

Four: Villain Holding Sway

6: The Corrupted Fighting Corruption



Under Jiang Zemin's reign, corruption in the bureaucracy reached unprecedented levels. The irony is that, corrupted officials have been among the most vocal in China's fight against corruption. The Yuan Hua case has a long history behind it.



The main culprit was the board chairman of the Yuan Hua Group, Lai Changxing. Lai founded the group in 1994, and was since engaged in the

practice of smuggling for 5 years.

The value of goods smuggled by the group totaled 53 billion yuan, with duty fees invaded amounting 30 billion yuan.

This resulted in a loss of 83 billion yuan in revenue for the state. At the time, the Yuan Hua case was regarded as the largest incident of smuggling to have taken place since the CCP came to power in 1949.



During the investigations, over 6 hundred persons were probed, with nearly 300 being prosecuted in the end for criminal liabilities. In 2001, courts at several levels issued a total of 167 verdicts on 269 defendants in connection with Yuan Hua Smuggling Case. In July, before the case was closed, several persons had been sentenced to death, and executed, which was tantamounting to killing witnesses and destroying evidence.



Jiang Zemin was so narrow-minded, he couldn't miss the Yuan Hua

chance to take revenge on those who verbally made light of him. Two figures were always on his mind, one was Ji Pengfei, and the other was Liu Huaqing.

Both of them had networked with people in their respective fields. But neither cared much about Jiang Zemin.

Of course, little could two senior figures, such as them, be blamed for lack of respect towards the “appointed” core leader.



Ji Pengfei was once a heavyweight in China’s foreign affair system, a key figure in the hand-over of the Hongkong’s sovereignty. He used to hold high ranking positions, of which were included deputy premier, member of the State Council, director of the office of Hongkong and Macau affairs, vice chairman of the National People’s Congress and member of the Standing Committee of the Central Advisory Council. All of these made Jiang Zemin boiled beneath the surface.



Ji Shengde, who was Ji Pengfei's only son, was the deputy director of the Intelligence Dept. of the People's Liberation Army Headquarter of General Staff.

He was on close terms with Lai Changxing.

Meanwhile, Liu Huaqing's daughter was the subordinate of Ji Shengde. Ji Shengde never had anything good to say about Jiang Zemin.



In mid-March of 1999, Ji Shengde was asked back to Beijing to attend an expanded meeting of CMC. As soon as he arrived at the conference room, Ji sensed that something was awry.

Nobody greeted him. He was then promptly arrested, and it seemed that he would be sentenced to death.



After his arrest, his father, Ji Pengfei, who was spending his retired life in Xiangshan resort, wrote Jiang Zemin 4 times asking Jiang Zemin to spare his son the death penalty. The request was rejected. In despair, Ji Pengfei committed suicide by swallowing sleeping pills on Feb. 10, 2000.



After attending his father's funeral service, Ji Shengde who was kept in custody at PLA's Dept. of General Staff, felt even more hopeless than before. He attempted to commit suicide by slitting his wrists with a toothbrush handle, and swallowing more than 70 sleeping pills. The suicide attempt failed, however.



Ji Pengfei's widowed wife, Xu Hanbing, was able to hold off his son's execution for the time being, with the help of a few retired senior officials and official's widows. She asked Jiang Zemin to grant Ji Shengde medical parole and was rejected.

She then asked to visit Ji Shengde 3 times a week and was rejected again. Unable to stand the grief and indignation from this, she tried to kill herself with sleeping pills on the evening of September 14, 2001, and was rushed to the hospital and rescued.



Liu Huaqing was Jiang Zemin's babysitter assigned by Deng Xiaoping after the Tian An Men Massacre, on the ground that Jiang had never served in the military. Liu would lecture Jiang often at the Politburo meetings. But Jiang Zemin, someone who promoted Generals on a wimp, definitely didn't want anyone to give him constant direction.



Zeng Qinghong had once told Liu Huaqing: “We can’t stop you from opposing Chairman Jiang, but it’s nothing for us to arrest your daughter-in-law, your wife, and your daughter!”



Liu Huaqing’s youngest daughter Liu Chaoying, and his second daughter-in-law Zheng Li, were the two people Liu loved most dearly. He could hardly take food or rest well after the two were arrested. After turning the matter over in his mind, Liu had concluded that he had no choice but to pluck up his courage to intercede with Jiang Zemin. But Jiang uttered not so much as a word after receiving a call from Liu Huaqing about the matter. Jiang’s countenance even revealed a hint of satisfaction after hanging up the phone.



Jiang Zemin's trusted subordinate, Jia Qinglin was another major figure in the Yuan Hua Case. From 1994 to 1996 Jia Qinglin was the Party Secretary of Fujian Province, and the director of the Standing Committee of the Fujian Provincial People's Congress. His wife Lin Youfang, was the Party secretary of China Foreign Trade Group in Fujian. She was accused of serious corruption in connection with the Yuan Hua Case, and could never shake the accusations.



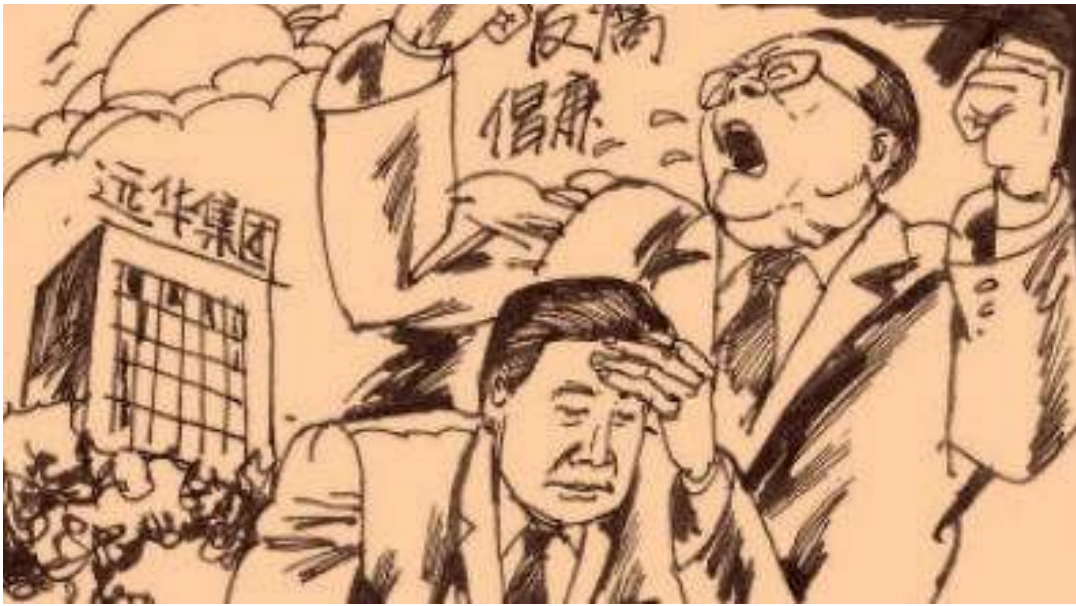
After Jiang ousted Chen Xitong, the Party Secretary of Beijing in 1996, Jia Qinglin was promoted first as the Mayor of Beijing, and later, Party Secretary of Beijing, and even given membership in the Politburo. Jiang Zemin thus asked of Jia Qinglin to divorce his wife to make clear that Jia had drawn the line between him and Lin Youfang.



As the Tenth of the People's Congress, and Chinese People's Political Consultative Conference were about to convene, Jia Qinglin, who had been unofficially slated, thanks to Jiang Zemin, to take the position of the Chairmanship of the Tenth of the Political Consultative Conference, submitted a letter of resignation from the Politburo citing poor health. Jiang, however, rejected Jia's resignation. He said: "If you step down from the political arena, I'm finished!"



The Beijing Municipal Government gave a banquet to celebrate Jia Qinglin's appointment as the Chairman of the Consultative Conference. Throughout the banquet, Jia kept silent, drank glass after glass of liquor. At one point, he murmured to himself: "It's not me who wanted the promotion."



In the meeting of the 16th National People's Congress in Nov. 2002, one picture, capturing the dispirited Jia sitting at his table, told what Jia felt inside: he had no choice but to be Jiang Zemin's accomplice.

Although Jiang Zemin succeeded in promoting Jia to the highest circle of power in the CCP, the Yuan Hua case still haunted and undermined Jia Qinglin. Jia's connection to the Yuan Hua case had become a typical example of the corrupted CCP politics. It was a constant stark reminder of just how hollow Jiang Zemin's talk of fighting corruption really was. Jiang Zemin intended to use the Yuan Hua Case to knock out political opponents, but ultimately, ended up shooting his own foot.