The Illusion of a Classless Society:  
The Chinese Communist Party (CCP) or China's New Class

In China, about one-quarter of the world's population live in a society which takes Marxism-Leninism and Mao Zedong thought as its basis. Having undertaken the most far-reaching land reform in human history soon after 1949, the Chinese Communist Party (CCP) leaders disagreed about China's future development. Mao Zedong's Great Leap Forward (1958) and Great Proletarian Cultural Revolution (1966-69) were ideally based upon Marxist philosophy (Benewick and Wingrove 1995:1).

Mao claimed the Chinese Revolution to be bourgeois-democratic since Chinese society was colonial, semi-colonial, and semi-feudal, since its purposes were to overthrow China's enemies, imperialism and feudalism, and since the revolution was basically not directed against capitalism or capitalist property. China's "new-democratic" movement was seen as part of the world proletarian-upheaval, for it attacks imperialist rule. Politically, it was to strive for a joint dictatorship of the proletariat under guidance of the Party; and economically it aimed at the nationalization of all enterprises and capital of the imperialists, and the distribution of land among the peasants, while preserving private capitalist enterprise and not eliminating the rich peasant economy. The Chinese movement ideally cleared the way for capitalism on the one hand, while creating the prerequisites for socialism on the other hand. Its outcome was not the dictatorship of the bourgeoisie but a dictatorship of a united front of all revolutionary classes under the leadership of the CCP and the proletariat (Zedong 1965:326-7).

Maoist China, governed by a Marxist-Leninist party, claims to have eliminated the antagonistic class relations that characterize capitalist-oriented nations. The following discussion illustrates that Maoist China is a class-based society. The country is believed to be built upon the dictatorship of the proletariat which serves the interests of the peasants, yet class relations are antagonistic and the CCP has evolved into a self-centered ruling class. China is said to be communist-oriented, yet the Party has a monopoly control over China's MOP as expressed through its cadre.

Dialectical Framework

According to Hegel's idealistic dialectic, the world is a totality of interacting social structures. Change is the result of internal contradictions, thus an event (thesis) generates its opposite (antithesis) leading to an impermanent reconciliation of both (synthesis). Whereas Hegel sees reality as being constructed in our minds, Marx highlights the material base of mankind. Body and mind cannot be divorced from one another (normative dualism); what we construct in our minds is a reflection of reality (Kroner 1971:243).
Marx on Social Structure

Societies, being influenced by the material base governing our world, have three components, the Forces of Production (FOP), the Social Relations of Production (SRP), and the Superstructure (SUP). The FOP reflects the degree of technology at any point in time, including material and nonmaterial resources. As technology advances productivity increases proportionally, therefore the FOP changes over time. The SRP reveals the system of social relations that controls production, and involves decisions over who decides what is produced, for what reasons, how products are distributed, etc. The SRP allows the rise of social classes with antagonistic interests, leading to the fundamental contradiction. Both the SRP and the FOP define a society’s Mode of Production (MOP; Economic Base). The SUP reflects a society’s institutional and ideological elements, such as education, religion, and economics. Its role is to legitimate and reproduce the Economic Base.

Historical Materialism and Mao’s Class Designations

According to Marx, whose philosophy was shaped by unilinear evolutionism, history is a consequence of on-going contradictions between the FOP and the SRP. Cultural development and historical change are predicted by changes in the Economic Base. Production is the nexus of society, and production demands cooperation, thus a division of labor is necessary for the survival of society. In the beginnings, work was done for consumption, consequently private property did not evolve into classes. Changes in the FOP created surplus, forcing a decision over whether to produce for mere need or profit (commodity production). The latter was accompanied by a privatization of the MOP and the rise of social classes.

Mao distinguished between six classes: the landlord class and comprador class, the middle bourgeoisie, the petty bourgeoisie, the semi-proletariat, the proletariat, and the lumpen-proletariat. The first two classes, the landlord class and the comprador class, are seen as “appendages of the international bourgeoisie,” relying upon imperialism for survival, and “their existence was...incompatible with the [Chinese Revolution].” They side with imperialism, hinder the development of China’s productive forces, and hence constitute a counter-revolutionary group. Their political representatives are the Etatistes, a small number of officials who founded the Chinese Etatiste Youth League, and the right-wing of the Guomindang. Mao moreover condemns the official government bureaucracy that supports municipal authority and control, and the financial infrastructure, since they had an identity of interests with the ruling class.

The middle bourgeoisie, representing China’s capitalist MOP in town and countryside, is inconsistent in its attitude towards the Chinese Communist Revolution. Mao dichotomized both urban and rural capitalists into those who might in the future support the Chinese Revolution (enlightened gentry) and those who would oppose it (non-enlightened gentry). The operant criterion seemed to be whether the person lived from an income that was dependent upon the employment of others. Although they favor the revolutionary movement against imperialism and foreign dominance, they fear it could threaten the hope of their class
to acquire the status of a large bourgeoisie, hence the middle bourgeoisie supports the establishment of a state that is under their control.

Mao categorized the owner-peasants, master handicraftsmen, and lower intellectuals -- lower government functionaries, primary and secondary school teachers, "small" lawyers, "small" traders, office clerks, and students -- as petty-bourgeoisie. Although all segments of the petty-bourgeoisie have the same socio-economic status, they are further divided into three sub-groups: the first group includes those who have accumulated some surplus money or grain. Mao views them as being timid, being afraid of government agents, and being opposed to the Revolution. The second group, making up one-half of the petty-bourgeoisie, unites individuals who are economically self-supporting. They have internalized bourgeois values, but they feel they cannot survive by putting in as much labor as before. Although they doubt whether the Revolution will succeed, they would hardly oppose it. The third group unites individuals whose socio-economic status is steadily decreasing.

The semi-proletariat consists of five strata: the semi-owner peasants, the poor peasants, the "small" handicraftsmen, the shop assistants, and the peddlars. The semi-owner peasants and the poor peasants are further divided into three categories, upper, middle, and lower, according to their economic condition. Whereas the poor peasants are landless and receive only small compensation for their work, the semi-owner peasants can keep the crop from the land they own. The poor peasants are tenant-peasants who may again be divided into two categories. One group possesses adequate farm implements and some funds, whereas the other group has no resources to draw upon. However, Mao offers only the most imprecise and questionable explanations for his categories, for example:

"Among the poor peasants some own part of their land and have a few odd farm implements, others own no land at all but only a few odd farm implements. As a rule poor peasants have to rent the land they work on and are subjected to exploitation, having to pay land rent and interest on loans and to hire themselves out to some extent. In general, a middle peasant does not need to sell his labor power, while the poor peasant has to sell part of his labor power" (Zedong 1965: 139).

The "small" handicraftsmen, shop assistants, and peddlers are treated as semi-proletarians because of their low income. According to Wortzel, the criterion applied by Mao and the Party for labeling a person a capitalist was the possession of bank assets of 5,000 yuan. The employment of workers outside the immediate family was a factor in determining a class label, but the overwhelming criterion employed by Mao was whether the individual was likely to oppose the Revolution or not.

The proletariat, representing China's new productive forces, united about two million industrial workers in 1927. The workers were mainly employed in five industries: railways, mining, maritime transport, textiles, and ship-building. Furthermore, this class is designed for dockworkers, rickshaw men, and rural, day, month, and annual workers. There was confusion, however, about who constituted the proletariat. "They have been deprived of all MOP, have nothing left but their hands, have no hope of ever becoming rich, and...are subjugated to the most ruthless treatment by the...bourgeoisie" (Zedong 1965: 18).

Apart from all these classes, there is the lumpen-proletariat, consisting of peasants who have lost their land, and handicraftsmen who cannot get work. They have joined secret
societies, such as the Triad Society in Fukien and Kwangtung, the Society of Brothers in Hunan, Hupeh, and Shantung, or the Rational Life Society in Chihil, consequently one of China’s problems is how to handle them.

Mao is clear neither about what constituted a social class in the Marxian tradition nor about how to differentiate these classes in China. However, he was clear about distinguishing friends from enemies:

"Enemies are all those in league with imperialism. ... The leading force in our revolution is the industrial proletariat. Our closest friends are the entire semi-proletariat and petty-bourgeoisie. As for the vacillating middle bourgeoisie, their right-wing may become our enemy and their left-wing may become our friends..." (Zedong 1965:32).

Mao’s class distinctions are by no means definitive; by 1948, when Mao required the support of the landlords and intellegentsia in the push for a Communist victory, he modified his original class structure (Kraus 1981:30-5; Spence 1990:480; Wortzel 1987:24-33; Zedong 1965:13-9).

The Chinese Communist Weltanschauung is the Marxist conception of the materialist forces of world history. The resolution of class conflict propels history in a unilinear direction. The proletariat will eventually emerge as the dominant class in all societies and will ultimately destroy capitalism. According to Mao, the Communist Party serves as instrument which forges the resolution of conflicts between the state and society in socialism (Schumann 1965:40; 111-115).

**Economic Ownership**

Legal title ensures that an individual or group of individuals own property or specific MOP, yet ownership is not synonymous with control. Persons who possess the power to dispose of commodities, to direct the work process and its outcome, and to assign the MOP for use are “economic owners” (Wortzel 1987:70). China’s SRP should be evaluated from the worker’s perspective: whether they are allowed to participate in the decision-making process; whether they have an input to the state plan that levies quotas on their work.

In capitalist societies, ownership grants power over the MOP which confers the authority to make production decisions, to hire and fire works, and to distribute resources. The authority of the Communist Party confers similar power on its cadre, hence certain managerial positions in communist-oriented societies offer economic control over the MOP. When the leaders of the economic system and political system also function as Party leaders, then there exist conditions of “economic ownership” and SRP which ultimately lead to class subjugation (Beck 1975:123-146).

China’s economy is a mix of state-owned, collectively-owned, and Chinese-foreign-owned joint venture enterprises. The economy is directed by a centralized authority, the State Economic Commission of the State Council, which provides management under the guidance of the CCP (Schumann 1966:182-6; Wortzel 1987:71ff). China’s Five-year plans have featured elements of two Soviet-type economies: one follows a decentralized model, while
the second model resembles the highly centralized Stalinist economy, operated like a "multilevel corporation" (Prybyla 1980:4).

Policy in China is determined by the Communist Party: the CCP provides the administrative organs of government, whereas the state handles the economy. CCP leadership is exercised both centrally, by means of the Politburo and the Central Committee Secretariat on the State Council and its subordinate ministries, and locally through Party committees and Party members. The latter represent only six to seven percent of China's adult population, yet they occupy the most responsible jobs (Darnberger et al. 1991:532). China's system is characterized by strict vertical control, where commands always flow downwards and information upwards. China's Government consists of several administrative levels; the typical arrangement is that of three governmental entities: center, province, and county.

The Five Year-Plan is used to manage the economy, to provide for a balanced development among the sectors of the economy. At the center, preparation of the Five Year-Plans is the responsibility of the State Planning Commission, and implementation is supervised by the State Capital Construction Commission, the State Agriculture Commission, and the State Economic Commission (Darnberger et al. 1991:533; Lippit 1987:110ff). A set of intertwined material balance tables, illustrating resources and applications, serves as core of the Five Year-Plan. Similar plans are prepared in each province and county by the Planning Bureau. Provincial plans are supervised by the State Planning Commission, and county plans are prepared by the provincial planners.

Beneath the planning commissions, responsibility for commodity flow is divided among several agencies. Each agency has counterpart units at the provincial and county stage. Goods are first allocated at the national level among provinces; the provincial agency then distributes these goods among counties, and the counties allocate these allotments among communes. The same mechanism works the other way around: communes submit requisitions for next year to a county agency which prepares a draft allocation. This draft allocation is first discussed at the county level before it is handed over to the provincial conference. For goods of national importance, this long process culminates in national conferences. According to an American economist, "... Chinese enterprises [are] more rigidly controlled than in any other socialist country" (Benewick et al. 1995:41-4; Darnberger et al. 1991:533-8; Schurmann 1966:150-1; Wortzel 1987:72).

China's First Five Year-Plan (1953-57) was seen as a period of select development, a time characterized by the building up of a modern heavy industrial sector. It was modeled heavily on Soviet financial assistance and Soviet technology. During the First Five Year-Plan period output increased strongly, thus by 1957, China's gross industrial output value was 2.3 times the 1952 level. State and joint state-private enterprises continued to grow in importance relative to private ones, which gradually disappeared (Lippit 1987:100).

Despite these accomplishments, economic planning in China is complicated by institutional and geographic factors. The government conceals information at the central level, hence enterprises have only limited access to data on resources, demand, transport, and marketing. They develop an enterprise plan in response to the state plan, yet their targets are predetermined by the State Council and the State allocates the material. Chinese economists have suggested to allow enterprises more autonomy by combining market economy with
command economy, but the implementation of this model is restricted by China’s inadequate transportation infrastructure: China’s roads are unsuited for long-distance transport, and there exists neither a centralized system of road transport nor a nationally coordinated highway system. The centralized railway system is relatively well maintained, yet about 40 percent of total train volume is used to transport coal. The consequences would be disastrous if individual enterprises were allowed to handle their own material.

Under the planning economy the factory directors and worker-managers operate under the guidance of CCP committee. Although the workers ideally “have the final say in a socialist enterprise,” the CCP regards itself as “the force directing a socialist enterprise” (Wortzel 1987:74-76). The Party secures political control over the planning process by placing communist members on the worker’s and management committees. For example, at Inner Mongolia #2 Wool Factory, at Hobot, and Yu Menkou People’s Commune, at Chengdu, the enterprise management committees consisted of almost the same number of people as the Party Committee. Moreover, the Party secretaries served as enterprise managers. The Party insists on directing the enterprise, consequently, workers are given only a meager amount of influence.

**Chinese Literature on CCP Politics**

Worker’s dissatisfaction over Party privileges and the lack of self-determination in the production process are in the focal point in Chinese literature. Zhou Yongnian’s “Zhuren,” published when the Gang of Four was in power, takes place at the East Wind Foodstuffs Factory. There, the Worker’s Management Committee holds a meeting to decide whether to stop the production of salt water in favor of producing sweet soda water. A staff economist suggests to switch to salt soda water since salt soda water sells best and makes the best profit. Tao Zhenquing, the Worker’s Committee Director, rejects this suggestion because: during the Cultural Revolution this economist never engaged in physical labor, hence he never received a perfect proletarian education; and he only considers profit, and not what is good for the industries supplied by the plant. Tao Zhenqing, the enterprise manager and CCP committee member, determines what policy should be followed, and the factory workers have no opportunity for self determination.

Cadre privileges and influence is the central point in Jiao Zuyao’s short story, “The Summons.” The secretary of a city’s Party committee had used his position to ensure his son’s transfer from a rural agricultural commune to a factory position. Party secretary Wang accomplished this by contacting a friend who had also risen to the position of Party secretary. A few weeks later, Party secretary Wang’s son got injured in a fight with another factory worker. His son passes away, consequently, people assume that Wang will ensure that the person responsible for his son’s death will be adequately punished. Although Wang does not take advantage of his position as Party secretary, the story implies that any high-level cadre can abuse the power to circumvent established laws. “Individual Party members are subordinate to the Party organization, the minority is subordinate to the majority, all the lower Party organizations are subordinate to the higher Party organizations, and all constituent
organizations and members of the party are subordinate to the National Congress and the Central Committee of the Party” (Benewick et al. 1995:40; Kraus 1981:143ff; Weggel 1994:77-85; Wortzel 1987:57-65).

The Socialist “Democracy” Movement

China’s system of appointing cadre and managers in enterprises became the object of condemnation during the Socialist “Democracy” Movement. Chinese dissidents compared the cadre system to a class system without individual ownership; the form of authority given to these cadre makes cadre owners of the MOP. According to Lu Min, one editor of the Beijing zhùqún, a new class of bureaucrats and career cadre was developing, turning “public” ownership back into private ownership. Wei Jingsheng, a former People’s Liberation Army (PLA) officer, argues that true democracy means that workers choose and replace their own representatives according to their will. Next to China’s cadre system, the dissidents condemned the rule of a single party under a single ideology. After suppression of the Socialist “Democracy” Movement, the CCP admitted that abuse of power by the CCP cadre was widespread. Under Deng Xiaoping’s rule, The Party Central Discipline Inspection Commission documented incidences where cadre act as “economic owners” of the MOP (Rittenberg et al. 1993:421; Wortzel 1987:77-81).

CCP Cadre: China’s New Class

Between December 1981 and December 1982 there were 160 reports in Chinese newspapers about power abuse by Party and state cadre; the committee listed 192,000 incidents. The U.S. government’s Foreign Broadcast Information Service (FBIS) has reports of power abuses by Party and state cadres from all but five of 29 provinces, autonomous regions, and municipalities with provincial status in China. Those reports mainly list incidences in: central market areas where there is foreign and domestic commercial activity, financial centers, and the capitol. About 20 percent of the incidents were listed without mentioning the locality. Sixty-eight of the 160 incidents concerned CCP cadres involved in speculation for personal profit, smuggling, and bribery. Forty cadres sought privileges because of their position, ignored responsibilities and made no decisions, and adopted a “poor work style.” In 28 incidences, Party cadre had misused their power to seize the land of peasants or occupy their houses. The last category includes 24 cases of cadre who provided unlawful support for family members.

At a CCP meeting in Qingdao in 1957, Mao announced that both Party cadre and peasants had turned to bourgeois elements, such as individualism, selfishness, immorality, and bureaucracy. During the Great Leap famine of 1961 and 1963, CCP cadre protected themselves and those in their favor, while confiscating grain from the weaker or those not in their favor. In Zhejiang Province, at the Xinsheng Commune in Yonjia County, Party cadre organized and controlled a ring of 23 households that illegally manufactured and sold kitchen
knives from state materials. The same organization compiled primary and middle school textbooks, and, using state funds, published and marketed these materials at private gains. Reports from Guangdong Province accused the Ye Jianying, elder statesmen and marshal of the People's Liberation Army (PLA), and his staff of being involved in a smuggling ring (Spence 1990: 576, 591-592, 594-595).

According to the Party, cadre who are accused of such behavior had joined the group of “enemies” since dishonesty was synonymous with bourgeois culture. The argument that this behavior was the byproduct of access to control the MOP was never addressed. The deputy secretary of the Party Committee of Hejin County in Taiyuan Province, Jin Wenbing, used his power to allocate housing and land and built private houses for his family. He rented housed to other persons and thus acted as “cadre landlord.” In Fujian Province, CCP cadre built houses with the labor of peasants and sold their houses for profit. Children of CCP cadre conceived themselves as members of a new class, separated from others by dress, eating habits, work place, and education. The children of cadre, like the children of Deng Xiaoping and Zhang Aiping, attended U.S. universities.

Even border regions were not excluded from corruption, as seen by one county deputy secretary in Yunnan Province who was charged with the appropriation and private sale of military equipment. The system of bonuses in enterprises was also abused: cadres overpaid themselves and accepted furniture and other goods as bonuses.

Wang Zhengping, commentator of the People's Daily, denied that classes could emerge from a political party because “determinations of class are made according to the standards of relations [between FOP and SRP].” Lin Boye and Shen Zhe argues that cadres enjoy only a slightly better standard of living than the average person, yet the average Chinese, without the proper position backed by the CCP membership, administer or allocate large amounts of publicly owned property. Access to power comes from an official position, and the ultimate authority to enforce laws comes from CCP membership. Only officials and cadre have access to commodity allocation, housing allocation, and the allocation of employment. Policy is controlled by the CCP; oversight is CCP responsibility; and China’s officials are CCP members, consequently the Party Committee control’s China’s economic base. Corruption exists in every society, yet the issue is whether authority, control over the economic base, and control over the SUP should be derived from a single source – particularly in a society whose leaders claimed to follow Marxism-Leninism, apart from the fact that Marx barely addresses “communism” in his major work *Das Kapital* (Kraus 1981:54-58; Lippit 1987:237-240; Shurmann 1966:319-322; Wortzel 1986:85-90).

**Conclusion**

As illustrated, the CCP possesses a monopoly of control over the production means through its authority to create policies and through Party influence over enterprise managers. Party officials and CCP cadre are economic owners of the production means because the CCP has the last say in enterprise management and directs the planning process. Marx’s traditional
definition of “class” cannot be applied to China, thus it was necessary to use Wight’s concept of “economic ownership.”

The CCP recruits its members from workers, peasants, and also from intellectuals. Regarding social upward mobility, there seem to be parallels between access to the Part and access to the central bureaucracy in traditional China. The combined factors of adherence to Marxist-Leninists-Mao Zedong though and access to higher through Party membership, have created an elite with antagonistic class interests. CCP membership provides a key to access to better living conditions, as illustrated by the CCP cadre. CCP cadre, the “server of the proletariat” represent a new class. Although they do not possess the means of production, they are economic owners and equipped with authorities that allow access to China’s production means.

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