

from: Bruce Gilley, Model Rebels: The Rise and Fall of China's Richest Village (California 2001)

This reading shows what happened after a village head named Yu Zuomin defied CPC officials and made Daqiu village prosperous. "Jade Field" is the name of a rival killed by Yu's henchmen. (PKF)



The year 1992 saw the emergence of Yu Zuomin as an avatar of a new kind of peasant rebel in China. Fueled by Daqiu's prosperity and its renown—and backed by a newly galvanized collective spirit in the village in the wake of the Jade Field incident—Yu began to articulate a powerful new discourse of social and economic justice for China's peasants. Until now most of the political battles Yu had fought had been clearly linked to village interests. By 1992, however, his agitation was assuming national significance, and he was taking steps to implant his vision elsewhere in China.

Before we consider this discourse, it is worthwhile to ask why Yu did this, and why his village remained united behind him. After all, both Yu and the village were already flush with success. At least four distinct motivations can be detected driving Yu's dissent. Most obvious was his long-standing determination *to enrich Daqiu*. This factor had explained most of his run-ins with the party and upper-level officials over the preceding fifteen years, and it did not flag despite the village's wealth. Closely related and emerging since 1987 had been *a quest for equality for all of China's peasants*. As he gained stature, Yu used his position to agitate for changes in policies and attitudes that would benefit

all rural dwellers. He called himself "the peasant who best understands peasants, their heartbeats, their dreams, their loves, hates, disappointments, and joys. It's just like I understand myself."³² He said he would "dare to die in order to win honor and credit for peasants."³³ To the extent that he did, he averred, it would be his greatest contribution.³⁴

Also emergent since about 1987 had been *a quest for personal recognition*. Yu wanted to be honored for his achievements, indeed honored as highly as Uncle Chen had been. He loved media attention and he loved being surrounded by pilgrims to Daqiu. But personal recognition alone was not enough. In an interview with the *Ta Kung Pao* in October 1992, Yu made this telling remark: "I have enough money, the village is rich, I have plenty of accolades and a lot of face. I could easily retire right now and enjoy all of this. But that would not be the real Yu Zuomin. I would rather be overthrown than just lie down, myself."³⁵ That suggests a fourth kind of motivation, *a struggle for struggle's sake*. Yu by this time relished a good scrap with those in the party who would have Daqiu revisit its miserable past. He went out of his way to pick a fight with ideologues and petty officials. By engaging in such disputes, Yu vented the accumulated frustrations of years working under misguided party policies.

Given that the latter three of these motivations were not of immediate benefit to Daqiu itself, it is legitimate to ask whether Yu's dissent was really still the voice of Daqiu at all, or just the voice of one man's ego trip. That is, was he still waging true collective action? The best answer seems to be that while the ultimate goals of the two often diverged—Yu seeking personal recognition and the thrill of battle, his villagers direct benefits—their immediate goals remained more or less as one. As a result, more often than not villagers stood behind his actions. To be sure, what masked as collective action could sometimes be the result of silence imposed through fear. But mostly villagers appeared to genuinely support their leader in his campaigns. "Cadre-peasant relations" in Daqiu, to use the party's term, remained excellent, excepting of course some disgruntled families like that of the late Jade

Field. Indeed, this solidarity is what Yu relied on. Had he not been assured of the village's support, he would never have spoken so forcefully. As it was, he won praise and so did the village. Investors came in droves, and villagers prospered.

Gathering together the diverse strands of Yu's dissent is no simple task. Few peasant leaders in China who take a stand against the system ever have their views summarized neatly in books. Indeed, Daqiu villagers themselves were wary of such a coherent manifesto. As the *China Youth Daily* noted, "Daqiu people in general do not like to discuss sensitive theoretical issues for fear of inviting trouble. . . . If you come here to understand these issues, you will leave disappointed."³⁶ For our purposes, we can group Yu's dissent under three main headings: economic, political, and social.

For more than a decade, Yu Zuomin had explicitly spurned ideological constraints on economic and political policies in Daqiu. Policies that made the peasants rich and more civilized were self-evidently salutary in his view. Leftists who argued about the ideological nature of policies, he believed, were both a threat and a nuisance. "Reforming is not easy," he once said. "There are many difficulties and a lot of risks. You have to constantly fend off attacks by leftists."³⁷

There were of course ample antecedents for Yu's pragmatic approach in the sayings of Deng Xiaoping himself. Perhaps the most enduring of these was Deng's "white cat theory," borrowed from the peasants of his native Sichuan province: "It doesn't matter whether a cat is black or white, so long as it catches mice."³⁸ Yu could also hark back to the memory of Uncle Chen of Dazhai, who had proudly boasted of his ignorance of communist theory.

But Deng's pragmatism and Uncle Chen's ignorance were always conditional on the upholding of certain basic ideological tenets, the party's so-called Four Cardinal Principles. The two most important of these were the incontestable rule of the party and the socialist nature of the Chinese economy. Even for a place like Daqiu, hell-bent on fast growth, both of these tenets had to be seen to be upheld. The problem

was that for many on the left, they were not. "There are several areas where we cannot break through," Yu complained to the *TVE News* in 1992. "These include constant questions about our political direction and about our economic direction."³⁹

Consider first the economic side. The debate on rural economic policy had shifted dramatically in the fifteen years to 1992. It is almost quaint to recall the *Jiang Han Forum* railing against rural industry in 1981, warning that it might undermine Communist rule in China. It is equally amusing to remember the discomfiture Yu Zuomin brought to senior leaders that same year after he decided to improve incentive pay for his village's reed cutters. Rural industry was now duly sanctioned, while merit pay—the antithesis of the egalitarian iron rice bowl—was widely accepted.

Even in that changed atmosphere, however, those on the left still had plenty of gripes about Daqiu's economy. The market-driven companies and their swaggering executives seemed to differ little from those in capitalist economies, even if the assets were owned collectively. To put it more precisely, collective ownership in the old days meant collective operation as well as ownership. But in modern-day Daqiu, managers took all the decisions and creamed off some of the profits as their reward.

As early as 1987, recall, Yu had argued that a socialist economy should be defined by its ends, not its means, by whether people's stomachs were full and their faces smiling rather than by who or what operated the means of production. By seeking to impose ideological limitations on economic policies, he averred during one trip to the United States in 1991, leftists in Beijing were in effect forcing peasants to work with one arm tied behind their backs. "You guys have always pursued economic development with both hands," he told his hosts. "But we have only one strong hand, and one weak hand."⁴⁰

Fortunately, Daqiu's defense of its economic policies was immeasurably strengthened by events in Beijing in late 1992. Grappling to redefine socialism in a more pragmatic way, Deng formulated a "new cat theory."

This held that it did not matter whether the cat was market driven or planning driven as long as it pursued the general good and was largely owned by the state.⁴¹ With this new notion of a "socialist market economy" incorporated into the country's constitution, rural industrial leaders like Yu breathed a collective sigh of relief. Since TVEs were owned by collectives, they easily fit this new definition of socialism. In effect, operation and profit distribution were no longer an issue, since Deng's theory said socialism could be market driven. "Some people say that we are going capitalist. But we are just following the road to riches laid down by the party center," Yu said. "The issue of what is socialist and what is capitalist is a matter for the party center to decide, not the peasants. And we know that the party center would not go capitalist."⁴²

In stark contrast to the waning debate on Daqiu's economic policies, the debate over its political system went from bad to worse. Daqiu's political system had long been dominated by Yu, of course; but the structure through which he ruled became a source of controversy. Three related issues were at stake: the weakening of the party structure in Daqiu; the concomitant strengthening of the role of the village conglomerate; and the domination of the village conglomerate by Yu and a few families. Together, these issues added up to a striking challenge to Communist rule in peasant China, a new vision in which the party was confined to the sidelines and a new rural moneyed class took its place.

As far back as the 1980s, recall, Yu's willingness to hire people with problematic class, ideological, historical, or family backgrounds had won him praise. Paeans about "Yu Zuomin's employment doctrine" (*Yu Zuomin yong ren zhi dao*) filled official publications. "Yu Zuomin's standards for judging people are very pragmatic," one typical Ministry of Agriculture-sponsored handbook had explained in 1988. "Is the enterprise developing? Are profits high?"⁴³ Or as the *TVE News* noted in 1987: "Yu Zuomin has broken through the leftist constraints of the past and boldly employed people of all sorts."⁴⁴

By the 1990s, however, Yu wanted to extend this ideology-blind system from the factories to the political system. Good cadres, like good

managers, he believed, should be judged by their economic performance, not their political rectitude. The *China Youth Daily* explained gingerly: "It's not that there are no political, moral, or ideological issues here. It's just that they are simplified. When the village chooses its outstanding workers and party members, they simply decide according to who has the highest salaries. So it's all very simple."⁴⁵

As early as 1987, the *TVE News* had been wary enough of Yu's non-doctrinaire hiring code to note: "This does not mean management is lax, of course. Yu insists that cadres remain unanimous with the party center in matters of politics and ideology."⁴⁶ But by 1992 Yu was even dissenting from this central tenet, asserting that leaders should think and act for themselves. "Reforms cannot wait for unanimity," he said. "If we wait for unanimity, there would be no reforms. And in any case, there would never be any unanimity in a hundred years."⁴⁷

The obvious result of this was that the role of the party, specifically the village party branch of which Yu was secretary, withered. Daqiu had paid lip service to Beijing's appeal to strengthen rural party branches in the wake of the Tiananmen Square protests by quadrupling its party membership to 813 by 1991. In that year, Yu was even honored at a lunar new year reception in Beijing as a representative of a "national advanced ideological and political work unit." But in reality, the party in Daqiu disappeared from view. "In all reports produced by the village and its holding company since 1984," sociologist Lin Nan noted, "party functions and activities at the local level are completely absent . . . all local economic, political and social functions proceed without any need for the party apparatus."⁴⁸ Or as the *China Youth Daily* put it: "Pretty much everything in Daqiu is aimed at promoting business. Even politics is adopted here to promote business, not to be an obstacle to it."⁴⁹

Indeed, more than just allowing party structures to die from neglect, Yu began to advocate the formal abolition of some. In particular, he took aim at the organization department, the key part of every rural party branch which controls cadre appointments. Yu's subversive idea, like so many others that came off his lips, was couched in a catchy slo-

gan that rhymed in Chinese. Even now, it jolts with its baldness: "If you want to get rich," it went, "abolish the party organization department" (*yao zhi fu, quxiao zuzhibu*).⁵⁰

The corollary of the shrinking role of the party in Daqiu was the growing role of the village conglomerate. Since its formation in 1983, the village conglomerate had been steadily expanding its reach into all aspects of village life and governance. By 1992, Yu was ready to formalize that role. The conglomerate, now renamed Daqiu Village Enterprise Group Corporation, was reorganized into two divisions, one handling business and one government. Yu became the chairman of a newly constituted twenty-six-member board of directors. The village party branch and the villagers committee—the two would-be organs of administration in such a village—were nowhere to be found.

Beijing never explicitly criticized Yu for his attempt to weaken the hold of the party in Daqiu. But at least one exchange has been recorded in which its disapproving attitude was clear. In mid-1992, an unnamed "senior cadre" from the Organization Department of the party's Central Committee—the same department whose rural tentacles would be hacked off if Yu had his way—came to inspect Daqiu. Yu was not much for listening to lectures from Beijing officials. Instead, he turned the tables and delivered this lecture to the visitor on the failings of his department:

Whether China can become rich or not all depends on your department. For a long time, many local cadres have considered poverty to be glorious and idiocy to be admirable. Without exception, they would pass on documents from the Central Committee without changing a single character, pasting them up on walls and turning them into slogans. They would not come up with a single concrete idea themselves. They wouldn't say a single incorrect word, but neither would they do a single useful thing. These kinds of people were considered good cadres. But could they make the economy develop?

The Organization Department leader was clearly affronted. His cryptic reply was, "I'll try to have a positive understanding of your point of view." Yu never heard from him again, but he guessed aloud that the silence indicated disapproval. "How could he have a negative understanding?" he asked.⁵¹

It is important to note that Yu's reworking of the political structures of Daqiu did not give rise to anything like a pure meritocracy, much less a democracy. Rather, it gave rise to a highly authoritarian ruling structure in which family ties often appeared to count for more than merit. As the head of the village conglomerate, Yu himself increasingly took on the trappings of an emperor, moving around with a large cortege and rarely being interrupted by anyone, much less questioned. As Hong Kong's *South China Morning Post* noted of an interview with the famed peasant hero: "Mr Yu was accompanied by a small army of secretaries and assorted hangerson, who noted down his every word and leapt to attention every time he spoke to them. As soon as Mr Yu finished a cigarette, one of his assistants brought him a fresh pack, which was opened and another cigarette lit for him."⁵²

There was no better example of how nepotism rather than *nengli* (ability) was guiding cadre appointments than Yu's plan to hand over his power to the younger of his two sons, a plump and awkward twenty-six-year-old named Yu Shaozheng. Under the revamp of the village conglomerate, Little Yu, as he was called, was named president, second in command to his father as chairman. Little Yu was also the head of the village's Communist Youth League, which suggested that he would take over as village party secretary as well. Boss Yu justified the nepotistic succession saying, "It's important that the successor is someone the people trust."⁵³ A Chinese reporter also claimed that the installation of Little Yu would bolster investor confidence.⁵⁴ But unlike his gaunt, workaholic father, Little Yu was more a sultry playboy than a charismatic leader. His house was stuffed with luxuries like a grand piano, a big-screen TV, and a gym, and an even more splendid manor

was under construction for him in Jinghai.⁵⁵ His wedding in 1991 reportedly cost more than Rmb 1 million.⁵⁶ If Boss Yu was not corrupt, the odor of improbity hung heavily over his corpulent son.

Similarly nepotistic appointments colored the entire top leadership of the village. Liu Wanquan, Mr. Do-It-All, made his son, Liu Yonghua—known by his given name, Eternal China—president of Wanquan Group in 1992, retaining only the company chairmanship. Boss Yu's eldest son, Yu Shaowei, meanwhile, was put in charge of enterprise management in the village conglomerate. Mistress Shi, who was now the head of village administration, also doled out plum jobs to the eleven members of her family she had brought from Tianjin. One brother ran the local power station, another a village trade company, and another a village electronics factory; her father ran the village guesthouse; and a sister headed the village office in the Tianjin free trade zone.⁵⁷ The entire interlocking family system can be seen in table 3.

This, then, was the entrenched family-based system that Yu Zuomin constructed as an alternative to party rule in Daqiu. It was not unique; similar conglomerates had been formed in other places grown rich on TVEs. But the leaders of those places at least made gestures to uphold the role of the party. Not Yu Zuomin. He explicitly spurned the role of the party, even proposed to disembowel rural party branches.

Left-wing critics claimed that Daqiu's ruling system was indistinguishable from feudalism.⁵⁸ That may be too strong a criticism. As mentioned earlier, family networks had proved remarkably effective in running the village companies in the early years of China's reforms. Most important, all indications are that the ruling structure in Daqiu enjoyed broad support in the village. In any case, the issue was not whether Daqiu was run according to democratic principles or feudal ones. Rather, it was a question of whether the village had the right to rule itself as it pleased, whether through consensus-based family networks or some other agreed-upon method. To be sure, the Daqiu

TABLE 3 DAQIU VILLAGE LEADERSHIP IN 1992

Top Leaders
Yu Zuomin: Chairman of village holding company. Village party secretary.
Yu Shaozheng*: Son of Yu. President of village holding company.
Administration
Shi Jiaming*: Mistress of Yu. Head of village administration.
Li Fengzhuang: Nephew of Yu. Head of village personnel.
Yu Zuozhang†: Cousin of Yu. Head of village finances.
Yu Shaoguo†: Son of Yu Zuozhang.
Zhang Yupu: Village patriarch. Head of village ethics committee.
Enterprises
Yu Shaowei†: Eldest son of Yu. Head of village enterprise management.
Zhao Shuzhong*: Son-in-law of Yu. Jinmei Group president and chairman.
Yu Zuoyao*: Brother of Yu. Yaoshun Group president and chairman.
Li Fengzheng*: Nephew of Yu. Huada Group president.
Yu Shaodong†: Son of Yu Zuozhang. Deputy head of village enterprise management.
Zhang Yanjun*: Son of Zhang Yupu. Jinhai Group president and chairman.
Zhang Yuyin†: Cousin of Zhang Yupu. Wanquan Group executive vice president.
Shi Jiafu: Brother of Shi Jiaming. Manager of a village trading company.
Shi Jiashi: Brother of Shi Jiaming. Manager of a village electronics company.
Liu Wanquan*: Former brigade leader. Wanquan Group chairman.
Liu Yonghua: Eldest son of Liu Wanquan. Wanquan Group president.
Liu Yunzhang: Son of Liu Wanquan. Wanquan Group personnel head and secretary.
Liu Shaosheng: Cousin of Liu Wanquan. Wanquan Group vice president.
Liu Wanmin: Brother of Liu Wanquan. Wanquan Group vice president.

*Vice chairman of village conglomerate.

†Vice president of village conglomerate.

model had problems. Dissent from families outside the ruling elite—such as that of the late Jade Field—was stifled, and it was not clear that a single economic entity could efficiently coordinate such vast and diversified business interests forever. But one thing was sure: together they symbolized a kind of quiet revolution in the countryside in which the role of the party was being diminished. That, more than anything, accounted for Beijing's concerns about exactly what kind of monster this model village was becoming.



The social policies of Daqiu—in particular its culture of conspicuous consumption—were the other aspect of Yu Zuomin's new vision of peasant China. As early as the 1982 inspection team, recall, county officials had fussed about the village's visible wealth. Ten years later, as village companies put on another burst of speed and per capita income rose to about Rmb 26,000 for every Daqiu native, that disquiet finally broke onto the national stage.

There were really two overlapping issues. One was the bureaucratic issue of whether cadres in Daqiu, in particular Yu Zuomin, were living beyond their means, surrounding themselves with trappings that violated prescribed living standards for party cadres. The second was more the heart of the matter: Was it good or bad for peasants to flaunt their success?

By 1992, it was hard to overlook the fact that Yu Zuomin was living quite well. His salary in that year was Rmb 1 million. His 700-square-meter house was a palatial three-story structure inside a walled compound that also contained the houses of thirteen other company presidents and vice presidents. The main floor featured a marble and granite-faced reception room complete with a bar, as well as separate quarters for Yu's bodyguards. Upstairs was a sauna and a karaoke lounge near the bedroom. Yu's car was a golden Mercedes 600, and a backup Lincoln limousine was parked in the garage. He smoked Chung Hwa brand cigarettes, China's most expensive. He wore finely tailored ersatz Pierre Cardin suits. His watch and glasses glittered as he gesticulated before guests.

"For a peasant leader to dare to be rich really means undertaking political risks on behalf of capable people in the enterprises," Yu said, defending the appurtenances. "Of course I'm not the only rich man here, but I am the one whose wealth sparkles the most. So, anyone who wants to kill the rich, please just criticize me alone!"⁵⁹

The issue of Yu's lifestyle first came into the open in late 1991 after a churlish vice minister from the Ministry of Agriculture named Ma Zhongchen came to dinner. Yu was fond of entertaining guests at home. But the sight of his dwelling could incite resentment from visiting central government officials, many of whom worked for a pittance despite their grand titles and lived in shabby dormitories with shared kitchens and bathrooms. Ma returned to Beijing after dinner and wrote a scathing internal report that accused Yu of living beyond his means, a veiled charge of corruption. The report contended that Yu's house was as big as a minister's house. Soon, that allegation got twisted into a rumor in which Yu boasted that his house was bigger than a minister's. "I've never even been to a minister's house. How could I know how big that is?" Yu protested when the issue became public.⁶⁰

The prescribed living standards for party cadres may not have applied in a place like Daqiu, where virtually every cadre was concurrently an executive of the village conglomerate. That meant cadres could draw salaries and own houses beyond those allowed by their "levels" (*dengji*). Indeed, the whole point of the conglomerate was that it had leveled the playing field among workers and cadres in Daqiu, wiping out the artificial "distinctions" (*bie*) based on cadre rank and introducing differences based on merit alone. As Yu told the *TVE News*:

One of the hardest things is dealing with appearances. . . . Certain people, including certain leaders, accuse us of being privileged and exceeding the levels of leaders themselves; but we peasants have no distinctions [*bie*], so why are we always compared to those official distinctions?⁶¹

Merely proving that cadres in Daqiu were technically *allowed* to live the high life was not enough, however. Yu's main concern was to prove that deserving cadres *should* lead the high life. For Yu, wealthy cadres were a sign of success—providing, of course, that the wealth was a result of hard work, not corruption. To the extent that local cadres in

places like Daqiu played a critical role as entrepreneurs in the industrialization sweeping China's countryside, there was no reason why they should not be remunerated accordingly. As he put it: "We have no restrictions on the wealth of cadres. The house and the car you have depends on your abilities. The only thing to be afraid of here is of being incapable."⁶²

Besides fairness—to each according to his work—Yu also believed that the initial income disparities caused when some cadres got rich would encourage changes that led to common prosperity.

Someone once wrote a report to senior levels saying that I smoked Chung Hwa cigarettes. But what's so privileged about that? If every peasant smoked them, wouldn't that mean that we were developed? From this point of view, special privileges are really just a kind of reform. First they are special privileges, and then they become widespread, so we are constantly reforming and advancing. When the whole country's peasants are like Daqiu, we will no longer be special.⁶³

The debate about Yu's ostentation soon coalesced around one issue: his car, the Mercedes 600. "People often ask Yu why he dares to ride in a car that exceeds his administrative level," the *China Youth Daily* wrote. "In that sense, the car is seen as a challenge to bureaucratic interests."⁶⁴ Yu defended his flashy vehicle on all the grounds mentioned above. For one, he was theoretically exempt from cadre regulations governing cars. In addition, he had earned the car. When one "senior retired cadre" from Jinghai groused that, having "fought tooth and nail in the revolutionary war," he was now riding only in a common sedan, Yu retorted with characteristic flair: "Sure, but just remember: You led the poor to overthrow the rich. I led the poor to become the rich!"⁶⁵

Most important, Yu believed that his car, like that of every other made-good cadre and manager in Daqiu, could be a force for change. Luxury vehicles were exactly the kind of respectable transport that

peasants needed in order to reverse their image as bumpkins and achieve true social and economic equality in China. "If we were still riding around in donkey carts, wearing grass belts and white *yangduzi* on our heads," he asked with barely concealed reference to Uncle Chen of Dazhai, "would any foreign investors want to cooperate with us?"⁶⁶

The criticism of Yu's car was really a proxy for the criticism of the village's ostentation itself. For that reason, the car soon gained a sort of iconic value in the village. As long as the golden chariot was parked in front of the village office each day, the minds of the villagers were set at ease. If it was missing, panic would ensue. On at least one occasion, the car's sudden absence sparked a run on the local bank. Yu was away on business, but rumors swirled that he had been summoned to Beijing for criticism. Informed of the clamor, Yu sped back and parked the vehicle in its accustomed place. After that, he made a point of leaving it there any time political tensions were high. The car, the *China Youth Daily* concluded, had become a sort of "political stability sedative" for the villagers as Daqiu's struggle against the state intensified.

The debate about Yu's lifestyle, and that of other Daqiu cadres, led naturally to a more general debate about the wealth of Daqiu as a whole. The 1992 boom had brought several flashy symbols of the village's wealth to public attention. These included an imposing traditional Chinese gate at the village entrance and a cable television system that allowed villagers to watch foreign stations for free. A huge dance hall was built as well, complete with karaoke and disco systems imported from Japan. Perhaps most symbolic of the material aspirations of the village was the hundred-shop commercial strip built with Rmb 50 million of village money in mid-1992. After the last flagstone was laid, a sign was unveiled in glitzy chrome and neon naming the strip after the capitalist paradise that most Chinese could only dream of—Hong Kong Street.

Rewards for model workers also continued their upward spiral. Top workers were now handed the keys to three-story villas—of which there were 120—and swank Japanese or American sedans—of

which there were 260. Money culture in Daqiu also went beyond mere remuneration for work. Children were paid for good marks in school, pensioners were paid to stay well dressed and take daily baths, parents were paid to have only one child, in line with national policy. Even wives who treated their parents-in-law with respect were rewarded in coin.⁶⁷ This did not mean that Daqiu was ignoring the ethical and spiritual needs of its people, Yu insisted; but cold cash was a better incentive than party slogans to induce change, he believed. As he put it: "When we earn money, we learn about material culture, and when we spend it, we learn about spiritual culture."⁶⁸

Daqiu's money culture was in many ways the realization of Yu's now-famous money slogan. But seeing the slogan incarnate in the village resurrected criticisms from the left. The influential leftist magazine *Search for Truth*, for example, renewed its attack on the slogan in 1991, calling it a "vulgarization" of Deng Xiaoping's theories. "Such sayings reflect this vulgar outlook," it warned. "They cause people to become confused about the meaning of socialism, making them think that socialism is merely the pursuit of material benefits."⁶⁹

In defending the village's extravagance and money culture, Yu and his lieutenants used largely the same arguments they made in defending their own wealth: that it was allowed; that it was deserved; and that it was beneficial.

The most fundamental justification for Daqiu's wealthy lifestyle was that it accorded with party policies. Communist China, after all, was built on the premise of making peasants better off. "How can it be that the same people who liberated the peasants are now afraid of the peasants getting rich?" Yu asked.⁷⁰ Especially since 1978, economic reforms had been introduced explicitly to improve living standards in the countryside. "Is it better for peasants to be rich or poor?" Yu asked. "Several leaders can't seem to get this point straight. [Deng] Xiaoping said we should let some people grow rich first. How are we supposed to interpret this?"⁷¹

Deng was also the one who had famously noted that "socialism does not mean being poor." This, more than anything, provided the high-level sanction for Daqiu's wealth. As Yu explained:

Poverty is not socialism, and nor is being poor together or becoming rich together socialism. . . . Collective wealth under socialism is not the same thing as moving together to achieve collective wealth, otherwise that's just egalitarianism and we might as well go back to the iron rice bowl and all be poor together.⁷²

Those leaders who, despite policies aimed at enriching peasants, became inexplicably perturbed when confronted with the spectacle of rich peasants, Yu charged, were like the famous Lord Ye of Chinese legend. Lord Ye was a lover of dragons who had adorned his home with paintings and carvings of the mythical beast. But when a dragon came to visit one day, he gasped in horror and fled. "Many people are like Lord Ye," Yu said. "When they see Daqiu, they're scared to death."⁷³

Policies aside, the Daqiu people deserved their prosperity, Yu averred. "Our wealth was not stolen or robbed from others. It is the result of our hard work using the opening and reform policies."⁷⁴ There was also a moral claim that perhaps was greater than this economic one. A party that had turned its collective back on the starving peasantry during the Great Leap Famine and its aftermath had little right to sanction rural wealth now. When an unnamed senior leader warned Yu of the "negative effects" of his village's wealth, he snapped back: "Why didn't you come here when we were poor and consider the negative effects of our poverty?"⁷⁵

Most of all, wealthy enclaves like Daqiu had a salutary effect on the country at large. They provided jobs for outsiders, sprinkled their wealth around through aid programs, and supplied a model for others to follow. "If we have nice houses and nice cars, it reduces the urban-rural income gap, improves the investment environment, and shows

the fruits of reforms," Yu explained.⁷⁶ Without these material improvements, China's peasants might have risen up in protest, as their urban counterparts did twice in the 1980s. "The ten years of reforms have been very turbulent. But the countryside has remained stable. Why?" Yu asked. "Because the policies have made the peasants better off."⁷⁷

As with its economic and political system, Daqiu's social compact was not unique in rural China by the early 1990s. But unlike the heads of other rich villages, Yu Zuomin and his lieutenants staunchly defended this inchoate new vision of the future, rather than paying lip service to party criticisms and hoping to avoid attention. London's *Daily Telegraph* described how "one village official defended Daqiu's striking inequalities with almost as much vigour as officials at Dazhai once championed egalitarianism."⁷⁸ And when a large delegation of city mayors, central government ministers, and State Council (cabinet) officials came to Daqiu on an inspection in mid-1992, Yu openly chided them for their feigned frugality:

You are all senior cadres. But does that mean you really don't like money? You all know that once inflation begins, you never have enough money to spend. So do you really not want higher salaries? Aren't your salaries already higher than most cadres' anyway? So doesn't this show that you want to have wealthy lifestyles too? . . . Everything I say is what each of you would like to say but dare not. So what's wrong with that?⁷⁹

To be sure, Deng Xiaoping's Southern Tour in 1992 did much to alleviate criticism of the openly materialistic social policies pursued in Daqiu. Of all the periods in post-1978 China, this may have been one of the most liberal in terms of an acceptance of material aspirations. The campaigns against "bourgeois liberalization" of the 1980s seemed to have abated, while new party chief Jiang Zemin's focus on "spiritual culture" was still a few years off.⁸⁰

Yet even under such accommodating conditions, Daqiu found itself the target of attacks. That was a sign that neither side was likely to concede defeat in this epic struggle for the future of the Chinese countryside. Certainly the white flag would never be raised by Yu Zuomin, whose plucky attitude had added to the outrage some felt about the village's social reality. "If we can't live as we please," he said, "then what's there to fear in death?"⁸¹



On a sunny autumn morning in October 1991, a battered minibus from Jinghai swung into the Daqiu terminus and disgorged its rumpled passengers. Among the arrivals were two men wearing black cloth shoes and carrying synthetic-leather handbags. After asking directions, the pair walked directly to the village administration office and introduced themselves to Mistress Shi: Wang Zuoshan, head of the villager committee of Xiaojin Village, and Wang Jian, the party secretary (no relation).⁸²

Xiaojin, it will be recalled, was the village in the northern reaches of Tianjin whose revolutionary song and dance troupe was praised by the Gang of Four during the Cultural Revolution. Yu visited the village three times in the 1960s and watched Daqiu's grain output plummet after trying to emulate its melodic example. In the aftermath of the arrest of the Gang of Four in 1976, Wang Zuoshan was stripped of his positions as Xiaojin party secretary and vice chairman of the National People's Congress and sent to toil in the fields in rural Tianjin. But villagers called him back to lead them through the hurly-burly of reform China. In 1985, he returned and was elected head of the villager committee.

Mistress Shi was well aware of the symbolic importance of the visit by the two Xiaojin leaders: a Maoist model village had come calling on a Dengist model village. Leaping from her desk as they walked into her office, she turned them right around and led them up a flight of

stairs into the office of Boss Yu. An initially ill-disposed Yu soon warmed to his guests, seeing the opportunity for publicity.

The two Wangs explained how their seven-hundred-person village remained mired in poverty. Its only factory, a metals processing plant, had fallen into disuse. After an hour of talk, Yu handed them a check for Rmb 60,000 to finance renovations and repay back wages at the idled factory. He also promised large orders from Daqiu companies to restart production at the plant. Following a lavish banquet at the village hotel, Yu ushered the pair into a waiting limousine that bore them back to Xiaojin.

For several years, Yu Zuomin had thought of his political agitation as a struggle waged on behalf of all of China's peasants. He was "the peasant who best understands peasants," and he believed that the battles he fought were as much for his rural brethren as for his fellow villagers.⁸³ His articulation of economic, political, and social policies that he believed would bring true equality and justice to rural China had application across the country. What better place to implant that vision than one of the greatest model villages of the Maoist past?

Relationships between villages in rural China had always caused disquiet within the party when they were not sanctioned. Such relationships could weave the strands of a web of political power that would be impervious to state control. Since the late 1980s, Daqiu had forged several "twinning relationships" to provide material and technical assistance to poor areas such as Wuwei prefecture in northwestern Gansu province and the poor villages in its purlieu, like Guankeng, Xiaoqiu, and Wanghu. But these had all been sanctioned by the central and county governments. The creation of relationships outside the sanctioned system was different. It was bound to alarm upper-level officials, especially at a time when Yu's influence was expanding quickly. Through business deals, Daqiu already had several close relationships with other villages in coastal provinces like Jiangsu and Zhejiang. Now it seemed to be making friends for political reasons too.

When Wang Zuoshan returned to Xiaojin, one of the first things he did was to drive to the county seat of Baodi, in which his village lay and where he had served as party secretary during the Cultural Revolution, to report the good news. The moment he did, however, the face of the Baodi party secretary, Zheng Shousen, clouded over. "I don't want to hear about your sixty thousand yuan from Yu Zuomin," Zheng sniffed. "It's not such a big deal. I could have given you the same amount from my own pocket." Zheng ordered Wang to return the money and sever all relations with Daqiu. If he did not, the party chief warned, the county would "no longer concern itself with the affairs of Xiaojin"—a menacing threat that could mean everything from canceled grain orders to electricity cuts.

The injunction was odd, and the Xiaojin leaders voiced their surprise to the media. "I cannot understand the instructions of the county," Wang Jian said. "They have been exhorting us to build village enterprises in recent years. But the moment we find a way to do so they try to stop it." Wang Zuoshan was more trenchant: "How can it be that we are allowed to have joint ventures with the Americans and the Japanese, the people who used to exploit us, but not with our own people?"⁸⁴

The flimsy official excuse offered by Zheng was that Xiaojin had lost face by going cap in hand to Daqiu. Few doubted the real reason, though: Zheng was obviously alarmed at the prospect of having Boss Yu operating inside Baodi county lines, encouraging Xiaojin to be as much a maverick as Daqiu. As the pro-Beijing *Mirror* magazine in Hong Kong commented: "The Baodi party committee was afraid of the power of Yu Zuomin, because under the pretense of helping others, he was in fact looking for allies and trying to expand his influence. . . . If they allowed him to set up an enterprise in Baodi, there would never be any peace in the county."⁸⁵

Wang Zuoshan consulted Yu Zuomin on the issue. Not surprisingly, Yu exhorted him to stay the course. Daqiu's own experience was proof positive that success often meant rubbing county officials the wrong way, he said. No matter what their self-interest in the taxes gen-

erated by successful TVEs, county-level officials never liked uppity village leaders who threatened their power. "You can't eat rice without knocking your chopsticks against the bowl," a Chinese saying goes. Yu's advice to Wang was to keep eating.

There are hundreds and thousands of difficulties when you're involved in economic development. If you are determined, you can overcome all these difficulties. . . . We gave you help in order to stir your spirits to fight against the difficulties. But only if you have a will that does not yield and a spirit that does not flag will you be able to accept this help from us without any complaints. . . . You have to walk on your own and take your own road. . . . No matter how much friction you encounter, it will be worth it.⁸⁶

Wang was convinced. The two villages signed an unsanctioned co-operation agreement in late 1991, and the Xiaojin metals factory came back to life. In May 1992 Wang made a second trip to Daqiu. This time he came away with promises of Rmb 400,000 to be invested in a new steel pipes factory and further technical assistance. As before, Baodi leaders assailed the ties. But Wang's resistance was stouter now:

Since Daqiu is a national rural reform model, why are we wrong to learn from it? The Xiaojin people are frightfully poor, so why can't we aspire to riches? If the county wanted to help us, they should have done so long ago. . . . I admit that in the past I made mistakes. But this time I'm not wrong, that's for sure.⁸⁷

Throughout the conflict over Xiaojin, Yu skillfully used the domestic media, in particular the *TVE News*, to portray the issue as a showdown between reformers and leftists. As the newspaper wrote, "Deng Xiaoping has warned us to beware of leftism and there's nothing like a lively story to make us understand what leftism really means." The same theme was taken up by the *People's Daily* and other national newspapers.

Frightened by the onslaught, Baodi leaders even declined offers of stories that would support their case.⁸⁸ Wang Zuoshan, meanwhile, felt his initially fragile confidence rise. "From now on," he said, "if we can't get a straight answer from the county, we will take our case directly to the Tianjin municipality or even to the party Central Committee."⁸⁹

The Xiaojin incident had barely died down when a far higher profile pilgrim came seeking the holy scriptures in Daqiu: Guo Fenglian, the party secretary of the greatest model village of them all, Dazhai.⁹⁰

Guo had been the head of the celebrated "Iron Girls" work team in Dazhai in the 1960s, a sickle-wielding unit of militant women who built terraced fields and harvested grain with rifles strapped to their backs. When the Cultural Revolution erupted, she formed the village's Red Guard brigade and trucked in several senior provincial officials for "struggle sessions" of verbal and physical abuse. When Chen Yonggui—Uncle Chen—joined the politburo in 1973, Guo took over as Dazhai's party secretary and joined the party Central Committee.

Like Uncle Chen, Guo was stripped of her positions when the Cultural Revolution ended and sent into political oblivion, first at a fruit research institute and then at the provincial highways bureau. But she also followed the path of thousands of other former village leaders in reclaiming her leadership as the uncertain new reform era dawned. In late 1991, she was fully recycled as Dazhai's party secretary.

The moment Deng Xiaoping's Southern Tour speeches were made public in early 1992, Guo began planning a trip to Daqiu. Thoroughly disabused of her leftist ways, she was determined to learn from this latest paragon of rural development. Yu Zuomin, fresh from his successful tussle over Xiaojin, welcomed the opportunity to plant his flag on another Maoist model village. After months of careful preparations, during which a raft of reporters was assembled to cover the event, Guo was welcomed at a lavish ceremony at the brand-new Kowloon Hotel on 25 October.

In what was becoming a habit, Yu spoke first with his wallet, handing Guo a check for Rmb 500,000 to help refurbish an old chemicals

factory in Dazhai. He also promised assistance to develop stone quarries near the village and to find joint-venture partners for other projects. "If *you* get rich," he told her, recalling Dazhai's leftist past, "it will really make a splash."⁹¹

Just as the Xiaojin leaders had done, Guo felt emboldened to speak her mind in the presence of this iconoclastic colleague as they sat down to lunch: "We peasants have to stand up together," she said. "In the past, everyone in China looked down on peasants. Cadres were sent down to the countryside, students were sent down to the countryside, anyone who had made a mistake was sent down to the countryside. . . . Secretary Yu, you have forged a new road for the countryside. I'm a newcomer here, but I know it has not been easy to achieve all this."⁹²

Guo also complained openly about the obstacles to Dazhai's development thrown up by county and provincial officials. Predictably, Yu urged her to ignore their complaints and beat her own path:

- yu: The important thing is to change our thinking, because it was the leftism of the past that caused poverty.
- guo: Sure, but the problem is that people nowadays tell us to change our thinking, but they don't change their own.
- yu: Then don't wait for them to change. Even if they never change, you should change. Sure there will be risks and obstacles. But trust in yourself and don't be afraid. If you agree with me, then let's march forward together!
- guo: Right! We peasants have to stick together! In future, whenever I have a problem, I'll come to Daqiu for help.
- yu: Good! From now on we'll walk down the same road. You follow our lead. Eventually we'll be marching together. This is far better than just studying a lot of party documents!⁹³

The spectacle of the former Maoist village stooping to learn from the reformist village made for great copy. Reuters News Agency picked up Xinhua's report on the meeting and retitled it "Capitalist Tips for Mao Model." But behind the cheap irony was a more profound message. By

urging Dazhai to follow in his path, Yu was seeking to legitimize his own vision of rural development. That vision in its many facets could only be realized, he believed, through quite blatant confrontations with higher authorities, usually those at the county and provincial level. It also demanded stiff repudiations of ideological complaints about capitalist-style development and ostentatious wealth.

Through both the Dazhai and Xiaojin incidents, Yu made clear his belief that combating leftism required a very real and open struggle against political interference. Never did he mention the importance of following central dictates or of coordinating with central policies. His creed was go it alone and the critics be damned. If his vision could germinate in the two reddest villages of China's past, it could grow anywhere.

In that sense, the incidents represented a very tangible spread of the Daqiu approach to other parts of the country. It was one thing for Yu to sound off about this and that from the confines of his remote village. But now he was taking his struggle on the road. The official *China Peasant* magazine would later refer to Yu's forging of a new kind of "peasant identity" (*nongmin yishi*) in which TVE leaders like himself felt emboldened by their wealth to ignore outside criticism. Add to that "a web of relationships at all levels and an impervious ruling system in their own localities," the magazine would write, and you had the makings of a dangerous new trend.⁹⁴ Peasant leaders were banding together for the common cause of autonomy and enrichment. And leading the march was Yu Zuomin, who had now become a very real threat—both in word and in deed—to the party's rule in rural China.



It is probably safe to say that by the end of 1992 Yu Zuomin was quite firmly stuck in the craw of official China. The range of bad feelings toward this outspoken and subversive peasant leader ran the gamut: from the austere disapproval of some party leaders and ideologues in

Beijing, to a more charged hostility among many local leaders in Tianjin and its rural counties.

As early as 1985, recall, journalist Liu Linshan had warned that "even the Tianjin party committee cannot stand" Yu. Yu's stepped-up struggle of dissent and resistance throughout 1992 only intensified these antipathies. At the local level, the *Mirror* commented, Tianjin and Jinghai leaders had "serious reservations" about Yu by late 1992. "They felt he was acting like a great local official of the Qing dynasty, overstepping his authority as a mere delegate to the national CPPCC and interfering in all sorts of local affairs."⁹⁵ A later article in the Beijing magazine *Law and News* asserted that the Tianjin authorities were "disgusted" with Yu and as a result had denied him the opportunity to represent the municipality as a delegate to the National People's Congress.⁹⁶ "Everyone says you are not obedient," the *TVE News* told Yu frankly in an interview, to which he responded: "Sometimes it is best to obey in public but resist in private."⁹⁷

Some senior leaders in Beijing obviously shared this antipathy. The cold reply of the Central Committee Organization Department official to Yu's lecture on bad cadres was one sign. On another occasion, a delegation of officials from the powerful State Economic Reform Commission left the village grumbling that Yu was nothing but a "mountain rebel" (*shanda wang*) after he lectured them for an hour on how to improve their work.⁹⁸ Perhaps most indicative was Yu's inability to rise above his modest status as a CPPCC delegate, as Uncle Chen had done. After predicting that he would be elected a vice chairman of the CPPCC, or even a state premier, Yu got nothing better than renomination as an ordinary delegate at the annual CPPCC meeting in Beijing in March 1992.⁹⁹ An even bigger snub came a few months later when he failed to win a place as a delegate to the party's fourteenth national congress, to be held in October. Every party secretary of even minor repute was usually invited to the congress, and Yu complained openly about the indignity: "The fact that I am not a delegate to the party congress despite heading China's richest village shows how difficult it is for us to be accepted."¹⁰⁰