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The Government's Harsh Crackdown Could Crack the Regime

Chinese President Xi Jinping is leading one of the most vigorous campaigns against corruption and dissent since the Mao era. In fact, it appears that his campaign has extended as far as Canada; Beijing is attempting to extradite the Vancouver-based businessman Mo Yeung (Michael) Ching for alleged corrupt business dealings in the mid-1990s. Ching is the son of Cheng Weigao, a senior Chinese Communist Party (CCP) official who was charged with corruption in 2003. Some view these campaigns as the key to restoring the CCP’s strength and legitimacy. Others predict that they will be destabilizing because of the scale, opaqueness, and intensity—by attacking both “tigers” and “flies” (that is, high- and low-level officials), Xi is striking at the core of the patronage networks that hold the political system together, weakening the party from within. And by tightening the reins on public discourse through an increasingly centralized censorship apparatus, Xi is further diminishing his party’s legitimacy.

Observers in the first camp point out that Xi is China’s strongest ruler since Deng Xiaoping, the architect of China’s modernization, and precisely the type of leader the country needs to balance competing interests while pushing for tough economic reforms. According to this view, Xi’s corruption crackdown promotes a much-needed no-tolerance culture within a deeply corrupt party—a move that will bolster the CCP’s legitimacy. It also testifies to Xi’s strength and effectiveness. He is able to consolidate power by eliminating enemies and potential contenders and also concentrate institutional power by chairing the “leading small groups” (informal Politburo advisory bodies) that are in charge of formulating key economic, security, and foreign affairs policies.

The second camp believes that Xi’s campaign is widening the cracks in an already fractured regime: slower economic growth, coupled with a high level of social inequality and massive environmental problems, have increased discontent among the populace. China now experiences an estimated 180,000 incidents of social unrest a year.

Today, the party indeed suffers from its image as a corrupt “red nobility” that abuses power and public funds. In this sense, Xi is right that graft poses an “existential threat” to the party’s rule. Moreover, insofar as party factions are essentially vested interests in the existing system, Xi’s fight against graft can weaken those obstructing reform. For example, Zhou Yongkang, a former Politburo Standing Committee member and the highest-ranking party official brought down thus far, presided over the vast political network that controls the energy companies, which are among the largest state-owned enterprises in the country. Given that these state-owned enterprises monopolize vital areas of the economy, they are also among the most strident voices against change. In this respect, fighting graft by removing people like Zhou can allow for the smooth implementation of crucial economic reforms.

But there are also signs that the campaign is having the opposite effect. The lack of transparency may in fact hurt economic growth. The Central Discipline Inspection Commission, which is responsible for carrying out the anti-corruption campaign, is a party organization that stands above the law. Its investigations and procedures are shrouded in secrecy. A few thousand officials have been investigated over the past two years, but no one knows why they were targeted. And no one knows who’s next on the list or when the next axe will fall. This hunting in the dark has instilled fear and uncertainty among the rank
and file, which is antithetical to the reform environment that Xi is trying to foster and which the country needs to sustain its growth. Any grand economic reform requires local implementation. However, in the current political environment, party officials across all levels of government have incentive to lie low. Any outstanding performance could attract the attention of rivals and encourage them to report any past misdemeanor to the anti-corruption agency. Every public official is likely to have a skeleton in the closet. Fear and uncertainty not only hampers implementation of economic reforms but also harms local innovation and growth promotion.

Further, Xi’s campaign is deconstructing the very system that binds the CCP together. In an authoritarian system like China’s, the system’s foundational stability comes not from popularly elected officials but from patronage networks. Autocrats garner support by promising to share spoils with their followers, a practice that holds the political insiders together. Undermining this system is thus highly disruptive to the party’s grip on power. What’s more, publicly humiliating ousted officials creates an “emperor’s new clothes” moment—it reveals the party’s ugly backside to the people and elicits disgust, not trust.

Destabilizing forces are churning outside the CCP as well, as a result of increasing repression. Shortly after Xi assumed the presidency in 2012, he shifted the locus of power to the newly created National Security Commission, which is tasked with overseeing both foreign affairs and domestic security. Xi chairs this powerful commission himself, which allowed him to concentrate his control over internal security resources and to remove any potential powerful contender within the upper echelons of the party in charge of this portfolio.

The party’s coercive apparatus, or “stability preservation” (weiwen), to use the official rhetoric, expanded significantly under former president Hu Jintao, though its origins date back to the post-1989 crackdown. But Xi has widened weiwen even further to include Internet monitoring and censorship, and he has involved policing forces at every level: the Public Security Bureau, the policy and state intelligence agencies, the People’s Armed Police, the paramilitary forces, local “stability-maintenance units,” and urban patrols, or chengguan. In addition, Xi inherited a budget for stability preservation that reportedly increased more than fivefold between 2002 and 2012, from 132.8 billion yuan ($16.2 billion) to 702 billion yuan ($111 billion), exceeding the officially published military budget.

A recent Freedom House report [5] notes that since 2013, government repression in China has touched nearly every facet of society, from the usual grassroots rights activists, online opinion leaders, Internet users, journalists, and religious and ethnic minorities to the less commonly targeted entrepreneurs, party cadres, scholars, and professors. That same year, the Central Committee issued Document No. 9, which ordered all relevant institutions to stem any endorsement of universal Western values [6], such as media freedom, civil society, and judicial independence.

The once fiery Southern Weekly, which had served as the leading example of commercialized media pushing the envelope of press freedom, has largely lost its luster. Online opinion leaders, such as the blogger Murong Xuecun, who had millions of followers on social media, saw their speech freedom significantly curtailed. Internet users across business, academia, and the media have lamented that the Internet in China has largely become an Intranet. [7]

Yet the intensified Internet censorship and crackdown have not intimidated Chinese netizens. An increasing number of Internet users in China are using Virtual Private Networks and other circumvention tools to scale the “Great Firewall.” Xiao Qiang of the China Digital Times at the University of California at Berkeley argues that the suppression has emboldened Internet users to express their opinion on alternative sites. The crackdown has also stirred resentment against the censorship apparatus and hurts regime legitimacy. Although citizens may lack the resources to organize large-scale collective protests, the grievances that motivate them to do so are now stronger than ever before. That frustration is aided, in part, by a slowing economy.

After the violent repression of the Tiananmen protests in 1989, an implicit social contract emerged in which citizens acquiesced to the regime’s political control in exchange for economic prosperity. So far, the CCP has largely held up its end of the deal. But with economic growth decelerating, the party’s ability to maintain legitimacy, based on economic performance, is coming under increased scrutiny. This economic uncertainty, coupled with declining regime legitimacy from the intensified crackdown, is pushing the
populace closer to breaking point, more so than in any other period after 1989.

In essence, Xi is using harsh tactics both within and outside the political system. So far, other members of the Politburo Standing Committee, the apex of the party’s power, appear to support him. But it’s not clear that bureaucrats at all other levels, or the people, do. It is not surprising that some officials, the very ones Xi relies on to carry out his tactics, are growing disenfranchised with the party leadership. This is a dangerous cocktail. For example, Freedom House research suggests that some security agents, out of sympathy or pure conscience, have decided not to follow their superior’s instructions to enforce the party’s orders. If the secret police or military side with the dissidents in the event of a political upheaval, the double force of external and internal pressures may bring the party to a breaking point.

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