China's New Left

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As the Chinese Communist Party prepares for the celebration of the 30th anniversary of the reform and opening policy, China's state ideology is confronted with challenges from various schools of thought. One of them is the "New Left." The New Left is characterised by an emphasis on the state power to redress the problems of injustice and other negative effects of privatisation, marketisation and globalisation. It argues for more emphasis on economic justice, not just economic growth at any price. New Leftism is still in its infancy. Yet its influence is likely to grow in the years to come.

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THE NEW LEFT scholars are capturing public attention as their concepts are gaining increasing visibility on websites dedicated to their cause. *Utopia*, a premier left-wing website, has been accessed more than 70 million times since it was launched in 2003. When the search term "New Left" is typed onto Baidu.com (a top search engine in China), one can get over 100,000 hits on that term.

According to a recently released report, New Leftism has tremendous appeal among college students. Meanwhile, ordinary peasants and layoff workers have become natural allies in the New Left's struggle against prevalent neoliberal practices in the name of market efficiency and globalisation. Although Beijing does not endorse new leftism, its intellectual discourse has generated a variety of new ideas, insights, and approaches that the Chinese leadership cherry picks and adapts to improve its governance.

The Making of the New Left

The term "New Left" has its roots in the West, but its use in China is not entirely equivalent to its Western counterpart. China's New Leftists advocate reforming the

system "within the system," and they are not associated with dissidents or political exiles. Unlike establishment intellectuals, a term coined by Carol Hamrin and Timothy Cheek, who were mainly state servants, today's New Left scholars are "critical intellectuals." In Western parlance, they could be called public intellectuals, i.e. intellectuals who speak out publicly on political issues. Wang Hui, an eminent New Left scholar, was selected as top 100 public intellectuals in the world in 2008 by *Foreign Policy*, an influential journal in the United States.

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Prior to 4 June 1989, Chinese intellectuals had provided the main pillar of social support for reformers within the Party, while the conservatives were mainly concentrated within the state bureaucracy. Most intellectuals in the 1980s held identical views – supporting reform and opening up, identifying with values of freedom, democracy, the rule of law, and believing that they were carrying on the spirit of the May 4th Movement. However, the developments in the 1990s led to differentiation among them.

A cluster of events caused a split in the intelligentsia in the 1990s. In 1997, the Asian financial crisis broke out. This event dramatically demonstrated the risks of globalisation. Suddenly capitalism did not seem to be a sure-fire guarantee of growth and prosperity. Furthermore, in 1999 with the NATO's "accidental bombing" of the Chinese embassy in Belgrade, there was a wave of student demonstrations and indignation among ordinary Chinese. China's New Left acquired a nationalistic stance, while the liberals were deeply worried about the impact of a rising nationalism. Also, the inequalities that came with the market-oriented reform triggered increasing tension within the intellectual circles. The New Left was shocked by how polarised society had become, and decided to defend the interests of the poor. They began to ask for a change in the direction of the reforms and advocated a strong state capable of defending the poor.

The Chinese New Left is a term used to distinguish it from its predecessor the Old Left, who were diehard Maoists. Nevertheless, many New Left scholars refused to be

designated as "New Left." They prefer to be called the "liberal left," since the left has had a bad reputation in China because it reminds people of the extremism of the Left during the Cultural Revolution.

Wang Hui, Cui Zhiyuan, Gan Yang, and Wang Shaoguang are among some of the leading New Left scholars. As shown in Table 1, they are middle aged intellectuals primary based in college campus and think tanks, and have been educated or had spent time in the West. Some of them are still based outside of mainland China. Hence, it is not surprising that they have borrowed from the latest Western critique of capitalism and imperialism such as neo-Marxism, postmodernism, dependency, and world system theory to criticise issues or problems related to China's modernisation. Nonetheless, the New Left is a diverse group: some emphasise the role of the state while others stress nationalism, social justice and Maoist experiment.

The New Left scholars contend that China's social problems are nothing but "the Western epidemic" or "market epidemic" which the capitalist countries have experienced.

Debates between the Liberals and New Left

The liberal economists (also known as mainstream economists) and New Leftists have opposing views on almost every critical economic issue such as the role of the state, direction of the market reform, globalisation, and social justice (see Table 2).

The major issue of the debates revolves around the role of the state. In the wake of Deng Xiaoping's Southern Tour in 1992, there has been a significant retreat of the state. While the liberals believe the state must shrink in order to facilitate a growing market economy, Wang Shaoguang and Hu Angang from the New Left

camp hold the opposite view. In 1993 they published *A Study of China State Capacity*, in which they argued that a strong state is necessary for market reform. Most liberals rejected the idea that the Chinese state could really be as weak as Wang and Hu claimed, and maintained that in any case the government should withdraw from the economy in favour of an unfettered market. The government did not treat Wang and Hu's report lightly. Wang and Hu's report helped to prompt the taxation reform of January 1994, which split revenues and responsibility between the central and provincial authorities, with social consequences that are still unfolding.

Since the 1990s, globalisation has been one of the most important discourses in Chinese academic circles. Current world's financial turmoil also prompted fierce debate among Chinese scholars about the direction of the country's policy of "reform and opening up" which began in 1978 under Deng Xiaoping. The debates draw scholars from both the New Left and liberal camps. The discourse helped to shape the top leaders' thinking regarding globalisation. Scholars from the liberal camp consider that it is in China's interests to embrace globalisation in spite of some negative effects it might bring about.

TABLE 1 KEY REPRESENTATIVES OF CHINA'S NEW LEFT					
Leadership Figures	Education	Overseas Experience	Position	Activities	
Wang Hui (1959–)	Ph.D. CASS (1988), MA, U. of Nanking	Harvard, UCLA, U of Washington, Nordic Institute of Asian Studies, Chinese University of H.K. Berlin Institute for Advanced Study	Prof. of Chinese Literature at Tsinghua U.	Co-editor of <i>Dushu</i> (1996–2007)	
Cui Zhiyuan (1963–)	Ph.D. U. of Chicago (1995), MA, U. of Chicago (1989)	MIT, East Asian Institute (EAI), Singapore, Harvard, Berlin Institute for Advanced Study	Prof. of Political Science at Tsinghua U.	Emphasise economic democratisation	
Gan Yang (1952–)	U. of Chicago, MA, Peking U. 1985	University of Chicago	Research Fellow at U. of Hong Kong	Editor of influential book series Culture: China and the World	
Wang Shaoguang (1954–)	Ph.D. Cornell U. (1990), BA Peking U. 1985	Yale University	Prof. of Political Science at Chinese U. of Hong Kong	Stress the need for strong central government	

Source: Adapted from Gan Yang, "The Origin of the Chinese Liberal Left" [Zhongguo ziyou zuopai de youlai] in Gong Yang ed. Si chao: Zhongguo "xin zuopai" ji qi yingxiang [Trend of Thought: China's "New Left" and Its Impact] (Beijing: China Social Science Press, 2003) pp. 116–120 and Hu Andy Yinan, Swimming Against the Tide: Tracing and Locating Chinese Leftism Online, MA Thesis. Simon Fraser University, 2006, p. 104.

TABLE 2 DEBATES ON ECONOMIC REFORMS				
Criteria	New Left	Liberal		
Role of the state	Primary	Minimal government interference		
Role of the market	Promotes growth but generate income gaps between the rich and poor	Promotes growth, efficiency, and countervails arbitrary state power		
State reform	Change to regulatory	Privatisation		
Macroeconomic policy	Neo-Keynesian	Neoclassical		
Globalisation	Challenge	Benefit		
Source of income inequality	Negative effects of the market reform	Corruption, exchange of power and money, and one-party rule		

The New Left scholars argue that China's involvement with "globalisation" has resulted in the unchecked spread of capitalism in China. They contend that China's social problems are nothing but "the Western epidemic" or "market epidemic" which the capitalist countries have experienced. Liberals maintain that the source of these problems is predominantly internal and that the way to resolve them was to further reform, particularly by promoting economic and political reforms in tandem. On the other hand, the New Left believes that the source of these problems is mainly external, rooted in globalisation, inflow of foreign capital, and the market economy.

The growing gap between the rich and poor has also become an issue of contention in recent years. From the perspective of the liberals, the market is not the source of income inequality. Increasing inequality is a result of corruption, the exchange of power and money. Ultimately, it all boils down to the limitations of one-party rule. The New Left argues for more emphasis on economic justice, not just economic growth at any price, and views a complete divorce from the redistributionist ideals of Marxist

communism as callous and immoral.

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The controversy over the property ownership reform also generated debates between the liberals and the New Left. While the drain on the state assets that accompanies privatisation has been regarded as problematic for a long time, Lang Xianping, Professor of Finance at the Chinese University of Hong Kong, provides new food for thought by showing the huge loss of state-owned assets based on accounting and other data derived from well-known companies such as Haier, TCL, and Greencool Technology.

Several New Left economists quickly wrote a letter to the leadership calling for an investigation into Lang's charges. Eventually, the China Security Regulatory Commission found that wrongdoings had indeed been committed.

The liberal economists acknowledge that the drain on state assets may lead to social inequity. But they are of the view that since inequality and inefficiency may prevail if the economic transition were to slacken, the way forward is to accelerate privatisation rather than shun reform altogether. In addition, the liberal economists warn that raising objections to the siphoning off of state-owned assets to individual entrepreneurs could lead to a deceleration in ownership reforms and worsen the investment environment. They argue that the entrepreneurs who have made great contributions to China's economic development should deserve more respect and appreciation.

Another contentious debate was over the issue of the Property Law. In 2004 the Constitution of the PRC was amended to provide that "private property is inviolable." To give practical meaning to this, a full-fledged Property Law was required. In 2005, Gong Xiantian, a law professor of Peking University and a New Left scholar, wrote a

letter on the Internet that accuses the Property Law of violating China's Constitution and betraying the socialist system. He claimed that the draft Property Law was "unconstitutional" in stipulating the equal status of the state, collective, and private ownership. Gong Xiantian argued that the draft law would "accelerate the loss of state-owned assets and worsen social polarisation and antagonism."

Gong's letter generated much debate in jurisprudential circles and became a nationwide topic. The legislation process was therefore delayed. The New Left was very critical of the government's efforts to clarify property rights and sell off many inefficient stateowned enterprises. They argue that such policies could benefit only a small group of wealthy people.

Supporters of the bill, mainly neoliberal economists in China's key institutions, say the affirmation of property rights, especially private property rights, protects the material interests of millions of working people and entrepreneurs in the private sector. It encourages more people to create wealth for themselves and for the nation. It would also protect private companies against economic crimes, such as embezzlement by their own staff.

The law was originally scheduled to be adopted in 2005, but was removed from the legislative agenda following these objections. The final form of the law contains a number of additions to address these objections. Although revised and later passed, this was the first time in China's legislative history that a proposed law had been derailed by a rising tide of public opinion.

The liberals view the New Lefts as nationalist and populist as the latter appeal to masses of the working class by advocating welfare policies and greater governmental control of the economy. The author shares the view of Au Loong-Yu, in the dichotomy of market/state, foreign/national, West/East, the liberals tend to argue in favour of the former, while the New Left tends to favour the latter.

Party-State and the New Left

Both the New Leftists who are in favour of state intervention and the liberals who advocate market force have run afoul of the reporting parameters set by the Party propaganda machinery. The government has sponsored widely publicised attacks on neoliberalism. In July 2007, Wang Hui and Huang Ping, who took up their positions as co-editors of *Dushu* in 1996, were relieved of their co-editorship. The move was preceded by a series of verbal attacks on the editors in other official mass media.

In spite of the uneasy relationship with the Party-state, both the liberals and New Leftists have been able to publish their own journals. *Dushu*, *Tianya*, *Ershi yi shiji*, *Res Publica*, *Yanhuang Chunqiu* and *Nanfang Zhuomo* are the major outlets for their intellectual debates. These scholarly journals provide a platform for scholars to share insights, debate critical issues and influence policy.

Freedom of information has always been considered essential in liberalising China, and the Internet has disseminated amounts of information once unthinkable. The widespread use of the Internet makes it harder for the government to maintain a monopoly over information resources. In addition, unofficial journals, study groups and seminars organised by private think tanks all help in the diffusion of their ideas.

Impacts of the Intellectual Discourse

In contrast to the dominance of one ideology during the Mao years, by the end of the twentieth and the beginning of the twenty-first century, China's intellectuals had opened up a public space and filled it with a variety of ideals and vigorous debates. This undermines the Communist Party's role as the only source of ideological authority. The past decade witnessed significant changes in the landscape of intellectual discourse. Initially, when the debates between liberalism and the New Left started in the mid-1990s, the discourse was among the few elite intellectuals in Beijing and Shanghai, and the written styles of the articles were often criticised as too difficult or obscure. Nowadays, their debates not only attract attention from intellectuals and state bureaucrats but also an increasing number of ordinary workers and netizens.

The focus of the debates has also shifted from theoretical domains to issues closely related to the lives of the ordinary people (such as protecting the rights of "vulnerable" groups). The debates on the direction and strategy of the reform have been intensifying among the Chinese intellectuals. Their debate is no longer a "storm in a teacup," but has generated some momentum.

Furthermore, there are multiple venues to spread the thinking of the liberals and New Left. The discourse appears not only in traditional printed format, but more importantly in the digital world. Frequently, sensitive topics are posted on the Internet, since it is easier and much quicker to spread one's belief online. It is true that ideological diversity could be a challenge for the Party. However, so far, the intellectual debates between the liberals and New Left have turned out positive effects on reform.

First, the discourse increased public awareness of the consequences of some major policy change. For instance, left-leaning intellectuals in China used *Dushu* as a platform to challenge Beijing's overall pro-business agenda. They highlighted the negative social consequences of Beijing's course and have generated waves of debates on the way forward for China. When *Dushu* printed a piece about the *sannong* problems (the three rural problems of agriculture, peasants and the countryside) in 1999, the government did not even admit that the three rural problems existed; but two years later it was on the agenda of the National People's Congress. In the past few years, the leadership has highlighted its goal of shifting from growth-centred to a more balanced development-centred policies.

Second, the debates introduced new ways of thinking for decision makers, which expanded the range of policy options. Some of their proposals were even commended by the top leaders and later became official policy. Since the late 1970s, the policy process has become more open and accessible to influence from outside the bureaucracy. Under such a circumstance, public discourse debates the effectiveness of a particular policy, how they influence public opinion, and in some case how they bring about policy change.

The Wang Shaoguang-Hu Angang's report on the state capacity in 1993 is considered an important contribution to economic reform and has helped to build a strong central government. The government tax revenue as a share of GDP has increased considerably since 1994.

Cui Zhiyuan's views on shareholding-cooperative system (SCS) have also had political impact. In 1994, Cui wrote an article arguing for the preservation of the SCS, which is a kind of labour-capital partnership. A leading official in the government read the article and decided to allow the SCS to spread in rural China. The centralised decision-making of the one-party state has many disadvantages, but one advantage is that it may be easier to implement radical (but defensible) ideas if the top leadership is convinced.

Third, although Beijing does not endorse either New Leftism or liberalism, their intellectual discourse has generated a variety of new ideas, insights and approaches that the Chinese leadership cherry picks. As Mark Leonard pointed out rightly the 11th Five-year Programme offers a template for a new Chinese model. From the liberals, it keeps the idea of permanent experimentation – a gradualist approach rather than shock therapy. And it accepts that the market will spur economic growth. From the New Left, it draws the concern about inequality and environment and the quest for new mechanisms which combine market economy with state guidance and welfare programmes.

Last but not least, the intellectual discourse has broadened horizons for the decision-makers. Several liberal and New Left arguments have been

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incorporated into official discourse. For instance, the term "social justice," which has been much debated since the 1990s, is now a regular feature of Party rhetoric.

Growing New Left

The Chinese like to argue whether it is the intellectuals that influence decision-makers, or whether the latter use intellectuals as mouthpieces to advance their own agenda. Either way, intellectual debates have become part of the political process, and are used to expand the options available to Chinese policy makers.

Even though the scholars from both the liberal and New Left camps occupy key positions at top academic institutions, it is the liberals that hold considerably more influence, and their voices more prominence than those of the New Left. In today's China, economics as a discipline is dominated by neoclassical economics with only a trace of left-wing Marxist economics. New Leftism is still in its infancy, yet its influence is likely to grow in the years to come. In the words of Wang Hui, "in the past, policies were made from inside the government, but now more of those (policies initiatives) are coming from society."