document on rural instability, reported that in 1993, 6,230 cases of turmoil occurred in the

42. See, for instance, the central government’s decision on burdens, *RMRB*, 1 April 1997.

43. On IOUs, see Wedeman, “Stealing from farmers,” pp. 805–831. Other issues that led to protest and sometimes violence against officials included uncompensated seizure of land, pollution by nearby or upstream factories, cultural conflicts such as resistance to regime suppression of popular religious movements, and especially conflicts over enforcement of birth quotas and cremation.

44. *Liaowang*, No. 8 (23 February 1987) and Zonghe jihua si, “Guanyu nongmin fudan de diaocha” (“Investigation of peasant burdens”), *Nongye jingji wenti*, No. 2 (1990), p. 60.

45. Jung Sheng, “Great impact of agricultural issue – tracking incident of peasant riots in Sichuan’s Renshou county,” *Xin bao*, Hong Kong, 10 June 1993, FBIS, No. 111, pp. 10–15.

46. Lu Yu-sha, “Wan Li delivers speech, expressing worry about peasant rebellion,” *Dangdai*, 15 April 1993, FBIS, No. 72, p. 43.

47. China News Agency wire, 6 July 1993, FBIS, No. 128, pp. 34–35.

48. *RMRB*, overseas ed., 7 May 1996; *RMRB*, 1 April 1997 and Xinhua, Beijing, 27 July 1998.

countryside. In 830 of these, 500 or more people took part and more than one township was involved. In 78 cases, over 1,000 participated and in 21, more than 5,000. The latter affected several townships and spread beyond one county (*kua xian*). “Serious cases” consisted of the burning of county and township offices of Party and government, public security offices and banks. Some 8,200 injuries or deaths of officials and peasants resulted, as well as 200 million *yuan* in damage. In 340 cases, public security, armed police or local PLA units were required to restore order (*pingxi*). These forces reportedly suffered 2,400 casualties, including 385 deaths.⁴⁹ Given the alarmist comments made by central leaders in the spring of 1993 (see above), these magnitudes do not seem implausible. Outbreaks erupted again in the autumn of 1995 in 22 counties in Shanxi, Henan and Hunan, and again in late 1996 and early 1997.⁵⁰ Between mid-May and mid-June 1997, another major wave of unrest arose in Hunan, Hubei, Anhui and Jiangxi, involving an estimated half a million participants, summarized in Table 6.

Collective violence occurred in a variety of settings. In Liangping county, Sichuan, Deng Liushan, chief of Xinsheng town, and several cadres from the Land Bureau argued with a peasant, Luo Changrong, who refused to pay land taxes. The cadres beat him and he died two days later. Several hundred villagers carried the body in protest to the town government building. Police sought to remove the corpse. A clash ensued in which one villager was killed and others wounded.⁵¹

In Zhouhan township, Hua county, Henan, peasant incomes had dropped in 1994, but forcible collections of funds continued. In December 1994, the government started collective fundraising for road and canal construction and also imposed new education fees. Each peasant was required within three days to pay between 120 and 145 *yuan*. Failure to comply would result in the closing of the schools and the dispatch of heads of households to a study class. On 26 December, close to a thousand peasants attacked the town government. The Ministers of Supervision and Agriculture learned of this, and sent a team which imposed Party and governmental disciplinary measures. The article noted that similar vicious incidents had occurred in Hunan and Guizhou.⁵²

When groups of peasants fruitlessly visited higher level authorities (*jiti shangfang*) to seek relief, they sometimes grew angry, and when more villagers arrived to reinforce their vanguard police might order the group to disperse with ensuing violence. In 1996, in Qidong county, Hunan, for instance, thousands of peasants petitioned authorities in Baiyunqiao town

49. Lu Nong, “Nongcun bu wending qingkuang ehua” (“The worsening of the unstable rural situation”), *Zhengming*, No. 8, (August 1994), pp. 28–29. Lu writes of a total of 1.67 million “cases” but did not define their meaning.

50. Guan Jie, “Peasant riots in Shanxi, Henan, and Hunan,” *Dongxiang*, No. 124 (December 1995), pp. 18–19, trsl. in *China Perspective*, No. 2 (January–February 1996), pp. 6–9, and Li Zijing, “Si sheng wushi wan nongmin kangzheng” (“Half a million peasants resist in four provinces”), *Zhengming*, No. 8 (1997), pp. 19–21, reproduced from *Dongxiang*, April 1997. The title refers to the main story, which is quoted in Table 6.

51. *South China Morning Post (SCMP)*, 3 November 1998.

52. Wang Yanbin, “Peasant burdens.”

Table 6: Major Peasant Protests in 1997

<i>Place</i>	<i>Dates</i>	<i>People involved</i>	<i>Collective actions</i>
Hubei	14–19 May 1997	1 20,000	Peasants in 60 townships in four counties in Jingzhou prefecture staged 70-odd demonstrations in opposition to peasant exploitation and official appropriation of peasant fruits of labour. In Tianmen county, 3,000 villagers attacked government buildings; 90 injuries resulted.
Henan	17–22 May 1997	200,000	In Yiyang and Changde prefectures, peasants in 80 townships in five counties staged 80 incidents of assembly (<i>jihui</i>), demonstrations and submission of petitions. In several instances, peasants burned vehicles and attacked county governments elsewhere. Three deaths and 54 injuries resulted.
Jiangxi	Mid-May to mid-June 1997	100,000	Peasants in three prefectures – Jiujiang, Yichun and Ji'an – in 70 townships in five counties staged 100 protests. Peasants occupied county Party and government buildings, attacked supply and marketing co-operatives, plundering fertilizer and cement. In Yifeng county, 800 people attacked the Public Security bureau. In some cases, leading cadres from the province and the prefecture were surrounded and had to be rescued by the military.
Anhui	20 May to 17 June 1997	70,000	Peasants living in 40 townships in five counties in three prefectures staged some 60 incidents. Apart from attacks on official buildings, in two counties, peasants seized guns and ammunition. In Xiaoxian, 500 blocked a cargo train and seized goods, resulting in armed confrontation with the Public Security branch of the railways. 40 were injured and 11 dead, five of whom were police.

Source:

Li Zijing, “Si sheng wushi wan nongmin kangzheng” (“Half a million peasants resist in four provinces”), *Zhengming*, No. 8 (1997), pp. 19–21.

to reduce burdens. Public security officers sought to disperse them using tear gas, and injured three of them. Peasants then invaded government offices, breaking windows and smashing desks. In this case, the town paid compensation for the injuries and publicized county burden reduction measures.⁵³

Discontent with burdens was widespread and chronic. Peasants grumbled, complained and worried about new exactions and about how they would manage. But even when anger rose to a fever pitch, collective acts of protest did not necessarily erupt, as the linkage between discontent, anger, frustration and action may not be direct.⁵⁴ In some accounts, outbursts of peasant protest were indeed straightforward responses to a string of abuses, the latest of which was the last straw. On a market day, large numbers of aggrieved villagers might suddenly be galvanized by some incident or by some individual's loud voicing of anger, leading to instant and destructive mobilization. The "garlic riots" in Cangshan county, Shandong, in May 1987 constitute an excellent example.⁵⁵ Such protests fit Theodore Shanin's analysis of peasant riots as characterized by "short outbursts of accumulated frustration and rebellious feelings" followed by quiescence.⁵⁶

In other accounts, planning, organization and leaders played a role, while collective action had some staying power. Such cases exhibited some but by no means all of the traits of social movements, such as the availability of new resources and lowered prospects of state repression.⁵⁷ Villagers made use of newly available access to newspapers, television and official documents, which they reproduced and disseminated. This happened in the Renshou riots in 1993 and in Qidong county in 1996.⁵⁸ In a Jiangxi case, a peasant ruined by his township secretary's ruthless exactions "specially phoned the Central Television programme 'Focus of Coverage' " in the hope of getting his case publicized.⁵⁹ Undoubtedly the most important factor encouraging collective action was villagers' belief that the central authorities themselves opposed excessive burdens and were therefore on their side. This factor operated prominently in Renshou, Qidong, and also in a riot in Ningxiang county near Changsha city in early 1999. Peasants adopted a strategy of pitting the central government against local agencies, utilizing policy directives from higher

53. *Ming bao*, 8 November 1996, SWB-FE, No. 2765, pp. G/4-5 and SCMP, 11 November 1996, quoting *Guangzhou yuegang xinxi ribao*

54. Sidney Tarrow, *Power in Movement: Social Movements, Collective Action and Politics* (Cambridge: Cambridge University Press, 1994), pp. 17-18.

55. Zheng Ying, "Dalu minzhong saodong ciqibuluo" ("People on the mainland stage more and more disturbances"), *Jiushi niandai*, No. 7 (1987), pp. 38-40.

56. Theodore Shanin, "The peasantry as a political factor," in Shanin (ed.), *Peasants and Peasant Societies* (Baltimore, MD: Penguin Books, 1971), p. 258.

57. See Sidney Tarrow's *Power in Movement* for a superb analysis of social movements.

58. See Thomas Bernstein, "In quest of voice: China's farmers and prospects for political liberalization," paper presented to the University Seminar on Modern China, Columbia University, February 1994, pp. 71-77, for a description of the Renshou riots. See *Ming bao*, 8 November 1996, in SWB-FE, No. 2765, pp. G/4-5 and *New York Times*, 1 February 1999.

59. *Pingguo ribao*, 25 November 1996, SWB-FE No. 2783, pp. G/4-5 and SCMP, 26 November 1996.

authorities to legitimize their actions. In Renshou, local activists mobilized villagers by contrasting higher-level directives with local ones, disseminating articles published in *China Consumer News* that exposed the discrepancies. When peasants knew of measures of empowerment from the central government, such as villagers' legal right to refuse to pay above-norm burdens established by the 1993 Law on Agriculture, they were emboldened to assert themselves, perhaps peacefully at first but if appeals failed, more violently. The concept of "rightful resistance" put forth by Lianjiang Li and Kevin O'Brien fits very well into this framework.⁶⁰ Central authorities did not of course deliberately encourage illegal collective actions, which were an unanticipated consequence of the shortage of legal modes of redress.

With regard to state repression, Charles Tilly suggests that fear of swift reprisals is an important deterrent to participation in collective violence and that news of government slackness is an important stimulus to the spread of collective, violent behaviour.⁶¹ Writing on the early 1980s, Elizabeth Perry points to the party-state's "impressive coercive capacity" in the countryside as enabling it swiftly to suppress rural unrest.⁶² In contrast, in the late 1980s and early 1990s, the certainty of swift repression of rural protests declined together with the overall decline in state capacity.⁶³ When peasants attacked local cadres, police protection was often unavailable: "The masses beat cadres, who complained in vain, further encouraging the masses."⁶⁴ In the Renshou riots, the response of the authorities to the unfolding events was slow, ineffectual and incompetent. Angry villagers were able to surround, beat and hold police hostage without eliciting a massive show of force.

In the late 1990s, as the government's worries about instability increased, it put greater emphasis on rapid responses by law enforcement agencies such as the People's Armed Police so as to nip protests in the bud without delay, especially by arresting ringleaders.⁶⁵ The result could well be overreaction, as in the case of the peasant riot outside Changsha in January 1999, when an estimated 2,000 villagers demonstrated against burdens. More than 1,000 police sought to disperse the protestors. One death and over 100 injuries resulted.⁶⁶ In his 1999 Government Work Report to the NPC, Premier

60. Lianjiang Li and Kevin O'Brien, "Villagers and popular resistance in contemporary China," *Modern China*, Vol. 22, No. 1 (January 1996), pp. 28–61. See also O'Brien and Li, "The politics of lodging complaints in China," *The China Quarterly*, No. 143 (September 1995), pp. 756–783.

61. See Charles Tilly, *From Mobilization to Revolution* (New York: Random House, 1975), p. 158.

62. Elizabeth J. Perry in Perry and Christine Wong (eds.), *The Political Economy of Post-Mao China* (Cambridge, MA: Harvard University Press, 1985), p. 192.

63. Tian Li and Fang Cao, "'Police's ineffectiveness in cracking down on crime is also discussed," *Renmin gong'an bao*, 2 October 1993, JPRS-93-88, 14 December 1993, pp. 55–56.

64. *NMRB*, 9 May 1989.

65. Gan Jié, "Peasant riots in Shanxi."

66. *New York Times*, 1 February 1999.

Zhu Rongji criticized the use of the “means of dictatorship” in handling protests.⁶⁷

With regard to leadership, some collective actions were planned and organized by discernible leaders. Collective visits to higher authorities to petition for redress of grievances, which became more numerous in the 1990s, required planning and organization.⁶⁸ In Renshou, one of the organizers of protest was a PLA veteran who was educated and experienced in organization and in dealing with the authorities. O’Brien and Li suggest that leaders were probably younger activists who sought to replace office holders and who may also have served in the PLA.⁶⁹

According to some accounts, “in almost all the serious incidents in Shanxi, Henan, and Hunan, the ‘ringleaders’ were local cadres.” In some villages and townships, virtually the entire cadre force was guilty of inciting to riot.⁷⁰ In the Jiangxi disturbances in 1997, township and village Party and government cadres were said to have “participated and encouraged peasants to protest (*shiwei*).”⁷¹ This claim is contradicted by the bulk of the evidence, which points to the severe tensions between peasants and cadres as the major line of cleavage. Village cadres often acted as the agents of the townships in enforcing the collection of levies.⁷² This finding by no means excludes the likelihood that some village cadres identified not only with their superiors but also with their clients with whom they had personal and family ties. Some data suggest that those closest to the peasants at the very lowest level of the hierarchy, the former production teams now called “group” (*zu*), were more likely to sympathize with the peasants. A good many village cadres felt trapped by their situation: “We are all peasants, our families contract for land, we understand the peasants, but who understands us? ... We get blamed by both sides. The higher levels demand money from us ... each year we have to ask several times, causing the elders and our relatives to feel offended.”⁷³ It is quite plausible that some of these cross-pressured cadres might have led collective protest.

An important source of cadre demoralization, however, came from the opposite direction, from abandonment when the central authorities repudiated their acts. In Renshou, many cadres said angrily, “the central authorities have betrayed us.” During the riots, many cadres were beaten by peasants but couldn’t voice their grievances. A third of Fujia district’s village cadres “refused to work.”⁷⁴

Underground organizations were reportedly said to have been active in

67. *Shijie ribao*, 3 April 1999.

68. On this subject, see Chen Weihua, “Cong xinfang gongzuo jiaodu duidang qian jianqin nongmin fudan wenti de zai sikao” (“Re-examination of the peasant burden problem from the perspective of the work of letters and visits”), *Renmin xinfang*, No. 9 (1998), pp. 28–31.

69. O’Brien and Li, “The politics of lodging complaints,” p. 758.

70. Guan Jie, “Peasant riots in Shanxi.”

71. Li Zijing, “Half a million peasants.”

72. See, for instance, Xu Yong, *Zhongguo nongcun cunmin zizhi (Villager Self-government in Rural China)* (Wuhan: Huazhong shifan daxue chubanshe, 1997, p. 279.

73. *NMRB*, 26 September 1988.

74. Jung Sheng, “Great impact.”

the disorders in Shanxi, Henan and Hunan in the autumn of 1995, fomenting unrest by co-ordinating protest activity among several villages.⁷⁵ Some of the slogans adopted by the illegal organizations were explicitly political, aiming at peasant autonomy: “all wealth of the land should go to the peasants,” “end the exploitation and oppression of the peasant class,” “long live the peasant Communist Party and the unity of the peasants.” In August 1993, some 2,000 villagers from seven villages in Qingyang and Ningguo counties in southern Anhui reportedly held prolonged meetings to protest against the issuance of IOUs and government payments in kind rather than cash. Some township cadres took part, displaying banners similar to the ones already mentioned, as well as some reading “down with the new landlords of the 1990s” and “oppose the ten thousand taxes of the Communist Party” (*gongchandang wan shui*). In one village, a “peasants’ autonomous committee” detained members of a county Party committee, demanded a 50 per cent tax reduction, dismissal of the township head and township Party committee, and dissolution of the township militia.⁷⁶ And in 1997, in Jiangxi, some township and village cadres put up these slogans: “down with the urban exploiting class,” “divide the wealth of the new rural despots” and “establish peasant political power.”⁷⁷ This suggests that political goals – the establishment of independent peasant organizations and control over resources – played an important role in some village collective actions.

However, the dominant theme of most outbreaks was demand for the lightening of burdens in the name of the Centre. The central government’s sympathy exacted a price in inciting to riot and lowering cadre morale. But it also played a crucial role in limiting peasant demands to remedial measures. Many of the cases suggest that when burden reduction was implemented, peasants were satisfied. Peasants wanted to restore a proper balance between the claims of the state and their own. This positive orientation towards the Centre may also help explain those cases of violence that erupted in the course of peasants’ search for help from the higher levels such as collective petitioning. Peasants wanted to inform the higher levels of the hierarchy of their plight, indicative of trust in the system as a whole. As one scholar explained, illegal forms of protest such as sit-ins, lying down in front of cars or blocking railway lines were often the only way to get attention.⁷⁸

Rural protests were limited in impact because they were in the main dispersed and localized, with little direct evidence of co-ordination. In some protests, such as in Renshou, disorders did spread to several townships within the same county. In others, protests broke out in adjoining or nearby counties at about the same time. In Shanxi all five of the counties where riots erupted in October 1995 are located in a cluster in the south-west. These cases are at most suggestive of contagion effects,

75. Gan Jie, “Peasant riots in Shanxi.”

76. “Anhui nongmin kangshui shijian” (“Anhui incident of peasant resistance”), *Zhengming*, No. 9 (September 1993), p. 93.

77. Li Zijiang, “Half a million peasants.”

78. Interview, Beijing, 10 September 1998.

the habituation to a “repertoire of contention” and perhaps of horizontal communications and co-ordination. But for the most part, collective protests lacked the capacity for sustained and co-ordinated actions characteristic of mature social movements.

The literature on revolution views an urban–rural alliance as a key to success. In the present case, the major, overwhelming point is the absence of linkages between urban and rural protest. Those in the urban sector, students and intellectuals, who are the natural leaders of movements aiming at political change, did not demonstrate serious interest in rural grievances or in making contact with rural people. The classic illustration is the Tiananmen movement in 1989, when, as Elizabeth Perry observes, urban protestors failed to take advantage of “peasant capacities for collective action.”⁷⁹ Intellectuals had strongly elitist attitudes. They disdained peasants and feared them as a force for chaos.

The underlying source of the obstacle to urban–rural co-operation was the deep cleavages between the two sectors that developed during the Mao era and that continued to persist. While the separation of the urban and rural sectors to a significant degree disappeared, migration to the cities did not increase urban–rural solidarity but, if anything, led to friction.⁸⁰ Moreover, the massive lay-offs of industrial workers that began in the mid-1990s had the potential of exacerbating urban–rural tensions as competition between job-seeking urban workers and rural migrants intensified. Some cities began imposing restrictions on migration and promoted the return of migrants to the countryside. And, on the rural side of the divide, there was much evidence of resentment of the urbanites. Most of the slogans mentioned above called for peasant autonomy, by definition, from the urban sector. Thus, the rise of an urban–rural alliance against the regime is highly unlikely.

Empowering Villagers: The Role of Elections

The regime’s regulatory measures to reduce burdens were ineffective. The threat to rural stability therefore required an additional approach: pressure from below to check the abuses of predatory officials. Several steps were taken to strengthen the capacity of peasants to seek redress of grievances peacefully: raising villager awareness of relevant laws and regulations; strengthening the rural legal system to enable villagers to acquire rudimentary knowledge about their rights and the procedures necessary to bring law suits; encouraging villagers to make use of the letters and visits system so as to enable them to complain to higher administrative authorities; and promoting village elections together with transparent village governance (*cunwu gongkai*). Each of these measures

79. Elizabeth Perry, “Casting a Chinese ‘democracy’ movement: the role of students, workers, and entrepreneurs,” in Jeffrey Wasserstrom and Elizabeth Perry (eds.), *Popular Protest and Political Culture in China* (Boulder: Westview Press, 2nd ed.), pp. 74–92.

80. See Dorothy J. Solinger, *Contesting Citizenship in Urban China: Peasant Migrants, the State and the Logic of the Market* (Berkeley: University of California Press, 1999), especially ch. 4.

requires separate analysis and evaluation. None succeeded in resolving the burden issue, but taken together, they constituted a significant effort to construct a counterweight against local officialdom. This concluding section examines village elections.

Village democracy entailed the direct, secret and competitive election of the village head and the village council (VC) as well as establishment of a village assembly or representative assembly (VRA). With regard to finances, the 1998 law on self-government stipulated that the VCs submit the following financial issues to the VRA: the collection and use of the village retention as well as the method of collection of the township levies; the number of village cadres who qualified for remuneration for lost working time and the criteria for setting the amount; the use of income from collectively owned village properties; and fund-raising for village public works such as village-run schools and road-building.⁸¹ Strikingly, these provisions did not confer power to determine or even to co-determine (with the township government) the amount of the village and township assessments. Instead they limited village powers to deciding the method of collection. The exception appears to be fundraising for village schools and roads which the VRA was to decide.

The law demanded that village affairs be public, particularly finances, and that the VCs regularly inform villagers of expenditures and allow ordinary villagers to check accounts. Hebei and Henan, for instance, established villager finance groups for this purpose. The goal was to end the endemic suspicion of ordinary villagers that cadres were corruptly misusing funds. Villagers were allowed to appeal to the township or the county governments to enforce this provision.

In assessing the capacity of elected village leaders to use their limited powers, the role of the townships was of decisive importance. Township officials had a vital interest in who was elected, since state assignments had to be implemented through village leaders. From the township perspective, obedient village cadres were a necessity. Changing the control relations was not, therefore, easily accomplished.⁸² As late as the mid-1990s, 60 per cent of China's villages were classified by Xu Yong as still falling into the category of "administered villages" (*xingzheng hua cun*):

Although the VCs in these villages were elected, the electoral process was strongly influenced by the township government and the basic-level Party organization. The mass basis was weak and the level of democratization low even to the point of "administrative manipulation."⁸³

In "administered villages," township–village cadre relations were those of

81. *FZRB*, 5 November 1998. This was the revised version of a draft law which had been in effect since 1987.

82. For an analysis of township opposition, see Li Lianjiang and Kevin J. O'Brien, "The struggle over village elections," in Merle Goldman and Roderick MacFarquhar (eds.), *The Paradox of Post-Mao Reforms* (Cambridge, MA: Harvard University Press, 1999), pp. 129–144.

83. Xu Yong, *Villager Self-government*, pp. 144–45.

obedience and subordination. The VCs executed township orders even when they were unreasonable. The masses “were in a politically passive position.”

To counteract township manipulation of elections, officially-sponsored experiments with “open-ticket elections” (*haixuan*) – anyone, not just officially nominated candidates, could run for office – were launched, which aimed at excluding the township and the village Party branch from the process of nominating candidates. Instead, under a system of primaries villagers could directly nominate their favourite candidates. The result was supposed to be genuinely representative village chiefs and councils. The new system spread rapidly, and the final law on village organization adopted in November 1998 gave implicit approval to “sea elections.”⁸⁴

Sea elections or not, village councils were obliged to carry out state policies and assignments. The law defined the relations between the township and the village committee as one of guidance (*zhidao*) rather than direct subordination (*lingdao*), but this was only a verbal solution. The reality prompted some researchers interviewed in 1998 to express strong scepticism about the extent to which elected villager leaders could in fact protect peasant interests, especially against township imposition of burdens. Only direct elections of township leaders – an issue that has been under discussion – could be expected to make a difference.⁸⁵

A Ministry of Civil Affairs assessment of the performance of village committees in 1999 yielded the finding that while village elections had generally been held, only two-thirds of villages had actually “instituted the democratic management and transparency.” The Ministry had received a series of complaints that some village governments issued fraudulent reports in order to deceive their publics and continue their corrupt practices. “Political instructors” were needed to go to the villages to teach proper procedures.⁸⁶ For cadres, the prospect of financial openness gave rise to the “three fears”: fear of loss of special privileges; fear of investigation; and fear that the masses would understand what was really going on.⁸⁷ Thus, even when accounts were made public, not all transactions might be reported.

Still, elections led to fairly sizeable turnover among village chiefs and the prospect of re-election probably had a restraining effect on incumbents. Moreover, the law provided for the ouster of incumbents after one-fifth of voters signed a petition to this effect. Some elected village

84. For the trial law, see *GYGB*, No. 27 (5 December 1987), and for the new one, *FZRB*, 5 November 1998.

85. Direct township elections have been proposed by officials in the Ministry of the Civil Affairs and by various academics. A direct township election in Sichuan, apparently experimental, was repudiated by the central leaders. See *International Herald Tribune*, 27 January 1999.

86. Xinhua, Beijing, 11 July 1999, SWB-FE, No. 3585, p. G4, 13 July 1999 and *SCMP*, 13 July 1999.

87. Bai Gang, “Woguo cunmin zizhi buru guifanhua fazhan jieduan” (“China’s villager self rule has entered the stage of regularization”), *Neibu canyue*, No. 13 (7 April 1999), pp. 2–9.

chiefs were ousted for corruption in accordance with this provision.⁸⁸ There is some evidence that when elections did yield a VC that was responsive to the peasants, allocation of village-level burdens became fairer and the mode of collection less abusive.⁸⁹ With respect to stability, an example often cited is that of villagers in a county that bordered on Renshou, who were asked by Renshou peasants to join in the anti-tax protests. They reportedly refused on the grounds that their village assemblies had discussed and approved their burdens and hence there was no need to take to the streets.⁹⁰

However, the critical variable was availability of resources. A comparison between two villages, one with elections and one without, showed that burden management was much easier in the former and that cadre style had much improved. But tax relief for the poorest households was made possible in the village with elections by the existence of TVE resources. Without these, richer villagers would have had to pay more, giving rise to conflict.⁹¹ To some extent, village elections thus resembled the Maoist mass line, which assumed that mass participation and a friendly, consultative style could solve conflict without redistribution of resources. Village elections thus were only a promising beginning for the emergence of a counterweight to officialdom.

In sum, the burden problem persists. The regime pursued various incremental solutions but these have not solved the problem. A more thorough-going approach would be to replace fees with standardized taxes (*feigaishui*), a project that has been under consideration but thus far has proved too difficult to implement.

88. Xinhua, 11 June 1999, SWB-FE, No. 3560, p. G/8, 14 July 1999.

89. See the two village comparison by Xu Yong, in *Villager Self-government*, pp. 274–288.

90. Amy Epstein, “Village elections in China: experimenting with democracy,” in U.S. Congress, *Joint Economic Committee, China’s Economic Future: Challenges to U.S. Policy* (Washington, DC: GPO, 1996), p. 416.

91. Xu Yong, *Villager Self-government*, pp. 274–288.