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The Institute of Current World Affairs  
4 West Wheelock Street  
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## Back to the Past

### Part II

### Can Capitalism Solve China's Problems?

BY CHENG LI

SHANGHAI, China

August 1995

## The Resurgence of Official Corruption and Capitalist Exploitation

Few issues in the People's Republic of China over the past several years have generated as much public resentment and social tension as "*guandao*" — the Chinese term for official speculation with public money and bureaucratic profiteering.

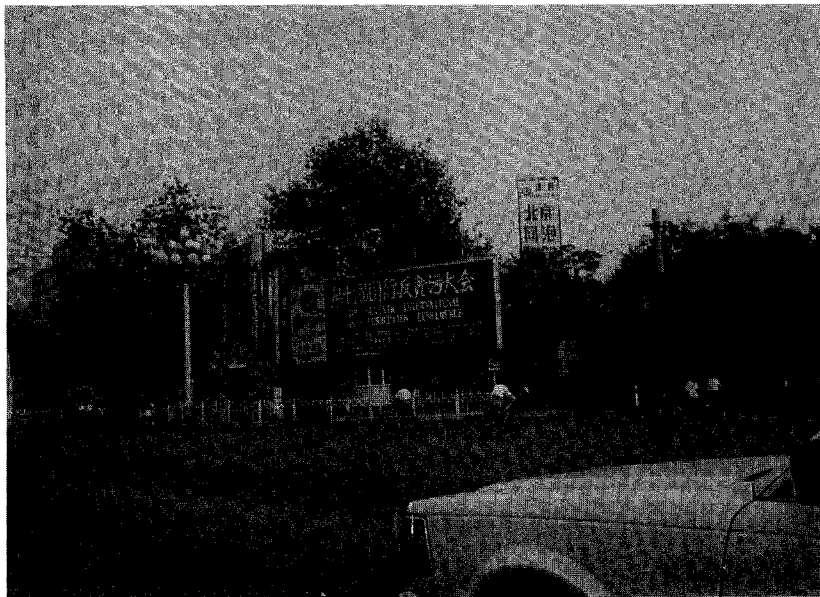
Chinese authorities do not deny the penetration of official corruption in today's China. Corruption has grown to such huge proportions that Jiang Zemin, Secretary General of the Party, warned that it would ruin the Communist Party itself and Li Peng, Premier, recently depicted corruption as a "life and death" issue for China.<sup>1</sup> The Chinese Communist Party came to power with an anti-corruption appeal; now this image is completely gone.

In 1994, officials of China's Supreme People's Procurator told two western political scientists that that agency alone received an average of 1,250,000 citizen reports of official corruption per year in recent years.<sup>2</sup> From 1988 to 1993, the Discipline Inspection Committee of the National People's Congress investigated more than 870,000 official violations at various levels; 730,000 officials were disciplined and 150,000 expelled from the Communist Party.<sup>3</sup>

Corruption scandals were also found in the Chinese army. Since the mid-1980s, the People's Liberation Army (PLA) was allowed to start doing business on its own. Over 10,000 army-run companies have been officially registered and many thousands more are known to operate without approval from the logistics chiefs. In 1992, for example, a total of 1 billion yuan (\$175 million) worth of unreported funds were uncovered in more than 75% of all PLA units at or above the regimental level.<sup>4</sup>

But interestingly, those who have been punished are usually low- or medium-level government officials and junior military officers. There are less than a handful of high-ranking leaders (at the ministerial or provincial level) who have been caught during the past decade. There is a local saying in Shanghai, reflecting the hypocrisy and the problem of governmental anti-corruption campaigns: "A big embezzler gives a lecture on governmental anti-corruption campaigns,

*Cheng Li is an ICWA Fellow studying the political economy of the coast of China.*



*A street advertisement in Beijing states that the Seventh International Anti-Corruption Conference was to be held in Beijing in the fall of 1995.*

*"No place could be more appropriate to hold this meeting than Beijing," a friend of mine said to me as our taxi passed the advertisement.*

*"No," the taxi driver interrupted us. "It would be even more appropriate for Beijing to host 'an international corruption conference.'"*

a medium-sized embezzler listens to the lecture, but only a small embezzler goes to jail."

"If the high-ranking officials were ever punished, they were punished not because of their crimes," Mr. Yang, a 60-year-old engineer whom I met in Shenyang this summer, said to me, "but because they lost the power struggle within the Party."

Mr. Yang's view was widely shared by many people in Beijing with whom I talked last summer. Two large scandals of official corruption were exposed earlier this year in Beijing. In the first case, Zhou Guanwu, Chairman of Shougang, known as Capital Iron and Steel Corp., one of the largest State-owned enterprises in the country, was under investigation, and his son, Zhou Beifang, Chairman of Shougang's Hong Kong-based investment subsidiary, Shougang Concord Holdings, was arrested. The Chinese authorities have not spelled out the alleged crimes of the father-and-son team, but some press reports suggested that the investigation centered on Shougang's purchase of an iron-ore mine in Peru in 1992. The company paid \$312 million — at least twice that of competing bids. The Younger Zhou was accused of receiving a huge kickback.<sup>5</sup>

The second scandal was exposed because of the death of Wang Baosen, who was Vice Mayor and treasurer of Beijing. He was found dead with a "gun beside him and scores of cigarettes butts."<sup>6</sup> Wang's boss, Chen Xitong, Politburo member and head of the Communist Party in Beijing, was forced to resign and was under house arrest. Chen's son, who ran Beijing's New Century Hotel, was also arrested. According to official sources, Chen Xitong and his associates in the municipal government

made a large fortune for themselves through fundraising for the bid to host the Olympic Games in 2000, and by leasing the city's downtown areas to foreign investors.

"Chen Xitong and his associates in the Beijing municipal government were caught because Jiang Zemin and his 'gang of Shanghai-based leaders' wanted to expel their own political enemies," Mr. Yang commented. "Otherwise, Chen would remain a Politburo Member and Wang would not die."

"How many bribes did Chen Xitong and Wang Baosen receive?" I asked.

"You asked the wrong question," Mr. Yang replied. "These government leaders were so corrupted that they did not even bother to receive bribes. They had more convenient ways to get rich."

"Not bother with bribes?" I said.

"Some high-ranking government officials and children of revolutionary veterans have turned State property, including China's large international corporations, into their own private firms," Mr. Yang explained. "They spend State money as if it were their own money."

"A few years ago," Mr. Yang continued, "corruption in China was petty bribery of a few hundred dollars. Now officials steal millions, or billions."

I knew that Mr. Yang was not exaggerating. In the first ten months of 1992, for example, 64,000 cases of

official corruption were reported by the government. The total amount of bribes exceeded \$370 million.<sup>7</sup>

The phenomenon that Mr. Yang described is by no means unusual in today's China. I have heard many stories about how State officials have made great fortunes for themselves by selling state property. The distinction between public firms and private companies has often become blurred.

China's International Trust and Investment Corp (CITIC), is China's first transnational corporation, which has assets of 50.7 billion yuan (\$8.5 billion US) and has shares in 300 companies.<sup>8</sup> Many people in both China and abroad question whether this is a State or a private firm. Some high-level executives of the CITIC and their children have become extremely wealthy in recent years. A son of Rong Yiren, former Chair of the CITIC and currently Vice-President of China, for example, personally owns a several-dozen-room mansion in a suburb of London where he has a housekeeper, two gardeners, three chefs and several maids.

The person who is in charge of the CITIC at present is Wang Jun, a son of Wang Zhen, the late Vice President of China. The Wang family is notorious in China for abuse of power and the corruption of its family members. Earlier this year, Hong Kong newspapers reported that Wang's younger brother, Wang Bing, used a military helicopter to kidnap his rival in love — a grandson-in-law of Ulanhu, former Vice President of China.

## Resurgence of Bureaucratic Capitalists

"Before the 1949 Communist Revolution," a middle-

*A new Lincoln Town car with a military hat and an alarm light in the back windows parks in front of a fashionable shop in Suzhou.*

*One can often see these luxurious cars with alarm lights driving through the busy traffic in China's major cities, especially in the early evening. These political and military elites are usually not on business, but on their way to restaurants with their families or to night clubs with their friends.*

*"This is the scene that we used to see in movies about corrupt Nationalist officials," a relative of mine said, "but now we see this scene daily."*

school teacher with whom I chatted on a bus ride in Guangzhou said to me, "there were 'Four Big Families' (*sidadiazhu*) — the wealthiest bureaucratic-capitalist families in the country. Now China has 'Four New Big Families.' New big families are far more wealthy than the old ones in the Nationalist government."

"The Four New Big Families," the school teacher told me, refer to the families of Deng Xiaoping, Wang Zhen, Rong Yiren, and Chen Yun. Children of Chen Yun, a revolutionary veteran who died last year, hold important business posts in the country. Chen Yun's son, Chen Yuan, is First Vice Governor of the People's Bank and his third daughter, Chen Weili, is Vice President of China Venturetech, a state-backed investment firm, well-known for its speculation in Shanghai's property market.<sup>9</sup>

Although there were rumors in China that some members of the Four New Big Families were under investigation, these four new families are still very powerful, both economically and politically. The use of the term "Four New Big Families" reflects the widespread resentment of official corruption in Chinese society today.

A teenage relative of mine in Shanghai once asked me, "What does the English abbreviation "PRC" stand for?"

"The People's Republic of China," I replied.

"No," my young relative said, "PRC stands for 'the People's Republic of Corruption.'"

Official corruption has undoubtedly become one of



the most destructive side-effects of China's reform. According to a comparative study of corruption, which was recently released in *The New York Times*, out of 41 countries surveyed, China is ranked No. 2, next to Indonesia, in terms of the rampancy of corruption.<sup>10</sup>

Some people in China believe that rampant corruption is inevitable as the Chinese government decreases its macro and micro economic control, and the country moves to a market economy.

"China is in the stage which we may identify as the 'primitive accumulation of capital,'" a Chinese scholar in East Asian Studies whom I met in Shanghai said. "Things such as official corruption, capitalist exploitation, and the disparity between rich and poor are unavoidable."

"Do you mean that the existence of these 'things' is justified?" I asked.

"Yes, if China wants to move away from socialism," the scholar answered.

"Many other countries, both in the East and the West," he explained, "experienced a similar stage of capitalist development. Japan, Taiwan, South Korea, and some Southeast Asian countries, for example, all had serious problems of official corruption in the 1960s or 1970s, as had the Western capitalist democratic countries in the earlier years of their capitalist development.

"More importantly," the scholar continued, "socialism, which emphasizes public ownership, central planning, and greater economic equality, failed in China as it failed everywhere in the world. We don't have an alternative. Look around the world today, privatization (*shiyoushua*) is a global trend."

The scholar certainly had some valid points. Since the mid-1980s, the private sector has swept the world and governments across the globe have been busy selling their companies as fast as they can. In 1992 alone, governments of nearly 50 countries sold 69 billion US dollars' worth of state-owned enterprises to private companies. That took the running total since 1985 to a startling 328 billion US dollars.

This global trend toward privatization started in the advanced Western industrial nations, where privatization was seen as the "golden path to a glorious future" in the early 1980s. In the past few years, however, privatization has grown most quickly in developing countries in Latin America. Regional privatization in Latin America increased in value from 6% of the worldwide total in 1988 to 35% in 1992.<sup>11</sup> Events in Eastern Europe and the former Soviet Union beginning in 1989 sub-

stantiated this global trend. The United Nations Development Program (UNDP) has created a special division, an interregional network on privatization, which works to assist the private sector in these regions.

The immediate causes of the rise in the private sector vary from country to country. However, governments are usually faced with some common pressures that force them to develop the private sector. These common pressures include a slowdown of economic growth, uncontrollable state budgets, inefficient state enterprises and public services, decline of military industries, problems of welfare government, etc. Ex-communist states, for example, are struggling to get rid of inefficiency in their economies and to build capitalism from scratch.

As many Western scholars observe, after many decades of command and paternalistic management of society, most ex-communist states were painfully aware that their economic-political system could not satisfy the needs and wishes of its citizens.<sup>12</sup> The communist system, which deprived human beings of the right to private property and the right to initiate and engage in economic activity, was doomed to put every other human right — for example, the right to equal opportunities and to participation in government decisions — into jeopardy. As the state becomes the sole employer and the controller of all the means of production in a given country, a formidable disparity of power is created between the rulers and the ruled.

These ex-communist countries' rush to capitalism has also been a rush towards individual liberty. The process of market reform has generally been accompanied, as a Chinese sociologist said, "by the emancipation of the people's minds and the release of the people's vitality."<sup>13</sup> With the emergence of the private sector, people are able to decide where to work and how to live. Before I left China in 1985, every Chinese citizen had a *danwei* — a unit, whether it be a factory, a school, a shop, or a neighborhood committee. *Danwei* served as an institutional means for Communist elites to determine both the political and economic life of an individual. One even had to receive approval from *Danwei* if one wanted to get married or have a child. But now, *danwei* is losing its importance, because people are able to freely choose *danwei*, or start their own private "danwei."

The emergence of private property rights, economic decentralization and a semi-free market have all helped to solve politico-economic problems that existed prior to the reform and have contributed to the economic miracle in the Deng era. It was evident that the Chinese economy was on the verge of bankruptcy when Mao died. A central question that we can now

ask is: can capitalism really solve China's problems?

It seems to me that the solutions that the post-Mao authorities found to deal with old problems have now become new problems for the country. I felt most strongly about this historical irony during my recent visit to Wenzhou, a medium-sized city, which is located in Zhejiang Province, on the southeast coast of China.

## Trip to Wenzhou — the Breeding Ground of Chinese Capitalism

Wenzhou has long been known for the dynamic role of the private economy in the city. People in China often call Wenzhou the "breeding ground of China's capitalist development."<sup>14</sup> The Wenzhou region, with a population of 6,200,000, includes 2 urban districts, 9 counties, and 87 towns. While private enterprises were strictly banned in the country during the Cultural Revolution, some petty entrepreneurs actually survived in Wenzhou and developed small underground private businesses. Wang Hongwen, former Vice Chairman of the Chinese Communist Party and a member of the "Gang of Four," said during the Cultural Revolution that "if one wants to see the lingering presence of capitalism under socialist China, go to Wenzhou."

When the economic reform began in 1978, Wenzhou

immediately emerged as a pilot region for China's capitalist development. In 1986, the Office of the Central Committee of the Chinese Communist Party circulated a notice that Wenzhou would serve as an experimental city for the development of the private sector.<sup>15</sup> By 1990, State-owned enterprises' percentage in the total industrial output value in the city was only 11.7%, while collectives and private firms accounted for 52.3% and 32.5% respectively (see Table 1). The average annual growth rate of the total industrial output values of private firms was much faster than those of State-owned enterprises and collectives.

Several geopolitical factors have contributed to the rapid development of the private economy in Wenzhou. First, Wenzhou has long been recognized as a region with too many people and too little arable land. The arable land per person in the Wenzhou region is 0.46 *mu* (one *mu* is about 670 square meters).<sup>16</sup> According to the current condition of agricultural mechanization and electrification in China, a rural laborer is able to cultivate about 5 *mu* of land on average. This means the region has an overwhelmingly large number of surplus rural laborers. These surplus rural laborers have either to migrate to other regions or change their primary economic activities from the agricultural sector to industrial and commercial sectors. Thus, geographical disadvantage has actually contributed to the economic boom in the region.

**Table 1: Changes of Total Industrial Output Values and the Economic Structure in Wenzhou**  
(unit: 1 million yuan)

Year	Total Industrial Output Value	<u>State Firms</u> Total%		<u>Collectives Firms</u> Total%		<u>Private Firms</u> Total%	
1978	1,103	393	35.6	603	55.1	101	9.3
1980	1,647	532	32.9	878	54.3	165	10.2
1986	4,821	822	17.1	2,721	56.3	1,228	25.5
1988	8,565	999	11.7	4,477	52.3	2,787	32.5
1992	18,299	2,515	13.7	10,184	55.7	5,600	30.6
Average Annual Growth Rate (%) from 1978 to 1988							
		18.6	7.5		18.5		31.7

Sources: Yuan Enzhen, *Zhongguo siying jingji xianzhuang fazhan yu pinggu* (China's private economy: conditions, development and evaluation), Shanghai: Renmin Press, 1993, p. 120; and Hiroshi Sato, "Market Conversion in Wenzhou, Zhejiang Province," *JETRO China Newsletter*, No. 112, p. 7.

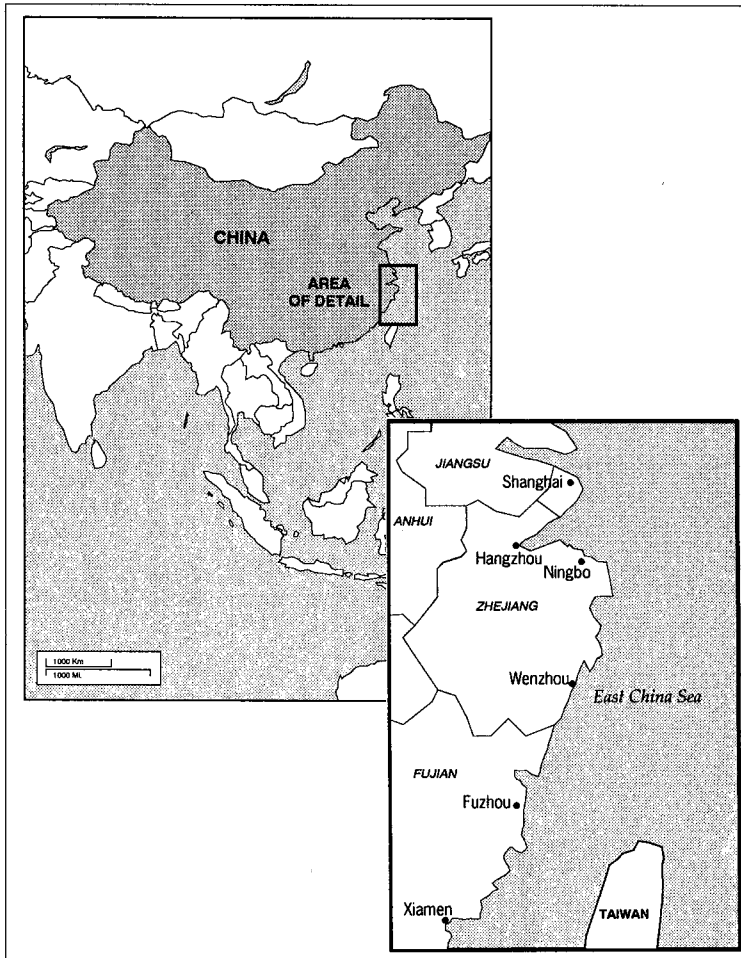
Secondly, Wenzhou is located on the south-east coast of China, which is just opposite Taiwan across the Taiwan Strait. Because of strategic disadvantage, the Chinese government was unwilling to invest in the region. For the first three decades, the government invested only 760 million yuan in State-owned enterprises in the region. As a result, the industrial base in Wenzhou was very weak. The lack of government support and the pressure of unemployment, however, have provided the opportunity for the development of the private sector.

Thirdly, the geopolitical disadvantages of Wenzhou have also nurtured a strong and distinctive sense of entrepreneurship in the Wenzhou people. A large number of Wenzhou people have migrated during the past few decades to other areas or other countries where they have formed Wenzhou communities—for example, in Beijing, Hanzhou, Paris and Rome. They have been engaged in various kinds of businesses in new places while they have maintained close ties with Wenzhou. The money they made elsewhere provided capital for them and their relatives to establish private firms in Wenzhou. In 1983 and 1984, for example, overseas remittances to Wenzhou totaled \$12,680,000, which accounted for 30% of the total overseas remittance of Zhejiang Province.<sup>17</sup>

Currently, Wenzhou has over 3,000 private enterprises and about 200,000 private stores. The annual output value of some private enterprises is as high as 10 million yuan. It is widely believed that Wenzhou is one of the richest areas in China, and the city has thousands of millionaires.

I took the trip to Wenzhou with my friend Joseph Kahn, *The Wall Street Journal's* Bureau Chief in Shanghai, in May 1995. This was the first visit to Wenzhou for both of us. We had anticipated that we would see a burgeoning city like other coastal cities in the country.

What I saw in Wenzhou, however, was an old and shabby city. There were some buildings under construction, but I did not see any skyscrapers or any sign of an emerging commercial center in southeast China. Joe's assistant at *The Wall Street Journal* booked rooms for us at the Huaqiao Hotel, the best hotel in the city. My father later told me that this was also the hotel where he stayed in Wenzhou over 30 years ago. Some old hotels can be distinguished by architectural styles or other unique characteristics, but there was nothing special about the Huaqiao Hotel. I was surprised that



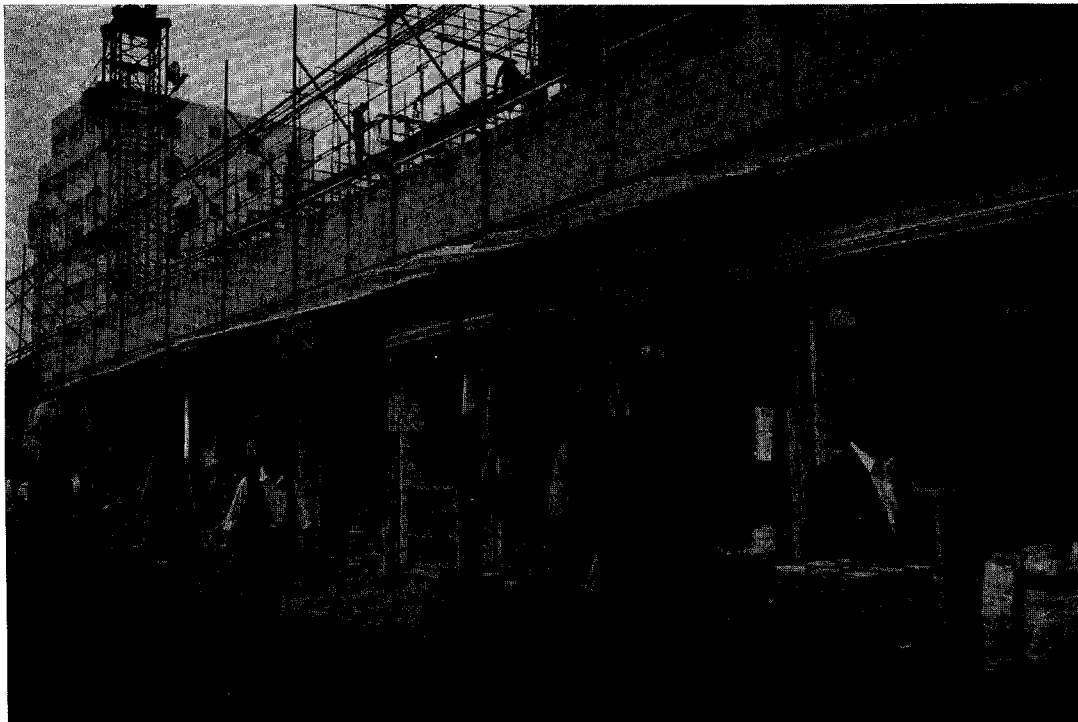
Wenzhou had not built good hotels and other modern urban facilities during the past decade, while other coastal cities seem to have built too many elegant hotels. Wenzhou seems not to have paid too much attention to urban reconstruction.

I was even more disappointed by the inconvenience of the local transportation and the poor quality of roads in the city. I have never seen a city with as many bumpy streets as Wenzhou. The city actually will not license small-sized automobiles because they can not survive the poor road conditions.

"I have heard stories of how rich entrepreneurs have contributed to the public welfare," Joe Kahn said to me, "but this is certainly not what I see here in Wenzhou."

I absolutely agreed with Joe. The municipal government of Wenzhou often boasted that the city used local capital, including money raised from the private sector, for urban development projects in the city. But we did not see any major projects except construction of the new Wenzhou Airport.

"You could not expect China to become a 'welfare capitalist country' overnight," said Mr. Zhu, a 27-year-



*A strong and distinctive sense of entrepreneurship in the Wenzhou people is evident along the streets of the city. Although this building is still under construction, all the space on the ground floor is already being used as shops for small businesses.*

old entrepreneur with whom Joe and I had a chat in a local restaurant.

"But it has already been twenty years since the reemergence of private enterprises in Wenzhou," Joe commented.

"Yes," Mr. Zhu replied, "but we still need to accumulate capital."

Mr. Zhu was born into a poor peasant family in a small town near Wenzhou City. In the early 1970s, Zhu's parents started a small business of selling fruit and seafood on the city's black market. The family moved to Wenzhou in the early 1980s. With initial capital of 20,000 yuan provided by Zhu's parents, Zhu and his two brothers and three sisters established garment factories, first in Wenzhou, then in Qingdao and Tianjin. The registered capital of their family business increased from 560,000 yuan in 1988 to 3,280,000 in 1995. Zhu told us that actually each of his brothers and sisters have several million yuan in capital.

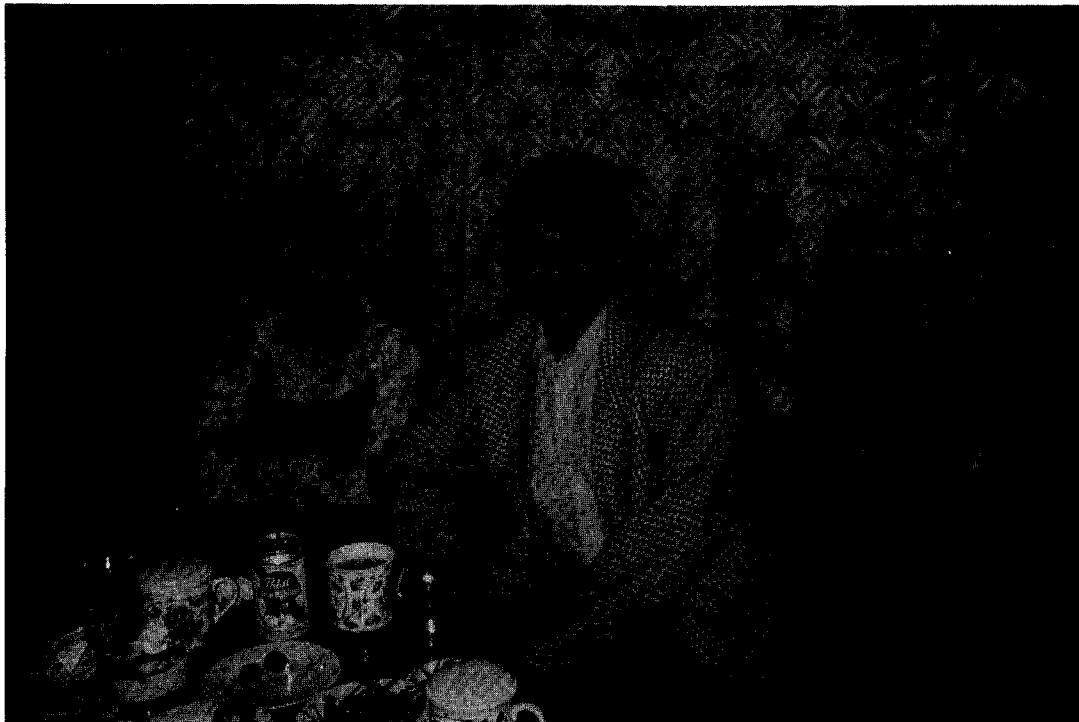
"But we will still have a long way to go to become a big entrepreneurial family in Wenzhou," Mr. Zhu explained.

At this point, private entrepreneurs in Wenzhou like

Mr. Zhu seem to be interested only in making fortunes for themselves or their families. No one is really concerned about the socio-economic well-being of the community. The disparity between rich and poor is a serious problem in the region. A survey of 84 private enterprises in Wenzhou showed that the average annual income reported by owners was 35.6 times that of their employees. The real income gap was believed to be ever greater. Another study of 50 private enterprises found that 46% of workers were not satisfied with their incomes or benefits.<sup>18</sup>

During our trip, Joe and I visited a number of shoe factories in downtown Wenzhou. The shoe-making industry has become one of the core industries, along with garment and electronic industries, in the city during the reform era. A manager of a shoe factory told us that the city had about 6,000 shoe factories!

We were struck not only by the large number of shoe factories, but also by the terrible working conditions in these factories. Shuixin, a small industrial complex, which is located a few minutes away from the Huaqiao Hotel, has hundreds of shoe factories and stores. A typical shoe factory in the complex was actually no more than an old, shabby house where several hundred laborers crowded along the assembly line. These worn-down factory houses used to be one-story houses, but



*Mr. Zhu and his wife, a successful young entrepreneurial couple in Wenzhou.*

owners or managers of the factories added a second story. Tall workers would have difficulty walking through the factory house. These factory houses usually did not have enough light, not only because they had few windows, but also because the owners wanted to reduce electricity costs.

What struck me the most, however, was the awful smell in the factory house, caused by chemical glues and other materials. Not surprisingly, there was no ventilation installed in the factories we visited. Every visitor would feel nauseated, but these workers had to work for long hours in a heavily polluted work environment.

"How many hours do you work every day?" I asked a teenage girl in a factory.

"It depends on whether I can complete my quota in a day," she replied. "But usually I work from 8 a.m. in the morning to 2 a.m. at night."

"Do you have a work contract with the owner of the factory?" I asked.

"No."

"Do you have any social welfare benefits?" Joe asked the girl.

"Social welfare benefits?" the girl seemed to be puzzled by the term. "Yes, I get pay every day."

"Do you have any medical insurance?" Joe asked a more specific question.

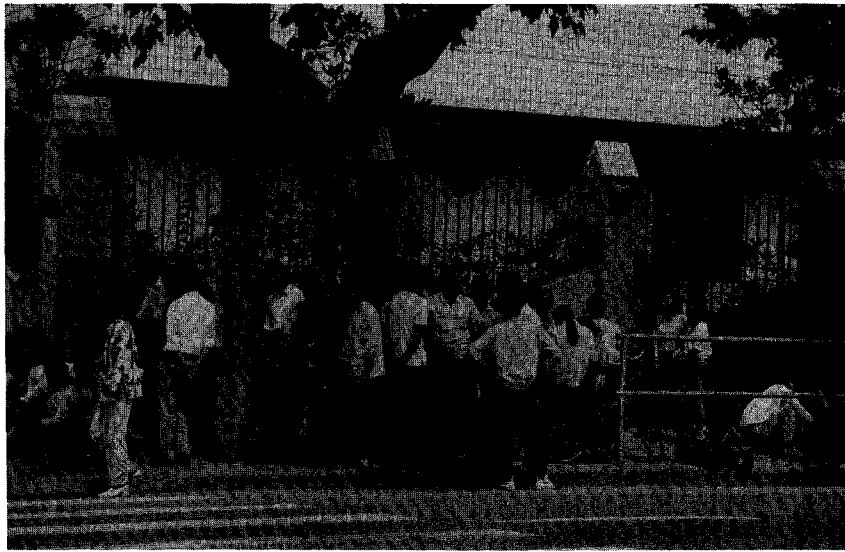
"I don't understand," the girl replied. She had never heard the term "medical insurance."

I shared Joe's concerns. China's safety net has become increasingly inadequate in the reform era. Like many other countries that have gone through a transformation in economic structure, the Chinese government hasn't given high priority to welfare issues and is unable to allocate more resources to social programs in employment, income equalization, pricing control, social security, occupational benefits, health services, housing and others. In fact, the past few years have witnessed a large-scale retreat of the state in service provision at the very time when problems such as unemployment, inflation and polarization have become acute. Meanwhile, the private sector is unable to take over social programs.

"Don't talk to foreigners!" A middle-aged woman who looked like a manager appeared and interrupted our conversation. "Please go away!" she said to Joe and me bluntly.

"We want to know whether your workers have any concerns or problems with the working conditions here," I said to her.

*A maid service market - a special form of labor market - on Huashan Road near the Jingan Hilton Hotel. Everyday, a few hundred young women (and men as well) gather here, hoping to be hired by local families as household servants. The local government recently banned this market.*



"If they have any problems, they can quit their jobs here any time," the woman replied. "My workers should be grateful to be able to work here. Go see the jobless people in the 'labor markets' (*laodongli shichang*) and you will understand what I mean."

I certainly didn't need her to remind me of the "labor markets." These were some of the most memorable, and indeed most miserable, scenes I observed during my journey in China. In virtually every large and medium-sized city that I visited during the past two years, there were places in which hundreds of young adults, both men and women (most of them in their twenties) waited for hours and days, hoping to be picked up by anyone who could offer them jobs, including temporary or hourly jobs.

Each time I saw such a market, my mind would be filled with words such as "exploitation," "oppression," and "dehumanization."

On my taxi ride from downtown to the Wenzhou Airport, I saw a labor market in which about three hundred jobless migrants were gathered. It was already afternoon and most of them must have been waiting since early morning. One could easily sense their frustration from their facial expressions.

As the taxi passed these people, I suddenly realized — not what the middle-aged manager in the shoe factory meant about the justification for capitalist exploitation — but ironically, why the Chinese people enthusiastically embraced socialism half a century ago. □



*A group of people from Anhui have arrived at the Shanghai Train Station.*

*These "labor markets" are usually located on busy streets, in the plazas of ports, bus and railway stations, near construction sites and in front of factories that may hire temporary workers.*

## NOTES

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## Current Fellows & Their Activities

**Hisham Ahmed.** Born blind in the Palestinian Dheisheh Refugee Camp near Bethlehem, Hisham finished his A-levels with the fifth highest score out of 13,000 students throughout Israel. He received a B.A. in political science on a scholarship from Illinois State University and his M.A. and Ph.D. from the University of California in Santa Barbara. Back in East Jerusalem and still blind, Hisham plans to gather oral histories from a broad selection of Palestinians to produce a "Portrait of Palestine" at this crucial point in Middle Eastern history. [MIDEAST/N. AFRICA]

**Adam Albion.** A former research associate at the Institute for EastWest Studies at Prague in the Czech Republic, Adam is spending two years studying and writing about Turkey's regional role and growing importance as an actor in the Balkans, the Middle East and the former Soviet bloc. A Harvard graduate (1988; History), Adam has completed the first year of a two-year M. Litt. degree in Russian/East European history and languages at Oxford University. [EUROPE/RUSSIA]

**Cynthia Caron.** With a Masters degree in Forest Science from the Yale School of Forestry and Environmental Studies, Cynthia is spending two years in South Asia as ICWA's first John Miller Musser Memorial Forest & Society Fellow. She is studying and writing about the impact of forest-preservation projects on the lives (and land-tenure) of indigenous peoples and local farmers who live on their fringes. Her fellowship includes stays in Bhutan, India and Sri Lanka. [SOUTH ASIA/Forest & Society]

**William F. Foote.** Formerly a financial analyst with Lehman Brothers' Emerging Markets Group, Willy Foote is examining the economic substructure of Mexico and the impact of free-market reforms on Mexico's people, society and politics. Willy holds a Bachelor's degree from Yale University (history), a Master's from the London School of Economics (Development Economics; Latin America) and studied Basque history in San Sebastian, Spain. He carried out intensive Spanish-language studies in Guatemala in 1990 and then worked as a copy editor and Reporter for the Buenos Aires Herald from 1990 to 1992. [THE AMERICAS]

**Cheng Li.** An Assistant Professor of Government at Hamilton College in Clinton, NY, Cheng Li is studying the growth of technocracy and its impact on the economy of the southeastern coast of China. He began his academic life by earning a Medical Degree from Jing An Medical School in Shanghai, but then did graduate work in Asian Studies and Political Science in the United States, with an M.A. from Berkeley in 1987 and a Ph.D. from Princeton in 1992. [EAST ASIA]

**Sharon Griffin.** A feature writer and contributing columnist on African affairs at the *San Diego Union-Tribune*, Sharon is spending two years in southern Africa studying Zulu and the KwaZulu kingdom and writing about the role of nongovernmental organizations as fulfillment centers for national needs in developing countries where governments are still feeling their way toward effective administration. She plans to travel and live in Namibia and Zimbabwe as well as South Africa. [sub-SAHARA]

**Pramila Jayapal.** Born in India, Pramila left when she was four and went through primary and secondary education in Indonesia. She graduated from Georgetown University in 1986 and won an M.B.A. from the Kellogg School of Management in Evanston, Illinois in 1990. She has worked as a corporate analyst for PaineWebber and an accounts manager for the world's leading producer of cardiac defibrillators, but most recently managed a \$7 million developing-country revolving-loan fund for the Program for Appropriate Technology in Health (PATH) in Seattle. Pramila is spending two years in India tracing her roots and studying social issues involving religion, the status of women, population and AIDS. [SOUTH ASIA]

**Teresa C. Yates.** A former member of the American Civil Liberties Union's national task force on the workplace, Teresa is spending two years in South Africa observing and reporting on the efforts of the Mandela government to reform the national land-tenure system. A Vassar graduate with a *juris doctor* from the University of Cincinnati College of Law, Teresa had an internship at the Centre for Applied Legal Studies in Johannesburg in 1991 and 1992, studying the feasibility of including social and economic rights in the new South African constitution. While with the ACLU, she also conducted a Seminar on Women in the Law at Fordham Law School in New York. [sub-SAHARA]

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<b>Executive Director</b>	Peter Bird Martin
<b>Program Administrator</b>	Gary L. Hansen
<b>Letters Coordinator</b>	Ellen Kozak

Phone: (603) 643-5548  
Fax: (603) 643-9599  
E-Mail: [ICWA@valley.net](mailto:ICWA@valley.net)

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## The Institute of Current World Affairs

4 WEST WHEELOCK STREET  
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