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Darwinian Superpower: “Can The Chinese Communist Party adapt to the pressures of China’s domestic reforms?”

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(1) Introduction:

Susan Shirk declares that China's contemporary one-party state is a "*brittle, authoritarian regime that fears its own citizens.*"¹ David Shambaugh even goes as far as to proclaim that Chinese Communist Party (CCP) leaders are "*haunted by fears that their days are numbered.*"² Declarations by both domestic and foreign observers affirming that the CCP is on the verge of imminent collapse are not a unique phenomenon, but rather, a consistent feature of the PRC's history since 1949. John Fewsmith wisely reminds scholars that so often in the "*China field*", predictions of the imminent collapse of the CCP have been wrong in the past, and any fatalist predictions concerning the future of the CCP, are far from axiomatic.³ In contrast to these pessimistic depictions, this paper favours a cautiously optimistic approach as demonstrated by Andrew Nathan, who describes the CCP as an example of "*authoritarian resilience*", and argues that the CCP's adaptations have enabled it to survive and consolidate its power.⁴ Despite the unprecedented unravelling of socialist hegemony in Central and Eastern Europe during the revolutions of 1989 and the end of CPSU rule in 1991; the subsequent triumphalist discourse which for some scholars marked the "*death*" of Marxism-Leninism as a "*serious political force*" in both ideological and practical terms,⁵ and the devastating events of the June 1989 Tiananmen Square incident, the CCP has demonstrated a remarkable resilience to the titanic pressures of the "*Third Wave of Democratisation*", which saw ¾ of the world's existing communist regimes swept away by the "*Leninist Mass Extinction*" of 1989-91.⁶ The CCP can be best understood through Nicholas Bequelin's eloquent characterization of it as the "*first Darwinian Leninist Party in history*".⁷ The CCP has

¹ Shirk, Susan L., 'China, Fragile Superpower', (Oxford: Oxford University Press, 2008), p. 5

² Shambaugh, David, 'China's Communist Party: Atrophy and Adaptation', (California: University of California Press, 2008), p. 25

³ Fewsmith, John, 'Since Tiananmen', From Deng Xiaoping to Hu Jintao', (Cambridge: Cambridge University Press, 2008), p. 3

⁴ Nathan, A., 'Authoritarian Resilience', *Journal of Democracy*, Volume 14, No. 1, (January 2003), p.6

⁵ Linklater, A., 'Marx and Marxism', in Burchill, Scott, and Linklater, Andrew (eds.), 'Theories of International Relations', 4th Edition, (New York: Palgrave Publishing, 2009), p. 112

⁶ Baum, Richard 'Political Implications of China's Information Revolution: the Media, the Minds, and Their Message', in Li, Cheng, (eds.) 'China's Political Landscape, Prospect for Democracy' (Washington, D.C.: Brookings Institution Press, 2008), p. 181

⁷ Bequelin, N., 'The Limits of the Party's Adaptation', *The East Asian Economic Review*, 2009

both “*atrophied and adapted*”,⁸ developing a strategy of co-naturalizing any potential opposition, namely the growing middle-classes, in order to maintain its primacy.⁹ However as a result of this policy, the CCP runs the risk of ideological dilution, perhaps outright dissolution, and may cease to function as a coherent and viable organization.¹⁰ This “*gamble*” will demand further long-term reform, which will be characterized by addressing the balance between further economic liberalization and tight political control, while filling the ideological vacuum that the atrophy of communism has left in its wake.¹¹ Yet, as this paper will contend, this will most likely be on the CCP’s own terms and tailored to their political advantage. Since the beginning of reform in 1978, the PRC has enjoyed an era of unrivalled domestic economic achievement, an average of 9% growth over the past 25 years (nearer 10% over the last 15 years), per capita incomes that have increased six times and 400 million people lifted out of poverty.¹² China’s phenomenal ascendancy onto the international arena has reaped both material and political dividends for the CCP, allowing nationalism to fill the ideological void that threatens to undermine the very existence of the CCP in the post-Maoist era. However, the combined forces of globalisation and domestic economic industrialization have lifted the lid of a “*Pandora’s box*” of powerful challenges that threaten to undermine the legitimacy of the CCP and stability of the PRC.¹³ Internally, prosperity has led to increasing levels of corruption, inequality and higher levels of aspiration, which could deliver a fatal blow to the legitimacy of the CCP regime.¹⁴ Externally, and linked to domestic

8 Shambaugh, D., ‘China’s Communist Party: Atrophy and Adaptation’, p. 15

9 Huntington.S.P., ‘Third Wave, Democratization in the Late Twentieth Century’, (University of Oklahoma Press, 1993), p. 68

10 MacFarquhar, ‘Debate #1: Is Communist Party Rule Sustainable in China? Remarks by Roderick MacFarquhar, Harvard University,’ October 2006

11 Gamer, R. E., ‘Understanding Contemporary China’, (2nd Ed.)(London: Lynne Rienner Publishers, 2003), p. 85

12 Hutton, Will, ‘The Writing on the Wall, China and the West in the 21st Century’, (London: Abacus Publishing, 2007), p. 118

13 Lieberthal, Kenneth, ‘Governing China, from Revolution Through Reform’, (2nd ed.), (New York and London: W. W. Norton, 2004), p. 137

14 Unger, Jonathon (eds.), ‘The Nature of Chinese Politics, from Mao to Jiang’, (New York and London: M.E. Sharpe, 2002), p.204

reform, in an era of increasing globalisation China's continued domestic prosperity is now vulnerable to the flux of global economic markets, nationalism has proved potentially antithetical to "*peaceful development*", and worse still, the political asymmetry in Sino-Western ideological relations has given rise to fears among "*leftists*" in the CCP, that U.S. economic leverage will lead to a "*peaceful evolution*", which will result in increasingly forceful domestic demands for Western-democratisation models that could spell the end of Leninist "*democratic centralism*" (*min zhu ji zhong zhi*) in China.¹⁵ This paper will aim to demonstrate that the CCP has not only largely adapted successfully to meet the challenges of these demands, but that *long-term* political reform may not necessarily lead to a loss of hegemony for the CCP.¹⁶

As an ancient Chinese proverb proclaims, "*the beginning of wisdom is calling things by their right name*". For the purpose of this essay, we shall define *successful adaptation*, in terms of the CCP being able, through the development of various strategies, to *evolve* in so that it can successfully meet the needs of the Chinese state, in order to secure its monopoly rule.¹⁷ Due to the vast and complex nature of the reforms, this paper will focus *primarily* on *economic reform*, as this is considered by many scholars to be the *central pillar* upon which the CCP has balanced its rule. Furthermore, considering that economic reform has necessarily amplified the demand for and shaped the dynamics of, potential political reform pressuring the CCP to make the Party *more accountable*, the implications of possible *political reform* must also be examined. With reference to Comparative political theories and specific schools of Chinese political analysis, this paper will be carefully structured for clarity in the following manner; initially, we will consider the *nature of the domestic reform* in the PRC which largely began in 1978 under the leadership of Deng Xiaoping and developed further under the successive leadership of the CCP. Secondly, an overview of key reforms will naturally lead us to consider the burgeoning social, economic, and

¹⁵ Xinbo, Wu, 'China, Security Practice of a modernizing and Ascending Power' Part II, *The Major Powers*, Chapter 3, in Alagappa, M. (eds.), *Asian Security Practice: Material and Ideational Influences*, 1998, p. 113

¹⁶ Zhao, Suisheng, 'Debating Political Reform in China, Rule of Law vs. Democratization', (New York and London: M.E. Sharpe, 2006), p. 50

¹⁷ Laliberte, Andre and Lanteigne, Marc (eds), 'The Issue of Challenges to the Legitimacy of CCP Rule', (London and New York: Routledge, 2007), p.6

political pressures that the CCP faces in the 21st Century. These have culminated in the cynicism of scholars such as Shirk, whom claim that in the face of such challenges, the CCP's grip on power is inherently "*unstable and unsustainable*".¹⁸ Lastly, we will consider how the CCP's innovative strategies of "*pre-emptive reform*" and "*adaptation*" provide a bridge for both the CCP and the Chinese state to embark on an era of greater economic freedoms and potential political reform with distinct "*Chinese characteristics*", this will allow the CCP both to successfully surmount the challenges presented by reform and avoid the "*apocalyptic*" fate predicted by critics. Along with concluding thoughts, contrasting scholarly opinions surrounding the topics of adaptation and regime survival will also be analyzed.

(2) The Nature of Reform – “Opening Pandora’s Box”:

For the purposes of this paper, we will focus upon the post-Maoist reform era, which began under the leadership of Deng Xiaoping in 1978 and then develop under the successive leadership of Jiang Zemin and Hu Jintao respectively. This section is structured as follows: Firstly we will consider Mao's legacy and the need for pragmatic reform for the CCP to survive. Secondly we will consider Deng Xiaoping's move towards pragmatic economic development in contrast to explicit "*Maoist utopianism*". Thirdly we will consider the variety of reform undertaken on economic policy. Fourthly we will consider challenges presented to reform between 1985-1991. Finally, we will briefly consider the lessons learned from Tiananmen and external events (primarily the revolutions of 1989 and 1991) by the CCP, and the possible future nature of reform in the CCP.

Mao's legacy: “Atrophy and Crisis”

Chairman Mao Zedong's "*first revolution*" (1949-76) had left a legacy of crises that directly threatened the legitimacy of the CCP.¹⁹ The PRC was left politically, economically and socially exhausted, by the instability created by the Cultural

¹⁸ Shirk, S. L., 'China: Fragile Superpower', p. 4

¹⁹ For an in depth critique of the "mainstream" discourse concerning the "Maoist era" see: Moby C. F., Gao, "The Battle for China's Past: Mao and the Cultural Revolution", (London: Pluto Press, 2008)

Revolution (CR) 1966-1976.²⁰ The Party itself, a direct target of Mao's campaigns in the 1970's to attack "*revisionism*" located "*right in the Party itself*", was left devastated, atrophied and at the mercy of "*factionalism*".²¹ Hobsbawm surmises, this period of economic woe, political instability, and what he terms Mao's socialist utopianism, "*Red was not necessarily more important than being expert, but it was its alternative, revolutionary fervor alone could bring revolutionary success*".²² With the death of Mao, his successor Hua Guofeng, whom scholars argue derived his legitimacy entirely from the "*borrowed light*" of Mao's personality cult, offered only a continuation of Maoist idealism, through his proclamation of the "*two whatevers*" (*liang ge fan shi*), whatever Mao did and whatever Mao said, and his Ten Year Plan, a vision with little concession to Chinese reality.²³

Deng Xiaoping: "*Pragmatic Reform to Uphold Socialism with Chinese Characteristics*"

Edward Friedman highlights the most significant legacy of the Mao era for reform. While the USSR's entrenched and corrupt Brezhnev-era CP successfully resisted Gorbachev's economic reforms from 1988-1991, the CCP had been so devastated by the Mao years they largely accepted Deng's reforms.²⁴ This was evident by the popular support for Deng and the PLA's engineered downfall of the "*Gang of Four*" in mid-October 1976.²⁵ Following his third and final rehabilitation in 1978, Deng Xiaoping then moved to marginalize Hua Guofeng and reclaimed his vice-chairmanship of the CCP. Deng directly challenged the '*whateverist*' line, by augmenting the Maoist motto "*Seek truth from facts*", adding "*Practice is the Sole*

²⁰ Farndon, John, 'China Rises: How China's Astonishing Growth Will Change the World', (London: Virgin Books, 2008), pp. 18-19

²¹ Lieberthal, K., 'Governing China', p. 125

²² Hobsbawm, Eric, 'Age of Extremes, The short Twentieth Century, 1914-1991', (London: Abacus Publishing, 1998), Chpt.16, 'End of Socialism', p. 467

²³ Lijia, Zhang, and Macleod, Culm, 'China Remembers', (USA, Oxford University Press, 1999), p.174

²⁴ Friedman, Edward, 'Debating Political Reform in China', in Zhao, Suisheng (eds), 2006, p. 101

²⁵ Mahbubani, Kishore, 'Understanding China', *Foreign Affairs*, (September-October, 2005), p. 53

Criterion of Truth".²⁶ Deng advocated the policies of building *socialism with "Chinese characteristics"*,²⁷ including the "*Four Modernizations*" (agriculture, industry, science and technology, defense). While appreciating the necessary and innovative nature of these reforms for CCP rejuvenation and survival, Minxin Pei is careful to remind scholars that Deng Xiaoping was no "*counter-revolutionary*", he was a "*true believer*" in the Communist ideology that the PRC had been founded upon. Reform was undertaken cautiously, "*crossing the river by feeling the stones*" (*mo zhe shi tou guo he*) characterized the more conservative aspect of the Dengist era.²⁸ Deng was careful to re-affirm the "*Four Cardinal principles*" of the CCP; the socialist road, dictatorship of the proletariat, the ideological dominance of Marxism-Leninism-Maoism, and most importantly, the "*inviolable paramount leadership*" of the Party. Political reform was not on the agenda, this illustrated by the closing of the "*democracy wall*" in 1978 and the imprisonment of the human rights activist Wei Jingsheng.²⁹ The Third Plenum of the Eleventh Central Committee in 1978, signaled a decisive change in the balance of forces within the CCP, tacit support was given to modernizing factions within the CCP,³⁰ which oversaw the prioritization of the pursuit of economic modernization, in all party work and boldly increased the role of market forces in the economy, in stark contrast to the strictly planned-economy of the Maoist-era.³¹

Deng allowed the creation of small private plots and private markets, in which farmers could sell grain that was surplus to their quota, this *experimentation* was an

²⁶ Baum, Richard, 'Burying Mao, Chinese Politics in the Age of Deng Xiaoping', (Princeton: Princeton University Press, 1994), p. 4

²⁷ Deng Xiaoping, 'Opening Speech at the Twelfth National Congress of the Communist Party of China', (01/09/ 1982), (Last accessed: 12/04/2010), Available at: <http://english.peopledaily.com.cn/dengxp/vol3/text/c1010.html>

²⁸ Pei, Minxin, 'From Mao to Deng: China's Reform Experience Revisited: Has Autocracy Triumphed?' 2009

²⁹ Brodsgaard, Kjeld Erik, 'The Democracy Movement in China, 1978-1979: Opposition Movements, Wall Poster Campaigns, and Underground Journals', *Asian Survey*, (CA: University of California Press, 1981), p. 748

³⁰ Schoenhals, Michael, 'The 1978 Truth Criterion Controversy', *The China Quarterly*, 126, 1991, p. 265

³¹ Saich, Tony, 'Governance and Politics of China', (2nd Ed.), (New York: Palgrave MacMillan, 2004), p. 59

important precursory image of the reforms that were to come. After this initial *experimentation*, confined to the rural interior, Deng began the transfer of reform to the cities.³² Factory managers were afforded a greater role in the strategic planning of the day-to-day running of their businesses and proletarian workers were offered material incentives, designed to boost their productivity levels.³³ Under the direction of Deng, the PRC “*opened up*” gradually to the international economy through the creation of “*Special Economic Zones*” (SEZ) in July 1979 on the Southern Coast. Advantageous tax breaks among other incentive packages offered by Beijing were designed to allure foreign investors to acquire desperately needed “*hard capital*”, business experience and technology.³⁴ Initially placed strategically on the coast, they sought to capitalize on nearby trade-partners including Hong Kong, offering China a chance to exploit their experience, trade and the Chinese business diaspora working in these thriving commercial environments.³⁵

Reform reveals underlying challenges to the CCP: “Ebbs and Flows”

As Hutton admonishes us, reform has charted a relatively gradual and erratic path, the numerous ideational and economic challenges presented by reform, led to Chinese policymakers oscillating between *fang* (opening up) and *shou* (tightening) as they moved forward at each stage of reform, responding he contends, to the “*ebbs and flows*” of political confidence and attempts to balance the factionalism among *reformers* and *conservatives*.³⁶ The period between 1985 and 1992 proved particularly challenging for reformists in the PRC. China was beset by economic crises; the lifting of price control, the incentive system and an overheating economy resulted in an inflation spike in 1985, inflation being an “*evil*” thought to have been banished from China since the founding of the PRC. This threatened to wipe out life savings and

³² Shirk, S., ‘China: Fragile Superpower’, p. 18

³³ Zhou, Qiren, ‘The Unfolding of Deng’s Drama’, *China Center for Economic Research*, (Peking: Peking University, 2009), pp. 8-9

³⁴ Mitter, R. P., ‘Modern China: A Very Short Introduction’, (Oxford: Oxford University Press, 2008), p. 109

³⁵ Lampton, David M., ‘The Three Faces of Chinese Power, Might, Money and Minds’, (London: University of California Press, 2008), p. 162

³⁶ Hutton, Will, ‘The Writing on the Wall’, p. 97

shrank wages, and worse still, the CCP itself was embroiled in numerous cadre corruption scandals, blamed by reactionary elements on the “*corrupting effect of bourgeoisie liberalism*”.³⁷ However, the greatest challenge were the events leading up to the Tiananmen Square incident on June 4th 1989, as Shambaugh surmises, “*not since the Cultural Revolution had the CCP come so close to collapse*”.³⁸ The demonstrations initially started peacefully, however, the protests quickly became more virulent and the crowds began to directly challenge the regime itself, the “*democracy goddess*”, a statue built to imitate the iconic “*Statue of Liberty*”, cast an *unacceptable* and *dangerous* shadow over Mao’s portrait.³⁹ It became clear that the students wanted something that the CCP had refused to concede, “*glasnost*”, or political liberalization to accompany Deng’s “*perestroika*”. Tyson argues that many young and middle-aged Chinese thinkers were raised not as obedient Confucian servants of the state, but as Maoist rebels, moreover, their rejection of Maoism left them “*thirsting for a new way to make sense of the world*”, many looked to Western alternatives, and began agitating for *democratic reforms*.⁴⁰ Deng was a reformer, but Deng was no Gorbachev. After much deliberation, the decision to deploy hard power to bolster CCP hegemony was taken by the Party “old guard”. CCP Conservatives imposed Martial Law on the 20th May, considering the demonstrations a struggle for the life or death for the CCP.⁴¹ Hobsbawm, in agreement, asserts that the June 4th “*Tiananmen Massacre*”, left the regime free to continue the policy of successful economic liberalization without “*immediate political problems*”.⁴²

Only the dismissal of Zhao Ziyang as General Secretary and three years of conservative ascendancy allowed incremental economic reform to continue.⁴³ Deng’s

³⁷ Lijia, Z., and Macleod, C., ‘China Remembers’, p. 177

³⁸ Shambaugh, David, ‘China’s Communist Party: Atrophy and Adaptation’, p. 42

³⁹ Tsing-yuan, Tsao, Wasserstrom, Jeffrey N. and J. Perry, Elizabeth, (eds.), “The Birth of the Goddess of Democracy” from *Popular Protest and Political Culture in Modern China*, (Boulder CO.: Westview Press, 1994), p. 140.

⁴⁰ Weiguo, Zhang: “Touching the Scales of the Dragon’s Throat”, *The Dissident*”, Chapter 8, in Tyson, Anne, and Tyson, James (eds.), ‘Chinese Awakenings, Life Stories from Unofficial China’, (Boulder CO.: West View Press, 1995), p. 243

⁴¹ Liang, Zang (eds.), ‘The Tiananmen papers’, (New York: Public Affairs U.S., 2002), p.423

⁴² Hobsbawm Eric, ‘The Age of Extremes’, p. 487

⁴³ Saich, T., ‘Governance and Politics of China’, p. 69

“*Southern Tour*” (*nanxun*), in 1992 offered the PRC a glimpse of Shenzhen, (the pinnacle example of the “*glorious decade*” of the 1990’s),⁴⁴ where economic growth (over 50% each year for a decade) resulted by 1991 of the economy reaching \$3.5 billion, which proved vital in silencing anti-reformist reactionary critics within the Party.⁴⁵ The realization that economic reform had to continue, now seemed apothegmatic, and it was under Jiang Zemin (1993-2003) that China continued deepening reform.⁴⁶ The 1998 NPC meeting saw a nationwide grain market established, an overhaul of the PRC’s investment system and marketization of housing. China’s economic achievements were so successful, that the PRC was granted membership of the WTO in 2001. China’s level of foreign trade increased twenty-five times between 1978-2001, when just 23 years before, the PRC had been largely isolated from the world economy.⁴⁷

The “demonstration” effect: “The domestic and comparative lessons learned by the CCP”

Crucially, The CCP had prevailed where the communist regimes of Central and Eastern Europe, and even the Communist Party of the Soviet Union had unraveled.⁴⁸ John Wong analyzes the factors that explain the ability of the CCP to retain power in China, while considering that there are varying opinions as to the validity and importance of each factor, the most significant lesson learned by the CCP was that undertaking *incremental* reform was paramount to avoiding the “*drastic changes*” (*jubian*), blamed by some scholars on the “*Big-Bang*” approach adopted in Eastern Europe, where both major economic and political reform took place side-by-side.⁴⁹ Shambaugh characterizes the CCP’s reaction to “*lessons learnt*” from comparative

44 Laliberte, A, Lanteigne, M. ‘*The Chinese Party State in the 21st Century*’, p. 10

45 Farndon, John, ‘China Rises’, p. 23

46 Yang, Benjamin ‘Deng: A Political Biography’, (Armonk, Kew York, M. E. Sharpe, 1998), p. 257

47 Wu, J., ‘Understanding and Interpreting Chinese Economic Reform’, (Ohio: Southwestern, 2005), p. 315

48 Shambaugh, David, in Li, Cheng (eds.), ‘China’s Changing Political Landscape’, p. 293

49 Wong, John, in Gamer, Robert E. (eds.), ‘Understanding Contemporary China’, pp. 126-7

analysis of the downfall of communist-party states in Eastern Europe and the USSR as a process of “*selectively borrowing, adapting and grafting them to indigenous Chinese institutions*”, becoming a “*hybrid*”, composed of “*bits and pieces of a wide variety of systems*”.⁵⁰ The CCP has taken to heart not only the lessons of 1989 and 1991, but has drawn from the successes and failures of many political models from both East Asian autocracies and even European Social Democratic Parties; placing considerable emphasis on expanding the economy, improving the standard of living, embracing globalization, targeting Party corruption, utilizing nationalist symbols, and courting-the business classes. It also maintaining tight control over security services, the media, and was “*flexible*” with its ideology, expanding party membership to co-naturalize opposition and reinvigorating local party cells and committees.⁵¹ Post-Tiananmen, the CCP projects itself as a “*Hobbesian*” vanguard of the nation (*wen ding ya dao yi qie*), playing on Chinese paranoia of a return to the chaos of the “*Century of Humiliation*” without the CCP’s dictatorial rule, while undertaking “*pre-emptive adaptive strategies*”; combining “*eudemonic*” soft power and a Leninist “*tightening*” of political control through coercion and co-option.⁵² However, despite the astounding achievements of the CCP during the reformist era, the Party still sits atop a “*Pandora’s Box*” of economic, socio-economic and ideological challenges that “*no other country has faced on such a scale in history*”.⁵³ With the post-Dengist CCP in particular, suffering a dilution of its legitimacy and a struggle to maintain both relevance and primacy in a radically altered China, will “*Market-Stalinism*” be a short-lived, contradictory, and ultimately transitional phenomenon,⁵⁴ or is China’s success guaranteed only with a strong party-state at the helm of power? The challenges arising as a consequence of three decades of reform and their implications for the CCP will be outlined in the next section.

⁵⁰ Shambaugh, ‘Learning From Abroad’, in Li, Cheng (eds.), ‘China’s Changing Political Landscape’, p. 296

⁵¹ Bergsten F., ‘China’s Rise: Challenges and Opportunities’, (Washington D.C.: CSIS, 2008), p. 98

⁵² Breslin, Shaun, ‘Democratising One Party Rule? Political Reform, Nationalism and Legitimacy in the People’s Republic of China’, *Friede Working Paper* 67, September 2008, p. 28

⁵³ Lampton, David M., ‘The Three Faces of Chinese Power’, p. 219

⁵⁴ Cox in Michael in Baylis, J. and Smith, S. (eds.), ‘The Globalisation of World Politics’, (3rd Edition), (Oxford and New York: Oxford University Press, 2004), p. 126

(3) The Challenges of Reform: “*The Writing on the Wall?*”

The challenges of reform have significantly threatened to undermine the stability of the PRC and have threatened the CCP’s ability to maintain control.⁵⁵ As a result of growing inequality, unemployment, and corruption, there have been widespread protests, particularly in the impoverished interior, for example, in October 2004, some 60,000 peasants in Hanyuan County clashed with police, condemning the actions of corrupt local officials.⁵⁶ We will now consider the array of challenges presented by reform to CCP legitimacy and monopolistic rule that have arisen largely as a result of *economic* reform, in the following manner; Firstly, we will consider the problems presented by growing inequality and a weak social welfare system. Secondly, we will consider the problem of the *extensive* corruption of Party cadres. Finally, we will analyze the impact of heightened aspirations leading to a demand for greater political openness and accountability of the Party to a wider array of domestic actors and the consequential *schisms* within the Party itself.

Inequality and Inequity: “The Collapse of the Iron Rice Bowl”

Lampton aptly summarizes the rapidly increasing socio-economic polarization prevalent in the PRC; inequality has *not* meant that large groups of citizens are becoming absolutely *worse off*, on the contrary, most “*boats in China have been rising, some just rising faster than others*”.⁵⁷ The statistics illustrate this crisis, with the most prosperous 20% of the population retaining 46.6% of China’s wealth, while the poorest 20% of China’s population retain only 4.7%.⁵⁸ As urban income grows at almost twice the rate of rural incomes, the CCP grows ever more anxious about the destabilization that this encourages. Rising unemployment levels and the collapse of

⁵⁵ Dickson, Bruce J., ‘Dilemmas of Party Adaptation: The CCP’s Strategies For Survival’, in Gries, P. and Rosen, S., (eds.), ‘State and Society in 21st Century China’, (New York: RoutledgeCurzon, 2004), p. 141

⁵⁶ Wo-Lap Lam, Willy, ‘Chinese Politics in the Hu Jintao Era, New Leaders, New Challenges’, (New York: East Gate, 2006), p. 90

⁵⁷ Lampton, D. M., ‘The Three Faces of Chinese Power’, p. 219

⁵⁸ Mitter, R. P., ‘Modern China’, p. 85

the “*Iron Rice Bowl*” (*tiefanwan*), exacerbate the problem of inequality; the loss of housing and social welfare coincides with the increasingly transparent opulence of cadres who enjoy a standard of living far beyond a civil servants’ salary.⁵⁹ In many instances, the government is no longer willing to support State Owned Enterprises (SOE’s) that are not competitive and thus the years 1995-2001 saw staggering numbers closed, leaving 65 million unemployed workers in their wake.⁶⁰ Solinger even claims that in 1999, the real unemployment figure could have been as high as 100 million.⁶¹

Although eminent PRC scholars Zhou Tianyong and Zhou Ruijin have proposed that in a policy comparable to Western “*trickle down economics*”, the PRC should take advantage of the economic “*windfalls*” that globalization has created, in order to aggregate wealth rapidly, pooled largely in the coastal SEZs (areas of intense FDI investment since the 1978 era) and focus on equity and redistribution to the relatively impoverished interior later on.⁶² Liu Guoguang in contrast, claims that the proliferation of protests and civil unrest that threaten national security can only be combated by placing greater emphasis upon equality and equity.⁶³ Furthermore, the recent economic recession has led to sharp criticism of this economic theory in the West, and it remains doubtful that it can underpin the CCP’s adaptive developmental model long-term.⁶⁴

Corruption: “*An Epidemic?*”

Despite the creation of a Ministry of Supervision and Discipline Inspection Commissions, endemic structural corruption, a problem associated with the fallibility

59 Laliberte, A, Lanteigne, M. ‘The Chinese Party State in the 21st Century’, p. 17

60 Shirk, S. L., ‘China: Fragile Superpower’, p. 29

61 Solinger, D. J., ‘The New Crowd of the Dispossessed: The Shift of the Urban Proletariat from Master to Mendicant’, in Gries and Rosen, ‘*State and Society*’, p. 50

62 Lampton, ‘The Three Faces of Chinese Power’, p. 220

63 *ibid*, p. 220

64 Derby, Michael S., ‘Trickle-Down Economics Fails to Deliver as Promised’, *Wall Street Journal*, 30/06/2009, (Last accessed 04/03/2010), available at: <http://blogs.wsj.com/economics/2009/06/30/trickle-down-economics-fails-to-deliver-as-promised/tab/article/>

of the *danwei* system, has only intensified due to the “gray areas” of “*primitive capitalism*”. Moreover, an ineffective rule of law governing the norms of the fledgling economy and a drastically diminished sense of ideological fervor,⁶⁵ has led to estimates that corruption accounted for 14.9% of GDP between 1999-2001.⁶⁶

Wedeman argues that during the 1990s, corruption underwent a qualitative change as the increasingly high-stakes involved have led to a proliferation of high-profile cases, which in particular act as catalyst, generating political cynicism and malaise among even CCP cadres.⁶⁷ Gavin Read’s recent fieldwork conducted into the “*opaque*” business community of Guangdong province, considers further the extent to which Chinese firms are continually beholden to the “*pervasive culture*” of “*guan xi*”, frequently vying for opportunities brought about through bribing corrupt officials, rather than focusing on increasing professionalism or adhering to open, market-based competition. This suggests that without sufficient rule of law, “*well-connected*” CCP officials will retain nearly all the keys to China’s economic rise, making the temptation of corruption a consistent reality and places a crippling burden on the expansion of the economy.⁶⁸ Richard Levy expands on the impact of corruption in Henan and Guangdong province, claiming that increasingly corrupt entrepreneurs and party officials are acting to exclude the rural poor from political participation through vote-buying so threatening to induce “*governmental stagnation*” and the alienation of the CCP from rural society.⁶⁹ Crucially, the intensification of corruption directly conflicts with the CCP’s constitution article 3-(3), calling for Party officials to act selflessly on behalf of the PRC, “*being the first to bear hardships and the last to enjoy comforts, working selflessly for the public interests*”.⁷⁰ Corruption in reform-era

⁶⁵ Lieberthal, K., ‘Governing China’, p. 198

⁶⁶ Wo-Lap Lam, Willy, ‘Chinese Politics in the Hu Jintao Era’, p. 144

⁶⁷ Wedeman, A., ‘The Intensification of Corruption in China,’ *The China Quarterly* 180, 2004, p. 895

⁶⁸ Reid, Gavin C. and Xu, Zhibin, ‘Entrepreneurial Orientation, Intangible Assets and firm Growth: the Impact of ‘Spirit and Material’ on the Growth of Chinese Private firms’, *University of St Andrews Department of Economics*, (University of St Andrews, 2009), p. 39

⁶⁹ Levy, R., ‘Village elections and anti-corruption: Henan and Guangdong provinces’ in Perry, Elizabeth J. and Goldman, Merle (eds.), ‘Grassroots Political Reform in Contemporary China’, (Cambridge, MA: Harvard University Press, 2007), p. 47

⁷⁰ CCP, ‘Constitution of the CCP, Amended and adopted at the 17th National Congress of the Communist Party of China on October 21, 2007’, Chapter 1, Membership. Article 3-3: (Last accessed 15/03/2010) Available at: <http://english1.peopledaily.com.cn/90001/90776/90785/6290980.html>

China therefore, in a fashion comparable to the corruption and political stagnation of the Brezhnev-era USSR, threatens to *directly* undermine the moral and ideological salience of the CCP as a governing organization.⁷¹

Higher aspirations: “The Rise of the Middle Class”

Most significantly, economic liberalization has led to the rise of a prominent “*middle-strata*” (*Zhongchan Jeiji*) of Chinese society; estimates as to the size of this socio-economic group vary from 20 to more than 300 million.⁷² This group has received implicit “*legitimization*” since Jiang Zemin’s July 2001 “*Three Represents Speech*” (*sange daibiao*), inducting business people and entrepreneurs into the Party.⁷³ China’s 4th generation leaders are betting their rule on the development of a “*stable*” middle class that they presume will be patient and productive, economically and socially active, but not politically aggressive as in the case of Singapore and lowered poverty rates. However, it is a “*gamble they may lose*”.⁷⁴ Huntington, while recognizing that no isolated factor can fully explain the process democratization, explains that in accordance with modernization theory, a strong-middle class is a strong indicator of a move towards democratic rule, threatening the one-party regime in the PRC.⁷⁵ This *could* pose both a serious political challenge to the CCP’s political monopoly. Co-optation may prove to alienate not just the impoverished majority of Chinese denied equivalent means of political representation, but worse still, may cause intra-party splits which could undermine the CCP’s historical mission to act as the “*vanguard of the proletariat*”.⁷⁶ Furthermore, hardliners on the Party’s “*New Left*” (*xinzuo pai*) are increasingly cautious of the growing political influence of the middle-class and the

71 Saich, T., ‘Governance and Politics of China,’ p. 27

72 Lieberthal, K., ‘Governing China’, p. 295

73 Shambaugh, D., ‘China’s Communist Party: Atrophy and Adaptation’, p. 150

74 Lampton, ‘The Three Faces of Chinese Power’, p. 230

75 Huntington, Samuel, P., ‘The Third Wave’, p. 37

76 Goodman, D., ‘The New Rich in China, Future Rulers, Present Lives’, (New York: Routledge 2008), p. 40

motives of “*Western*” investors and domestic entrepreneurs, arguing that “*peaceful evolution*” constitutes a significant threat to the CCP’s continued survival.⁷⁷ Kellee Tsai disagrees with this pessimistic interpretation, and argues that “*adaptive informal institutions*”, will mean that a middle-class is unlikely to demand regime change in China.⁷⁸ Crucially, the CCP leadership is paranoid that the multitude of disaffected groups arising as a result of these problems: the unemployed urban workers, impoverished rural farmers and an increasingly independent middle class: will coordinate nation-wide protests focused directly at the regime itself. Two imperial dynasties succumbed to the chaos caused by similar revolutionary movements (indeed one of which saw the CCP itself come to power in 1949).⁷⁹ The most significant strategies developed by the CCP in order to ensure its continued relevance and maintenance of power, followed by an overview of scholarly debate on their effectiveness and concluding thoughts, will follow in the next section.

(4) “Will the Party be able to Adapt Successfully to the Pressures of Domestic Reform?”

In the post-Tiananmen era and following the recognition of the domestic pressures emerging in the 1990’s that we have considered, Deng’s eudemonic development strategy, largely disregarding the social and political consequences of economic reform, has been augmented by both Jiang Zemin and Hu Jintao’s leadership (*deep reform*). In recognition of the socio-political pressures that aggregate from below as a result of economic growth and wealth accumulation.⁸⁰ The CCP leadership has sought adaptive strategies to supplement the CCP’s legitimacy base beyond that of solely continued economic growth and brute coercion. Shirk identifies the main adaptive strategies of the CCP; firstly, the policy of co-optation and corporatism, secondly, the CCP’s attempt at ideological rejuvenation through appeals to populism and greater

⁷⁷ Ong, R., ‘Peaceful Evolution’, ‘Regime Change’ and China’s Political Security’, *Journal of Contemporary China*, Vol. 16, No. 53 (Nov. 2007), p. 727

⁷⁸ Tsai, K. S., ‘Capitalism Without Democracy, the Politics of Private Sector Development in China’, (Ithaca, N.Y.: Cornell University Press, 2007), p. 40

⁷⁹ Shirk, S. L., ‘Fragile Superpower’, p. 7

⁸⁰ Shambaugh, D., ‘Deng Xiaoping, the Politician’, *The China Quarterly*, 135, (September 1993), p. 490

party accountability to stave off “*governmental stagnation*” and most crucially, the CCP’s retention of and strengthening of coercive capabilities.⁸¹

Corporatism and co-option:

Dickson argues that Jiang Zemin’s pragmatic policy of “*corporatism and co-option*”, underpins the observation that in the 1990’s the PRC was evolving towards a more “*advanced state*” and that societal dynamism was creating new domestic pressures that needed to be confronted by the CCP.⁸² As Tyson affirms, since the early 1980’s, China’s market-oriented economic reforms have offered youths broad-opportunities outside the state-run planned economic system to create private businesses.⁸³

Continuing marketization and the “*opening up of China*”, has acted as a socio-economic catalyst for those who increasingly seek social and material advancement, without *necessarily* submitting to joining the CCP, leaving the Party increasingly vulnerable to ossification.⁸⁴ Jiang Zemin’s “*Three Represents*” theory, arguably his most important contribution to the CCP’s adaptation,⁸⁵ aims to broaden the Party mandate, from a primary focus of the concept of “*class struggle*”; focusing solely on poor peasants and the urban proletariat, to safeguarding the PRC’s “advanced productive forces” (*first represent*), namely entrepreneurs and intellectuals from the private sector into the Party.⁸⁶ The “*Three Represents*” were added to the constitution amendments in March 2004, despite provoking sharp criticism from the “*old guard*” and “*New Left*” factions within the Party.⁸⁷ However, the tactics appear to have worked well so far, with the Organization Department announcing that college

81 Shirk, S. L., ‘Fragile Superpower’, pp. 66-69

82 Dickson, B.J., ‘Dilemmas of Party Adaptation’, in Gries P. and Rosen S. (eds.) ‘State and Society in 21st Century China’, (New York: RoutledgeCurzon, 2004), p. 145

83 Tyson, J. and Tyson, A., ‘Chinese Awakenings’, p. 263

84 Sato, H., ‘The Changing Structure of the Chinese Communist Party Membership in Urban China, 1988-2002, *Journal of Contemporary China*, Vol. 17, No. 57 (November 2008), pp. 653-67

85 Fewsmith, J., ‘Since Tiananmen’, p. 269

86 Yang, G., in Bergsten, F. (eds.), ‘China in the Twenty-First Century Challenges and Opportunities’, p.120

87 Saich, T., ‘Governance and Politics of China’, p. 85

students entering the Party in 2005 increased by 7340,000, a rate of expansion twice that of overall party growth.⁸⁸ This bolsters the importance of the Party's patronage system by incorporating individuals into the party who could have otherwise become independent opposition, while simultaneously allowing the CCP to overcome the indifference of the entrepreneurs and to maintain its finger on the pulse of the social-strata responsible for China's phenomenal economic growth. Yet the Party's ideological cohesion is surely undermined by this change in Party composition. There is strong evidence to suggest that membership has been declining amongst those traditionally regarded as the "*revolutionary backbone*" - poorer peasants, workers and soldiers - in recent years, dropping from 83% in 1956 to 45% in 2002.⁸⁹

Populism: "Ideological Rejuvenation and Party Accountability"

Since assuming power in 2003, the Hu-Wen administration has sought to tackle the waning ideational power of the Communist ideology due to co-option and market reform, by outlining the theory of "*Harmonious Society*" (*hexie shehui*) at the 2005 National People's Congress.⁹⁰ Increasing Party accountability is a key element of the Hu-Wen administrations concept of a "*harmonious socialist society*"; a prime strategy is the extensive targeting of corruption in order to stave off the political cynicism of the masses.⁹¹ The Jiang government oversaw the arrest of former Beijing Mayor Chen Xitong in 1998, and the decimation of the Yuanhua smuggling ring in Fujian in 2001.⁹² Yet the Hu-Wen administration saw an increase in the prosecution of prominent corrupt officials. In 2005, 1932 officials were convicted for corruption, including six at ministerial level.⁹³ Hu Jintao's promotion of the Party Schools system

⁸⁸ Lampton, 'Three Faces of Chinese Power', p. 230

⁸⁹ Dickson, B. J., 'Dilemmas of Party Adaptation', in Rosen, S., (eds.) p. 142

⁹⁰ Holbig, H., 'Remaking the CCP's Ideology: Determinants, Progress, and Limits under Hu Jintao', *Journal Of Current Chinese Affairs*, 38(3), 35-6, 2009, p. 36

⁹¹ Ewing, D.R., Hu Jintao: 'The Making of a Chinese Secretary' *The China Quarterly*, (Cambridge: Cambridge University Press, 2003), p. 19

⁹² Peerenboom. R. P., 'China Modernizes: Threat to the West or Model for the Rest?', (Oxford and New York: Oxford University Press, 2008), p. 246

⁹³ Shirk, S. L., 'Fragile Superpower', p. 32

has further augmented China's ailing socialist ideology, with a national network of approximately 2700 schools that provide mid-career training for Party and state cadres, they act as an effective mechanism for indoctrination, not only of these actors, but increasingly entrepreneurs and military personnel, fostering a tight ideological grip over the driving forces of economic growth and coercion.⁹⁴ Crucially, "Intra-Party" democracy offers the CCP a bridge to expand accountability and transparency in the CCP, while refraining from a rapid adoption of Western democratic models. The CCP experiments with the direct elections of village and township government committees, including contests between multiple CCP candidates and even a limited number of non-CCP members, with estimates that around 20% of village committees now hold multicandidate elections, and with 70% of village governments contested in this way.⁹⁵ This largely successful Party-strengthening strategy was institutionalized in the 1998 Organic Law, yet confined to the rural interior.⁹⁶ The limited expansion of "intra-party" democracy is a particular attractive option, for it will encourage greater numbers of skilled graduates and managers to offer their skills to the CCP, eager to acquire political representation, corporatism on the CCP's own terms.⁹⁷ Hu Jintao has further expanded the concept of "intra-party democracy" (*dangnei minzhu*), in a white paper published in October 2005, aiming to foster horizontal consultation and debate within a vertical system.⁹⁸ Yet, the popular election of China's top leadership, a cornerstone of Western democracy by the masses is strictly prohibited. This marks Hu's refusal to introduce "Western" multi-party politics to the PRC anytime soon, believing there is nothing intrinsically fallible with the CCP's core ideology, and that through limited intra-system political reform and adherence to "scientific socialism" or "techno-nationalism", the CCP will be able to perpetuate its mandate to rule.⁹⁹

94 Shambaugh, D., 'Training China's Political Elite', *The China Quarterly* 196 (Dec. 2008), p. 827

95 Shambaugh, D., 'China's Communist Party, Atrophy and Adaptation', p. 139

96 O'Brien, k., and Lianjiang, Li, 'Accommodating One Party Democracy in a One-Party State: Introducing Village Elections in China', *The China quarterly*, No. 162, (Cambridge University Press, June 2002)

97 Cheol Kim, Jae, 'From the Fringe to the Center: The Political Emergence of Private Entrepreneurs in China', *Issues and Studies* 41, (September 2005): 113 - 43

98 CCP, 'Building of democracy in China VIII. Democratic Rule by the CCP', White Paper, October 2005, Available at: <http://www.china.org.cn/english/features/book/145877.htm>

99 Wo-Lap Lam, W., 'Chinese Politics in the Hu Jintao Era', p. 35

Significantly, even if the CCP cannot avoid taking incremental steps towards multi-party elections in the long-term: while avoiding intra-party splits and successfully addresses socio-economic demands: the experience of Taiwan's KMT and Japan's Liberal Democratic Party, suggests that the CCP, emerging as a Social Democratic Party, will be able to maintain its political hegemony in society for a considerable time frame. Using this "*window of opportunity*" to fill up the organizational space in society and retaining control of key constituencies, will bestow the CCP with a distinct advantage over fledgling political groups.¹⁰⁰ The agglomeration of these policies allows CCP to avoid the fate of the CPSU; allowing limited space for civil actors to vent their frustrations and avoiding "*top-heavy*" reform, without threatening to undermine the status quo, "All this will enable the CCP to remain a ruling, *Marxist* party".¹⁰¹

Strengthening Coercion: "Political Power Grows out of the Barrel of a Gun"

Crucially, alongside deepening reform, the CCP has not only retained an iron grip over their coercive capabilities in accordance with the infamous Maoism "*Power grows out of the barrel of a gun*", but have taken steps to *strengthen* the mechanisms of hard power that continue to ensure the survival of the regime.¹⁰² The CCP has evolved a policy of "*selective repression*", in contrast to the indiscriminate "*mass terror*" of the Mao years, tailoring advances in technology to its advantage; subtly targeting the proliferation of any extensive networks of independent, "*civil society*" actors suspected of potentially opposing the regime.¹⁰³ Evident examples include the suppression of the China Democracy Party in 1998 and the infamous repression of the Falun Gong.¹⁰⁴ The CCP has responded to advent of the "*internet boom*" in the PRC,

¹⁰⁰ Chu, Yun-Han 'Taiwan and China's Democratic Future: Can the Tail Wag the Dog?' in Li, Cheng (eds.), 'China's Changing Political Landscape', p. 320

¹⁰¹ Hu Jintao, 'Full Text of Hu Jintao's Report at the 17th Party Congress', 31/10/2007, (Last accessed: 15/03/2010) Available at: <http://www.chinese-embassy.org.uk/eng/zyxw/t376863.htm>

¹⁰² Shue, V., 'Legitimacy in Crises', in Gries and Rosen (eds.) 'State and Society', p. 25

¹⁰³ Pei, M., 'China's Trapped Transition, the Limits of Developmental Autocracy', Cambridge MA and London: Harvard University Press, 2006) p. 81

¹⁰⁴ Andrew, Nathan, 'Authoritarian Resilience', *Journal of Democracy*, Volume 14, Number 1, (January 2003)

with an estimated 384 million users, by tightening control over the media. In tandem with the creation of the “*Golden Shield Project*” or “*Great Firewall*” in 1998, the Ministry of Information in October 2000 declared the illegality of any site deemed “*subversive*”.¹⁰⁵ Regardless of the relatively permeable information flows, which resulted in the exposure of the “*SARS cover up*” by CCP officials in 2003, the CCP seems likely to retain a monopoly over *political* discourse at least for the foreseeable future.¹⁰⁶

Furthermore, the swift deposition and humiliating televised execution of Romania’s communist dictator Nicolae Ceaușescu in December 1989, orchestrated by a disaffected military that sided with protestors has proved a potent lesson for the CCP, particularly in light of the June 4th incident which has severely tested PLA-CCP relations. Hu Jintao, despite his obvious lack of military credentials in comparison to Mao or even Deng (not a “*long marcher*”), has been careful to build up connections between the CCP and the People’s Liberation Army (*PLA*), appointing the children of the “*revolutionary leadership*” to key positions in the PLA to shore up their commitment to the Party.¹⁰⁷ Both Jiang and Hu since the early 1990’s have addressed the budgetary neglect of the military, a result of Deng’s primary focus on stimulating economic growth before Tiananmen.¹⁰⁸ Lieberthal highlights the “*coercive deficiencies*”, namely the shortage of a well-trained police force, which the CCP has attempted to overcome in recent years.¹⁰⁹ The 14.7% increase in the official 2006 PLA budget for example, was according to Shirk, directed not only at augmenting the People’s Armed Police Force (*Wu Jing*), but also at ensuring the PLA remains loyal to the CCP and Hu Jintao *personally*.¹¹⁰ Crucially, Mulvenon argues that it remains likely that the PLA would act decisively to quell a major political crisis similar to Tiananmen due to two strategies adopted by the CCP since the 1990’s. Normatively,

105 Mitter, R., ‘Modern China: A Very Short Introduction’, p. 89

106 Saich, T., ‘Politics and Governance of China’, p. 341

107 Hutton, W., ‘The Writing on the Wall’, 2007, p. 141

108 Shambaugh, D., ‘Modernizing China’s Military: Progress, Problems and Prospects’, (Berkeley: University of California Press, 2002), p. 191

109 Lieberthal, K., ‘Governing China’, p. 203

110 Shirk, S., ‘Fragile Superpower’, p. 73

the CCP has portrayed the PLA as the muscular embodiment of the PRC's nationalism, giving them considerable "face" after the humiliation of June 4th. Instrumentally, the CCP has been careful to make it clear that their fates are "intertwined", although the CCP relies on the PLA for domestic survival, but the PLA recognizes that under any other political system, they would not enjoy such a degree of bureaucratic autonomy and power.¹¹¹ Through these coercive forces, the CCP can effectively "decapitate" any groups that may develop into the organizational basis for larger scale collective action.¹¹²

Conclusion: "Analyzing the Scholarly Debate"

The magnitude to which the aforementioned adaptations have empowered the CCP to survive and rejuvenate is intensely debated by scholars. Whilst they predominantly agree that the CCP is a vulnerable institution, and that further political reform is evidently required in order to reverse the process of atrophy, they tend to dispute the success of existing reforms and the intensity of the CCP's predicament.¹¹³ Certain optimistic scholars such as Yun-Han-Chu argue that the CCP is more likely to follow the East Asian Model of development and not that of Eastern Europe or the USSR, arguing that the balance of strength's and weaknesses of the CCP are comparable to that of the KMT in the late 1970's and early 1980's Taiwan, and that the regime's strengths far-outweigh its weaknesses.¹¹⁴ Fewsmith suggests that despite the pressures of domestic reform, existing Leninist institutions in China remain strong and that the "intra-party debate" at the 2002 CCP Congress was directed at developing mechanisms to make government more responsive to the demands of local society, but not to threaten the ruling status of the Party. There are strong indications he

¹¹¹ Mulvenon, J., 'Civil-Military Relations', in Li, Cheng (eds.), 'China's Changing Political Landscape', p. 276

¹¹² Shue, Vivienne, 'Legitimacy in Crises', in Gries and Rosen (eds.), 'State and Society', p. 25

¹¹³ Shambaugh, David, 'China's Communist Party, Atrophy and Adaptation', p. 38

¹¹⁴ Chu, Yun-Han 'Taiwan and China's Democratic Future: Can the Tail Wag the Dog?' in Li, Cheng (eds.), 'China's Changing Political Landscape.' pp. 319-320

believes, of a revolutionary party (*gemingdang*) evolving successfully into a ruling party (*zhizhengdang*).¹¹⁵

Presenting a contrastingly pessimistic depiction of the Party's future, MacFarquhar contends that the expansion of party membership to include entrepreneurs and graduates, although allowing the Party to *grow* to around 73 million members, entails a devastating corrosion of the CCP's ideological mandate. The CCP he believes, has ceased to represent an ideologically coherent organization and instead is analogous to a socio-political rotary "*club*", where membership is drawn, *not* from ideological persuasion, but because it is beneficial for Party members' careers.¹¹⁶ Minxin Pei, while refraining from predicting imminent regime collapse, still underscores the likelihood of a continued governance crisis and political stagnation.¹¹⁷ Shambaugh aptly refrains from "*zero-sum*" predictions, arguing that not all regimes facing acute domestic pressures suffer "*eruptions*" or "*implosions*"; rather, many simply react in an "*ad hoc fashion*" to the pressures of domestic reform. Yet the CCP has been remarkably *proactive*, adapting *effectively* in order to retain power; this adaptive strategy *can* stabilize, and even reverse, the process of atrophy.¹¹⁸

Weiss eloquently augments the debate, explaining that most states *do* possess the ability to adapt to varying circumstances. However, the inability of scholars to immediately identify these capabilities may lead to their mistaken assumption that the state is in decline.¹¹⁹ Adhering to the Weiss' contribution, this essay has identified three *crucial* factors that portend to sway the balance of atrophy and adaptation in favour of the CCP's survival; Firstly, the absence of any coherent, independent and organized competition or '*civil society*' directed against the CCP, even China's "*democratic parties*" remain contingent on the volition of the CCP.¹²⁰ There is no

115 Fewsmith, J., 'What Kind of Party is this?', Paper Presented at the 58th Annual Meeting of the Association for Asian Studies, San Francisco, April 2006, p. 12

116 MacFarquhar, 'Debate #1: Is Communist Party Rule Sustainable in China? Remarks by Roderick MacFarquhar, Harvard University', October 2006, (Last Accessed: 01/02/2010), Available at: http://www.carnegieendowment.org/files/cds_macfarquhar.pdf

117 Minxin Pei, 'China's Governance Crisis', Foreign Affairs, Vol. 85, No. 5, (2002), p. 109

118 Shambaugh, D., 'China's Communist Party, Atrophy and Adaptation', 2008, pp. 39-40

119 Weiss, L., 'The Myth of the Powerless State', (Ithaca, NY: Cornell University Press, 1999) p. 10-11, cited in Laliberte, A., Lanteigne, M. (eds.), 'The Chinese Party State in the 21st Century', p. 6

120 Farndon, J., 'China Rises', p. 50

apparent “*vanguard of democratic forces*”, the middle class has exhibited little signs of assenting to organized dissent and the tens of thousands of grassroots level protests have not been unified or aimed at the central Party. In sum, “*The notion that such expressions of one-issue discontent will form the basis for call for a multiparty system seems fanciful*”.¹²¹ On the contrary, the “*new rich*” (*xinrui*) seem more concerned with protecting their wealth from the rural poor, than “*sharing political power with their fellow citizens*”.¹²² Secondly, as long as the CCP retains its monopoly on coercive power, no matter how despotic it becomes, it can remain in power for a significant period of time.¹²³ Thirdly and most crucially, despite previous fears that the recession would cause the “*glue*” of the patronage system, which arguably underwrites CCP rule, to dissipate, allowing endemic factionalism to surface.¹²⁴ The PRC has “*bucked the trend*” of the devastating global recession by implementing a rapid \$586 billion stimulus package, resulting in an average 8.7% growth in 2008. This reached as high as 10.7% in the final quarter of 2009, leaving the West trailing behind.¹²⁵ With China’s economy seemingly emerging from the global recession intact, the current situation appears fortuitous.

These factors underpin the “*window of opportunity*”, which scholars have earmarked as a “*crossroads*” for the CCP in the second decade of the 21st Century. Securing the party-state regime for the short-medium term, will permit the CCP to evolve on its own terms, either retaining a monopoly on power indefinitely and favouring the “*intra-party democracy*” model (*dangnei minzhu*), or more likely in the long-term, competing in multi-party elections as a Social Democratic Party, when it feels confident of victory. This transition will be a difficult process, and relies on the

¹²¹ Fenby, Jonathan, ‘The Party Adapts to Stay on Top’, *Far Eastern Economic Review*, (May, 2009), (Last accessed: 12/03/2010), Available at: <http://www.feer.com/essays/2009/may/the-party-adapts-to-stay-on-top>

¹²² Wang, F. and Deng, Y. (eds.), ‘China Rising, Power and Motivation in Chinese Foreign Policy’, (Lanham: Rowman & Littlefield Publisher, 2005), p.35

¹²³ Shambaugh, D., ‘China’s Communist Party, Atrophy and Adaptation’, p. 40

¹²⁴ Pei, Minxin, ‘Will the Chinese Communist Party Survive the Crisis?’ *Foreign Affairs*, (12/03/2009), (Last accessed: 15/02/2010), Available at: <http://www.foreignaffairs.com/articles/64862/minxin-pei/will-the-chinese-communist-party-survive-the-crisis>

¹²⁵ Coonan, C., ‘China bucks global recession with Over 8% Growth Last Year’, *Irish Times*, January 2010, (Last accessed: 10/03/2010), available at: <http://www.irishtimes.com/newspaper/finance/2010/0122/1224262842166.html>

choices and innovation of China's 5th generation leaders; crucial political reform (*or an absence thereof*) will most likely “*come from the top*”, and is dependant on sustaining fragile economic stability, but there is hope; today's China is full of “*sharp and open minds*”, there is “*still everything to play for*”.¹²⁶

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¹²⁶ Garton-Ash, Timothy, ‘China Arrives as a World Power Today - and We Should Welcome it’, *The Guardian*, (02/04/2009), (Last Accessed: 08/3/2010), Available at: <http://www.timothygartonash.com/china.html>

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