Party-state complex and regime adaptation in China

Ruling both under and above the law

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Abstract

This article traces and examines the adaptation of the Chinese communist regime in terms of the structural relation between the monopolistic ruling party, i.e. the Chinese Communist Party (the party), and the state. What characterizes this regime adaptation is the adoption of a new ruling model that both separates the party from the state and chains the two together. This ruling model consists of three conceptual components: 1) a power grid embedding the party in the state institutional structure; 2) a bifurcated state decision making process, through which the state is transformed into the party’s agent; and 3) a dual ruling system through which the party rules the state both under and above the law. The adapted model allows the party to calibrate and modify the level of its engagement in state affairs without either suffocating the state or completely releasing the state from its control.

Keywords: Chinese Communist Party (CCP), non-democratic regime, party-state, authoritarianism, decision making
Introduction

Political parties and state institutions are two dominant subjects of contemporary political science studies both of democratic and non-democratic regimes. Understandably, different emphasis has been allocated to and is shifting between these subjects as the political reality guides academic interests. However, the shift of interest may also create a gap between the two subjects, i.e. political parties and state, which may consequently inhibit coherent understanding of regime structures, especially in regimes where the party and the state are organized as a whole. China is one such example. As the world’s largest and most influential authoritarian state, China is also one of a handful single-party states remaining after the collapse of communism in the Soviet Union and Eastern Europe. It means that it is a regime where one single political party, the Chinese Communist Party, designs and defines the structural relation and constitutional reality between the party and the state. Therefore, one can expect that certain logic has been built in the party-state structure that can only be captured when the two are treated together.

However, to elucidate, especially at a conceptual level, the structural relations of the Chinese party-state is a daunting task since each entity alone involves numerous actors, norms and rules that intertwine and/or overlap. Perhaps because of the complexity of the topic, previous studies tend to focus on one or the other entity at one time. For example, from the Communist

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Revolution to the Cultural Revolution, the Chinese Communist Party (CCP or the party) had been the single most important subject that dominated the research agendas of the first generation of Western China scholars.\(^2\) It was only from the 1980s that state institutions began to replace the party as the focus of academic pursuit. This shift from the party to the state is understandable since during the earlier years of the party-state, the state’s structure was unstable, its institutions small and its power constantly shifting, which made it a difficult subject to investigate. By the time state institutions had been restored and economic reforms launched, the initial interest in the party had largely waned. Whatever needs to be known about the party appeared to have been uncovered, more or less. Instead, more attention was directed and dedicated to the understanding of the emerging regulatory structure of the state.\(^3\) From then on, the party is more often conflated with the conveniently alloyed term “party-state” than capable of commanding focused attention and analysis by and of itself, except at times of political crises and major power shifts in the party’s central leadership.

The “deductive fusion” of the party and the state remains unchanged in the face of the most recent paradigmatic shift, where the state-centered paradigm has been replaced by the society-centered approaches or state-society approaches.\(^4\) These studies challenge the dominance of the state-centered paradigm and draw attention to the emergence and growing influence of

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social forces exerted by semi-organized non-state actors upon the state.\textsuperscript{5} What has not changed in the society-centered studies is the deductive treatment of the party and the state. To be sure, the party has never disappeared from society-centered narratives. However, its presence is almost always suggested, if not speculated, like a ghost, hiding behind the state, faceless and formless, even in those devastating accounts of the struggles of ill-treated human rights activists, for which the party is automatically presumed to be the villainous mastermind of the plot. But, how the party exerts itself in managing state affairs has just slipped into the “black box” of the party-state “complex”, either because this joint entity is perceived a mystery that is too old to attract or justify renewed interest, or because the relation between the party and the state is too close and intimate to unravel.\textsuperscript{6}

Against this backdrop, this article attempts to delve into the black box of the party-state complex, with a focus on the structural relation between the two and on how the evolvement of this relation manifests regime adaptation. In doing this, this article also intends to highlight the emergence of a crossbred authoritarian ruling model that has gradually taken shape in China over the last two decades. If proven valid, such an analysis will also be useful, as a reference for comparative studies of authoritarian regimes elsewhere. It is necessary pointing

\textsuperscript{6} For example, in a debate between a Western socio-legal scholar Frank Upham and Suli, the pioneer of socio-legal research in China, Upham criticized Suli’s seminal book Sending Law to the Countryside for the lacking of an analysis of the influence of the Party upon courts. Suli refuted by arguing that such an analysis is neither necessary or feasible since the Party has been ingrained in the DNA (metaphor is mine) of the state so much that it is impossible to tell apart what comes from a Party institution that does not affect the state affair and what comes from a state institution that is not shadowed by the influence of the Party. Zhu, S. (2010). The Party and The Courts. Judicial Independence in China: Lessons for global rule of law promotion. R. Peerenboom. New York, Cambridge University Press: 52-68. pp.54-57.
out though that for the above described endeavor to portray the party-state relation with the desirable level of abstraction, certain inherent possibly intricate and subtle features pertaining to the party-state system had to be either selectively omitted or drastically simplified. To make the task nearly manageable, this article will not address, for example, the role of the military in the party-state structure, which, as important as it is, shall not affect the validity of the discussion on the issues selected.

The article will be divided into four sections. Section I provides a brief historical review of the evolvement of the party-state and how it arrived at the current stage. Section II and III explain the three components of the current ruling model of the party-state, which includes first the establishment of a gridded party-state institutional structure, which chains the decision making body of the state to that of the party. The second component is the bifurcation of the state decision making process, which allows the party to delegate a significant amount of governing functions to the state without losing its unrestricted access to the state decision making process or its supreme status (vis a vis the state) as the ultimate decision maker on state affairs. More importantly, the bifurcation of the state decision making process constitutes the structural basis for a dual ruling system, the third component of the adapted ruling model and the topic of Section IV. This dual ruling system includes a law-based system that is better equipped to regulate the more decentralized state-society sphere and a discipline-based system that is tailored to the regulation of the more centralized party-state sphere. The juxtaposition of the two sub-systems is the essence of the current ruling model of the party-state, which is expected to provide regime stability through stabilized economic development and enhanced regulatory efficiency without sacrificing authoritarianism. In the meanwhile, the juxtaposition of the two
systems also constitutes a constant challenge for the party-state, due to the inherent conflict of the values that the two systems represent.

**Evolvement of the party-state**

As a modern form of government, the party-state *(or dangguo)*, as both a political concept and a political reality, was firstly established in China not under the CCP’s rule but under the rule of the National Government formed by the Nationalist Party (also known as KMT). Disappointed with the cold political reality of multiple-party politics that had led to a series of military coups and political assassinations, Sun Yat-sen, the founder of KMT, found faith in the party-state system as the only vehicle to unite the then much divided China as well as the political form of governance.\(^7\) Once the KMT had taken control of the state, it immediately adopted the one-party dictatorship and began to build the party-state. It was during that period of time when the National Government established the basic administrative infrastructure of the state and for the first time in the Chinese history extended state control to counties.\(^8\) It was also the National Government that had transformed the ruling class, i.e. the KMT at that time, and the state into two connected yet separate institutions. This was a historical change of governance, since for the past two thousand years it had been the imperial power, as the ruling class, which

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was the state power, and it had been the imperial court which constituted the central government.  

However, the KMT’s one-party dictatorship had never been truly successful, especially at the local levels of the state. Corruption was rampant and local party institutions could not exercise effective supervision of activities of local government officials. Even instructions from the central KMT could not reach local governments or were frequently ignored by the latter. This regulatory failure was partially due to the KMT’s half-hearted commitment to dictatorship since according to Sun Yat-sen’s political blueprint governing through party dictatorship (xunzheng) was only a makeshift phase to prepare the nation for the ultimate phase of constitutional governance (xianzheng). Therefore, under the National Government, local governments and local party institutions were separated by design so that the party and the government could check each other’s power. In practice, however, this limited separation of powers was too problematic to make governance effective. Instead of checks and balances, the system produced a state of pure anarchy.

In contrast to the KMT’s loose organization and lax discipline, the CCP presented itself as a shining example of the opposite: strong discipline, centralized authority and high mobilization capacity. In most of the CCP controlled areas, party leaders were not only leaders of the party but also of the military and of the governments under their control. This monolithic (yiyuanhua

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lingdao) structure suited the CCP perfectly well, which was a guerrilla force with pockets of occupied areas scattered in remote countryside of a vast country and separated from each other by immensely challenging geographic barriers. This structure, in which the party, the military and the government shared one decision-making body, had increased the mobility and rigidity of the CCP’s commanding system, which is critical to the survival of the CCP through its revolutionary struggles.11

When taking over the country in 1949, the CCP, weakened and extremely vulnerable after three decades of warfare, carried forward its practice of alliance building and strategically proposed to establish a coalition government with other acknowledged political organizations.12 In June 1949, three months before the official announcement of the establishment of the PRC, the CCP assembled all major social forces and held the first Chinese People’s Political Consultative Conference (CPPCC), which consisted of delegates from a range of political parties and organizations as well as independent delegates to discuss the formation of a democratic government. Consequently, the CPPCC was mandated to act as an ad hoc legislature, which had promulgated the Law of Organization of the Central Government as well as the Charter of the CPPCC, *de facto*, the first PRC Constitution. The CPPCC also elected members of the Central Government Committee, in which non-CCP members had a significant number of seats.13

This pluralistic political arrangement was short lived, however. Within a few years, and after a series of political campaigns and purges, the CCP had successfully either converted or annihilated all non-conformist social and political organizations and transformed the Chinese society into a homogenized monolith. As anticipated by the party, all acknowledged non-CCP political organizations had declared allegiance to the leadership of the CCP as the result of the so-called “peaceful reform of nationalistic capitalists”, a political campaign launched by the CCP in 1953.\textsuperscript{14} In 1954, the CPPCC transferred its legislative function to the CCP-controlled National People’s Congress (NPC) and soon afterwards, during the Cultural Revolution, ceased all its activities.\textsuperscript{15} At the height of the Cultural Revolution, state institutions were paralyzed, if not completely destroyed, and replaced by the newly assembled revolutionary party institutions. The country was, once again, driven to a state of paralyzing anarchy, until the end of the Cultural Revolution, which brought Deng Xiaoping back to power.

Having witnessed the atrocities which resulted from Mao’s totalitarianism and a suffocating relationship between the party and the state, Deng believed that the party could rule the state with maximum administrative efficacy only by separating it from the state. Subsequently, he immediately launched a series of reforms to restore state institutions, including state legislatures and courts. However, in Deng’s blueprint, separating the party from the state did


\textsuperscript{15} Even though the institution of the CPPCC was restored in 1979, it has ever since remained only as a non-binding advisory body to the NPC. At the same time, the practice of alliance building was restored. The party now opens a limited number of secondary seats in decision-making bodies of selected state institutions to non-party cadres, who will be vetted, groomed and pre-approved by the party for their appointments, as long as such allocation is kept in safe balance. These non-party-member appointees will be subject to the same cadre management system, which controls their appointments, promotions, transfers and demotions.
not mean that the party would relinquish its monopolistic control over the state. Rather, it was more a strategic choice to retain better control by controlling less. Zhao Ziyang, the then party general-secretary and the earnest advocate for the separation reform, made it clear that the separation is a separation of functions, the purpose of which is not to reduce the power of the party but to enhance the party’s managerial potency by delegating day-to-day governance to state institutions. It was believed that only by freeing itself from performing the day-to-day governmental functions, the party could focus on issues of greater significance. And only by extricating itself from the governmental activities, the party could be objective enough to coordinate conflicts among and to monitor the performance of state institutions.\textsuperscript{16} During the 1980s, a series of political reforms was launched to delegate power from party committees to the state institutions, including state-owned enterprises, to assist the concurrent economic reform. Party offices with functions that overlap with corresponding state institutions were abolished.\textsuperscript{17} Party-groups placed at secondary-level state institutions were no longer considered necessary and hence disbanded.\textsuperscript{18}

These reforms released long repressed entrepreneurial energy and opportunities and led to a miraculous economic growth sustained for a decade that dazzled economists around the world. However, they also exposed many regulatory failures, resulting in inflation, rampant corruption

\textsuperscript{16} See Zhao Ziyang’s speech at the preparatory meeting of the 7\textsuperscript{th} plenary meeting of the 12\textsuperscript{th} Central Party Committee. Available at \url{http://dangshi.people.com.cn/GB/165617/173273/10415395.html}, \url{http://news.xinhuanet.com/ziliao/2005-02/05/content_2550447.htm} Also see Hsiao, P. (1995). Separating the Party from the Government. Decision-making in Deng’s China - Perspectives from insiders. C. L. Hamrin, Suisheng Zhao, M.E. Sharpe: 153-162.


\textsuperscript{18} Ibid.
and growing social inequality. At the same time and due to loosened party supervision, liberal ideas and thoughts introduced from the “capitalist West” made their first appearance in China. Social discontent was quickly mobilized, facilitated by the “defected” state media and liberal intellectuals. The turn of events taking place in Eastern Europe and in the Soviet Union did nothing but encouraged the protesters, who had garnered support not only from the politically enthusiastic university students but also from the politically more cautious working class as well as the otherwise indifferent broader citizenry. For weeks the central government remained divided and paralyzed, unable to control the protests, until the introduction of martial law and eventually the crackdown on June 4th 1989.

The democratic movement in 1989 was the most regime-threatening political crisis that the party had gone through since 1949. Fearing losing its grip on the state, the party-state separation reform was immediately halted. Since then the very concept of “party-state separation (dangzheng fenkai)” has disappeared from party speeches and policies. The once abolished party institutions were restored. Delegation of power was retracted and weakened party-groups in public institutions were reinstated to a leading role. The party, however, did not supplant the state as it had done before. Instead, it started to experiment a hybrid ruling

model, mounted upon the existing party-state grid that chains the state to the party, which ensures the party’s political monopoly, and at the same time maintains a structural distance between the party and the state, which allows a space for legal autonomy as the basis for state regulatory activities.

**Party-state grid**

The gridded party-state structure stems from the premise that in the party sub-system, all party institutions are established according to the Party Charter and all party activities are regulated by party disciplines and party rules; in the state sub-system, all state institutions are to be established according to the Constitution; and state institutions shall follow procedures prescribed and monitored by state laws, which are enacted by people’s congresses (not the party) and enforced by people’s courts consisted of judges elected by the people’s congresses (again, not the party). The gridded structure is designed to allow the party to latch onto the state while keeping a structural distance so that both institutions can remain self-contained.

This objective is achieved through two institutional arrangements: regimentation and the interlocking of the decision making bodies. Reglementation refers to the hierarchization of all party and state institutions as well as of each single post within them. Reglementation is critical in establishing a web of chains of command, which are relied upon to channel and, more importantly, to enforce instructions from the apex of the party to the lowest level where the potency of the central authority begins to attenuate as the chain of command extends and scatters to cover an extensive territory. The well-studied ranking system is the embodiment of the regimentation. The system has borrowed some core concepts from the Soviet
nomenklatura but it also bears indigenous features of the bi-millennial Chinese imperial ranking system and hence remains “eclectic” as the Chinese state itself.  

Briefly speaking, the management of the ranking system is highly centralized in the hands of the organizational department of the party, though the administration of some less critical posts are retractably delegated to other party institutions and the Ministry of Human Resources of the state. The allocated rank determines the pay scale, social benefits, and most importantly the boundaries of the decision making power of each public office. The rank is a good indicator of the status of a public institution or serving official in a gigantic bureaucratic system. Such an index of power is vital for the operation of the commanding system because only with the assistance of this index of power can a recipient of an instruction discern and ascribe appropriate value to the authority of the instructions received. Based on this assessment, the recipient can then decide whether and to what extent an instruction shall be enforced and which level of priority and intensity of efforts should be given to the varied demands from different directions. The regimentation is pivotal in establishing and maintaining a clear and delineated web of chains of command that maps the power of both the party and the state, which forms the foundation for the centralized regularization – a topic to be

elaborated in the next section. In addition, since all executive posts both in the party and the state are integrated in a single nomenclature and subject to the centralized management by the party, it allows a pool of carefully vetted and groomed political elites to be shared for employment in either or both party and state institutions and transferred back and forth between party and state posts. This practice, also termed as “cross-fertilization”\(^{28}\) or “party-state spiral ascent”\(^{29}\) has become more and more institutionalized since Hu Jintao’s administration.\(^{30}\)

The second institutional arrangement of the gridded party-state structure is the interlocking of party and state decision making bodies or what is called the “interlocking directorate”.\(^{31}\) Here, what needs to be stressed is that the party interlocks its decision making bodies with those of the state not only by appointing individual party officials to take key offices of all state institutions but also by planting party-groups in the decision making bodies of these institutions, through which the party can latch onto the state in a more structured and consolidated manner. As its name suggests, a party-group is a collective body. Other than the chair, who is usually also the head of the state institution where the party-group is installed, a party-group also includes all other party-members who hold executive offices of the same state institution. For example, members of the party-group of a provincial government typically include the governor,


\(^{30}\) See (2012). Central Party Organizational Department recognize the fruits of the cadre rotate program and claim such practice will be normalized. *China Broadcast Network*. Available at http://news.ifeng.com/mainland/detail_2012_05/06/14343684_0.shtml?_from_ralated

all deputy governors except the deputy who is not a party member (usually not more than one), the head of the governor’s office and one assistant-governor. Unlike the subsidiary party committees established in state institutions, which are responsible for party-building affairs, such as recruiting new party members, indoctrination and collecting party member fees, party-groups are distinctively mandated “to implement and enforce the party-line, party guidelines and policies; to deliberate and decide important matters in their institutions; to manage cadres ... and to complete the tasks handed over to them by the party and the state” (Party Charter, Article 46).

Party-groups, as collective decision making bodies, are subject to “democratic centralism”, the organizational principle for all party institutions. It means that for important issues decisions need to be deliberated and reached in a collective manner, in which circumstances majority opinion rules. The institutional design of the party-group, which appears unique for Chinese communism, subjects the otherwise “on-the-loose” state executives to a collective and organized decision making platform, where an internal checks and balances mechanism is administered. It can help the party leaders at the top to limit the extent of arbitrariness of authoritarian decision-making and to control the abuse of power at the lower level without

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32 To justify the proclaimed multiple party political system led by the CCP and to provide a minimal level of representation of other political parties in state decision making bodies, usually one deputy post is saved for a person who is a member of one of the eight democratic parties or an independent who has no official political affiliation to any party. Candidates for this post will go through the same vetting process as party-members. The appointed deputy governor can be invited to party-group meetings, in which he/she enjoys the status of an observer with no voting right.

33 For a more detailed explanation of the differences between these two party organizations, see Zheng, Y. (2009). The Chinese Communist party as organizational emperor culture, reproduction and transformation. London ; New York, Routledge.

34 Ibid. pp.111-2
sacrificing their own entitlement to and benefit from exercising decision making power of the same authoritarian style.

Through regimentation and the interlocking of decision making bodies, the party subjects the state to a subordinate status. The superiority of the party is not established in state laws that provide the party a privileged status above the state or the state law. Instead, it is achieved through the regimentation and the interlocking of party and state decision making bodies. As explained above, the party-groups that are installed in the decision making bodies of state institutions are subsidiary party offices dispatched by the responsible party committee at the higher level. As a subsidiary office, the party-group is bound by party rules and disciplines to report and to answer to the party. So are individual members of party-groups. Since members of the party-groups are not ordinary party-member government employees but key decision makers holding executive offices in the state institutions concerned, to have the party-group answer to the party is to have the state answer to the party. In other words, the party has turned the state into its agent by implanting subsidiary party offices, i.e. party-groups, in state institutions to direct and control the latter’s decision making process.

**Bifurcated decision making process**

The party-state grid forms the structural basis that allows the party to delegate a significant amount of day-to-day decision making authority as well as the associated responsibilities to the state without losing its superior authority and capacity to dictate to the state on issues of the party’s choice. This is done through one or another of two alternative approaches. The first is the **proactive** approach, which is employed for policy and decision-making concerning issues of
pivotal importance for the one-party rule. For issues such as nationwide policies regarding the political system, political institutional development and key areas of national interest, the party, especially the central leadership of the party, has the exclusive power to take initiatives and to issue policy directives. Once issued, these will be operationalized by relevant state institutions. For example, the party recently issued a decision at the 3rd Plenum of the 18th Party Congress, which had laid out a reform blueprint, including more than three hundred specific reform measures covering all spectrums of political, economic and social activities. The contents of such party decisions mainly consist of principles. Their wording is usually just specific enough to point out the directions of the next phase of policy development to be fulfilled by the respective state institutions. The legislatures are mandated to turn certain policies into laws, the State Council and its branches to convert certain policies into state regulations and the judiciary to take steps that are best fit to realize the objectives of the party policies through judicial activities.

Other than policy making in areas of key national interests, the party also takes proactive actions with respect to the day-to-day administration in areas concerning ideological indoctrination as well as on the appointment and management of cadres. For example, the party propaganda department, one of the highest ranked party departments, is directly involved in the daily censorship of information, with the assistance of designated state agencies

administering the press, publication and mass media. In the same vein, the party organizational
department monopolizes the power to appoint and manage executive officials of all state
institutions, which is exercised through instructing legislatures that are constitutionally
mandated to appoint key public officials and state institutions where these officials are to be
installed. When the party engages in state decision-making in these prioritized areas, the party
collects and analyzes information on its own accord and makes decisions and issues instructions
on its own initiative.38 Once such decisions are made and instructions given, state institutions
are obliged to implement and/or enforce them. Failure to do so can result in the removal of
state officials or other forms of punishment by the party.

The second approach through which the party participates in state decision making is the
**reactive** approach, which is mostly employed in areas of secondary importance and involves
contingent events that occur in day-to-day state operations. In these areas, the party delegates
the decision making authority to the state but retains the discretionary power to intervene
when the stakes involved in the issue concerned reach a level that warrants the party’s
attention and action. In most of these instances, information is first filtered and processed by
state institutions and only that warranting the party’s attention will be presented to the party
for instructions, approval or review.

To be able to effectively exercise this power, the party has to be confident that they are
informed promptly of matters of critical interest to them so that intervention can be initiated at

38 For example, the Party organizational departments have their own staff on vetting candidates for executive
posts in party or state institutions; the Party propaganda departments also have their own staff in charge of
censorship and can give direct instructions to news outlets. A collection of these instructions can be found at
https://chinadigitaltimes.net under the satirical title of the Ministry of Truth.
the earliest possible stage. This is realized through demanding officials to submit requests to party superiors for instructions before important decisions are made and/or to submit reports to the same superiors on the outcome of decisions regarding major and significant affairs (zhongda shixiang qingshi baogao zhidu, hereinafter, “instruction-and-report”). This practice was first adopted by the party during the land revolution in late 1920s.39 A party decision was issued in 1928, which required all provincial party committees to submit regular reports to the Central Party Committee. It contained details about how the report should be drafted and submitted, including the frequency, deadlines, category of issues, contents and level of confidentiality. The decision also made it clear that failure to report would be punished by suspension of funding.40 In the late 1940s, as the civil war escalated, Mao decided to extend the practice and apply it to party leaders and military commanders of the highest rank directly under him, in an effort to enhance the central party’s authority as well as, if not more so, his personal authority. Mao drafted an instruction, famously known as zi yu dian, and issued it under the name of the Central Party Committee. The instruction demanded all party and military leaders to submit military and/or policy reports to be written by themselves, not their secretaries, and to be sent to Mao regularly.41 The instruction-and-report practice was considered of critical importance for the party’s revolutionary victory.42 Without it, concerted

40 Ibid.
military actions, conditioned upon centralized decision making, would have been impossible, as would have been the military success of the Red Army, had it not been able to optimize its limited resources when facing a rivalry military force that was much larger and far better equipped than itself. After 1949, the party continued to observe this practice and included it in Article 10(4) of the Party Charter as a part of the party’s organizational discipline. As indispensable as it was for the party’s military strategic planning and execution, the disciplinary practice is also crucial in times of peace in facilitating and improving centralized decision making, thereby strengthening the efficacy of the party’s rule over the state.

The mandatory instruction-and-report constitutes an information loop, which continually feeds the party leaders at the top with raw data collected by their agents in the field. Based on this pool of information, the leaders’ attentions are oriented and actions for decision making are conceived, modified and executed in tune with the development of unfolding events. In addition, according to Article 10(4) of the Party Charter, lower party institutions shall not only seek instructions from and report to their superior party institutions but also independently and responsibly handle affairs that fall within their competence. The provision intends to strike a balance, for the benefit of party leaders, between their need to safeguard top-down control over decision making and that of preventing avoidance of work and/or discharging responsibilities by their subordinates. To make such a balance even remotely possible, the general principle stated in Article 10(4) has to be operationalized, a task left in the hands of each individual party institution, which will specify and notify its subordinate institution(s) of...
the scope and range of issues that are subject to the instruction-and-report requirement. As a pivotal party discipline, the requirement applies to all party institutions, including the party-groups in all state institutions. As mentioned in the previous section, since members of the party-groups include the core and the majority of members of the decision making bodies of state institutions, to subject the party-groups to the discipline of instruction-and-report is to subject the state to the same. Thus, the practice is effectually extended to all public posts in institutions of both the party and the state. The range and scope of instances and issues for which instruction-and-report is required are specified for every public post, matching its rank and mandate.

With this abundant information collected from the instruction-and-report practice, the party engages in state decision making through one of the two approaches, as mentioned at the beginning of this section. When the party makes decisions through the proactive approach, the party’s action often has a sweeping effect. Such actions are more likely than those taken pursuant to the reactive approach to result in written decrees, directives, decisions or notices

44 A typical list of issues that a party organization is required to seek instruction from the superior Party organization includes: affairs concerning application of Party policies and regulations that need clarification; affairs concerning issues that are not addressed in existing Party policies and regulations; affairs with unique circumstances that require flexible application of Party policies and regulations; emergencies that will significantly affect the Party’s interest; all other specific affairs that a party organization is not allowed to make decisions without instructions from the superior party organization. A typical list of issues that a party organization is required to report to the superior Party organization includes: progress and outcome of implementation of important policies and decisions issued by the superior Party organization; self-review of regular work performance; outstanding problems and noticeable trend of ideological development among cadres; serious accidents concerning public safety; serious incidents that will affect social stability; and all other specific affairs that are required to report by the superior party organization. Regulations that the author used as references in compiling the above lists include, but are not limited to, regulations issued by the following bodies: Liaoyuan City Agricultural Committee (http://www.jlagri.gov.cn/Html/2012_03_05/83009_83125_2012_03_05_115263.html); Puko District (Nanjing City) Traffic and Transport Bureau (http://www.pkjt.gov.cn/dflz/lzjs/201103/content_0323_46311.htm); Zhoukou City People’s Government (http://www.zhoukou.gov.cn/html/402881121bfdf857011bfe2613590038/2013020108033035.html). The Party Secretariat Office of Heshan City (http://qlgk.heshan.gov.cn/yghs/ShowArticle.asp?ArticleID=312).
that make it easier to communicate them to a large population of party or state officials across the country or region with the least risk of inconsistency. The deliberation associated with the proactive approach that leads to these decisions is more constricted to procedural requirements than those preceding decisions based on the reactive approach. Furthermore, the decision making process associated with the proactive approach is more intricate, takes longer time and involves many more actors, when compared with that of the reactive approach. In the meantime, it also has a far greater public resonance and exposure. In contrast, when the party takes the reactive approach for decision making, its actions are often more time-sensitive, more specifically geared to particular incidents and adopted in a much simpler and more flexible process which, moreover, is entirely confidential. The contents of such actions, if in written form at all, are inaccessible by the public.

Despite all these differences between them, the proactive and reactive approaches share one critical common feature: that the party’s participation in decision making in state affairs has necessarily bifurcated the decision making process in state institutions into two parts. One originates backstage, as it were, in the party institution. The other takes place “onstage” in the state institution. The bridge between them is provided by the party-groups installed in the decision-making bodies of state institutions, which are serving both the party and the state. This bifurcation of decision making has effectively turned the state into the party’s agent, handling state affairs in accordance with the interests of the party. It has freed the party from the laborious and demanding tasks related to day-to-day state administration, without losing its ultimate authority to decide on issues of importance. More importantly, as will be elaborated in the next section, the bifurcation of decision making in state institutions has created a firewall
between the party and the state. It shields the party from being held accountable for state actions, even when such state actions are based on the party’s instructions. In addition, it provides a level of structural coherence for state institutions, based on which a semi-autonomous legal system can be relied upon by the state as a regulatory tool for state governance. Thus, the state legal system operates in parallel with the party’s “extra-legal” system that has been put in place by the party so as to rein in the state.

**Ruling both under and above the law**

As demonstrated in the previous sections, in order to improve its regulatory effectiveness and efficiency in state governance, the party has been striving to establish a ruling system which allows the party to delegate a significant amount of regulatory functions to state institutions deemed better equipped to perform them, without sacrificing its monopolistic political control over the state. Under this ruling system there are two sub-systems. One is the party sub-system that regulates party affairs according to party rules and regulations, which are dictatorial and disciplinary, designed to safeguard the potency of the chain of command and to maintain centralized power in the party. The other is the state sub-system, which has a Montesquieu-like separation-of-powers appearance, featuring three branches of the state - legislature, government and judiciary. Divisions of functions are indeed applied to and observed by these three branches, which helps to increase the legitimacy and credibility of the state sub-system and also to place a level of checks and balances upon state institutions when they exercise their
delegated decision making power while the party is not on constant watch. At the same time, the Western concept of the “rule-of-law” has also been introduced to the state sub-system but adapted, with an almost subversive effect, to fit the party-state governing structure. Known also as “rule by law”, this legal system is designed to ensure that the law will not obstruct the party from exercising its supreme power when the interests of the party and the state diverge.

The relationship between the two sub-systems is similar to the structural relationship between the party and the state – each is self-contained but also overlaps with the other, with the overriding authority assigned to the party sub-system. The superiority of the party sub-system is, however, manifested in the party’s entitlement and ability to steer state actions, either proactively or reactively, as explained in the previous section, without subjecting the exercise of this power to the scrutiny of the state law. This is because both the legislature and the judiciary are, like any other state institutions, agents of the party, namely, institutions that are obliged to carry out instructions from the party. Also explained in the previous section is the fact that the party exercises its supervisory power over the state discreetly, at the backstage through party-groups installed in state institutions. It means that the relationship between the party and party-groups can be seen and is usually treated as party internal affairs and hence is subject to the regulation of the party sub-system. Consequently, the party has been equipped with the necessary institutional resources to dictate its instructions to the state, if it so chooses. It does

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so just by asserting its authority endowed by the party regulations and enforcing it by resorting to party discipline, without the need to claim an above-the-law status in state law.

The significance of this institutional design cannot be overestimated. Effectively obscuring its above-the-law privileged status in the law, the party provides the law-based state sub-system with an extent of autonomy and an air of integrity, without which the state law would face much greater difficulty in commanding regulatory authority with regard to the market economy and modern society that work best in a regulatory system that provides fair and equal treatment to all actors, regardless of their political affiliation. Moreover, if the law prescribes explicit extra-legal privilege to the party, it will fly in the face of the pronounced communist ideal, which portrays the party as the guardian of the people’s interest in a proclaimed egalitarian society – a critical source of moral legitimacy of the communist rule. Therefore, it is a matter of strategic necessity that the party keeps its footprints out of any public manifestation of the state legal system, including the Constitution (the party is only mentioned in the preamble) and any other law promulgated by the state legislature.

Under this dual ruling system, the party relies on a state legal system that it sanctions and empowers to regulate state affairs and state-society relations. By delegating the lion share of regulatory responsibilities to state institutions, the party can concentrate on issues of greater strategic importance, including centralizing power that is fragmented as the result of delegation. This ruling system was not born together with the PRC. Nor could it be said to have been an accident in its evolutilional development. It represents a deliberate strategic choice that was hatched by Deng Xiaoping when the party-state separation reform was launched in tandem
with the reform to separate the state from enterprises, a precursor of the market economy reform. In 1980, Deng held an extended Politburo meeting (a number of non-Politburo members were also invited to attend) and delivered a speech on the “Reform of the Ruling System of the Party and the State”. One of the four issues presented in the speech was about how to solve the problem of the fusion of the party and the government (the word government is frequently used in Chinese as an equivalent of “state”) and the problem of the party taking over the government (state). In the speech, Deng proposed that “some of the central party leaders shall relinquish their positions in the government and concentrate their energy to manage the party, party lines and party policies”.47 Allegedly, the real purpose of these reform proposals was to reduce the power and influence of the then party-leader Hua Guofeng.48 Nevertheless, after Hua had relinquished his power, the speech was taken for its face value and had virtually become a guiding principle document for the political reform ensued.49 In 1987, at the 13th National Party Congress, the then Party’s General Secretary Zhao Ziyang substantiated Deng’s embryonic idea on political reform into a more concrete policy: “The party realizes its leadership over the state through its political leadership ... The party realizes its political leadership through “converting party decisions to the will of the state through legal procedures (hereinafter ‘legal conversion’).”50

50 See Zhao Ziyang’s speech at the 13th National Party Congress (1987).
Not long after Zhao’s speech, the party-state was taken hold by the democratic movement, which had eventually led to the crackdown in June 1989. The political reform was abruptly halted. The phrase of party-state separation was indefinitely erased from party discourses. However, the actual practice of “legal conversion” has survived. Such conversion takes place when, for example, a party policy is communicated to the party-group of the standing committee of the people’s congress, then translated into a bill and thereafter passed into law.\textsuperscript{51} Alternatively, it can also take place when a party decision to remove and punish a state official is communicated to the party-groups of the procuratorate and court, which will translate the decision into prosecution and conviction.\textsuperscript{52} The “conversion” is formulated and communicated seamlessly between the party and the state institutions in the backstage manner described above, shielded from public view due to the bifurcation of state decision making as explained in the previous section. Because of the bifurcation, the practice of “conversion” and any associated evidence that can discredit the legal system is filtered out from the public sphere that falls into the field of regulatory competence of the state. It is for this reason that we find no evidence of the extra-legal status of the party either in laws or judicial decisions. As long as the conversion remains backstage, the state sub-system can present itself with an untainted image, one that ostensibly adheres to the law. Meanwhile, the party sub-system continues to operate and dominate, but in an air of mysterious seclusion – its potency and ubiquity is deeply felt but practically invisible and untraceable.

\textsuperscript{51} “Jiang Zemin on People’s Congress”, available at the official website of the National People’s Congress http://www.npc.gov.cn/npc/rdgl/lldrld/2003-07/03/content_316501.htm
After decades of experiments and adjustments, this dual ruling system was considered greatly successful and was consequently elevated to and retained as a principle of national policy under the name of “ruling-through-the-law strategy”, a term first conceived at the 15th Party Congress (1997). This ruling strategy has been consistently endorsed by all succeeding party leaders as an important approach through which the party rules the state and realizes its leadership of the country. At the same time, the party has never relaxed, let alone relinquished, its grip on centralization of power within the party through political campaigns, censorship, personnel redeployment and disciplinary actions, resorting to the party sub-system. Such centralization efforts are expected to tie regional and local state institutions to the corresponding party institutions and then all the regional and local party institutions to the party’s central leadership. When the party involves itself directly in handling state affairs, it operates backstage, where party lines, principles, policies and instructions are morphed into the “will of the state” and implemented through the state sub-system. Once “converted”, party preferences can be enforced by the state legal institutions, which are, it is believed, better equipped to protect “the continuity for party polices and decisions from being affected by leadership alternation or shifts of party leader(s)’ opinions and/or focus of attention”.

This ruling system has benefited the party not only in that it allows the party to delegate a significant amount of governing functions and authorities to the more professionalized state institutions, which can regulate more effectively and efficiently, but also in that it allows the

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53 See a research project conducted by a party school researcher Sang, X. (2006). “Converting the propositions of the party to the will of the state according to law.” Wei Shi(5).
54 See Jiang Zemin, Work Report delivered at the 15th National Party Congress. Also see the Central Party Committee’s Decision on Strengthening the Governing Capacity of the Party (2004.)
party to shift an equally significant amount of responsibilities and accountabilities to state institutions for regulatory failures, especially when the aggrieved public needs to be placated. This is why it is usually the premier, governors and mayors (state executives), not the party-secretaries (party executives), who are the first to respond to public safety emergencies and apologize for governmental wrongdoings at incidences of public scandals.55

Operating under the dual ruling system, the party manages to place itself in a state of equilibrium, where the state is both liberated (compared with the previous monolithic ruling model) and tethered (compared with competitive party political system). It is with this new ruling system that the party leadership rallied at the 18th Party Congress (2012) and called upon all party members to share their confidence in “[the direction of] the path that it has chosen”, “the [validity of] party theories” and “the [strength of the party-state] institution”.56 However, this is not to say that this pragmatic ruling strategy has or can eradicate the tension and the associated problems that result from the two conflicting principles underpinning the two sub-systems – the principle of the rule of the party/power that regulates the party sub-system, which upholds the authority of the highest rank, and the principle of the rule of the law that upholds the authority of law despite the rank of the actor concerned. Party theorists have been experimenting with various linguistic tools in order to reduce the level of incongruity of the two

55 In a recent interview, Li Xueqin, director of the research office of the Central Party Discipline and Inspection Commission, mentioned that in public safety scandals it is almost always government executives who are held accountable but not Party executives (party-secretaries). (2013). Party-secretaries Rarely Held Accountable - Must Change. People’s Daily.

56 (2012). The role of “law” in the 18th National Party Congress Report: The Party leads the people to govern the country according to law and has become ever more confident. Legal Daily.
principles,\textsuperscript{57} including subjecting the “rule of law” to new interpretation in the light of “Chinese characteristics”.\textsuperscript{58} However, the conflict is simply too deep, essential and structural to be resolved by rhetorical rearrangements. Flawed as it is, this hybrid ruling system, however, has enabled the party to draw regulatory strength from a law-based state sub-system and at the same time to maintain its ability to rein in the state by resorting to backstage operation of the party sub-system so that at least a minimal level of integrity of the state sub-system is preserved. Such a ruling system has undoubtedly helped the party to expand its regulatory capacity and to enhance its regulatory effectiveness through an institutionalized process which consists of adaptability, complexity, autonomy and coherence of state institutions as famously identified as the key to regime resilience by Huntington.\textsuperscript{59}

**Conclusion**

This article traces and explains how the Chinese Communist Party has continuously adapted its ruling strategy through redefining the party-state relation in order to stay in power. To this end, this article has identified the ruling model which both separates the party from the state and chains the two together. This ruling model has contributed to the resilience of the Communist regime since it has provided the party with the institutional capacity and flexibility to advance, simultaneously, its seemingly schizophrenic pursuits for economic liberalism and political

\textsuperscript{57} As a result, both principles have made an appearance in Party policies of almost equal emphasis. The most revealing example is the “three supremacies” policy issued by the former Supreme People’s Court president Wang Shengjun, who announced three sources of value, each of which is given supremacy in guiding judicial activities: the Party’s interest, the people’s interests and the Constitution.


conservatism/authoritarianism through a dual ruling system. This system renders the state-society sphere, where most of the economic and social activities take place, to the regulation of a law-based state sub-system sanctioned by the party, and the party-state sphere, where centralization of power and preservation of authoritarianism is dealt with, to a discipline-based party sub-system. The two sub-systems are compatible most of the time since the party sanctions the state laws. On occasions when party interests diverge from state interests and the party regulations are at odds with state laws, the party sub-system enjoys superior authority, exercised backstage and bifurcated from the onstage decision making process taking place in state institutions. Such an arrangement obscures the inherent inconsistency between the two sub-systems, and hence helps to preserve the claimed or perceived integrity of the state sub-system, a necessary quality to retain its regulatory potency and legitimacy.

Conceived by Deng Xiaoping, this ruling model has been consistently endorsed by Deng’s successors and increasingly institutionalized over the past decades. Compared with its previous ruling model, where the party replaced the state and ran the whole show, as it were, this new ruling model, usually introduced with adjectives “socialist” and “with Chinese characteristics” packed in different orders, has many advantages. Thus, it creates a structural space between the party and the state to keep structures of both institutions self-contained, which paves the ground for the operation of a dual ruling system. At the same time, a chain of attachment of extraordinary elasticity tethers the state to the party. It can be tightened when the party needs to rein the state in and relaxed when the party needs to optimize state autonomy. In case of conflict between the two sub-systems, the party sub-system takes precedence - an unchallengeable principle. Nevertheless, the interaction of the two sub-systems appears more
and more marked by mutual influence and compromise. Although the more frequent occurrence consists of the state bending or reinterpreting the law to accommodate the party’s interest, the party has demonstrated growing awareness of legal boundaries and the importance to maintain an optimal level of integrity of the state sub-system. However, this is by no means to say that this new ruling model will be a panacea for all the problems and provide answers to all the challenges that the party-state will be confronted with. In fact, the very features of this ruling model, as deconstructed in this article, also provides an explanation for the systematic corruption, one of the most serious regulatory failures that the party-state is currently grappling with – a topic that warrants thorough independent treatment elsewhere. Nonetheless, flawed, though it is, this ruling model will continue to evolve, contributing to the resilience of the party-state, constantly fine-tuning the shared and split competences of the party and the state, redrawing boundaries and striving to invigorate the credibility of both sub-systems.

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