Authoritarian Resilience in China: An Examination of Elite Politics in the Post-Reform Era

by

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Abstract

With a membership of more than 73 million, the Chinese Communist Party (CCP) is the largest and possibly the most influential political party in the world. Since decades ago, Western academics have sought to understand the functions of the Party in an effort to predict the potential for democracy in China. Many had forecasted that with the growth of the Chinese middle class and the economy, democracy was surely the next step in China’s transformation. To date, such forecasts have been proven wrong. The continued existence of China’s one-party regime prompts the question of what makes such an authoritarian system so resilient?

This thesis seeks to answer the question by employing an eclectic approach that examines both state-society relations and elite politics. It posits that authoritarian resilience in China is the result of the CCP’s ability to suppress grassroots mobilization as well as its ability to prevent a split among the party elites. By examining the leadership succession process, factionalism, and central leadership demographics—the argument is made that power-sharing and collective decision-making have now become the norms of elite politics in China. Such attributes pose an impediment for an elite-driven democratization process.
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To my parents
Chapter 1: Introduction

1.1 Introduction

The 16th Party Congress held in Beijing in November 2002 staged what was regarded as the most peaceful succession of power in China since the establishment of the People’s Republic of China. Following suit, the 17th Party Congress of 2007 was a peaceful consolidation of Hu Jintao’s power, as old elites were phased out and new elites brought into the fourth generation leadership of the Chinese Communist Party (CCP). The smooth leadership succession has come as a surprise to many spectators, especially upon the advent of a wave of economic development and democratization in East Asia in the second half of the 20th century. Observing that some neighbouring countries such as South Korea and Taiwan have transitioned from authoritarianism to democracy through the course of rapid economic development and successive social movements, China’s one-party regime in comparison continues to persist, prompting the question of why three decades of drastic economic reforms and social change have not led to signs of prospective regime change.

This paper posits that the increasing consolidation of China's one-party rule through institutionalization over time has often been overlooked in the vast body of democracy literature. A dominant approach in the field has been the application of deterministic models (often composed of one or more conditions that are believed to propel democratic processes) to studies of democratization in authoritarian countries. This approach is flawed in two ways. First, it underscores the intricate interplay of variables that spark momentum for political change. That is, by studying individual variables, it overlooks the effects of the interaction between different variables. Second, it ignores the idea that democratization is a process initiated and fueled by the
actions and motivations of actors within the confines of their surroundings. In a country as complex and populous as China, the power of decision-making rests in the hands of a small political elite at the center, which causes a top-down decision-making structure. Therefore, a closer examination of the party institutions and political elites may unravel the mystery behind the resilience of the Chinese Communist Party.

My research revolves around two central questions: 1) how has the Chinese Communist Party (referred to hereafter as CCP) survived decades of drastic reforms and tumult without losing its monopoly of political power? 2) is China transitioning toward democracy?

The first question is warranted simply by the false speculation within the last few decades that China, somewhere along its trajectory of economic development, would experience a regime change either through a collapse of the CCP’s power, or through significant political change initiated by top leaders. To date, neither has happened. Rather, what surprises democracy enthusiasts is the overwhelming popular support that some top CCP leaders wield. In a 2008 World Public Opinion poll conducted in 20 countries, Hu Jintao was shown to have the support of 93% of the Chinese populace in conducting his affairs as a world leader. This is juxtaposed by the figures for Vladimir Putin (80%), Nicolas Sarkozy (44%), and George W. Bush (42%) within their respective countries (World Poll Finds Global Leadership Vacuum). Despite being faced with daunting social problems and constant social unrest, the CCP continues to maintain a monopoly over political power in China. A large number of factors may have contributed to the continued existence of the party-state, among which I will examine state-society relations. Against the backdrop of the changing social climate and attitudes toward the regime, I posit that certain self-serving policy shifts have been instrumental in altering the relationship between the Party and society in a way that supports the party's continued existence. Moreover, such policy
choices braved through the undercurrents of factional power struggles, increasing fragmentation of policy preferences among elites, and changes within institution of the CCP itself—all of which, I argue, have reinforced the stability and unity within the Party.

The second question—whether China is heading down the democracy path—has been a topic of constant debate among scholars, whose views can be summarized into three contrasting prophesies. The first is a bleak prediction of an impending collapse of China's authoritarian rule under the gravity of problems such as corruption and mismanagement over key issues. Gordon Chang holds the view that the multiplicity of challenges that China faces is a foreboding sign that, should any of the challenges converge at one given point, a crisis will erupt and cause the fall of the regime. He notes the dozens (if not hundreds) of secret organizations that exist in China today that are waiting to pounce on any slim window of opportunity to bring down the CCP. After the outbreak of the rebellion, the party will find itself unable to contain the crisis through the use of the PLA, which, Chang posits, does not hold the same loyalty to the top leaders today as it did in 1989 (Chang 22).

Chang's view is contrasted by a second camp of scholars who contend that democracy will come about. Rather than through chaos and uprising, it will be attained through the decision of liberal leaders to promote democratic reforms. Dali Yang for example discerned a set of institutional reforms that have led to the evolution of the Chinese state from one of tyranny to one of limited power which places emphasis on good governance. Such reforms essentially set the foundation for a democratic government, should CCP elites eventually choose to embark on that path. Similarly, Bruce Gilley predicts that an elite-led transformation will occur in the advent of a political or economic crisis, during which bargaining among elites will eventually result in a peaceful democratic breakthrough (Gilley 98).
The last outlook shared among others such as Minxin Pei is that the demise of the CCP will not occur in the foreseeable future. Pei argues against the notion that ruling elites may voluntarily implement political reforms to bring about democracy, which is equivalent to ceding one's power. Parallel to China's rapid economic advancements is the increasing ability of the party to utilize economic resources to prolong the one-party system, as evidenced by greater spending on policing, co-opting social elites, and repressing the free expression of political views. Pei observes that “in a perverse way, economic growth may underwrite the erection of serious short-term or medium-range barriers to democracy, even as it fosters favorable structural conditions for democracy in the longer term (Pei 56). As such, the CCP will likely find it sustainable to remain in power by maintaining a policy of repression, co-optation, and adaptation.

While many past predictions have been proven incorrect, it should nevertheless be acknowledged that important lessons can be learned from asking questions about the future, as academics are then inspired to discover the multiplicity of underlying factors that may potentially trigger a regime change. Hence, I too have formulated my own forecast of China's trajectory of political development in the form of two hypotheses which attempt to link together the two aforementioned research questions. The first hypothesis posits that the CCP has so far been able to remain in power through the careful management of state-society relations via tools such as co-optation and ideology as a way of restructuring incentives, and media control as a way of manipulating and/or silencing public opinion. Following that, I will delve into a careful examination of elite politics within the CCP which leads to the second hypothesis: institutional changes within the CCP have increased solidarity and stability among elites in a way that is less conducive to democratic reform but more conducive to intra-party democracy.
Much emphasis will be placed on elite politics in the CCP’s central leadership in the paper, as the tremendous impact of policy initiatives of central leaders warrants an actor-based path dependent approach to forecasting political change in China. It will also explore the “(pre)conditions” discerned by scholars as potential factors of democratization in order to provide a stronger basis for examining the impact of elite decision making in the CCP. While I do not discredit the possibility of a grass-roots-led democratic transition in China, the scope of this paper will be limited to exploring elite-led political transformation.

1.1.1 Methodology

The scope of this study revolves around the prospects of an elite-led democratic transformation. As such, the dependent variable is democracy. Although this paper employs qualitative analysis in delivering its arguments and findings, a definition of the dependent variable must still be established. Within democracy literature, a myriad of sub-variables have been identified to have an effect on the measurement of “democracy” in a country. While a consensus on a universal definition is far from being reached, democracy theorists have introduced eclectic models for measuring democracy, among which are Robert Dahl (1971) and Charles Tilly’s (2007) unique approaches. According to Dhal, the primary characteristic of a democracy is the responsiveness of the government, which is determined by citizens’ ability to formulate and communicate their political preferences, and to have preferences weighed equally in the policy making process (Dahl 2). He lists various conditions that are required for such a responsive government, including the right to vote, freedom of expression, freedom to organize, right to compete for political office, free and fair elections, and so on (Dahl 3). In contrast to Dahl’s prescription of institutional conditions, Tilly employs a structural-functionalist framework by focusing on the relations between the state and citizens. Tilly posits that democracy is
initiated and maintained through the advancement of three social processes— the integration of “trust networks” into politics, the lessening of socio-economic inequalities, and the elimination of autonomous power centers. While Tilly's indicators of democracy differ from Dahl's, the common denominator remains—that democracy is dependent upon inclusiveness and equality.

All in all, the main tenets of democracy literature dictate that democracy exists only when every citizen of a country is given equal mechanisms of political participation (usually through voting). While I accept this general definition, I will also include a few measures to make the definition more analogous to the purposes of this study— representativeness, responsiveness, and checks and balances. In the case of authoritarian regimes, I assume that increases in each of the measures will facilitate the development of democracy.

Two factors— elite preferences and institutional constraints—are attributed to the observed changes in political reform within the CCP over the last two decades. Hence, both are treated as independent variables studied in this paper.

The *institutions* in this study will refer solely to the structures within the Chinese Communist Party. Specifically, the Standing Committee of the Politburo, the Politburo, and the Central Committee will be the core CCP bodies under examination. I choose a narrow scope for observing institutions because there is no doubt that the party is in direct control of the government. Despite the existence of a complex network of governmental departments, agencies, and a legislative body (National People's Congress), nearly all the policy-making powers rests with the party's core decision-making bodies, while the government structures are limited to the supporting roles of administration, enforcement, and feedback. Given the premise that elite politics is affected by institutional constraints and vice versa, it is then appropriate to examine
mainly the bodies that contain the elites. I also omit party organs at the provincial given that I am interested in political change, which traditionally has always been initiated by the center.

*Elites* are defined as those who wield significant power within the CCP. While I do not discount the influence of non-party actors such as business and social elites, I make the argument that it is those who can directly seize control of policy-making that have the potential of triggering ground-breaking political change through a top-down process in China. Throughout most of this paper, I will refer to members of the most powerful decision-making bodies of the CCP (i.e. the Standing Committee of the Politburo, the Politburo, and the Central Committee) as the political elites.

This paper is divided into four chapters. Chapter 1 will review the present literature on democratization in transitional authoritarian regimes, noting the various factors outlined in scholarly research that are commonly attributed to democratization. I will provide an overview of two schools of democracy theory—precondition and path dependency— and assert that in the case of China, employing an eclectic approach using elements from both schools is the most effective for gaining insight into how and why political reforms happen. Chapter 2 will allude to the effects of policies made by the central leaders within the last two decades and explain why the current state-society dynamics support the continuation of the party-state apparatus. Next, Chapter 3 will proceed with a historical examination of succession politics, factional politics, and co-optation, all of which have contributed to increasing intra-party democracy. Here, I make the argument that these institutional trends have led to greater stability and solidarity among contentious factions, thereby decreasing the chance of an elite-led democratic overhaul. Finally, Chapter 4 will draw upon the case of Chen Liangyu's dismissal from the CCP to demonstrate the impact of intra-party democracy on elite decision-making process.
1.2 Review of Existing Literature

The common themes embedded in some of the most prominent works of democracy literature revolve around the questions of why and how authoritarian countries democratize. As for “why”, the “preconditions” approach is often employed by scholars to determine the conditions that will likely trigger the downfall of authoritarian regimes. The question of “how” is addressed by the “path-dependency” approach, which hints at the power of actors and their reactions to the surrounding environment in initiating political change. A review of the strengths and weaknesses of both approaches will shed light on the reasons behind my choice for adopting an eclectic method (that is, one that encompasses the strengths of both the preconditions and actor-based approaches) to answering the research questions I have posed in this paper.

1.2.1 Preconditions/Conditions Approach

Since the second wave of democracy, much attention has been placed on the role of the economy in democratization processes. Specifically, some have speculated that economic development is a precondition for causing and maintaining democracy. Lipset was one of the first to draw correlations between economic growth and democracy, quoting “the more well-to-do a nation, the greater the chances that it will sustain democracy” (Lipset 75). He posits that industrialization, urbanization, wealth, and education form a subset of variables that belong to a larger factor—economic development. On the social front, he argues that

“Increased wealth is not only related causally to the development of democracy by changing the social conditions of the workers, but it also affects the political role of the middle class through changing the shape of the stratification structure so that it shifts from an elongated pyramid, with a large lower-class base, to a diamond with a growing middle-class. A large middle class plays a mitigating role in moderating conflict since it is able to reward moderate and democratic parties and penalize extremist groups.” (Lipset 83)
Hence, economic development leads to the growth of a middle class, which in turn demands for a balanced form of government—democracy.

Other scholars, on the other hand, have proposed that economic development is not always a causal factor. Przeworski & Limongi (1997) argue that Lipset’s thesis has no predictive value for authoritarian countries, as “the emergence of democracy is not a by-product of economic development… Only once it is established do economic constraints play a role: the chances for the survival of democracy are greater when the country is richer.” (Przeworski & Limongi, 177) Certainly, they are correct to observe that many countries have democratized without experiencing economic development (India), while others have embarked on rapid economic development without experiencing political change (China).

Still, others who are less eager to reject the economic development thesis will refer to the case of South Korea and assert that growth may lead to negative externalities such as environmental degradation, labour exploitation, and corruption, which will in turn build momentum for social upheaval. From this standpoint, the economic development thesis is valuable only when explained qualitatively through analysis of the social changes that it elicits. Huber et al. (1993) explains that economic development has severe impact on the class structure, placing greater power in the hands of a growing middle class and “facilitating their self-organization, thus making it more difficult for elites to exclude them politically. Simultaneously, development weakens the landed upper class, democracy's most consistent opponent” (Huber et al. 83).

A prominent advocate of the state-society relations approach, the weight of Tilly’s (2007) argument is placed on informal institutions within society and their interaction with the state. As
mentioned earlier, he asserts that three social processes are instrumental to the development of democracy: the suppression of autonomous powers, elimination of categorical inequality, and integration of trust networks. Tilly’s approach examines the causes and effects of participation, political equality, and mutually binding consultation rather than the procedural or structural approach of authors such as Dahl (1971) who is mainly concerned with institutional and structural conditions. Unfortunately, few scholars attempt to bridge the gap in the existing literature between state-society approaches and structural-typological approaches so that a more encompassing method of analysis can be used to study the roots of democratization in authoritarian countries.

Another segment of democratization theory places external (international) influences at the core of the argument. Levitsky & Way (2005) posits that through linkage with and leverage over authoritarian states, western democratic countries can change the prospects of regime change in those countries. Their argument can be interpreted as one that supports soft power over hard power, where linkage (defined in terms of economic, geopolitical, social, and communication exchanges between countries) allows democratic states to insert its soft power into authoritarian countries, which potentially reshapes the balance of power and provides greater incentives to local actors to demand greater democracy (Levitsky & Way 21-25). They argue that leverage (the use of hard power by western democracies), on the other hand, is often ineffective as it does not change the state-society relations in authoritarian countries. Their approach is congruent with the idea that democratization will only succeed with the support of the populace and a significant amount of power struggle in the domestic environment.

Differing from Levistsky & Way’s purely dichotomous approach, Huntington (1991) identifies external factors of democratization by exploring historical trends. In his book *The
Third Wave: Democratization in the Late Twentieth Century, Huntington observes that democratization often comes in waves. He attributes this largely to the effect of snowballing (in which democratization or de-democratization in one country may trigger the similar process in another) which occurred due to historical trends such as the spread of Christianity, the promotion of democracy by the US, and the collapse of the Soviet Union (Huntington 281-289).

It is undeniable that democratization is a process that does not occur overnight, and therefore, an emphasis on the process should be inevitable. The preconditions approach, while effective in identifying factors that increase the incentives for political change, is insufficient in explaining how political actors manage to steer politics in the direction of democracy. Ultimately, it is important to acknowledge that democracies are established through the actions and motivations of actors. Therefore, the study of regime change is incomplete without examining the power struggles among actors.

1.2.2 Path-Dependency Approach

Contrary to those in the preconditions camp, some democracy theorists posit that decisions of actors are what set off the course of democratization. According to Huntington (1991), democratization occurs in one of three ways: 1) transformation (regime change initiated by governing elites), 2) replacement (overthrowing of authoritarian regimes), or 3) transplacement (cooperation between government and oppositional forces). He emphasizes that in most cases of successful democratization, elite competition preceded mass political participation. Huntington notes that transformation is generally dependent upon four processes: 1) the emergence of reformers, 2) the acquirement of power by the reformers, 3) experience with liberalization, and 4) subduing the standpatters (i.e. the hardliners) (Huntington 114). This
intricate interplay of actions among different factions of the elites is what brings about the result of democratization, according to Huntington.

Similarly, Przeworski (1991) also emphasizes the critical role of elite dynamics, arguing that authoritarian regimes do not fail due to the lack of legitimacy as it does not lead to an overthrow of the regime. According to his argument, the threat of regime collapse only exists when an alternative, the “organization of counterhegemony”, becomes available to the people (Przeworski 55). Therefore, the logical deduction is that an authoritarian regime transitions to democracy when segments within the existing elite decide to liberalize and tolerate the existence of a civil society. He identifies four categories of elites—Reformers, Hardliners, Moderates, Radicals—whose interactions and pact-building can lead to a series of different outcomes (see Appendix A). Democracy is merely one of the possible outcomes of liberalization depending on the types of coalitions that are built during the transitional phase.

Another proponent of the path dependency approach is Terry L. Karl (1990), who argues for the importance of actions of decision-makers during regime transitions, albeit with the perspective that more emphasis should be placed on the established rules that constrain the choices of actors within the relevant context (Karl 6). Karl advocates for “a path-dependent approach which clarifies how broad structural changes shape particular regime transitions in ways that may be especially conducive to (or especially obstructive of) democratization. This needs to be combined with an analysis of how such structural changes become embodied in political institutions and rules which subsequently mold the preferences and capacities of individuals during and after regime changes.” (Karl 7). Given the presence of some significant institutional changes in the CCP in recent years, I apply this path-dependent institution-oriented approach to my analysis of Chinese elite politics in Chapter 3.
1.2.3 Adopting an Eclectic Approach

Evidently, the path-dependency approach studies the factors that have been overlooked in the preconditions approach—namely that individual elites, with their own ambitions and fears, often end up initiating democratic reforms when placed in the right situation. Observing the circumstances in China, one may conclude that the likelihood of an elite-led democratization process is greater than one resulting from a grassroots-led rebellion. Contrary to Gordon Chang's idea of an inevitable collapse of the CCP rule due to the increasing volatility of society in dealing with China's social problems, the CCP leadership has demonstrated great adeptness in quelling the masses. First of all, it should be noted that China's party-state enjoys high state capacity. As opposed to former authoritarian regimes in which low state capacity led to the downfall of despotic military rule or personality cults, the contemporary CCP is both highly institutionalized and capable of utilizing tools such as the media, military, and ideology to subdue the threat of oppositional forces. Furthermore, major reform and policy initiatives are still conceived at the top echelons of the party, alluding to the idea that transformational changes usually come about at the behest of powerful elites. For this reason, the elite politics and institutional constraints that shape elite preferences will be examined in due course.

While the paper has thus far established the importance of assessing elite-driven political reform, the question of why such decisions are made remains relevant. Here, the strength of a preconditions analysis becomes apparent as we delve into a broad array of reasons behind political change or political stagnation (in China's case). For every democracy conceived through the efforts of elites, powerful lessons can be learned from examining the pre-reform conditions.
In order to carry out an eclectic approach, the next section of this chapter will answer two questions that shed light on the current strength of the CCP's grasp on power—1) how does the Party control the people? 2) how do the people perceive the Party in relation to themselves?
Chapter 2: Background: The Dynamics of State-Society Relations in China

2.1 Overview

A central question posed at the beginning of this paper is how the CCP was able to remain in power, despite persistent social instability within China. The answer to this question is two-fold: 1) the party was able to prevent potential regime-crushing grassroots uprisings, and 2) the party was able to prevent splits within the elite that would have ended the one-party regime. The first part is examined in this chapter through a dissection of the ways the party-state controls the public and the resulting attitudes of different segments of society towards the CCP, while the latter part of the answer is addressed in Chapter 3.

2.2 How does the Party Control the Public?

Despite criticism that the preconditions approach often employs a prescriptive model that isn't conducive to studying authoritarian transitions to democracy, it is nevertheless helpful to study state-society relations in light of the assumption that elites do pay attention to the public's interests and respond accordingly in their policy choices, even if the purposes are entirely self-serving. The notion that the CCP relies on soft power (ex. legitimacy through the emphasis on better governance, the institutionalization of ideology, etc.) rather than hard power, is an indication that a certain level of responsiveness exists within the system. Through greater understanding of the public's needs, the party is then better able to redefine its priorities and use its tools of control to prolong its own power. By implementing self-serving policy changes, controlling media and information flows, and suppressing the mobilization of the people, the CCP has thus far kept the threat of a bottom-up democracy movement at bay.
2.2.1 Implementation of Self-Preservation Policies

The primary method for any authoritarian regime with sizable state capacity to rule over its citizens is through the careful regulation of public resources to enforce mandates and legislation created by the elites. In China, it is evident that the CCP has implemented policies and created structures to reinforce its legitimacy and control since the start of the reform era. An examination of the changes brought about by initiatives of top party leaders will bring to light the transformations that have taken place within society over time.

Many would argue that with each leadership succession, a new wave of reforms is unleashed. Although much credit has been given to Deng Xiaoping for being the architect behind China's rapid transformation into the second largest economy in the world, policy shifts under Jiang Zemin and Hu Jintao's leadership make good case studies for why the CCP stands as the sole governing party today. As a staunch advocate of capitalism and economic liberalization, Jiang Zemin institutionalized the concept of the “Three Represents”, now a major component of the CCP ideology, which states that the CCP represents various socio-economic interests, including those of rising social groups such as private entrepreneurs (Zheng 4). As a result, Party membership was extended to professionals and the business class, who were previously barred from Party associations. Although the public perceives the concept as a ploy by the corrupt party-state to coalesce with the rich and powerful groups, the move undeniably was also an attempt to ensure the survival of the regime. The “Three Represents” came at a time when rapid economic development led to a volatile climate of rampant corruption, large income disparities, and social grievance. As economic growth no longer functioned as a sufficient source of legitimacy for the CCP, Jiang Zemin sought the idea of co-opting the newly empowered classes as a way of establishing a new basis for support. Consequently, co-opted groups found themselves in
mutually beneficial relationships with the Party, and preferred to support the current regime for the sake of their own interests.

In contrast, Jiang’s successor, Hu Jintao, was able to steer the direction of development away from the excessive focus on economic liberalization and development of coastal cities using a new ideological approach which he called “Harmonious Society”. Embedded within his “Harmonious Society” vision is the emphasis on preserving social justice, achieving a balanced regional development strategy, and protecting the interests of marginalized classes (Li, 2008, 21). Many appreciate Hu’s populist approach as a welcoming shift in party platform considering that the social problems resulting from Deng and Jiang’s legacies have left the party vulnerable to social upheaval. Contrary to speculation over Hu's liberal tendencies prior to the 16th Party Congress, Hu has opted to reassert state control over political expressions and address the grievances of the marginalized classes with a series of social reforms. At the core of his reforms is the development of the countryside and agricultural sector, and support for farmers. Redistribution of the central budget toward developing rural areas was carried out in 2007 alongside the expansion of the healthcare system so that 91.93 percent of farmers were covered under the system by July 2007 (Xie 94). Meanwhile, in an attempt to curb the effects of corruption at local levels, Hu’s administration pressured local governments to compensate farmers and workers for losses incurred from land expropriation. Studies show that complaints regarding land development have decreased since the implementation of the policy (Xie 95). So far, it appears that Hu Jintao’s people-centered approach has helped the Party garner greater legitimacy and support at the grassroots level since the end of his predecessor's tenure.
2.2.2 Controlling Information Flows

Another explanation for China’s authoritarian resilience is the CCP’s continuous monopoly of media and propaganda. Political scientists have long argued that the media facilitates the fall of authoritarian regimes and encourages the development of a political culture that is conducive to liberal democracy. Greater access to alternate sources of information and viewpoints is often linked to the erosion of legitimacy of dictatorships and is generally prescribed as a catalyst to democratization process. However, the optimistic link between media modernization and democratization is often misplaced, as some authoritarian regimes (China being an example) have effectively tamed the mass media into a tool for the consolidation of its own power.

While China’s media infrastructure has been rapidly commercialized since the reform era, the reins of control still rest with the party. Currently, all major mass media outlets in China are registered with the state and partially owned by the party (Stockmann & Gallagher 441). Regulation by various state institutions has resulted in tremendous restrictions on freedom of the press. The Propaganda Department, for example, has the authority to make personnel decisions and impose editorial directives. Under such a system, a culture of self censorship has flourished and led to news reporting that generally adheres to the party line, while allowing some variation in content and style. Instead of being the public’s trusted source of information and debate, China’s mass media has been confined to the roles of gate-keeping and filtering information, and communicating government policies to the public. In addition to suppressing viewpoints and information that threaten the legitimacy of the regime, the CCP has also continuously used the media as a way of manipulating public opinion and shaping political culture. For example, Stockmann and Gallagher’s (2011) study demonstrates that the media’s positive portrayal of the
legal system has encouraged the public to resort to legal action instead of protests as a way of resolving conflicts, which potentially reduces social instability and enhances the legitimacy of the regime. It is clear that the CCP’s intent for controlling the media is primarily for the purpose of self-preservation. While the media is an engine of commercial profit, it is politically dependent on the state and is a tool through which the government can effectively communicate its policies, shape public opinion, and subvert political dissent.

2.2.3 Disallowing Mobilization

Most successful authoritarian leaders understand that a mobilized public is one that threatens the existence of autocracies. As such, China’s political elite has gone to great lengths to contain the rise of an independent civil society, with good results. In recent years, there have been signs that civic groups such as NGOs have been able to achieve legal status and engage in limited degrees of political advocacy. While this may be seen as a big feat in China, their patron-client relationship with the government is atypical within the western concept of NGOs. The idea that civic society should be autonomous from the state, as suggested by western scholars such as Diamond (1994), is problematic when applied to Chinese context. This is due to the fact that the government has permitted the emergence of civic organizations only on the condition that the organizations will work with the government to tackle issues that had arose as a result of economic reforms.

Since the 1989 Tiananmen Protests, the CCP has created a set of administrative regulations that require all social organizations to be registered with the Ministry of Civil Affairs after obtaining a Party sponsor (Moore 60). This has allowed the state to infiltrate the nongovernmental sectors so as to retain its control while employing the help of such organizations to tackle a myriad of environmental and social problems. Hence, while the
increasing presence of NGOs has given hope to some democracy advocates that a civil society will eventually emerge in China, the current situation provides no indication that such organizations will facilitate a regime change.

On the other hand, a new body of literature has risen on the impact of internet-use in China and its implications for civil society development and democratization. Without doubt, the development of the internet in China has brought about a new age of contention, providing a forum for expressions of public discontent. At the same time, the internet has also become a new channel of state control and monitoring. While it may be premature to speculate that the internet will be the breeding ground for democracy movements, many would argue that it has increased the presence of a civic culture and demands for democratic participation. According to Yang (2009), the effect of technological empowerment not only enables new forms of grassroots activism but also allows the state to redefine its policies and institutions, ideology, and methods of governance. Therefore, one can perceive the internet as a new form of civil society through which both the state and society can engage in dialogue and reshape governance in China.

2.3 The Public’s Sentiments Toward the Party

Having established that the elites control its relations to society through implementing self-serving reform policies, controlling the media, and restricting the growth of civil society, a study of the effects of their policy innovations on society will reflect the extent to which the decisions of the elites impact class structure and state-society relations. China is a country with not only vast ethnic and cultural diversity, but also great disparity within its complex social hierarchy. The conditions of three key groups—entrepreneurs, middle class, and working class—are critical for determining the survival of the authoritarian system and projecting prospects for
democratization in China. An assessment of the self perceived positions of these groups within the current political context explains why they support the political status-quo.

2.3.1 Entrepreneurs

Rather than seeking autonomy, the vulnerability of domestic private enterprises has led the business class to join the ranks of the CCP in order to advance their business interests and maximize their leverage. The belief is that party membership provides firms with better access to loans, easier attainment of licenses, and more protection from competition and unfair administrative practices (Wright 3). Thus, by feeding on the desire to become embedded within the state, the party leadership has utilized the party membership as a way to gain political support from the business class. By being members of the CCP, the business class naturally associates the prospect of democratization with forfeiture of their new gains, and therefore will seek to preserve the reign of the CCP.

It is also important to note the patron-client relationships between the local government officials and private businesses. Among the business class, many have prospered through exceptional privileges obtained through political ties to local government officials or family political lineages. A large number of officials at the local level own private firms that are registered under the names of family members, and such officials have often used their positions of authority to grant benefits to their cronies in anticipation of reciprocal favours (Chen 411-413). As stakeholders of the CCP regime, it is in their best interests to prevent the party-state apparatus from falling apart.

In addition, some entrepreneurs have envisioned the best scenario to be a double guarantee of their interests. After the experience of the 1989 Tiananmen protests, many
entrepreneurs felt that should another democratic uprising lead to the downfall of the CCP regime, a strong legal framework behind which businesses are established can help ease the pain of a regime change. Satisfied with the increasing development of the legal system in China, the business class is therefore mostly content with supporting the status-quo. After all, the biggest profits can be made under a labour-repressive state where capitalists perpetually maintains the upper hand in capital-labour tensions (Chen 418).

2.3.2 Middle Class

Without question, China's middle class has grown significantly since the reform era. Consequently, many have speculated that this development would lead to the collapse of the authoritarian regime. Some perceive the middle class to be an intermediary in conflicts between the business elites and working class (Lipset 1959), while others see the middle class as an agent for political change (Huber et al. 1993). However, the middle class in China takes on neither of these roles, but is rather a body of complacency.

The idea of the “middle class” in China refers to living “comfortably” (Xiaokang) and having a higher standard of living that is above the ordinary working people (Chen 410). This group is regarded as being educated and having considerable autonomy, spending power, and resource allocation ability. In fact, the middle class became instrumental to the CCP’s sustained power. Some scholars such as Luigi Tomba describe the Chinese middle class as a tool for the authoritarian state to create a harmonious and autonomous society by making them the champions of moral and ethical living, consumer rights, and social stability (Tomba 596). Indeed, the “Harmonious Society” rhetoric seems directed at the middle class, which has the power to self-govern, self-improve, and become leaders of maintaining social stability. The
Party's favourable treatment of the middle class is not only reflected in its rhetoric, but is also embodied in policies that facilitate access to resources and wealth accumulation. Such policies include the subsidization of private and public housing stock, generous compensation for those working in the public sector, increased leisure time, and greater access to education, services, welfare, and so on (Tomba 597-599). The benefits and enhanced social status bestowed upon the members of the middle class has made them winners of the economic reforms, giving them reasons to support the current regime. They fear that regime change may bring back the empowerment of the working class and the loss of the benefits that they currently enjoy.

2.3.3 Working Class

The role of the middle class as model citizens forms a stark contrast to the role and conditions of the working class. This social class encompasses those who are laid-off SOE workers, migrant workers from rural areas, factory workers for domestic and foreign-invested enterprises, and peasants. Although the working class forms a majority of the Chinese population, they have very few resources at their disposal to protect their own interests. The state treats this group with much caution, as they are a huge socially destabilizing force. The working class is discouraged from mobilizing and forming organizations to voice their concerns, but is instead encouraged to rely on the central government to address their issues. The patronizing bond that the central government tries to form with the working class is exemplary of the party's strategy of appearing as the guarantor of stability.

Since the start of the privatization of SOEs in the 1990s, almost one third (55 million) of SOE workers have been laid off (Wright 4). Along with unemployment, these workers also have experienced the retraction of benefits such as pensions, education, healthcare, and housing.
Migrant/factory workers and peasants similarly are also considered the “losers” of the economic reforms because the “winners” (business and middle classes) have been able to benefit from the economic growth on the backs of the working class. Despite their unfavourable share of income distribution in the current system, some members of the working class (such as migrant workers) have still benefited from the economic reforms relative to their conditions during the Mao era. While these marginalized groups have staged some of the biggest protests in the recent years, their anger is usually directed at local officials and employers due to charges of corruption and abuse of power. In fact, the working class protestors often depend on the central leadership to provide solutions to their concerns, a sign that the central party leadership still possesses the legitimacy to govern, which has been lost at the lower levels of government.

Studies of the effects of economic reform on social change reflect that China is an outlier when assessed against two prominent beliefs in democracy literature: that economic development is correlated with democratization, and that the growth of the middle class adds fuel to social movements that bring political change. As a caveat, it is important to recognize that the increasing linkages between the state and society (through the internet, civic organizations, and co-optation) can alter the progress of political change, allowing the system to evolve into one of some degree of responsive governance. However, given the lack of anti-CCP movements achieved through methods of government control and the restructuring of public incentives, the current situation illustrates that there is little momentum for bottom-up democracy movements. In addition, the general public is largely insulated from the policy-making processes, considering that national policy decisions are made only through the deliberation of central leaders at the highest echelons of power. As such, the dynamics of state-society relations is “controlled” in this study as I do not expect it to significantly impact the possibility of democratization in China in
the near future. Therefore, the next chapter will examine elite politics for answers to the CCP’s survivability, and for identifying potential triggers (or deterrents) for a top-down process of democratic transition.
Chapter 3: Intra-Party Democracy as a Result of Institutionalization

3.1 Overview

Despite the seemingly effortless transition of leadership at the 16th Party Congress, there has been more speculation over Hu Jintao's ability to consolidate his political power than that of any other leader in the past. This was undoubtedly prompted by Jiang Zemin's lingering presence as chairman of the Central Military Commission (CMC), as well as the expansion of the Politburo Standing Committee from seven to nine members in order to accommodate Jiang's wishes to place his close associates, Huang Ju and Jia Qinglin, in high positions of power (Duchâtel & Godement 3). Nevertheless, Hu Jintao's advancement to paramount leadership signified the end of the CCP tradition of the pre-appointment of future leaders by the current leader. Hu was the last successor selected by Deng Xiaoping as Jiang did not follow suit in installing a successor after Hu. Hence, many questions are left in the air as to how the party will continue to renew itself, whether fragmentation within the party will result from a weak leader, and whether such shifts in elite dynamics will cue the start of significant political change in the direction of democracy.

The diminishing powers of the General Secretary position since the Deng era should not be seen as a crippling weakness that will topple the CCP, however. According to some observers, this change in power configuration juxtaposes the “winner takes all” model of the Mao and Deng eras, where intrigue and power scheming dominated political agendas, and suggests the transition towards a power-balancing model that is dependent on collective decision-making and arbitration by the paramount leader (Duchâtel & Godement 4). A shift towards such a model implies that the
CCP is no longer dependent solely on economic advancement for its legitimacy, but rather intends to appeal to the public through better governance and intra-party democracy.

In this chapter, I examine three aspects of elite politics – leadership succession, factionalism, and co-optation—that have shown trends toward intra-party democracy and elite unity. They address the shift from strongman politics to a system of collective governance, the emergence of limited degrees of checks and balances and representation, and the elimination of political opposition through co-optation techniques.

3.2 The Move Away from Strongman Politics to Elite Pluralism

Despite the sheer size of its membership, it is clear that few leaders in the CCP wield uncontested policy-making powers. As such, the competition for top leadership positions has always been fierce, making the succession of power a process of contention and potential instability. Elite politics in the Mao Zedong era was highly antagonistic, ridden with factional splits, violence, purges, and mass arrests. It was considered a dangerous zero-sum game where the outcome of contestation can alter the course of history drastically. Mao was not only the paramount leader at the time, but he also held overwhelming power over his political rivals. The fact that he single-handedly unleashed the Cultural Revolution was evidence of the extent of his political powers.

Nevertheless, Mao’s decision-making powers were not uncontested. After the Great Leap Forward, it became increasingly clear that reformers within the government, Liu Shaoqi and Deng Xiaoping, were holding the reins of power and easing out Mao’s influence within the leadership. Many have argued that the Cultural Revolution was initiated by Mao as a response to his declining legitimacy within the Party. This argument is well supported by the events that
transpired during the Cultural Revolution, such as the purges of Liu and Deng, and the death of Lin Biao. These events are a clear demonstration of the violent, debilitating, and zero-sum nature of intra-party power struggles during the Mao Era. What could have been a watershed moment of economic liberalization, had Liu and Deng successfully implemented their intended reforms, was instead replaced by a turbulent decade of social and political upheaval.

Deng Xiaoping eventually made his come-back by the end of the Cultural Revolution, but not without first wrestling the power out of the hands of the Gang of Four and Hua Guofeng, Mao’s chosen successor. The imprisonment of the Gang of Four and the ousting of Hua Guofeng were significant in that the former was one of the last instances of the losers of power struggles being purged, and the latter became the start of a new trend of peaceful contestation among elites.

Deng was a charismatic leader and a tactful politician who managed to reshape the party ideology into one of reform and opening to the outside world. Despite the split between the reformers and conservatives in the 1980s, the general consensus within the party resonated with Deng’s policies for the liberalization of the economy. Deng was also the innovator behind a few critical changes in the informal practices of the Party that ended the age of the strongman politics. First, he institutionalized the rule that all leadership positions were limited to two five-year terms. Second, he offered retirement packages to veteran officials, essentially forcing the conservative party elders to resign (Dittmer 21). Both changes served to limit the power of individuals so that a long term dictatorship, in the case of Mao, could not reoccur. It also instilled the expectation among the elites that succession of power is an inevitable process which must be carried out in a smooth manner, at least out of the interest of maintaining stability within the party. Despite these changes, Deng continued to assert defacto leadership even after retirement,
while power accumulation within the CCP continues to be a process of backroom politics well into the 1990s.

The 1989 Tiananmen protests marked a pivotal moment in the CCP’s history, in which a different response by the government (i.e. no use of military action) could have led to the fate of the one-party rule. After the government crackdown on the movement, a few things became clear. First, the movement started with the death of Secretary General Hu Yaobang, whose criticism of Maoism and support of political reform made him a popular figure among students. The student movement gained momentum as a result of mass outrage against Hu’s forced resignation from the Party by hardliners for his liberal policy outlook. Second, the top central leaders could not come to a cohesive decision regarding the best way to resolve the crisis, which explains the delayed response by the government after weeks of demonstration. General Secretary Zhao Ziyang expressed sympathy towards the grievances of student demonstrators, which ultimately led to his demise of house arrest, while hardliner Premier Li Peng insisted on imposing martial law. Among the many lessons to take away from the Tiananmen protests, one lesson is that open contestation among elites in one-party systems can lead to very politically destabilizing consequences.

The appointment of Jiang Zemin as the successor of the paramount leader power, however, marked the end of strongman politics in China. Unlike his predecessors, Jiang was neither a charismatic leader, nor did he possess supreme power over all others within the Politburo Standing Committee. Instead, his rise to the forefront was mainly achieved through alliance building and political compromise. His experiences with factional struggles likely led him to continue Deng’s initiative of containing power struggles within the party. On that front, one of his achievements was the institutionalization of the rule that senior leaders should not be
reappointed after reaching the age of 70 (Xie 83). This rule, coupled with the rule that leaders can only serve two five-year terms, serves to further constrain the power of individual leaders and allow stability in the process of power succession. For the most part, Jiang's actions adhered to the commitment to greater party solidarity. For example, when faced with the ongoing power struggle with Qiao Shi, then Chairman of the Standing Committee of the National People's Congress, Jiang refrained from placing Qiao under house arrest and allowed Qiao to openly make criticisms of his policies (Dittmer 19). Also, unlike Deng, Jiang did not appoint his own successor to override Deng's choice of Hu Jintao, even when Hu belonged to an opposing faction. Though Jiang may have wanted to do so, institutionalization of rules and intra-party democracy have constrained Jiang's ability to carry out his exact wishes.

Being the last of the hand-picked successors, Hu Jintao accepted his position as the General Secretary at the 16th Party Congress in 2002. Despite his position, his power during his first term was limited by the continuing presence of Jiang Zemin as the Chairman of the Central Military Commission (Duchâtel & Godement 3). During the 16th Party Congress, new norms of power succession were added, such as the expansion of the Politburo Standing Committee from seven to nine members during the 16th Party Congress. The expansion of the Politburo Standing Committee, the highest level decision-making body in the CCP, may be a product of factional struggles, but has greater implications towards an increasingly pluralistic style of governance within the CCP. Unlike Jiang, who preferred to assemble a faction of loyal supporters within the party (generally referred to as the elitists), Hu Jintao, who belonged to the Tuanpai faction (composed of members of the Chinese Communist Youth League), emphasized his support for collective leadership (Zheng 10). Hu’s preference for collective decision-making can be perceived as both a personal preference and an adaptive response to the diminishing power of the
paramount leaders over the generations, a shift that has been spurred by the institutionalization of power-constraining norms within the party.

The gradual movement away from strongman politics since the Mao era toward collective governance suggests the existence of greater power-sharing within the central leadership today. The point is made clear with Cheng Li’s (2008) observation of “the shift in Chinese public sentiment from “whether Mao would ever die” to “when will Deng die” to “when will Jiang retire” to “whether Hu is in charge?”” (Li 16). No longer is there one leader who reigns supreme over all other leaders. Decisions are no longer made arbitrarily by one person, but rather through processes of deliberation, bargaining, and compromise. Gone were the days of antagonistic zero-sum politics whereby the losers of power struggles were purged, leading to the destabilization of the regime. Through the institutionalization of a rule-based system of decision-making and power succession, leaders are at greater liberty to express their views and criticisms without fear of suffering consequences. Indeed, the fragmentation of power has allowed a greater degree of pluralism and solidarity, at least at the highest levels of decision-making.

3.3 Checks and Balances: Assessing Factional Affiliation and Diversity

One can posit that in the days of Mao and Deng, factional struggles dominated the political agenda. Irreconcilable differences between the conservatives and liberals within the CCP led to zero-sum results where the winners take all and the losers are ousted antagonistically. Under such context, the party constantly faced the risk of a split among the elite due to the contentious relations between factional groups, which would have undermined the survival of the one-party rule. Without question, solidarity among the ruling elite is crucial to the longevity of the CCP and has been enhanced through the institutionalization of leadership succession rules.
One may argue further, that there has been an observed dissolution of factions since the 1990s, which has led to less contention within the top leadership. Indeed, by pledging their loyalty to the Party rather than to individual factional leaders, the elites are not only securing their legitimacy, but also increasing the stability of the regime by working alongside rather than against each other.

Before venturing into the examination of factional politics within the CCP, a distinction must be made between factions and factional affiliations. As the argument is made above, factional struggles have declined since the 1990s. This is based on the observation that factions—defined by their clientelistic network, common political goals, and the existence of a leader—have been phased out by certain institutional reforms (ex. Limits on length of tenure, retirement age, increased ratio of seats versus candidates in the Central Committee) that allow aspiring party leaders to advance in the system without solely relying on their relationship with top leaders. On the other hand, distinct factional groups can be identified within the CCP and are often used as a tool to examine the composite of old and new generations of leaders. Unlike factions, factional groups, as defined by Bo Zhiyue (2007), “are based on corporate ties, ties that have been established through shared experience in an organization.”(Bo 140). Within the current generation of elites, four factional groups have been identified—the Shanghai Gang, the Princelings, the Qinghua Clique, and the Tuanpai (also known as the Chinese Communist Youth League). Between the 16th and the 17th National Congresses, there was a noticeable decline of the Shanghai Gang and the Qinghua Clique and a rise of the Princelings and Tuanpai. The change in the balance of factional representation bears significant implications on the direction of policy in China.
The Shanghai Gang generally consists of officials who have risen to prominence through their experience working in the Shanghai municipal government. Most of its current members reached the height of their careers during Jiang Zemin's tenure and are personally connected to Jiang, who is the leader of the group. According to Bo Zhiyue's study (2007), seventeen people within the 16th Central Committee were identified as being part of the Shanghai Gang, three of them (Wu Bangguo, Zeng Qinghong, and Huang Ju) as members of the Politburo Standing Committee (Bo 142). It is evident that Jiang had made decisive moves prior to his retirement to fill the Politburo with his supporters, the most obvious being the expansion of the Politburo Standing Committee to nine members to make room for his associates. The overwhelming presence of the Shanghai Gang in the 16th Politburo Standing Committee gave the factional group veto power over some of Hu Jintao and Wen Jiabao's policy initiatives and allowed Jiang to continue wielding influence despite his official retirement.

Since Jiang Zemin's retirement from his official posts, the Shanghai Gang saw a gradual decline in its core membership. The first sign of decline was the dismissal of Zhang Wenkang, one of Jiang's associates and Minister of Health during the SARS outbreak in 2002, by Hu Jintao for his mismanagement of the SARS crisis. This was also perhaps an early sign of the consolidation of Hu's power within the elite. Next, Chen Liangyu, Politburo member and Shanghai party secretary, was fired from his positions in 2006 and charged with corruption. Given Chen's heavy involvement in Shanghai's politics through the multiple posts he held in Shanghai, the unraveling of his corruption scandal dealt a heavy blow to the image and legitimacy of the Shanghai Gang members and allowed Hu Jintao to further consolidate his power within the party. Chen's dismissal also coincided with Huang Ju's death in 2007, which meant one less Shanghai Gang member in the Politburo Standing Committee and a further
setback for the group. The 17th Central Committee contained only nine Shanghai Gang members, with only Wu Bangguo remaining in the top leadership (Bo 2008, 339).

The Shanghai Gang would have been considered, at the height of Jiang Zemin's career, a political faction composed of clientelistic relationships with a leader (Jiang) at its core. But since Jiang's retirement, none of his three proteges—Wu Bangguo, Zeng Qinghong, or Huang Ju—was able to take his place as the faction leader. It is unlikely that a new faction leader will emerge to take Jiang's place. Without Jiang, there is little unity within the group to give it the characteristics of a faction. At best, it is a factional group with dwindling power and representation at the core of the central leadership.

Graduates of Qinghua University in the higher ranks of the CCP have been recognized as a factional group called the Qinghua Clique because leaders who share similar learning experiences are presumed to identify with each other on policy preferences and may align with each other for political purposes. The 16th Central Committee contained 20 graduates of Qinghua University, four of whom—Hu Jintao, Wu Bangguo, Huang Ju, and Wu Guanzheng—were Politburo Standing Committee members (Bo 2007, 175). Their representation of their Alma mater within the highest defacto ruling institution of the CCP was enough to garner attention toward the Qinghua Clique as a factional group. The 17th Central Committee saw a decline in the number of Qinghua graduates from 20 to 10. However, Hu Jintao and Wu Bangguo remained in the Politburo Standing Committee while Xi Jinping and Liu Yandong became new members of the Politburo Standing Committee with Qinghua affiliation (Bo 2008, 340). There have been few signs of a leader within the Qinghua Clique, making it a factional group with little cohesion.
Princelings consist of the grouping of elites who are descendants of former prominent officials in the CCP. The implication of the word “Princeling” is that through nepotism, these individuals were given the chance to advance the ranks of the party. There has been a notable expansion of this factional group in the last decade, as the number of Princelings in the Central Committee increased from 20 (2002) to 27 (2007). Some rising stars within this group include Bo Xilai, current Minister of Commerce and Party Secretary of Chongqing who is widely speculated to become a member of the 18th Politburo Standing Committee, and Xi Jinping, currently ranked number six in the CCP and the most likely successor of the paramount leader position in the upcoming 18th Party Congress. According to Bo Zhiyue's study (2008), the Princelings is the second most powerful factional group behind the Tuanpai. The increasing visibility of its members within the 5th generation of the CCP leadership has attracted much attention and speculation about its implications on future policy directions. Nevertheless, it is unclear whether members of the Princelings share similar ideals and priorities. Cohesion is low in the group, as few of them have shared experiences of working together (Bo 2008, 346).

Current officials who were former members of the Chinese Communist Youth League (CCYL) form by far the largest factional group in the CCP, called Tuanpai. This factional group has expanded considerably since Hu Jintao became the general secretary (see Appendix B), with currently 82 of the Central Committee officials being affiliated with Tuanpai, and representing one third of the 25 member Politburo (Bo 2008, 347). As the ascendance of Hu Jintao became the hallmark of the success of Tuanpai, the factional group is commonly associated with Hu Jintao's group of populist associates. Although not necessarily a faction, Hu's leadership has enhanced the sense of solidarity and cohesion within the group. It is not surprising that the Tuanpai is the most cohesive factional group, as many of former CCYL cadres have worked
together prior to their entry into the Central Committee. The overwhelming representation of the Tuanpai within central policy-making organs such as the Central Committee and Politburo could lead one to expect a shift towards more populist political agendas. A noteworthy member of Tuanpai is Li Keqiang, a prominent member of the 17th Politburo Standing Committee and the projected successor of Wen Jiabao's position. His populist background, contrasted by Xi Jinping's suspected pro-business stance, could serve as an example of the balancing mechanism of factional politics in the CCP.

3.3.1 Balancing or Overlapping?

As mentioned previously, it is difficult to identify distinct factions within the CCP nowadays. The most common system of classification of elites is through their affiliations to the four main factional groups as outlined. However, belonging to a factional group does not necessarily provide insight into a leader's policy preferences or political alignments. In fact, the overlapping of membership has blurred the boundaries of each factional group. For example, Zeng Qinghong was identified as a core member of both the Shanghai Gang and Princelings, although his leadership role in either group is lacking. It was his allegiance to Jiang Zemin that became a decided clue to his policy preferences. Similarly, two powerful members of the Shanghai Gang—Wu Bangguo and Huang Ju—were also graduates of Qinghua University. Again, it was their association with Jiang Zemin rather than their affiliation with either factional group that gave away their positions in CCP power dynamics. Given the observed overlap between the Qinghua Clique and the Shanghai Gang, both factional groups are often discussed as one entity, despite the fact that Hu Jintao is also a Qinghua graduate while being the leader of the left-leaning Tuanpai. Such examples show that factionalism isn't as rampant in present day CCP
as it was in the pre-Jiang Zemin times, at least not to the extent that factional struggles could threaten the existence of the CCP.

### 3.3.2 Checks and Balances

According to Cheng Li, identifying existing coalitions rather than factional groups within the political elite is a more effective way of analyzing factional politics in China (Li 2008, 4). He notes bipartisanship within the CCP today which consists of the “elitist” coalition headed by Jiang Zemin and the “populist” coalition led by Hu Jintao forming two opposing poles. Li posits that the elitists, composed mainly of Princelings and the Shanghai Gang, represent the interests of the business and middle class by making further market liberalization and private sector development as their top priorities, while the populists, who are mainly Tuanpai members, represent the less privileged groups such as farmers, migrant workers, and the poor, and are driven to balance regional development and provide social security and employment for these groups (Li 2009, 26). Going further, Li also uses regional differences as a discerning factor in his analysis, suggesting that elitists represent wealthy coastal regions, whereas populists are more concerned with protecting the interests of poorer inland regions.

Indeed, it is fathomable that the “elitists” identify with the concerns of the well-to-do social groups as most of them have acquired their leadership positions through their family background, foreign education, and connections with the business and cultural elite. In contrast, “populist” leaders have worked in China's poorest provinces prior to advancing their careers within the central government, and are more inclined to be sympathetic to the plights of the economically disadvantaged. For example, Jiang Zemin and the Shanghai Gang members of the Politburo Standing Committee have spent the majority of their careers in Shanghai and wealthy
coastal provinces prior to being deployed to Beijing, whereas Hu Jintao and Wen Jiabao have spent significant portions of their career in poor inland regions (Tibet and Guizhou for the former and Gansu for the latter). Hence, given their exposure and connections to different social groups and regions, it is only natural that “elitists” and “populists” have diverging interests and priorities.

If Cheng Li’s observations are accurate representations of the composition of the top leadership in China, it would allude to the possible clash between Xi Jinping and Li Keqiang after the 18th National Party Congress, as they are forecasted to become the next General Secretary and Premier respectively. So far, it is clear that Xi intends to continue economic development through the allocation of resources toward the expansion of the private-sector and continued GDP growth. Conversely, Li has conveyed to the public his plans to develop a pilot social safety net program and basic health care for the poor (Li 2009, 29). This compels me to ask the question: Does the current state of CCP factional politics unintentionally generate a checks and balances system?

We can observe at least two major shifts in elite politics since the Mao era, beginning with the shift from arbitrary decision-making during the Mao era to contentious factional struggles between Chen Yun's conservative coalition and Deng Xiaoping's reformists during the reform era, to what now appears to be a heterogeneous elite that makes decisions through consensus-building. To an extent, the current arrangement is somewhat a resemblance of a checks and balances mechanism that, when coupled with the institutionalization of rules, not only prevents the monopoly of power by one individual, but also lessens contention within the party and promotes greater cooperation and unity. After all, since all elites share the common goal of ensuring the survival of the CCP regime, having factional splits and engaging in open
contention would only be counterproductive. The rule-based playing field now allows for greater flexibility in policy negotiations and communication of ideas. With the realization that economic growth is no longer sufficient for extending the legitimacy of the party, leaders now push for better governance (at least at the center) as a way to appease the masses. The current formula of factional politics, consisting of a mixture of overlapping interests and expertise, interdependence, and competition, leads me to believe that such a system is sustainable and will remain in place for the next decade.

3.4 Co-option, Recruitment, and the Changing Face of the CCP

In 2001, Jiang Zemin subliminally endorsed in a speech the new policy to allow entrepreneurs and business elites to join the CCP, which has since changed the relationship between the business class and the party. The speech, as part of the unveiling of Jiang's “Three Represents” ideology to encourage the development of private capital, came at a time of tremendous expansion of the private enterprises, market reform, and integration with global markets. With economic power increasingly resting in the hands of the business and middle class and realizing that the old image of the CCP as a vanguard party has outlived its usefulness, Jiang decided it was time to redefine the CCP ideology according to the changing social landscape. Since then, the number of businessmen who hold CCP membership has increased exponentially. In fact, a large number of 5th generation leaders in the 17th Central committee have had experience as CEO's of China's largest enterprises (Li 2009, 21), bearing great implications on future policy directions given the effect of the changing composition of the elite.

While it is clear that the greatest political power is exercised at the highest level of the CCP organization, it is nonetheless important to examine the incoming cohorts of leaders within
each Central Committee considering that leadership succession is the result of a system of periodic promotions. It is often the case that a top leader will go through a career-advancement progression in the order of: provincial party secretary, to Central Committee member, to Politburo, and finally, to Standing Committee member of the Politburo. With this in mind, the characteristics and political interest of the new central party leaders can translate into political change in a decade down the road.

Evidently, gone were the days of the Mao Zedong era when those with strong revolutionary credentials occupied the most power positions within the CCP. Deng Xiaoping and his counterparts realized that without functional specialization, elites with similar credentials and backgrounds competed rather than complemented each other, resulting in zero-sum politics that led to the demise of the Mao era. At the same time, in the face of a rapidly growing economy and desires to integrate into the world economy, the party needed to adapt to the ongoing social changes by slowly integrating those with technical expertise into its own ranks, offering political power as bait. Essentially, it was a marriage of convenience—the regime needed leaders with specialized knowledge to manage the ever-growing economy and to maintain its legitimacy, while the specialized elites needed political power to enhance their status within their own domains. Moreover, by becoming members of the CCP, those with specialized knowledge (including intelligentsia and entrepreneurs) find it in their best interests to support the regime, which thereby helps the party avert the threat of a bottom-up revolution that would’ve most likely have been led by these social/cultural elites.

I use “co-option” to describe this process of including outside elements into the ruling elite. Some scholars have made the distinction between recruitment and co-option, positing that recruited members gain entry at an early stage of their career, while co-opted members enter at a
later stage in their careers after having gained vocational knowledge and ties (Zang 152). This distinction can help predict different styles of leadership. While recruited elites may find ideology and CCP dogma more appealing, co-opted elites are likely to be pragmatic in their policy choices (Zang 163). These different styles of leadership need not be mutually exclusive. The current context of increasing institutionalization of rules and power-sharing within the top CCP leadership fosters an uncontentious environment for elites to cooperate through interdependence. An obvious side-effect of co-option has been the exponential increase of corruption incidences within both lower and higher ranks of the party, a phenomenon that skeptics posit would quickly lead to the imminent downfall of the CCP. However, after two decades of using ongoing recruitment and co-option, the CCP has evolved into a relatively stable polity, while concurrently reducing discontent against the state among the critical groups such as intellectuals and the private sector.

3.4.1 Fifth Generation

The change in the demographic of China’s top leaders is ever so evident when a comparison is made over each generation of leadership. The Mao Zedong and Deng Xiaoping generation was very homogenous and was composed mainly of peasants and soldiers who later became communist revolutionaries. The homogeneity and lack of technical expertise of this generation led to detrimental policy choices that caused the country to be imperiled in famines, social revolution, and isolation for many decades. The third (Jiang Zemin) and fourth (Hu Jintao) generations, on the other hand, was composed of an overwhelming majority of technocrats with engineering backgrounds (see Tables 1 and 2). The technocratic generation has proven itself to be relatively stable, largely due to most leaders belonging to the same age group and having suffered through similar experiences during the Cultural Revolution. As Yu-Shan Wu observes,
they “have a realistic understanding of the popular desire for material betterment, they loathe destruction in the name of revolution and the perennial uncertainties brought about by radical reform, they want to absorb Western technology and capital, but they abhor pluralistic ideas and democracy.” (Wu 77). In contrast, the incoming fifth generation will be the most diverse group of elites since the founding of the PRC given its members' wide range of economic, educational, and professional backgrounds—partly a result of Jiang Zemin's “Three Represents” initiative to allow the Party to co-opt new elites.

The “fifth generation” refers to those who are part of the 17th Central Committee and who will continue to take on leadership positions within their current or expanded capacities after the 18th Party Congress. While the core of the third and fourth generations' leaderships were formed according to Deng Xiaoping's preferences and through political maneuvers among factions, the promotion of fifth generation leaders is much less deterministic. Although factional alignments continue to be a decisive factor in the process of leadership succession, greater emphasis on collective governance and professional/technical knowledge coupled with the opening of the flood-gates of CCP membership to business and intellectual elites have culminated in the promotion of elites that come from unconventional backgrounds in recent years.

According to Cheng Li, three emerging groups in the central leadership have garnered attention as potential contributors to future political change—legal professionals, executives of SOEs, private entrepreneurs, and haiguipai (overseas returnees) (Li 2009, 17). A study indicates that the number of lawyers in China have increased tremendously from 3000 in the 1980s to 114,000 in 2004 (Li 2009, 18). This exponential increase is reflected in their increasing representation within the political elite, as a number of the incoming fifth generation leadership are holders of law degrees (Li 2009, 18).
Similarly, the enlarged group of Central Committee leaders with business backgrounds since the 15th Central Committee is well reflected in statistics such as the 2007 CCP Organization Department’s report that a total of 2.86 million CCP members worked in the private sector (“2.86 million Communist Party members”). Examples of elites with business backgrounds in the Central Committee include Zhang Ruiming (CEO of Haier), Wang Xiaochu (CEO of China Telecom), Xu Lejiang (CEO of Shanghai Bao Steel), Xu Lejiang (CEO of Shanghai Bao Steel), Xiao Yanqing (CEO of China Aluminum Corporation), Zhang Qingwei (CEO of Commercial Aircraft Corporation of China), Zhu Yanfeng (CEO of First Auto), Chen Chuanping (CEO of Taiyuan Steel), and Su Shulin (CEO of SINOPEC) (Li 2009, 21).

Although the proportion of foreign-educated elites continues to be small, the noticeable increase of the *haiguipai* that have entered the top echelons of political power is not a negligible observation. Cheng Li cites some examples of overseas returnees who have gained entry to the Politburo and Secretariat, such as Wang Huning and Cao Jianmin, both of whom have been close aides of Jiang Zemin on issues such as ideological institutionalization and WTO accession (Li, 2009, 23).

Indeed, the increasing proportion of the business class in the central leadership pays homage to Jiang’s somewhat apt and well-timed “Three Represents” co-option plan that has so far allowed the CCP to adapt to the changing power dynamics among the social classes. The argument can be made that the Party now appeals to an expanded base of constituents, rather than solely the interests of the working class, whose power has diminished since the 1980s economic reforms. On the other hand, the glaring visibility of the business class among political elites is the tell-tale sign that crony capitalism is entrenched in the Chinese political system and will only continue to be reflected in the policy choices of top leaders. As for the emerging group
of legal professionals, their impact on elite politics is noticeable. That so many legal professionals have advanced through the leadership selection system is at least an indicator of the reality that the practice of law has become prevalent and important to governance in China, even if the rule of law is still subservient to the Party in practice. It is logical that legal expertise should be highly valued by the Party especially under the climate of continuous economic growth which has led to the continuing need for legal reform and fine tuning of existing commercial laws.

Table 1  The 17th Politburo Standing Committee

<table>
<thead>
<tr>
<th>Name</th>
<th>Birth date</th>
<th>Age by 2012 national congress</th>
<th>Professional Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hu Jintao</td>
<td>1942</td>
<td>70</td>
<td>Engineering</td>
</tr>
<tr>
<td>Wu Bangguo</td>
<td>1941</td>
<td>71</td>
<td>Engineering</td>
</tr>
<tr>
<td>Wen Jiabao</td>
<td>1942</td>
<td>70</td>
<td>Geology/Engineering</td>
</tr>
<tr>
<td>Jia Qinglin</td>
<td>1940</td>
<td>72</td>
<td>Engineering</td>
</tr>
<tr>
<td>Li Changchun</td>
<td>1944</td>
<td>68*</td>
<td>Engineering</td>
</tr>
<tr>
<td>Xi Jinping</td>
<td>1953</td>
<td>59*</td>
<td>Engineering</td>
</tr>
<tr>
<td>Li Keqiang</td>
<td>1955</td>
<td>57*</td>
<td>Law/Economics</td>
</tr>
<tr>
<td>He Guoqiang</td>
<td>1943</td>
<td>69*</td>
<td>Engineering</td>
</tr>
<tr>
<td>Zhou Yongkang</td>
<td>1942</td>
<td>70</td>
<td>Engineering</td>
</tr>
</tbody>
</table>

* denotes eligibility for reappointment. Bolded text denotes 1st term in Standing Committee
Table 2  The 17th Politburo (excluding Standing Committee members)

<table>
<thead>
<tr>
<th>Name</th>
<th>Date of Birth</th>
<th>Age by 2012 National Congress</th>
<th>Professional Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wang Yang</td>
<td>1955</td>
<td>57*</td>
<td>Engineering/Political Economy</td>
</tr>
<tr>
<td>Li Yunchao</td>
<td>1950</td>
<td>62*</td>
<td>Mathematics</td>
</tr>
<tr>
<td>Bo Xilai</td>
<td>1949</td>
<td>63*</td>
<td>History/Journalism</td>
</tr>
<tr>
<td>Wang Qishan</td>
<td>1948</td>
<td>64*</td>
<td>History</td>
</tr>
<tr>
<td>Liu Yunshan</td>
<td>1947</td>
<td>65*</td>
<td>Media/Public Relations</td>
</tr>
<tr>
<td>Zhang Dejiang</td>
<td>1946</td>
<td>66*</td>
<td>Economics</td>
</tr>
<tr>
<td>Zhang Gaoli</td>
<td>1946</td>
<td>66*</td>
<td>Economics</td>
</tr>
<tr>
<td>Liu Yandong</td>
<td>1945</td>
<td>67*</td>
<td>Chemistry</td>
</tr>
<tr>
<td>Yu Zhengsheng</td>
<td>1945</td>
<td>67*</td>
<td>Engineering</td>
</tr>
<tr>
<td>Hui Liangyu</td>
<td>1944</td>
<td>68*</td>
<td>Economics</td>
</tr>
<tr>
<td>Wang Lequan</td>
<td>1944</td>
<td>68*</td>
<td>Central Party School Post-graduate</td>
</tr>
<tr>
<td>Xu Caihou</td>
<td>1943</td>
<td>69*</td>
<td>Engineering/Military</td>
</tr>
<tr>
<td>Guo Boxiong</td>
<td>1942</td>
<td>70</td>
<td>Military</td>
</tr>
<tr>
<td>Liu Qi</td>
<td>1942</td>
<td>70</td>
<td>Engineering</td>
</tr>
<tr>
<td>Wang Gang</td>
<td>1942</td>
<td>70</td>
<td>Philosophy</td>
</tr>
<tr>
<td>Wang Zhaoguo</td>
<td>1941</td>
<td>71</td>
<td>Engineering</td>
</tr>
</tbody>
</table>

* denotes eligibility for reappointment. Bolded text denotes 1st term in Standing Committee

3.4.2 Pluralism and Representativeness

The institutionalization of the retirement age of 70 has spurred the phenomenon of mass retirements at the quinquennial Party Congresses since the 15th National CCP Congress. The 2002 Congress led to the retirement of nearly every member of the 15th Politburo Standing Committee except for Hu Jintao, the replacement of two-thirds of the Politburo, and new faces constituting half of the Central Committee (Zhao 2003, 35). Similarly, the upcoming 18th party congress will bid farewell to most of the Politburo members and allow the advancement of a younger generation of leaders with a diverse mix of backgrounds. This has elicited speculation
over whether this heterogeneous group of new elites, through cooperation or conflict, will initiate substantive political change.

A characteristic shared by all political leaders, regardless of generation, is that each individual wishes to leave behind a legacy that reflects their personal beliefs. As the fourth generation technocrats sought to change the direction of the Party from one of pursuing grand ideology to one of pragmatic economic development, the fifth generation will likewise seek to advance their interests and beliefs. With the growing number of legal professionals, and overseas returnees in the 5th generation, it is possible that many of them will attempt to impact political and legal reform. This could subsequently be met with resistance from leaders with business and PLA backgrounds, who likely support the political status quo out of their interest for economic stability and personal gains. Clearly, a lack of agreement on many policy issues may become prevalent under the leadership of the upcoming generation. However, this does not necessarily lead to inevitable conflict among elites, as today’s leaders are encouraged, through institutional mediums, to seek legitimacy through compromise, consensus, and open discussion. Furthermore, power-sharing among elites with diverse demographic and professional backgrounds entail growing pluralism within the party. The party’s enlarged representation of different socio-economic and geographic groups cumulatively enhances the legitimacy of the regime.
Chapter 4: Case Study

The institutionalization of a retirement age, term limit, and phasing out of the practice of hand-picking successors has drastically changed the power dynamics among leaders in China. Aware of the inevitable turnover of top leaders, competing factions scramble to insert political allies in positions of power while grooming younger subordinates for future leadership roles. The months leading up to each Party Congress prove to be critical windows of opportunity for faction leaders to strength their base of support by plotting against their rivals. However, under the current context of intra-party democracy, such leaders are limited to employing the strategies of negotiation, deal-making, and making compromises rather than engaging in outright power struggle, as demonstrated by the case of Cheng Liangyu's dismissal.

In September of 2006, Chen Liangyu, the party secretary of Shanghai, CCP Politburo member, and prominent member of Jiang Zemin's Shanghai Gang, was dismissed from his formal government and CCP member posts on charges of corruption. A long investigation subsequently ensued, leading to one of the most publicized corruption scandals in recent years. In April 2008, Xinhua News reported that Chen “was sentenced to 18 years in jail for bribery and abuse of power ...The court also confiscated 300,000 yuan (about 42,860 U.S. dollars) in the personal assets of Chen” (“Former Shanghai Party chief”, par 2). Despite increasing power-sharing and compromise among factional groups, some elements of faction politics such as purges, as exemplified in Chen's case, still remain common-place, albeit taking place within a different institutional environment.

Chen Liangyu's rise to power is often attributed in a large part to Jiang Zemin's tenure in Shanghai. Interestingly, both Chen and Huang Ju (formerly a powerful member of the Shanghai
Gang) headed the Shanghai First Bureau of Electrical Machinery in the 1980s, which was regulated by the Ministry of Electronic Industry during Jiang Zemin's tenure as Secretary of the ministry (Li 2007, par 13). After Jiang Zemin was suddenly promoted to the General Secretary position by Deng Xiaoping, Jiang, who was relatively new to central party politics and lacked a support base, decided to place his Shanghai associates in positions of power as a way to create an anchor for his power, of which Chen and other members of the Shanghai Gang benefited from. After subsequent leadership positions in Shanghai as the Vice Mayor and Deputy Party Secretary of Shanghai, Chen Liangyu became an alternate member of the 15th Central Committee with the help of Jiang, marking his rise to power on the national level (Li 2007, par 18). Nevertheless, his quick ascendance to power was eventually countered by a swifter retribution.

On April 11, 2008, Xinhua reports:

“According to court documents, from 1988 to 2006, Chen took advantage of his positions as head of the Huangpu district government, vice-mayor and mayor of Shanghai Municipal Government, as well as deputy secretary and secretary of the Shanghai CPC Municipal Committee, to seek profits for Shanghai New Huangpu Group Company (SNHGC) and Shanghai Shenhua Football Club. Chen admitted that Wu Minglie, the former head of SNHGC, had replaced Chen's father's old home with a new one that was valued at 930,000 yuan more than the old residence, previous media reports said. Other members of Chen's family also accepted free foreign trips from Wu, the reports said. Also, the reports said, Chen asked Yu Zhifei, the former head of the football club, to arrange a senior post for his son, Chen Weili. Chen Weili later acted as deputy general manager of the club, for which he was paid 352,000 yuan, although he did not actually work there, the reports said. The illicit profits consisted of fiscal subsidies or compensation for building demolition, as well as deals involving idle land or property. Chen extorted money from or accepted bribes of more than 2.39 million yuan from organizations and individuals, the court heard.” (“Former Shanghai Party chief” par 5-9)

To add to the plethora of corruption charges, Chen Liangyu accepted bribes in exchange for illegally granting loans to businesses and construction projects from Shanghai's pension fund. According to news reports, it was discovered that over 20 billion RMB of social security funds
were given to real estate projects (Hanwei par 12). Chen became the highest ranked official to be ousted from the CCP for a corruption scandal in recent history.

Chen Liangyu's dismissal and imprisonment was a national news sensation, but was not a surprise to the CCP elites. Ample evidence suggests that his history of corruption dates back to 1988, prior to his ascension to the Central Committee. What is surprising is that he was the only one ousted on reasons of corruption, despite some others in the Politburo also being reputed for engaging in similar transgressions (Li 2007 par 1). Although Chen's arrest was often referenced under Hu Jintao's anti-corruption campaign, it is clear that the targeting of Chen, a follower of Jiang, was mainly a political maneuver by Hu Jintao to weaken the Shanghai Gang's clout in central elite politics. Chen likely sealed his own fate by adamantly opposing the Hu-Wen macroeconomic control policies rolled out in 2004, declaring that the policy was economically damaging and an impediment to the real estate industry (Li 2007 par 3), through which Chen gained much of his bribe revenue.

Also notable is the timing of the series of events surrounding the scandal. In an August 2006 meeting of the Standing Committee of the Politburo, a preliminary investigation into Chen's dealings was authorized. Immediately after on September 24, 2006, Chen was suspended from his posts as Politburo member, Central Committee member, and Party Secretary of Shanghai. Finally, he was dismissed from his position as deputy to the National People's Congress on July 24, 2007 (“Former Shanghai Party chief” par 3). All of this coincided with the 17th National Congress that took place after Chen's dismissals in October 2007, which elucidates Hu Jintao's intention of weakening Jiang Zemin's faction prior to the leadership shuffle. The end result of the 17th National Congress was the consolidation of Hu Jintao's power through the
noticeable increase in *tuanpai* members in the Central Committee, and a detrimental blow to the Shanghai Gang (Bo 2008, 334).

A question remains—why didn't Hu Jintao expose other political enemies from the Shanghai Gang who were similarly involved in a multitude of corruption schemes? It was likely that at the time of Chen's investigation, there was pressure within the central elite to maintain Shanghai's role as the champion of economic liberalization as it was believed to be beneficial for China's economic interest, despite Hu and Wen's wishes to rein in Shanghai's economic development via their policy of heavier government regulation. Given the pressures, Hu found it impossible to eradicate dissenting voices without disturbing the peace within the party. After all, the evolution of elite politics over time has created a collective decision-making mechanism that distributes power to a larger number of elites, thereby constraining the extent to which Hu or anyone could single-handedly change the power dynamics. In addition, the desire to encourage the public perception of the party as being legitimate and responsible would also have inhibited Hu's faction from further tainting the CCP's image with news of additional corruption scandals.

Finally, another noteworthy aspect of this case study is the decision to fill Chen Liangyu's position with Han Zheng and Xi Jinping (successively), both of whom were considered to be aligned with Jiang Zemin's faction. Surely, Hu Jintao would have benefited from placing his own protégée in the vacated spot. This leads to the speculation that perhaps Hu was forced to appease his opponents for two reasons—first, that Hu does not wield enough power to unilaterally make such appointments; and second, that no *Tuanpai* leader has enough expertise to take on the important role as party secretary of Shanghai. As noted in Chapter 3, CCP elite dynamics has evolved over time from zero-sum struggles to power sharing and compromise. Hu, lacking the "strongman" influence of Deng Xiaoping, would not have been able to both
terminate Chen Liangyu and appoint a Tuanpai member as a replacement without eliciting a backlash from the opposing factions in the party. The decision to promote Han Zheng (and subsequently Xi Jinping) was a conciliatory gesture made by Hu to appease his political rivals and avoid a rift among the top elites. Well known to the public is the fact that Tuanpai leaders generally lack knowledge and experience in the economic sector (Li 2007 par 46) and few have spent much time in Shanghai, making them poor candidates for the top leadership position in Shanghai. Shanghai Gang members in contrast usually have ample administrative experience in Shanghai as well as sufficient knowledge of finance and key industries. Both Han Zheng and Xi Jinping were qualified candidates for the position, as Han Zheng had a background in economics and was the Mayor of Shanghai since 2003, while Xi Jinping had previous relevant experience as Governor of Fujian and Party Secretary of Zhejiang, both coastal and economically prosperous provinces. Han and Xi's appointments illustrate that the checks and balances mechanism of faction politics can sometimes lead to decisions that serve the greater good. It also shows that the norms of coalition-building, compromise, and collective decision-making have lessened contention during processes of succession.

Interestingly, Hu Jintao was finally able to place his political ally, Yu Zhengsheng, in the position of Shanghai Party Secretary in October 2007 after Xi Jinping was promoted to the Politburo Standing Committee at the 17th Party Congress (Lam par 2). With Yu Zhengsheng in place, Hu Jintao and Wen Jiabao found themselves in a better place to impose their policies of economic regulation on Shanghai. Of course, this was likely achieved after striking a deal with Jiang's associates on the promotion of various protégées on either side prior to the 17th Party Congress.
Chapter 5: Conclusion

Arguably, the CCP is the largest and most influential political party in the world. With a membership of more than 73 million and governing a population of more than 1.3 billion, it wields tremendous power both within the domestic Chinese context and internationally (Zheng 2). Three decades ago, many academics had predicted that with the growth of the Chinese middle class and the economy, and significant changes in political culture, democracy was surely the end result of such advancement. To date, such forecasts had been proven wrong. As such, China watchers have not ceased to carefully monitor the actions of Beijing and the dynamics among the top leaders for signs of prospective political change.

One of the main purposes of this paper is to answer the question of why the authoritarian regime in China has been so resilient against the backdrop of tremendous domestic economic and social changes. At the beginning of this paper, the argument is made that an eclectic approach is best suited for studying political change in China. While the preconditions school has put forth an extensive list of possible factors that may cause the downfall of authoritarian regimes, its focus lingers on the question of “why”. Since democratic transition is a process, the question of “how” a country may transform into a democracy is also relevant. This question is best answered through an institution/actor-oriented approach which emphasizes the path-dependent nature of how the shifting power dynamics of elites (within the confines of established rules) can lead to various outcomes. By considering elements of both approaches, one will most likely gain a more nuanced understanding of the reasons behind regime survival and political change.

Employing an eclectic approach that examines both state-society relations and elite politics, I established that authoritarian resilience in China is the result of the ability of the CCP
to prevent the grassroots from mobilizing against the regime as well as its ability to prevent a split within the party elites. By demonstrating that the Party controls public sentiments through the combination of implementing self-preserving policies, controlling information, and disallowing mobilization, it is clear that currently, the public has neither the conviction nor the tools at their disposal to initiate a bottom-up regime change. A further probe into the individual sentiments of the entrepreneurial, middle, and working classes toward the CCP reveals that while the post-Deng Xiaoping era policies have affected each group in a different way, it has culminated in each group's dependence on the current regime.

Given the lack of mass disaffection towards the CCP and the fact that the majority of the populace is insulated from political participation, it is then necessary to study elite politics for clues to answering how and whether political change in China may come about through the interactions within the top leadership. By studying the recent changes in three aspects of elite politics—leadership succession process, factionalism, and central leadership demographics—one can deduce that power sharing, collective decision-making, compromising, have now become the norms of elite politics in China. Such attributes are often referred to as intra-party democracy, which elicits cooperation among the elite and sometimes lead to better governance, but is an impediment for elite-driven democratization, which depends on the existence of cleavages or serious power struggles in the party.

The case study of the events surrounding Chen Liangyu's dismissal is an effective illustration of the reality that the “paramount leader” no longer wields pre-eminent uncontested powers in contemporary Chinese politics. Instead, top leaders from opposing factions must vie for a share of the power through elevating their protégées and plotting to remove their opponents from power via legitimate means (I.e. negotiating, coalition-building, compromising). Hence,
although intra-elite contentions continue to exist, the means to resolving power struggles are less destructive to the political equilibrium. Generally speaking, the institutionalization of informal rules that led to the development of intra-party democracy in recent years has effectively shielded the CCP from the predicament of a regime collapse induced by internal struggles.

With the 2012 18th Party Congress fast approaching, it would be interesting to monitor personnel changes made in the central government in the months leading up to the event. Many rumours regarding infamous smuggler Lai Changxing's sudden repatriation to China have circulated, leading to speculations of whether Hu Jintao will borrow the opportunity to implicate and get rid of certain political rivals from the Shanghai Gang and Princeling factions. Lai Changxing, named “China's most wanted fugitive”, has implied in public statements that his corrupt dealings involved officials at the highest ranks of the CCP and that his return to China will cause the fall of many top officials. Lai is most notably linked to Jia Qingling, current Politburo Standing Committee member and Jiang Zemin's close associate, whose wife is rumoured to have benefited from Lai's illegal activities. Xi Jinping, heir-apparent to the General Secretary position and former Governor of Fujian is also rumoured to be on the list of officials to be implicated by Lai (Wines par 2). If Chen Liangyu's case serves as a precedent, it is likely that Hu Jintao will use Lai's testimony as a trump card to gain the upper hand on influencing the leadership succession outcomes of the Party Congress without stirring up destabilizing tensions within the party.

Finally, we return to the question of “Is democracy on the horizon for China?” Insofar as democracy is defined as the equal participation of all people in the political process, the answer is decisively no. Time and time again, the leaders of the CCP have articulated clearly through their actions and rhetoric that the party has no intention of transitioning into a western style
democracy. However, the emergence of collective governance and intra-party democracy has inspired the democratic practices of accountability, informal checks and balances, and pluralism. With increasing diversity among new leaders in the upcoming generations and the growing practice of intra-party democracy, it is feasible to suggest that China is, however slowly, moving towards greater democracy. But as the situation stands, the CCP continues to govern as an authoritarian polity and has not shown signs of disintegration. Only time will tell if China will evolve into a democracy, and even if so, it probably will not be an exact reflection of the western conception of democracy.


Gallagher, Mary E. “Reform and Openness: Why China’s Economic Reforms Have Delayed


Tang, Shui-Yan & Xueyong Zhan. “Civic Environmental NGOs, Civil Society, and


Appendices

Appendix A: Przeworski’s Concept of Pact-Making Outcomes

<table>
<thead>
<tr>
<th></th>
<th>If Moderates ally with Radicals</th>
<th>If Moderates ally with Reformers</th>
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<tbody>
<tr>
<td>If Reformers ally with Hardliners</td>
<td>Authoritarian regime survives in old form</td>
<td>Authoritarian regime holds, with concessions</td>
</tr>
<tr>
<td>If Reformers ally with Moderates</td>
<td>Democracy without guarantees</td>
<td>Democracy with guarantees</td>
</tr>
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