

STABILITY OF THE CHINESE GOVERNMENT

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INTRODUCTION

China poses a puzzle for observers as it appears to be a strong, stable, and robust country outwardly, but contains internal problems which lead some people to predict that state's imminent demise in all sorts of creative ways.¹ China, as the world's second largest economy, one that is a large trading partner for the United States, is itself closely intertwined with other major American trading partners, and given China's close proximity and historical animosity towards major allies of the United States, the security and stability of China has broad implications for American security and wellbeing.² Anyone who remains abreast of current events knows that over the past decade, worries about the rise of mainland China and its implications for American strategic interests and the global liberal democratic order have been in the forefronts of the minds of many. Such worries have been pervasive in American news media for quite some time. The flip side of the implications of growing mainland Chinese power is the worry that there are many internal divisions within the People's Republic that have the potential to have broad implications.³

This paper will not pretend to be able to predict how mainland

1. Shambaugh, David. *China's Communist Party: Atrophy and Adaptation*. Washington DC: Woodrow Wilson Center Press, 2008, 27-28.

2. Takeuchi, Hiroki. "Introduction to Chinese Politics." Lecture, Chinese Politics at Southern Methodist University, Dallas, 27 August 2015.

3. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007.

China's power will develop over the next few decades or if the regime in Beijing will face a serious challenge for power, but I will analyze the trends since the Tiananmen Square incident in 1989 to determine whether the People's Republic has become more stable, less stable, or is roughly equal to how it was around 1989. Possible answers range from a No, that the government of mainland China has not grown less stable, to Perhaps and that the evidence is ambiguous, to a Yes that the Beijing today is in a more precarious position now than it was in 1989. All the answers will consider the underlying instabilities in China and other domestic pressures that may force the hand of the Chinese government and worsen conditions for the country. For the purposes of this paper, I will be arguing the second option, in short arguing that China is more stable today, but that it still has issues that have the potential to pose a serious risk to stability if handled poorly and allowed to escalate.

The paper will first do a brief overview of the history of the issue, beginning from the Tiananmen Square incident and its origins. The climate of the time period, the broad outline of the event, the forces behind what happened, and a general understanding will be the aim of this section. The crisis began with the dismissal of pro-democracy Party official Hu Yaobang, who died while giving a speech in 1989.⁴ After his death, students organized to mourn his passing in Tiananmen Square.⁵ The mourning turned into pro-democracy protests.⁶ The Party lost control of their paper, martial law was declared, and up to several thousand people may have died when tanks tried to clear the area.⁷ The near brush with regime collapse has defined much of Chinese public policy since 1989.⁸

Following this experience, the Chinese Communist Party set about trying to bring entrepreneurs and business owners into the Party's fold, and they have been largely successful in making membership very

4. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 35.

5. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

6. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

7. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36-37.

8. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 38.

attractive, even so far as to make Party membership something that is considered by over fifty percent of college students.⁹ By aligning the interests of the business community and the future generation of intellectuals, China is diminishing two possible flashpoints of dissent and rebellion.¹⁰ China seeks to pacify minorities by granting them a disproportionate say in the Chinese government and subsidies.¹¹ Even with the progress the Chinese government has made, there are many other areas for concern that bring into question the regime's long term stability. The Chinese state is not capable of always providing public goods.¹² The People's Republic has a problem of rampant corruption that affects every facet of Chinese life.¹³ Chinese people are also increasingly less likely to cooperative with Communist Party authorities, and this type of defiance is problematic to authoritarian regimes.¹⁴ I reconcile these two trends in China and the Communist Party, and come to a conclusion similar to that of David Shambaugh's, and I argue that both of these are true, that they are not mutually exclusive; that the CCP has been successful in ingratiating itself with more constituencies, but at the same time there is an underlying fragility that has the potential to threaten stability.

HISTORY

In the spring of 1989, as Mikhail Gorbachev's stunning departure from enforcing communist supremacy led to the crumbling of Warsaw Pact regimes in Eastern Europe, many students in China gathered in Tiananmen Square to mourn the loss of Hu Yaobang, a beloved statesman who was the chairman of the Chinese Communist Party prior to Zhao

9. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 44-46.

10. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 44-46.

11. Takeuchi, Hiroki. "Post Mao (Limited) Political Reform." Lecture, Chinese Politics at Southern Methodist University, Dallas, 1 December 2015.

12. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 12-13.

13. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 12-13.

14. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 181.

Ziyang.¹⁵ Hu Yaobang had earned a reputation as a reformer and his passing inspired students to protest for democracy and demand an end to single party rule.¹⁶ Deng Xiaoping and other members of the Chinese Communist Party leadership advocated a strong position against the students and refused to acquiesce to the students' demands, a departure from the position of Zhao, who was the leader of the Party at the time.¹⁷ The differences in the positions between Zhao and the rest of the top Party leadership meant that the protesters were "hearing mixed signals from the leaders," and so the "students, joined now by urban residents, were emboldened to keep demonstrating."¹⁸

Remarkably, the "*People's Daily* journalists, for the first time ever, ignored the censors and reported what was actually happening," and perhaps because the Communist Party felt now that the situation was escalating out of hand, the top leadership overruled the "Politburo Standing Committee," which had "split on a motion to declare martial law," and instituted martial law.¹⁹ Despite the show of force by the Chinese Communist Party, demonstrations did not cease, but instead "Beijing citizens from all walks of life blocked [the troop's] progress by surrounding the military vehicles," culminating eventually with the deaths of "hundreds, or possibly thousands, of students, supporters, and bystanders the night of June 4, 1989" by the People's Liberation Army.²⁰ Per Susan L. Shirk, the Tiananmen Square incident was a "life or death" event that had a serious threat of overthrowing Communist Party rule.²¹ Perhaps the best way to demonstrate how great of an impact the near collapse of Communist power had in the Chinese leadership, consider

15. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 35.

16. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 35-26.

17. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

18. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

19. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

20. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 36.

21. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 37.

the excerpt from Shirk's book *China: Fragile Superpower*:

“The trauma of Tiananmen left China's communist leaders hanging by a tenuous thread. Just months after the crackdown, the Berlin Wall was torn down, a popular uprising overthrew the Romanian communist dictator Nicolai Ceausescu, and communist regimes in Poland, Czechoslovakia, Hungary, and Bulgaria were toppled in rapid succession. The Soviet Union itself, the strongest communist power the world had ever seen, collapsed in 1991. Would China be next?”²²

Perhaps for this reason, China sees it appropriate to spend more on internal policing than it does on defense from foreign threats.²³ Since Tiananmen, the Chinese Communist Party has embarked on certain policies to ensure that there is as little unrest in society as possible.²⁴ According to Shirk, the first of these is to maintain a unified front on decision making, which necessarily means there will continue to be a degree of mystery when it comes to decision making by the Party.²⁵ The second most important priority for the Party is ensure that student, ethnic, labor, rural, and nationalist unrest do not go out of hand, to retain the support of the People's Liberation Army, and use nationalism to strengthen their position at home.²⁶

MAINTAINING CONTROL: REASON FOR THE CHINESE LEADERSHIP TO BE UPBEAT

When considering how successfully Beijing has been able to align the interest of various interest groups with that of the Party, one would have a positive attitude towards the CCP's ability to maintain one party rule. The Chinese Communist Party today has also been able to gain a significant level of control over the state primarily by ensuring

22. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 38.

23. Takeuchi, Hiroki. “Introduction to Chinese Politics.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 27 August 2015.

24. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 39.

25. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 39.

26. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 39-78.

robust growth.²⁷ The strategy of the Party for maintaining control is by ensuring growth and the ensuing prosperity to bolster their standing amongst the people.²⁸ The means by which the Chinese Communist Party has been able to sidestep the democratization which is predicted by modernization theory is by using state capitalism to grant access to markets and thus secure the support of the business class and thwart the demand for democracy.²⁹ This strategy has thus far worked.³⁰ The problem, however, is that this system is perfect for corruption to occur, which itself is detrimental to growth.³¹ Because the Chinese Communist Party needs growth to maintain one party rule, this produces a unique quagmire.³² China needs growth to maintain rule by the Chinese Communist Party, but growth is being hindered by state capitalism, which is necessary to prevent an independent business class from arising and possibly demanding democracy.³³

Especially since 2002, the Party has made efforts to actively recruit more entrepreneurs into the Communist Party.³⁴ Not that this trend was not already in place long before. Per Teresa Wright in her book *Party and State in Post-Mao China*, “from the late 1980s to the present, the Party has moved from tolerating to embracing private business,” as the successes of the Special Economic Zones proved lucrative for China.³⁵ The recruitment of business owners has proven to be successful and

27. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

28. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

29. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

30. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

31. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

32. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

33. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

34. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 47.

35. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 46.

gotten traction. Now, less than half of the members of the Chinese Communist Party are farmers “or rank and file workers,” a massive departure from the “Maoist period, when nearly two-thirds of CCP members” came from the bottom rungs of the socioeconomic scale.³⁶ This is a smart move by the Chinese Communist Party. By ingratiating business owners into the Party and aligning their interests with those of the Party, a large and powerful bloc in Chinese society, one can logically conclude, will be more loyal to Beijing than they would have been otherwise, which bolsters the regime’s chances of survival.

Business owners and entrepreneurs are not the only segment of society that the Chinese Communist Party has sought to co-opt. The Tiananmen Square protests began as a student protest and there was a strong pro-democracy element to the protests.³⁷ Unsurprisingly, and wisely on the part of Beijing, the Chinese Communist Party now seeks to align the interests of the students with that of the Party.³⁸ The Party has not always had a good relationship with intellectuals, however. During the Cultural Revolution, intellectuals were specifically targeted and suffered greatly, and this translated into hesitation on the part of students and intellectuals in joining the Party during the early part of the reform era.³⁹ The Tiananmen Square incident probably did not help improve the Party’s image amongst intellectuals either. Nonetheless, CCP has been successful in turning around its image and being attractive to the intellectual segment of mainland Chinese society. Party leaders are seen as good employees and competent workers, making them more attractive to employers and giving students a much greater incentive to become a member of the Party.⁴⁰

This is evidenced by the fact that “In 1990, less than one percent of college attendees had been accepted into the Party,” but in only eleven years the CCP was successful in raising the number to eight percent and

36. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 47-48.

37. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 35-26.

38. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 45.

39. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 44.

40. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 45.

over half of all college students have answered in polls that they would consider becoming a part of the CCP.⁴¹ According to Wright, at the beginning of the reform period and the end of the Cultural Revolution, only about thirteen percent of Party members had completed secondary school, but now the number is over fifty percent, and over forty percent of Party members have college degrees.⁴² By including students and intellectuals within the Party, it achieves two things. The Party not only has greater expertise on a variety of different areas, but by tying the intellectuals into the Party, it, like with Chinese entrepreneurs, aligns the interest of the Party with that of students, and so decreases the probability that they will attempt to subvert the existing order. The aforementioned evidence demonstrates that the Party's appeal has to do partially with the fact that Party members have an edge on most applicants for jobs. The fact that many students at least consider joining the Party demonstrates a willingness to work within the existing system and comply with the Communist Party-led order that is in place as opposed to advocating for its removal and introducing chaos into the status quo. While this is not certain, this is a rational guess and the mere fact that the Party itself has invested so much time and resources appears to suggest that they probably agree and believe that this works.

Minorities, another potential problem area, are in some ways given preferential treatment. Ethnic minorities have a form of positive discrimination, or affirmative action, in which they are disproportionately represented in the Chinese government, and are eligible for subsidies.⁴³ This has now come to a point where even Han Chinese may try to pass as an ethnic minority just so they will be eligible for greater public assistance or other advantages.⁴⁴ When one observes these trends, one is likely to be very optimistic. Here there appears to be evidence that the Chinese Communist Party has been able to pacify its opponents, and especially those with power, the business owners and students. When considering these facts and only these facts it would appear logical to

41. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 45.

42. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 45.

43. Takeuchi, Hiroki. "Post Mao (Limited) Political Reform." Lecture, Chinese Politics at Southern Methodist University, Dallas, 1 December 2015.

44. Takeuchi, Hiroki. "Post Mao (Limited) Political Reform." Lecture, Chinese Politics at Southern Methodist University, Dallas, 1 December 2015.

come to the conclusion that the Chinese regime will remain in place for quite some time. However, there are of course detractors and those that are far less optimistic about the CCP's prospects.

**CONTINUED PROBLEMS: REASONS FOR THE CHINESE
LEADERSHIP TO BE CAUTIOUS**

Even with the best of efforts, mainland China continues to have some major problems. If one considers these problems, one could justifiably hold a very cautious or fatalistic attitude about the Chinese regime, as evidenced by Shambaugh's referral of Chang, who believes that the Party has decayed and its sluggish organization cannot keep with the breakneck pace of change and will lead to regime collapse.⁴⁵ Others hold more tempered views. According to Pei, Beijing is increasingly unable to effectively execute the "extraction of revenues, the provision of public goods, the collection of information, and the enforcement of laws and rules."⁴⁶ The last one should be especially worrying. If the Chinese Communist Party is increasingly unable to maintain order and the citizenry is increasingly willing to defy the Party, it logically follows that these trends should run counter to the Party's goal of maintaining stability in the country. The Chinese Communist Party also has trouble controlling the People's Liberation Army, which engages in business activities, the legality of which is sometimes dubious.⁴⁷ Beyond the "erosion of state capacity in China," other major issues in the country are corruption which had provided a damper on robust economic growth.⁴⁸

Much like the United States, mainland China also appears to be undergoing problems due to inequality. According to Pei's book *China's Trapped Transition*:

"The idea that severe structural imbalances have accumulated in China's society and political system has gained currency within China. Specifically, such imbalances refer to the rising inequality (socioeconomic, regional, and urban-rural), the growing tensions

45. Shambaugh, David. *China's Communist Party: Atrophy and Adaptation*. Washington DC: Woodrow Wilson Center Press, 2008, 27-28.

46. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 13.

47. Yang, Dali L. *Remaking the Chinese Leviathan*. Stanford: Stanford University Press, 2004, 131.

48. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 12-13.

between the ruling elite and the masses, the erosion of values, and the simultaneous consolidation of an elite-based exclusivist ruling coalition and increasing marginalization of weak groups, such as workers, peasants, and migrant laborers.”⁴⁹

Another area that demonstrates the Communist Party’s waning power is the “erosion of the CCP’s mobilization capacity.”⁵⁰ At the inception of the Chinese state, according to Pei, the Party was able to mobilize people in various campaigns to undertake various projects that Chairman Mao or the Party wanted to have executed by the people, which is a stark departure to today when in 1999, “despite a massive official propaganda campaign against Falun Gong, the CCP could not mobilize a single social group to support its crackdown,” which demonstrates a tremendous evolution in Chinese society from the era of the Cultural Revolution and when the leader of the Party had to only utter a word to the Chinese newspapers and everyone in the country would do what the leader merely suggested be done.⁵¹⁵² Per Shambaugh, “When compliance and discipline break down, an authoritarian state is endangered,” and CCP’s diminishing grip on its population does not bode well for the Party’s prospects.⁵³

The evidence provided from Shirk’s work demonstrates that the Chinese Communist Party places a premium on maintaining its power, given the fact that it has taken so many measures to ensure that unrest will be prevented before it even starts, kept low if it does occur, and that the Party will have the means to crush opposition if need be with the support of the People’s Liberation Army.⁵⁴ The evidence provided by Pei, which suggests that Beijing is increasingly unable to perform basic and crucial functions necessary for a functioning government, however,

49. Pei, Minxin. *China’s Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 14.

50. Pei, Minxin. *China’s Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006 181.

51. Pei, Minxin. *China’s Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 182-183.

52. Takeuchi, Hiroki. “The Trajectory of Post-Mao Reforms.” Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

53. Shambaugh, David. *China’s Communist Party: Atrophy and Adaptation*. Washington DC: Woodrow Wilson Center Press, 2008, 17.

54. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 39-78.

demonstrates the decline of the Party's ability to hold onto that kind of power. Coupled with the evidence that the Chinese state spends more on maintaining order internally than it does on defense against foreign threats, it paints a picture of a country that is increasingly incapable of meeting its first priority of keeping control of the country.⁵⁵ One must be concerned that any severe economic downturn or destabilizing effect has the potential to greatly escalate. Particularly if Pei's evidence is correct and the Chinese people are increasingly unwilling to follow rules set forth by the Party, logically that would suggest that Beijing's control over the country is receding. That does not bode well for Chinese stability and one may reasonably fear the consequences of unforeseen events that have the potential to cause mass mayhem.

The lack of evidence for a clear and coherent opposition in the country suggests that there is no reason currently to believe that the collapse of the Chinese regime is imminent, or even likely in the foreseeable future. However, the large amount of resources devoted to maintaining control, but the decline in the Party's ability to fully perform functions essential to a state suggests that in general the country may not be fully capable of handling a large unforeseen crisis and that there may be an avenue for internal dissent to succeed. Another area that has the potential to greatly destabilize the country is foreign policy and the intense nationalism that many in China subscribe to.⁵⁶ The Communist Party is concerned about hypernationalism because "too much patriotism can be a bad thing if it triggers protests that imperil CCP rule or forces the government into a confrontation with the American superpower."⁵⁷ This in itself is a unique quagmire for the Communist Party, in which its not secession or frustration of the domestic policies of the government can jeopardize Party rule, but its extreme nationalism and the demand from the people that the country make a stand against "hegemony" and those that have forced China into a "century of humiliation."⁵⁸

55. Takeuchi, Hiroki. "Introduction to Chinese Politics." Lecture, Chinese Politics at Southern Methodist University, Dallas, 27 August 2015.

56. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 98.

57. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 98.

58. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 98, 186.

CAN BOTH OF THESE VIEWS BE RECONCILED?

David Shambaugh identifies the strange puzzle that the issue of regime stability in China posits. On the one hand, Beijing has been largely successful in tying their interest with the interest of key demographic groups in the country, but also at the same time there are underlying instabilities that have the potential to escalate and cause serious harm, as demonstrated by the evidence in the last two sections. Can these two different views be reconciled?

Finding the truth will require finding common ground between these two different views and viewing these facts as pieces of a puzzle that form a much more comprehensive picture, that the Communist Party has succeeded in ensuring that enough interests are tied with theirs to ensure greater stability and that the People's Republic is at the threat of collapse. Because of the extensive and closely intertwined relationship between the United States and China, the People's Republic's regime stability has broad implications for the United States.⁵⁹ Undoubtedly, the collapse of the world's second largest economy will most certainly have a massive impact on the economy and the security of the world's largest economy, making it all the more urgent that American policymakers have a thorough understanding of the nature of the Chinese regime and its current status.⁶⁰

Thus there is moral impetus for American policymakers to be able to bring together these disparate set of facts and create a complete picture. David Shambaugh attempts to do precisely this when he argues that the Chinese state may be in a state of "atrophy," but that at the same time, the Party and government is trying to "adapt" and reform itself to remain viable.⁶¹ Once again, I agree with Shambaugh. The evidence aforementioned does not paint pictures that could only be true in parallel universes; they fit together quite neatly. Since the Tiananmen Square incident in 1989, the Chinese Communist Party has placed a renewed emphasis on co-opting various groups in the country and

59. Takeuchi, Hiroki. "Introduction to Chinese Politics." Lecture, Chinese Politics at Southern Methodist University, Dallas, 27 August 2015.

60. Takeuchi, Hiroki. "Introduction to Chinese Politics." Lecture, Chinese Politics at Southern Methodist University, Dallas, 27 August 2015.

61. Shambaugh, David. *China's Communist Party: Atrophy and Adaptation*. Washington DC: Woodrow Wilson Center Press, 2008, 38-39.

making Party membership more attractive to Chinese citizens.⁶² At the same time, Chinese citizens have become less likely to cooperate with the authorities.⁶³ Tensions have been largely limited because of robust economic growth, but they have the potential to become much more problematic if growth slows substantially and the Chinese government is unable to meet its end of the social contract where it provides increasing levels of prosperity.⁶⁴ Essentially what this means is that the Chinese government is for the time being relatively stable, and because it has co-opted so many of the groups with the potential to dissent, one can say this grants the Chinese government more room to maneuver than it had right before the Tiananmen Square incident, but if conditions turn bad enough, it could threaten the survival of the regime.⁶⁵

In particular, the issue of state capitalism creates a challenge for China. It relies on state capitalism to sidestep modernization theory, which says a burgeoning middle class will demand democratic reforms and that state capitalism will handicap long-term growth, making the regime unstable.⁶⁶ The aforementioned evidence demonstrates that the regime has been able to tie the interest of the Party with other powerful interest groups, but this has a tremendous potential of becoming problematic. Use of personal relationships is a deeply ingrained part of Chinese culture, which makes fighting corruption an enormous challenge.⁶⁷ This appears like a ticking time bomb and will work well with the argument of the pessimists, but given the lack of a coherent opposition to the one party state and the lack of predictability of the future, I argue that the best answer is that the state is more stable than it was during Tiananmen because it has been able to co-opt many of the same groups that challenged Party dominance in 1989 and several others on top of

62. Wright, Teresa. *Party and State in Post-Mao China*. Cambridge: Polity Press, 2015, 44-46.

63. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006 181.

64. Takeuchi, Hiroki. "The Trajectory of Post-Mao Reforms." Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

65. Takeuchi, Hiroki. "The Trajectory of Post-Mao Reforms." Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

66. Takeuchi, Hiroki. "The Trajectory of Post-Mao Reforms." Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

67. Takeuchi, Hiroki. "The Trajectory of Post-Mao Reforms." Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

that, but at the same time poor economic conditions or major crises have the potential to escalate with devastating consequences if handled improperly. China also has the curious issue of hypernationalism, which also has the potential to derail the Chinese state.⁶⁸ That is certainly a concern, and one could imagine a fluke event happening that might be poorly handled and which could escalate out of control, but because that would require so many variables to line up to come to fruition, I argue that my answer still stands, and that it is the most tempered and rational answer that does not give into unwarranted fatalism or blind optimism.

CONCLUSION

The Chinese government today is in a unique position where there is a myriad of different threats to maintaining Communist Party power, yet the government has been able to quell potential uprising by high levels of growth and rising prosperity. Nevertheless the means by which the government has been able to maintain power is also what is dampening its growth, thus endangering long-term stability. The Party has undertaken many measures to prevent unrest before it starts and to ensure that the Party has the ability to crack down on those that do if need be. Mainland China also has the issue of hypernationalism, and while that can allow Beijing to appear strong against foreigners, it also has the potential to destabilize the country. Potential avenues through which China may be destabilized are numerous. However, given the lack of a coherent opposition and the extensive measures that the Party has taken to maintain control, the answer to whether the government today is more or less stable than before the Tiananmen Square incident of 1989 is ambiguous.

Nineteen eighty-nine was a pivotal year, and it instilled in the Communist Party leadership a fear of what may transpire if regime collapse comes about.⁶⁹ Since then the Chinese government has set about trying to fuse the interests of powerful groups within the country to the interest of the Party, so that their incentives line up with those of the regime and as a consequence promote greater stability.⁷⁰ Given the great

68. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 98.

69. Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007, 38

70. Takeuchi, Hiroki. "The Trajectory of Post-Mao Reforms." Lecture, Chinese Politics at Southern Methodist University, Dallas, 20 October 2015.

benefits that Party membership provides, many have indeed taken that route and become Party members, which also demonstrates a willingness to work within the existing system as opposed to trying to subvert it.⁷¹ At the same time, the regime also has a host of challenges, such as corruption, an inability to provide public goods, and a growing defiance against authorities.⁷² I therefore come to the conclusion that the Chinese state is more stable than the time around Tiananmen, but that a very bad day could bring everything down to a crashing halt. Given China's close ties with the United States and America's interconnectedness with the Western Pacific, this poses a great challenge for the United States, which needs a stable and prosperous China for its own strategic interest and wellbeing, but the problem is compounded by the possibility of sudden regime collapse. This makes trading policy with China all the more dangerous for the United States, and has the potential to have even greater consequences for the future of America and the world than it already has.

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ANNOTATION:

China's Trapped Transition covers the challenges posed by the Chinese Communist Party's move to a more market oriented economy, and the challenges it raises for the regime.

SUMMARY:

Per Pei, "the combination of market reforms and preservation of a one-party state creates contradictions and paradoxes, the implications of which the ruling elites have either chosen to ignore or are reluctant to face directly" (Pei p. 7). Conventional wisdom in political science says that freer markets will create a burgeoning middle class that will clamor for democracy, in something called modernization theory.

71. Takeuchi, Hiroki. "Post Mao (Limited) Political Reform." Lecture, Chinese Politics at Southern Methodist University, Dallas, 1 December 2015.

72. Pei, Minxin. *China's Trapped Transition the Limits of Developmental Autocracy*. Cambridge, Massachusetts: Harvard University Press, 2006, 12-13 & 181.

China, however, has not followed that route and that is something that Pei analyzes.

Multiple East Asian countries moved to freer economies and later loosened government controls, but China is different, and quite a different one at that. Pei mentions “China’s huge size and enormous regional disparities” (Pei p. 18). That is an interesting point; perhaps China is slow to become a democracy because not enough social capital exists for the country to undergo democratization? A part of the reason why the path toward democratization is sluggish is because of the high level of corruption in China, much of which has been trending towards younger Party and government officials. This is a new phenomenon, because it used to be that those officials close to their retirement age who engaged in corrupt practices.

An interesting point is when Pei describes the Chinese state as predatory. A comparison is drawn with other formerly communist countries that have essentially become oligarchies. Per Pei, the Chinese regime is very hesitant to move the country towards democracy again because of the experience of other communist countries from 1989 to 1991, when virtually every communist state and the Soviet Union underwent regime change and some underwent territorial disintegration. Political reform in the Chinese Communist Party has long been viewed with caution and suspicion. Political reform is seen not as an end in its own right, but as an instrument to cement and further solidify the Communist Party’s power.

Of the utmost importance for the Chinese regime is the preservation of Communist Party supremacy. Political reform is undertaken to protect the Party’s power, and economic reform is seen as an instrument to legitimize the Party’s rule in the hearts and minds of the Chinese people. Despite the economic miracle that has taken place in the People’s Republic as a result of economic liberalization in the past few decades, some sectors have been more successfully privatized than others. One example is the banking sector.

The author’s fifth chapter is more cautionary than the other ones, which also have a cautionary feel to them. The author warns that China has a “mounting governance deficit,” and it risks becoming a “predatory state” like Indonesia, a country that had high growth rates, but poor governance and suffered as a consequence (Pei p. 167).

Shirk, Susan L. *China: Fragile Superpower*. Oxford: Oxford University Press, 2007.

ANNOTATION:

Susan L. Shirk worked in the State Department for the Clinton administration and is an expert on China. Her book is about how domestic political pressures have the potential to erase decades of development.

SUMMARY:

China: Fragile Superpower begins with a hypothetical scenario and describing a near miss in 1996 when the United States and the People's Republic almost entered into an armed conflict. The author describes China as a country that is able to project power abroad and has the ability to exercise much influence, but there are strong underlying instabilities that jeopardize the integrity of the mainland Chinese regime. She briefly covers the stunningly high and sustained levels of growth that mainland China has been able to achieve for the past several decades, the country's dependence on the American economy, questions as to the sustainability of this incredible economic growth, corruption, and the uneven distribution of wealth that has favored the coastal cities as opposed to the interior of China.

The author covers some of the history since the end of Mao's rule. She describes Deng Xiaoping as charming and intelligent. One challenge to regime preservation from within the nation's borders, one of the biggest fears for Beijing is a challenge to the regime's legitimacy from the students. In order to maintain power, the Chinese Communist Party has adopted some strategies to deflect blame, or reduce anger directed at the Party. The Communist Party in fact tries to "identify with the protestors" (Shirk p. 66). Coercion, populism, and high levels of economic growth and prosperity are some other strategies that the party uses to maintain power and legitimacy.

Shirk's book argues that the Chinese government has tremendous internal pressures to go to war for Taiwan, against Japan, and the United States due to domestic demand. The Chinese government is itself very vocal and strongly denounces what it sees as slights against the Chinese state and civilization. As a result of state propaganda and Chinese history and culture, there is a strong, vocal, hyper-nationalist group that is very likely to demand that the country go to war if Taiwan declares independence, or an issue arises over Japan or the United States. The

feelings of animosity go from a feeling of shame and humiliation for having lost Taiwan and not fully unified the country, to hatred against Japan and deep suspicion of the United States. Some people in China see a war between these countries as one of national pride. The Chinese government is able to maintain loyalty and support for the regime in part by directing anger and grievances towards outside powers that are described as hegemon and their historical injustices against China. If the government fails to address slights against the country from foreign powers, the regime risks losing the support of a large, vocal, angry group of hyper-nationalists. This places the Chinese Communist Party in a tight spot. The Party must demonstrate its nationalist credentials by engaging in over the top rhetoric, but this also perpetuates a hyper-nationalist attitude against many Chinese people and ultimately threatens the survival of the regime.

Ironically, this very vocal group is probably a vocal minority, and there is a silent majority that takes a more cerebral approach to these issues, or they do not care. A war between China and American allies in the Pacific would severely impact China economy, and a serious confrontation has the potential to erase decades of economic growth and development.

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