

## Recent Developments

### **The Fourth and Fifth Plenary Sessions of the 13th CCP Central Committee**

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The Fourth and Fifth Plenary Sessions of the 13th Central Committee (CC) were the first comprehensive central Party meetings to be convened in the aftermath of the suppression of the "pro-democracy" movement in and around Tiananmen Square. Although held roughly four months apart, they can be considered together insofar as both sought to consolidate and confirm the legitimacy of the new hardline leadership. While the agendas of the two plenums varied, both dealt with the impact of the momentous events of April–June particularly in terms of their effects on: leadership personnel; public security; ideology and propaganda; economic policy; civil–military relations; and foreign affairs.

Without denying the importance of these two plenums in the context of current Chinese politics, they have also been instrumental in the longer-term succession struggle (to succeed Deng Xiaoping) that has been waging since Hu Yaobang's dismissal as CCP general secretary in 1987. Virtually from the day Zhao Ziyang officially succeeded Hu and relinquished his portfolio as premier of the State Council to Li Peng at the 13th Party Congress,<sup>1</sup> it became clear that a fierce intra-elite succession struggle was under way, and that there were fundamental disagreements over the pace and modality of reform within the top leadership. While differences of personality and policy were most apparent in the sphere of economic policy (notably around the time of the Third Plenum of September 1988), it was not until the political crisis in the spring of 1989 that the hardline opposition to Zhao finally coalesced. With the convening of the Fourth and Fifth Plenums not only was the radical element in the reform coalition shattered and its leader removed, but also the fragile consensus on the reform programme itself was undermined.

#### *The Meetings*

Plenary sessions and formal Party meetings are carefully orchestrated events: little is left to chance. Both plenums were preceded by informal central work conferences which drafted the agendas and the decisions. The work conference prior to the Fourth Plenum was

1. For analyses of this Congress and its aftermath see Michel Oksenberg "China's 13th Party Congress," *Problems of Communism* (November–December 1987), pp. 1–17; and Stuart R. Schram, "China after the 13th Congress," *The China Quarterly*, No 114 (June 1988), pp. 177–97.

convened from 19–21 June as an enlarged meeting of the Politburo, the plenum itself being held from 23 to 24 June. The Fifth Plenum met from 6 to 9 November, with an earlier central work conference being held from 30 October to 3 November. The Fifth Plenum was immediately followed by an enlarged meeting of the Party's Military Affairs Commission (MAC), and after both plenums meetings of the relevant departments under the Central Committee and around the country were held to "seriously study" their results. Both plenums took place under conditions of unusual secrecy.

Attendance at a Party plenum is not mandatory, although it is customary for all Central Committee members to attend. These plenums were of an "enlarged" variety, a device both Mao and Deng have used to dilute and overwhelm potential opposition. In the case of the Fourth and Fifth Plenums, all Central Committee members and alternates are said to have attended and there was a full complement of members of the Central Advisory Commission, the Central Disciplinary Inspection Commission, and "leading comrades of other relevant departments." In total, 557 individuals are reported to have attended the Fourth Plenum, 576 at the Fifth.

The main function of the Fourth Plenum was to deliver the official interpretation of the "anti-Party and anti-socialist turmoil and counter-revolutionary rebellion" of April–June, but it also considered the case of Zhao Ziyang, and more general matters of ideology. The Fifth Plenum concentrated on economic policy and personnel changes within the MAC.

### *Leadership Personnel Changes*

The most tangible effects of the Fourth and Fifth Plenums can be seen in the composition of the top Party and military leaderships. There were personnel changes to the Politburo and its Standing Committee, the Secretariat of the Central Committee, and the MAC. Two changes stand out above all the others. First, the Fourth Plenum officially dismissed Zhao Ziyang from all his "leading posts" (although presumably he has been permitted to retain his Party membership and seat on the Central Committee), and confirmed the 63-year-old former Shanghai mayor and Party leader, Jiang Zemin, as general secretary. Zhao had, in fact, been divested of his authority at the enlarged Politburo meeting of 19 May, after which he made his publicized foray into Tiananmen Square in the early morning hours (the last time he was seen in public). Secondly at the Fifth Plenum the pre-eminent leader Deng Xiaoping resigned his last-remaining official position as chairman of the MAC, also to be replaced by Jiang Zemin.

The dismissal of Zhao and the elevation of Jiang were matched by other changes in the leadership. The Fourth Plenum removed Zhao's ally and Hu Yaobang's protégé, Hu Qili, from the Politburo, its Standing Committee, and the Central Committee Secretariat. Additionally, Rui Xingwen and Yan Mingfu were removed from the

Secretariat. Rui, formerly head of the Party's Propaganda Department, had worked closely with Hu Qili in liberalizing the ideological and propaganda spheres. Yan's status is still unclear but apparently he remains director of the CCP United Front Work Department.<sup>2</sup> Yan was accused of mismanagement in his role as principal negotiator with student demonstrators on the eve of martial law.

Also dismissed at the Fourth Plenum were An Zhiwen (vice-minister of the State Commission for Reform of the Economic Structure), Zhao Ziyang's close ally Bao Tong (director of the Committee on Reform of the Political Structure), Wan Jiabao (head of the Central Committee's General Office), and Zhao's long-serving agricultural adviser, Du Rensheng (director of the Rural Policy Research Centre). The minister of culture, Wang Meng, and the governor of Hainan province, Liang Xiang, lost their posts during the intervening period between the two plenums.

The Fourth Plenum confirmed the promotions of Tianjin mayor Li Ruihuan (aged 55) and Organization Department head Song Ping (72) to the Politburo Standing Committee. Long-serving Central Committee General Office bureaucrat Ding Guangen joined Li Ruihuan to become new members of the Secretariat.

With the exception of the addition of Yang Baibing (President Yang Shangkun's younger brother) to the Party Secretariat, personnel changes at the Fifth Plenum were limited to the MAC. Jiang Zemin succeeded Deng as chairman, Yang Shangkun moved from "permanent" secretary-general to first vice-chairman (replacing Zhao Ziyang as formal number two), Admiral Liu Huaqing was promoted from deputy secretary-general to full vice-chairman status, and Yang Baibing became the new secretary-general. General Hong Xuezhi appears to have been the only casualty of the military personnel changes, having been removed from his post as deputy secretary-general of the MAC.

### *Impact of the Leadership Changes*

Several conclusions can be drawn from the composition of the new leadership. First, Deng's role as supreme leader and final arbiter will continue as long as he lives. It became clear during the Tiananmen crisis that authority and political power did not derive from official position: the role played by "retired" Party elders was testament to this. Deng's retirement to the "second line" will not, therefore, prevent him from overseeing or intervening in the policy process. The same applies to other members of the Old Guard. In particular, General Wang Zhen led the attempt to unseat Zhao Ziyang over the

2. Although he has been in hospital since the crisis, it was confirmed on 7 October by his deputy Wan Shaofen that Yan Mingfu remained director of the UFD. See British Broadcasting Corporation, *Summary of World Broadcasts: Part III: The Far East* (Caversham: British Broadcasting Corporation), 0582.

past year and a half and played a prominent role in the suppression. Peng Zhen, Li Xiannian, Chen Yun, Bo Yibo, Hu Qiaomu, Deng Lihou, Song Renqiong and other members of the octogenarian Old Guard will continue to intervene in policy and personnel matters from time to time. Political power, therefore will continue to derive principally from informal stature, not official position. Secondly, regarding the official leadership a degree of consensus within the ruling elite can be expected. The purge of Zhao Ziyang and Hu Qili removed the polarization that had existed within the Politburo Standing Committee, and those who remain are united by their collective responsibility for 4 June. The addition of Song Ping, an important figure on the State Planning Commission, strengthens the hand of economic "regulators" Yao Yilin and Li Peng in their attempt to douse down an overheated economy and reverse many of Zhao's economic policies. These three will form the locus of power on the Standing Committee.

The positions of both the general-secretary, Jiang Zemin and Li Ruihuan, the "two mayors" and newly-appointed to the Standing Committee, may be insecure. Both are inexperienced in national politics, having built up their careers in municipal management, although Jiang has also had extensive experience in the heavy industrial and electronics sectors. Consequently neither possesses a network of provincial or ministerial clients on which to call either in coalition-building or implementing policy. Jiang's position is exclusively dependent on Deng Xiaoping's continued patronage (similar to Mao's anointing of Hua Guofeng). After Deng's death Jiang's chances of survival are slim. Li's may fare slightly better since he is considered to be a competent and popular administrator.

In the event of further cleavages emerging within the Standing Committee the role of Qiao Shi may become crucial. He was a possible candidate to succeed Zhao as general secretary and reportedly received intensive support from his patron Peng Zhen. Qiao (65) is thought to have played the role of balancer in the pre-crisis Standing Committee between Zhao and Hu Qili on one hand, with Li Peng and Yao Yilin on the other. In the wake of the Fourth and Fifth Plenums it is probable that Qiao Shi's responsibilities will remain largely in the internal security and Party discipline spheres. His appointment as president of the Party School is an indication that ideological matters are included within his remit.

Institutionally, the Politburo Standing Committee should retain its pre-eminence in policy-making over the Secretariat – a trend in evidence since the downfall of Hu Yaobang. The four-member Secretariat (Qiao Shi, Li Ruihuan, Ding Guangen, Yang Baibang) can be expected to monitor the implementation of decisions taken by the Politburo. Under Zhao Ziyang's tenure as general secretary the Secretariat played a role in co-ordinating policy feasibility studies conducted by "think-tanks" created by Zhao. This function is unlikely to continue, however, since many research centres have now been

closed and their leading members arrested. The position of Yang Baibing (69), on the Secretariat is worthy of attention. His influence will most likely be felt in the ideological sphere; he brings to his new post many years' experience in the General Political Department of the PLA (Yang concurrently remains head of the GPD).

The Politburo itself has remained intact since the Tiananmen crisis. Its 14 full members will continue to constitute an important deliberative body, although ultimate decision-making authority will reside in the six Standing Committee members plus the Yang brothers. Factionalism may persist within it, however, since several Politburo members closely allied to Zhao Ziyang (or Hu Yaobang in the case of Wu Xueqian) have thus far been able to escape being purged in the wake of Zhao's removal. Sichuan First Party Secretary Yang Rudai owes his career rise to Zhao, as does Tian Jiyun, although to a slightly lesser extent.<sup>3</sup> Wan Li and Li Tieying were also allies of Zhao, but seem to have survived as a result of their more diversified power bases.

### *Personnel Changes in the Military*

The personnel changes at the Fifth Plenum have given control of the MAC to Yang Shangkun who serves as first vice-chairman. Although Jiang Zemin became chairman of the MAC at the Fifth Plenum, it is seen as a nominal appointment since he has no background in military affairs. Jiang himself admitted as much in an interview soon after his appointment: "I can take this duty upon myself despite the fact that I have no experience in the military."<sup>4</sup> The MAC is now composed of Chairman Jiang Zemin, First Vice-chairman Yang Shangkun, Vice-chairman Liu Huaqing (presumably Marshalls Xu Xiangqian and Nie Rongzhen still hold this status as well), and Secretary-general Yang Baibing.<sup>5</sup>

Yang's ascendancy does not mean, however, that his control of the military is absolute nor that there are not some senior members of the PLA who profoundly disagree with Yang's deployment of main force units for internal security rather than national security purposes on 4 June. Evidence of splits in the military is difficult to substantiate, but suffice it to note the reluctance (as expressed in the famous 21 May dissenting letter to Deng as MAC chairman) of Marshalls Xu Xiangqian and Nie Rongzhen, Generals Zhang Aiping, Yang Dezhi, Ye Fei, Xiao Ke, Chen Zaidao and other senior PLA officers to send

3. For evidence of Zhao's patronage dating back to Sichuan see David L. Shambaugh, *The Making of a Premier: Zhao Ziyang's Provincial Career* (Boulder: Westview, 1984), Ch. 6.

4. "Jiang Zemin grants interview to NHK president," *SWB*, FE/0611.

5. These data are derived from the Directorate of Intelligence, *Directory of Chinese Officials and Organizations* (Washington, D.C.: Central Intelligence Agency, July 1989), pp. 9, 17, 103.

in the troops. The implications of 4 June, and Yang's control of the MAC, raise the more general issue of civil-military relations.

### *The Civil-Military Balance*

Civil-military relations are once again pivotal in a succession struggle in China. Just as Marshall Ye Jianying and General Wang Dongxing were crucial in tipping the balance against the "gang of four" after Mao's death in 1976, so too will Yang Shangkun and other senior commanders play a key role in the anticipated succession to Deng. Yang himself may aspire to become the pre-eminent leader. But the outcomes of the Fourth and Fifth Plenums would suggest that Yang, for the time being at least, is content to exercise power through civilians of lesser stature, notably Li Peng and Jiang Zemin.

To Deng's great credit, the PLA had steadily retreated from the political battlefield to the barracks during the 1980s. After the fiasco of the Vietnam incursion in 1979, the PLA concentrated on becoming a modern and professional fighting force to be used only in national security contingencies.<sup>6</sup> The events of 4 June destroyed this new professional ethic. The military was once again used to maintain internal security and as such was thrust back into the domestic political arena. The issues confronting the PLA and the civil-military balance are fourfold: (1) will the military as a corporate entity intervene further in civilian politics; (2) if it does, what role will it play as power-broker in the succession struggle now unfolding; (3) if it does not, what price will it exact from the civilians for its withdrawal and political acquiescence; and (4) will elements of the PLA stage a pre-emptive coup against possible candidates to succeed Peng to constitute a new civilian leadership?

### *The Case of Zhao Ziyang*

The Fifth Plenum had been expected to announce the outcome of the internal investigation into Zhao Ziyang's activities, or at least to report on developments thereof. Instead, the communiqué was notable for its total silence on the matter. The only reference to Zhao's case came in the Central Committee "decision" endorsing Deng Xiaoping's resignation as chairman of the CMC which essentially reiterated the verdict on Zhao announced at the Fourth Plenum, where Zhao's behaviour in fomenting the "counter-revolutionary turmoil and rebellion" was the principal item on the agenda. The communiqué of that meeting contained the following key section on Zhao:

The session examined and approved a report on Comrade Zhao Ziyang's mistakes in the anti-Party, anti-socialist turmoils delivered by Comrade Li Peng on behalf of the Political Bureau of the Central Committee. The session

6. See, e.g., the articles in *The China Quarterly*, No. 112 (December 1987).

held that, at the crucial juncture having a bearing on the survival or extinction of the Party and the state, Comrade Zhao Ziyang made a mistake of supporting the turmoil and splitting the Party, and had unshirkable responsibilities for the shaping up and development of the turmoil. The nature and consequence of his mistakes are very serious. Although he did something beneficial to the reform, the opening of China to the outside world, and economic work when he held principal leading posts in the Party and the state, he obviously erred in regard to guidelines and practical work. Especially after taking charge of the Central Committee, he took a passive approach to the principle of adhering to the four cardinal principals and opposing bourgeois liberalisation and gravely neglected Party building, the building of spiritual civilisation, and ideological and political work, causing serious losses to the cause of the Party.<sup>7</sup>

While highly critical of the former general-secretary, this condemnation is not as harsh as it could have been. Zhao was not labelled an "anti-Party element," nor a counter-revolutionary. The inability of the Fifth Plenum to resolve the Zhao case suggests there are deep divisions within the leadership.

Since his downfall increasingly harsh criticism of Zhao has been expressed in the domestic press and in speeches of some central leaders. Several articles have pinned the blame for China's economic difficulties on Zhao, while others focus on his ideological deviations and the resulting social maladies. Some more extreme critiques lay the very efficacy of CCP rule at Zhao's feet. The army newspaper *Jiefangjunbao*, for example, opined, "Just imagine, if he (Zhao) had succeeded in 'transforming' our ideological and political work, Marxism would have been declared 'outdated,' Party leadership would have been 'weakened,' and people would have no longer mentioned the socialist road or the people's democratic dictatorship."<sup>8</sup> *Guangming ribao*, in one of the harshest attacks to appear, blamed Zhao for being "carried away by the dream of building a bourgeois republic – a dream woven by his liberalized 'brain trusters.'"<sup>9</sup> Zhao had lead Chinese Communism to the brink of extinction.

For his part, Zhao at first refused to co-operate with the investigation, and then is said to have argued heatedly with the special teams sent by Qiao Shi and the Disciplinary Inspection Commission to interrogate him.<sup>10</sup> Zhao is also known to have presented his case (helped by Hu Qili and Rui Xingwen) to the Party leadership at an

7. "Communiqué of the Fourth Plenary Session of the 13th CPC Central Committee," *FBIS-China Daily Report*, 26 June 1989, p. 15.

8. Yang Cai, "To 'improve' or 'transform?'" *Jiefangjunbao* (*Liberation Army Daily*) 6 August 1989; in *SWB*, FE/0539 B2/11.

9. Yao Fan, "How comrade Zhao Ziyang weakened the Party's ideological and political work," *Guangming ribao* (*Guangming Daily*), 25 August 1989; in *FBIS-China Daily Report*, 29 August 1989, p. 10.

10. See Lo Ping, "Notes on a northern journey: Zhao Ziyang angrily refutes slander and frame-up against him," *Zhengming* (*Contend*), 1 August 1989, pp. 6–7; in *FBIS-China Daily Report*, 3 August 1989, p. 15.

enlarged Politburo meeting prior to the Fourth Plenum.<sup>11</sup> In "My Statement," Zhao is reported to have refused to make a self-criticism and to have denied all responsibility for inciting the demonstrations or splitting the Party.

Chinese politics has an uncanny habit of reversing verdicts and Zhao, now aged 69, is younger than Deng was when he made his *second* comeback. Moreover, he retains the widespread respect and support of people throughout China.

### *The Ideological Agenda*

Not surprisingly, ideological rectification has become a priority in the wake of the Tiananmen crisis. The communiqués of the Fourth and Fifth Plenums and several major speeches by senior leaders during the interim all point to an ideological stringency not seen in China since the days of the "gang of four."

In the current campaign, spearheaded by Lui Ruihuan, "bourgeois liberalization" is once again the target. Li's speeches and articles indicate that Party members are the primary targets, and the necessary rectification will be carried out in a "closed-door" fashion.<sup>12</sup> The campaign is the Party's response to the allegations of corruption voiced during the spring 1989 demonstrations. Jiang Zemin's keynote address to the Fifth Plenum emphasized the need to root out corruption and linked it to the policy of economic retrenchment and re-centralization. Criticizing "bureaucratism," "commandism," "departmentalism" and other cadre malpractices not mentioned in recent years, Jiang also noted "such illegal phenomena as seeking private interest at the expense of the state, bribe taking, embezzlement and other corrupt activities."<sup>13</sup>

Apart from strengthening ideological purity within the Party the anti-bourgeois liberalization campaign also condemns pornography and prostitution, "... bourgeois individualism, hedonism, anarchism, money and power worship, which resulted in illegal businesses, tax evasion, profiteering, bribery, smuggling and fraud."<sup>14</sup>

Above all, however, the current anti-bourgeois liberalization campaign has a distinctly anti-western – and particularly anti-American – aspect to it. Suffice it to say in the present context that Chinese

11. Zhao and Hu Qili were clearly visible from the rear in a *Renmin ribao* (People's Daily) photograph of the enlarged Politburo session. See also, Chang Mu, "Criticism of Zhao escalates and opposing capitalism has become a main theme—a glance at the trends in development of the political situation in Beijing," *Qingbao* (The Nineties) August 1989, pp. 40–43; in *FBIS-China Daily Report*, 11 August 1989, pp. 10–13.

12. See, e.g., Li Ruihuan, "The pressing task in current propaganda and ideological work," *Sixiang gongzuo yanjiu*, No. 9 (1989); in *SWB*, FE/0548 B2/1: "Li Ruihuan urges 'high-ranking Party cadres' to study Marxism," *SWB*, FE/0588.

13. "Jiang Zemin's speech at Fifth Plenum of Party Central Committee," *SWB*, FE/0622 B2/2.

14. "Article calls for vigilance against bourgeois liberalization," *SWB*, FE/0538 B2/4–5. It should be noted that this is an article written by former *Hongji* (Red Flag) editor Xiong Fu and published in 15 August 1989 *Renmin ribao*.



criticism of the west, especially of the United States, has never entirely ceased in the post-Mao era.<sup>15</sup> In the wake of Tiananmen, however, it has reached a height unsurpassed since the Cultural Revolution.

### *The Economic Agenda*

According to official statements China continues to "adher[e] to the policy of reform and opening to the outside world," despite indications to the contrary. The economy was the principal item on the agenda of the Fifth Plenum, and Premier Li Peng reportedly delivered a report on rectifying the balance between a planned and market economy placing "appropriate emphasis on plans, a concentrated economy, administrative measures, and the settlement of the serious inflation problem."<sup>16</sup> The Fifth Plenum adopted a "Decision on Further Improving the Economic Environment, Straightening Out the Economic Order and Deepening the Reform," which at the time of writing had not been released publicly. But both Jiang Zemin's keynote address and the plenum communiqué provide a flavour of its content and the direction in which the leadership wants to move the economy.

The Fifth Plenum's communiqué announced that China is entering a prolonged period of austerity. The communiqué outlined tight credit policy, a "readjusted industrial structure" (i.e. more central planning), increased production of grains and cotton (presumably with a concomitant reduction of cash crops), a dramatic decrease in the number of companies in operation, reduced state expenditure, and increased revenue. Rectification should serve reform, it said. This communiqué also listed several economic goals, including reducing retail inflation to under 10 per cent, keeping the annual growth rate of GNP to 5 or 6 per cent, mitigating energy and raw material shortages, wiping out budget and trade deficits, improving an inadequate transport system, and so forth. It also expressed a commitment to Special Economic Zones and the open-door policy.

General-secretary Jiang Zemin's keynote speech to the plenum, addressed the more political aspects of the economic retrenchment programme. His remarks concentrated on strict adherence to central directives. While paying lip-service to the mass line, Jiang highlighted the centralism component of democratic centralism. In particular, he

15. For more extended analysis of Chinese images of the American variant of western capitalism and democracy see my *East Views West: China's Images of the United States* (Princeton University Press, forthcoming); and "Anti-Americanism in China," *The Annals of the American Academy of Political and Social Science* (May 1988), pp. 142–56.

16. "The four-day Fifth Plenary Session will focus its discussions on 38 policies," *Wen Wei Bao*, 7 November 1989; in *SWB*, FE/0609 B2/1. As of this writing only the text of Jiang Zemin's speech has been released.

singled out for criticism provincial and local authorities who feigned compliance with central directives while pursuing local interests.<sup>17</sup>

The economic retrenchment policies clearly bear the imprimatur of Li Peng, Yao Yilin and Song Ping. The old economic levers of credit and price controls, rationing, and central planning have been resurrected. The State Planning Commission is once again the most important economic organ of state. Consequently, many of the hallmarks of the Zhaoist economic reform package are now under attack. Rural industry, which has been the real engine of economic growth over the past five years, is being squeezed hard by the tightened credit policies of provincial banks. Relatedly, central control of the provinces is being reimposed. Whether this policy will be successful is open to doubt. Many provinces have benefited enormously from Zhao's policies of de-centralization, and they have demonstrated stubborn resistance to attempts by the centre to re-exert its control.<sup>18</sup> Peasants are being coerced into growing grain instead of the more lucrative cash crops, and in a veiled threat to Zhao's agriculture responsibility system Premier Li Peng has encouraged peasants to explore collective means of farming.<sup>19</sup> Foreign trade has become subject to an increased variety of controls. Bonus and piece-rate wage systems, key elements of Zhao's plan to boost industrial productivity, are being cut. Similarly, factory managers are once again being harassed by Party cadres, and workers must spend increased time in ideological study sessions. Zhao's diversified stock ownership scheme has been shelved; price reform and bankruptcy appear to be out of the question as long as inflation remains around 20 per cent or more. Consumers are being squeezed by the twin sissors of inflation and increased taxes.

The attempted reversal of Zhao's programme is not meeting with the approval of the provinces, and it remains to be seen if it will work in stemming the inflationary tide. Many provinces have demonstrated resistance to the austerity programme ever since the Third Plenum, and opposition continues unabated. The work conference preceding the Fifth Plenum is said to have caused a particularly stormy debate, with the battle lines being drawn between central and provincial authorities.<sup>20</sup> The splitting up of China into several large micro regions of relatively "cellular" self-sufficiency may well be irreversible.

Overheating of the economy is more a problem for officials in the capital than in the provinces, and provincial officials do not

17. For an excellent discussion of the propensity of Chinese cadres to feign compliance see Lucian W. Pye, *The Mandarin and the Cadre: China's Political Cultures* (Ann Arbor: Michigan Monographs in Chinese Studies No. 59, 1988). See "Jiang Zemin's speech at the Fifth Plenum of Party Central Committee," *SWB*, FE/0622 B2/3.

18. See, e.g., Daniel Southerland, "Beijing, provinces fight over economy," *Washington Post*, 6 November 1989.

19. Li Peng, "Unswervingly implement the policy," p. 25.

20. See Daniel Southerland, "Party assails opponents of economic austerity: conference fails to resolve Party dispute," *Washington Post*, 12 November 1989.

necessarily see the logic of the centre's arguments in this regard. The economy showed signs of cooling down during the first half of 1989, when industrial output grew by 11 per cent, about half that achieved during 1988. But a variety of imbalances and distortions in the economy, taken together with severe foreign exchange and investment shortages, leave foreign economists pessimistic about the leadership's ability to conquer continued inflation (which can spur further social unrest), lagging productivity, declining efficiency, and chronic shortages.<sup>21</sup>

### *Conclusion*

The Fourth and Fifth Plenary Sessions of the 13th Central Committee are among the most significant sessions to have been held since the Third Plenum of the 11th CC held in December 1978. While most CC gatherings since 1978 have pushed the reform agenda forward, the Fourth and Fifth Plenums have begun to pull it back. Despite significant challenges and important meetings in the interim, the Party had not met in such a fractured condition since the first Tiananmen crisis of 1975 (which led to Deng's second expulsion from the leadership).

The secretive and defensive nature of the Fourth and Fifth Plenums stand in marked contrast to similar meetings held after the Hu Yaobang-Zhao Ziyang duumvirate came to power in 1980. Party and state meetings in China – particularly the National People's Congress – had become increasingly open, pluralistic and lively affairs. The leadership gained an increasing air of confidence with each one. This confidence, at the same time, contributed to and was reflective of an increasing confidence in society at large. Both state and society perceived a reformist China on the move.

The Fourth and Fifth Plenums reflect a China once again unsure of her future. If anything, these meetings reflect a leadership more inclined to look backward for answers to China's problems. She is now entering a period similar to that experienced in 1975–76 before Mao's death, with aspirant leaders manoeuvring to consolidate their power bases, unclear signals being sent to lower-level authorities, the military poised on the sidelines ready to intervene, a supreme leader who rival factions seek to manipulate, and the Party facing a severe legitimacy crisis. China has again entered a period of uncertainty.

21. See, e.g., Directorate of Intelligence, *The Chinese Economy in 1988 and 1989: Reforms on Hold, Economic Problems Mount* (Washington, D.C.: Central Intelligence Agency), August 1989.