

An International Conference on
Democracy in East Asia and Taiwan in
Global Perspective

Session VI: Democracy in China

The Political Future of the Communist Regime in
China: Resiliency vs. Fragility

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Paper prepared for delivery at an international conference on Democracy in East Asia and
Taiwan in Global Perspective, organized by the Department of Political Science at National
Taiwan University, Taipei, ROC, August 24-25, 2011.

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Abstract

Authoritarian regimes that have defied the global trends of democratization are thought to be resilient. This paper questions the durability of authoritarian regimes perceived as resilient because of their capacity for adaptation. It argues that repression and co-optation are central to understanding the survival of autocracies. In particular, the paper questions the proposition that authoritarian rule in China has become resilient and adaptive. By identifying the main causes of authoritarian decay and the limits of regime adaptation without democratization, the paper analyzes why perceived authoritarian resilience actually conceals fundamental fragilities of the Chinese political system.

Keywords: the Chinese Communist Party, autocracy, adaptation, repression, regime resilience, regime decay

The Political Future of the Communist Regime in China: Resiliency vs. Fragility

The continuing survival of authoritarian regimes around the world and the apparent resilience of such regimes in several key countries, particularly China and Russia, have attracted enormous scholarly interest in recent years.¹ Analysts have advanced various theories to explain the success and durability of these regimes. Some theories focus on the capacity of authoritarian regimes to adapt and to learn from their past mistakes and the mistakes made by other authoritarian regimes, some explore the connection between natural resource rents and regime survivability, some identify the repressive capacity of the authoritarian regime as the most critical variable in explaining their durability, some pay special attention to authoritarian regimes' capacity to institutionalize their rule, particularly in the area of succession arrangements, elite recruitment and promotion.

These theories may provide tantalizing explanations for the endurance of authoritarian regimes, but they suffer from one common weakness: the theoretical explanations provided for the durability of authoritarian regimes are *ad hoc* and inductive. In addition, the selection bias problem, caused by the necessity of picking and analyzing a small set of samples (surviving autocracies), further limits the usefulness of such theories of regime resilience. Consequently, theories that purport to explain authoritarian durability fare poorly when supposedly invulnerable autocracies crumble like a house of cards in face of mass protest and popular uprising. The Arab Spring, a series of popular uprisings that toppled autocracies in Tunisia and Egypt, triggered a civil war in Libya, and sparked prolonged and bloody anti-regime protests in Syria, provides a humbling lesson for those who, not too long ago, saw the same autocratic regimes in the Middle East as "robust" and "resilient."

¹ For representative works on the theme of resilient authoritarianism, see Olga Kryshstanovskaya and Stephen White, "The Sovietization of Russian Politics," *Post-Soviet Affairs*, Vol. 25, No. 4 (October 2009), pp. 283-309; Andrew Nathan, "Authoritarian resilience," *Journal of Democracy*, Vol. 14, No. 1 (January 2003), pp. 6-17; Marsha Pripstein Posusney, "Enduring Authoritarianism: Middle East Lessons for Contemporary Theory," *Comparative Politics*, Vol. 36, No. 2 (Jan. 2004), pp. 127-138; Eva Bellin, "The Robustness of Authoritarianism in the Middle East," *Comparative Politics* (January 2004), pp. 139-156; Jason Brownlee, "Low Tide after the Third Wave: Exploring Politics under Authoritarianism," *Comparative Politics*, Vol. 34, No. 4 (July 2002), pp. 477-498; Bruce Bueno de Mesquita and Alastair Smith, "Political Survival and Endogenous Change," *Comparative Political Studies* Vol. 42, No. 2 (January 2009), pp. 167-197.

In the scholarly discussion of authoritarian resilience, China stands out as an exemplary case. The ruling Chinese Communist Party (CCP) not only survived a near-death experience in the spring of 1989, when millions of protesters nationwide nearly toppled its rule, but also has since thrived. The ruling elites coalesced around a new strategy that combines the promotion of rapid economic growth with the preservation of one-party rule through selective political repression. The rapid growth of the Chinese economy in the post-Tiananmen era has provided the party popular legitimacy and the resources to defend its political monopoly. In the political realm, the party has demonstrated remarkable tactical sophistication, adaptability, and capacity for asserting control. It has succeeded in maintaining unity within the elites, resisted the global tide of democratization, prevented the information revolution from irrevocably undermining its control of the flow of information, manipulated nationalism to bolster its support among the younger and better-educated segments of the population, eliminated any form of organized opposition, and contained social unrest through a combination of carrots and sticks.

The post-1989 Chinese experience in the consolidation of authoritarian rule in the global context of democratization raises several important questions. Does the Chinese case validate some of the theoretical explanations of authoritarian resilience advanced by specialists of other regions? What are the explanations of authoritarian resilience in China? Does evidence support such explanations? Are these explanations theoretically robust? Is authoritarian resilience in China a temporary or a durable phenomenon?

This paper will first briefly review the literature on authoritarian resilience in other regions and in China. It then offers a conceptually different explanation of the survival of the Chinese Communist Party since 1989. It finally identifies the systemic and structural weaknesses of the Chinese regime and calls into the question the assumption that its current strength will endure. The main argument of the paper is that phrases such as “authoritarian resilience” add little analytical value. Greater understanding of the post-communist autocracies may be gained by focusing on regime adaptation and the limits of such adaptation.

Authoritarian Resilience: A theoretical discussion

Theoretical explanations of the survival of authoritarian regimes around the world share one common feature: turning theories of democratic transition upside down. Specifically, such explanations either attempt to identify the *absence* of the favorable

factors that are normally associated with democratic transition or pinpoint the *presence* of the unfavorable factors associated with the prevention of democratic transition. Among these explanations, three stand out.

1. Political Economy:

The focus of this theoretical perspective is on the nature of the political economy. Generally speaking, authoritarian regimes dependent on natural resource rents are found to be more durable because the rents derived from the production of natural resources allow the regimes to buy off the population through high welfare spending coupled with low taxation. Resource-based rents also allow autocratic regimes to escape political accountability and maintain a strong repressive apparatus.² Authoritarian regimes with significant control of economic resources, such as state-owned enterprises, possess greater capabilities for survival because such control allows the ruling elites to maintain the loyalty of its key supporters through patronage and to reassert its influence over the economy.³

2. Regime Adaptation

The capacity of authoritarian regimes to adapt to new social and political challenges is another variable associated with such regime's durability and resilience. Scholars find that some authoritarian regimes manage to stay in power by manipulating elections.⁴ Long-ruling semi-authoritarian regimes such as the UMNO-dominated coalition in Malaysia and the People's Action Party in Singapore stand out for the

² Bruce Bueno de Mesquita and Alastair Smith, "Political Survival and Endogenous Change," *Comparative Political Studies* Vol. 42, No. 2 (January 2009), pp. 167-197; Oliver Schlumberger, "Rents, Reform, and Authoritarianism in the Middle East," (11th triennial General Conference of the European Association of Development Research and Training Institutes, Bonn, September 2005); Raj Desai, Anders Olofsgard, Tarik Yousef, "The Logic of Authoritarian Bargain," (Georgetown University, March 2006).

Michael Ross, "Does Oil Hinder Democracy?" *World Politics*, Vol. 53, No. 3 (April 2001), pp. 325-361.

³ William Case, "After the Crisis: Capital and Regime Resilience in the ASEAN Three," *Journal of Contemporary Asia*, Vol. 39, No. 4 (November 2009), pp. 649-672.

⁴ Steven Levitsky and Lucan Way, "The Rise of Competitive Authoritarianism," *Journal of Democracy*, Vol. 13, No. 2 (April 2002), pp. 51-65; Jason Brownlee, "Portents of Pluralism: How Hybrid Regimes Affect Democratic Transitions," *American Journal of Political Science*, Vol. 53, No. 3 (July 2009), pp. 515-532.

sophistication of their political institutions.⁵ Before it lost power in 2000, Mexico's PRI regime was also credited with maintaining a "perfect dictatorship" that featured highly developed political institutions that managed leadership succession and generated societal support.⁶ Authoritarian regimes also adapt by learning to differentiate between the types of public goods they provide. More sophisticated autocracies typically supply welfare-enhancing public goods such as economic growth but limit the so-called "coordination goods" such as the freedom of information and association in order to reduce the capacity for political opposition to organize.⁷

3. Balance of Power between the Regime and Opposition:

This may sound an obvious explanation, but the role of repression in the survival of autocracies has received surprisingly little attention. But a very simple and persuasive explanation for the durability of autocracies is that such regimes possess more than sufficient coercive power to suppress any societal challenge. In the Middle East, for example, effective repression has played a far more important role in sustaining autocracies than other factors.⁸ As long as this balance of power favors autocratic regimes, their survival is guaranteed by the application of repression. Of course, when the military defects, as happened in Egypt in February 2011, the balance of power between the regime and the opposition undergoes a decisive shift that dooms the autocratic regime.

Authoritarian Resilience in China: Variations on the same theme

In the Chinese context, the theoretical discussion of authoritarian resilience has highlighted three themes. First, some analysts have identified regime institutionalization, a process through which important rules and norms of the game are formulated and enforced, as the most critical variable in explaining the durability

⁵ William Case, "Electoral authoritarianism in Malaysia: trajectory shift," *The Pacific Review*, Vol. 22, No. 3, (July 2009), pp. 311-333; Dan Slater, "Iron Cage in an Iron Fist: Authoritarian Institutions and Personalization of Power in Malaysia," *Comparative Politics*, Vol. 36, No.1 (Oct. 2003), pp. 81-101.

⁶ Chappell Lawson, "Mexico's Unfinished Revolution: Democratization and Authoritarian Enclaves in Mexico," *Mexican Studies*, Vol. 16, No. 2 (Summer 2000), pp. 267-287.

⁷ Bruce Bueno de Mesquita and George W. Downs, "Development and Democracy," *Foreign Affairs*, Vol. 84, No. 5 (Sept.-Oct. 2005), pp.77-86.

⁸ Eva Bellin, "The Robustness of Authoritarianism in the Middle East," *Comparative Politics* (January 2004), pp. 139-156; Louay Abdulbaki, "Democracy and the re-consolidation of authoritarian rule in Egypt," *Contemporary Arab Affairs*, Vol. 1, No. 3 (2008) 445-463.

of the CCP's rule. In this regard, the post-1989 CCP regime has supposedly greatly improved the rules and norms that govern political succession, define functional responsibility, and make promotions of elites on the basis of meritocracy. Andrew Nathan argues that the post-1989 survival and success of the CCP is the result of such measures that have greatly increased the degree of institutionalization within the party.⁹ Steve Tsang proposes a new concept for understanding contemporary Chinese politics: "consultative Leninism." In his view, the post-Tiananmen regime has evolved into a distinct and more resilient form of Leninist rule by adopting a mixture of survival strategies that focus on governance reforms (to pre-empt public demands for democratization), greater capacity for responding to public opinion, pragmatist economic management, and appeal to nationalism.¹⁰

Second, the CCP is credited with organizational learning and adaptation. According to this line of argument, authoritarian regimes should be considered learning organizations. Their elites are motivated by survival instincts and are capable of drawing useful lessons from the demise or collapse of their counterparts in other parts of the world. Such regime learning can result in the adoption of new policies that contribute to the regime's longevity and power. David Shambaugh, for example, argues that the CCP has learned several crucial lessons from the collapse of the former Soviet Union and consequently adopted effective policy responses to the post-Cold War challenges both at home and abroad.¹¹

Third, compared with an average authoritarian regime in the developing world, the CCP also stands out for its organizational and administrative capacity. In the post-1989 era, the CCP is said to have undertaken further measures to strengthen the capacity of the Chinese state in fiscal revenue collection and regulatory enforcement. Consequently, by strengthening the capacity of the state, the CCP has made itself more resilient.¹²

These explanations of the resilience of the CCP regime leave several key questions unanswered. For example, is regime survival the same thing as regime

⁹ Andrew Nathan, "Authoritarian resilience," *Journal of Democracy*, Vol. 14, No. 1 (January 2003), pp. 6-17.

¹⁰ Steve Tsang, "Consultative Leninism: China's new political framework," *Journal of Contemporary China*, 18(62), (November 2009), 865-880.

¹¹ David Shambaugh, *China's Communist Party: Atrophy and Adaptation?* (Berkeley, Calif.: University of California Press, 2008).

¹² Dali Yang, *Remaking the Chinese Leviathan: Market transition and the politics of governance in China* (Stanford: Stanford University Press 2004).

resilience? Analysts who attempt to explain the persistence of authoritarian rule in China rarely make a conceptual distinction between survival and resilience. The mere fact of regime survival does not necessarily indicate regime resilience because survival is an empirical measurement while resilience is subjective concept. Authoritarian regimes that survive are not necessarily resilient. In the absence of strong opposition or through brutal repression, even a decrepit autocracy, one without a high degree of institutionalization or performance-based legitimacy, may hang on for an extended period of time. It will be a definitional stretch to label one such regime, the personalistic dictatorship of Robert Mugabe in Zimbabwe, a “resilient autocracy.” What, after all, constitutes resilience of a regime? Perhaps the most used criterion of resilience of an autocracy is its longevity. By this standard, North Korea, Cuba, and Burma are obviously classical examples of regime resilience. But because the word “resilience” implies inherent strengths and capacity to endure and overcome adversities, regime survival alone reflects only one aspect of “resilience” but not others. In fact, these regimes appear to live under perpetual siege and in a permanent state of crisis and insecurity. Thus, calling such long-surviving regimes “resilient” may exaggerate their inner-strengths. Even for the more successful authoritarian regimes, such as China and, to a lesser extent, Russia, the degree of the resilience of the authoritarian regimes is also subject to dispute. In the case of China, for example, the CCP faces daily instances of defiance and disturbances, ranging from hundreds of local protest to accidents and disasters caused by corruption and incompetence. It is forced to devote huge resources to maintaining domestic order.

More important, authoritarian resilience, however defined, may be the result of the use of tried-true tactics of survival rather than the adoption of innovative political strategies. For example, much attention has been given to the use of semi-competitive elections by authoritarian rulers in legitimizing their power and to the successful management of succession and promotion of elites within authoritarian regimes.¹³ While these developments are noteworthy, they may not be the most important factors accounting for the survival of authoritarian regimes. In fact, they are most likely secondary factors. The more critical variables responsible for the apparent resilience of authoritarian regimes are more familiar to students of authoritarianism: ruthless and effective application of repressive instruments, economic patronage, and political co-optation. Given the inherent weaknesses of authoritarian regimes, authoritarian resilience is likely to be a temporary phenomenon. For all their current success and perceived strengths, authoritarian regimes have not been able to address effectively their systemic – and well-known -- weaknesses that

¹³ See Steven Levitsky and Lucan Way, “The Rise of Competitive Authoritarianism.”

imperil their long-term survival and limit their policy choices in responding to public demands. Such weaknesses include political illegitimacy embedded in authoritarian rule; endemic corruption caused by lack of political accountability and misalignment of interests between the regime and its agents; political exclusion of the middle-class, and predatory state policies that victimize and alienate the disadvantaged social groups. As long as such systemic weaknesses persist under authoritarian rule, autocracy will unlikely remain resilient.

To be sure, it is clear that authoritarian regimes have increased their chances of survival by improving their internal rules governing succession and promotion, learning useful lessons from the success or failures of other authoritarian regimes, strengthening the administrative capacity state, and managing to restrict the provision of coordination goods. Such autocracies are undeniably more sophisticated in institutional and tactical terms than garden-variety dictatorships in developing countries. However, explaining the survival of “resilient” authoritarian regimes must take into account additional factors that enable these regimes to maintain power and the underlying forces that threaten the long-term survival of these regimes. Such a comprehensive analytical approach is likely to yield more useful insights into the political dynamics of regime survival and demise in contemporary autocracies.

In particular, we should consider simpler and more straightforward explanations for the survival of authoritarian regimes. One of the most obvious places to look is the economic performance of these regimes. Everything else being equal, empirical research shows that authoritarian regimes that manage to deliver satisfactory economic performance tend to survive longer.¹⁴ Obviously, autocracies gain political legitimacy if the standard of living rises as a result of sustained economic growth. Economic rents extracted from economic growth enable autocratic regimes to co-opt the middle-class and redistribute the benefits from growth among the ruling elites, thus avoiding internecine struggles for spoils. Another benefit of sustained economic growth in an authoritarian regime is that it allows the ruling elites to finance and maintain an extensive and costly repressive apparatus to suppress the political opposition.

Another place to look is the degree of sophistication of the strategies and tactics of survival deployed by these regimes. Generally, authoritarian regimes that adopt a mix of survival strategies – diversified portfolio – more likely to survive. The

¹⁴ Adam Przeworski, Michael Alvarez, Jose Antonio Cheibub, Fernando Limongi, *Democracy and Development: Political Institutions and Well-being in the World, 1950-1990* (New York: Cambridge University Press, 2000).

application of brute force alone may keep some authoritarian regimes in power, but the excessive use of repression can be very costly. These regimes need to devote a significant portion of their revenues to maintaining its military and internal security forces, depriving themselves the material means to implement other types of non-repressive strategies of survival, such as co-optation and patronage. Highly repressive regimes are also unlikely to instill confidence in private entrepreneurs or create business opportunities for them. Robert Barro's research suggests that excessive repression depresses economic growth and moderate repression may be positive for growth.¹⁵ In autocracies that rely solely on repression, economic performance tends to be abysmal, sowing the seeds of social discontent and weakening the regimes' legitimacy.

Even if we allow for the benefits of satisfactory economic performance and sophisticated survival strategies and tactics, the long-term durability of authoritarian can be jeopardized by the well-known flaws inherent in autocracies, such as the absence of procedural legitimacy, narrow base of social support, gross misalignment of interests between the agents and the regime, and systemic and pervasive corruption. In all likelihood, perceived authoritarian resilience is a temporary phenomenon. It conceals, rather than illuminates, the most enduring and serious weaknesses of autocracies.

China's Authoritarian Resilience: AN OVERVIEW

We identify three factors that are crucial to the survival of the Chinese Communist Party's rule below. Proponents of the authoritarian resilience theory have downplayed or overlooked their role.

1. Refined Repression

Autocracies may rely on other, and perhaps more sophisticated, methods to maintain power. But the most critical element of authoritarian rule is, doubtlessly, the use of violence against the political opposition. In other words, repression is the oxygen that keeps autocracies alive. No autocracy has been able to survive without resorting to repression as the ultimate means of holding on to power. The difference between more "successful" autocracies and less successful ones lies mainly in the way repression is used to maintain power. The more successful autocracies have learned

¹⁵ Robert Barro, "Democracy and Growth," *Journal of Economic Growth*, Vol. 1, No. 1 (March 1996) pp. 1-27.

to apply repression more selectively, efficiently, and effectively while the less successful autocracies typically apply repression more crudely, wastefully, and unproductively.

In the Chinese case since the early 1990s, we can detect a clear trend towards “smart repression” by the Chinese Communist Party. The key elements of this “smart repression” strategy are:

(1) Selective use

The party has narrowed the scope of repression and shifted its focus of repression. While the CCP continues to restrict the political freedoms and civil rights of the Chinese people, it has almost completely withdrawn itself from the private lives of Chinese citizens and stopped meddling in life-style issues. At the same time, it has drawn a clear line against organized political opposition, which is not tolerated in any form. The party’s ruthless suppression of the quasi-spiritual group, Falun Gong, is an apt illustration.¹⁶ The party has also focused on leaders or leading dissidents as targets of selective repression. The benefits of this tactic is that it avoids antagonizing the majority of the ordinary people while achieving the objective of political decapitation and preventing organized opposition from emerging. Needless to say, this adjustment also conserves the regime’s repressive resources and utilizes them more efficiently. What has made the Chinese regime more selective in the application of brutal repression is not only political learning, but also its institutional decentralization. One scholar argues that China’s multiple levels of authority allows the regime to avoid using excessive repression or making needless concessions at the same time in dealing with societal resistance.¹⁷

(2) Tactical sophistication

Another improvement in the application of repression is the growing tactical sophistication of the regime. While the party remains firm in its strategy of relying on repression to defend its political monopoly, it has become more flexible and sophisticated in its tactics. It now favors a less brutal approach. For example, leading dissidents are encouraged to go into forced exile abroad, instead of getting long prison terms. Routine harassment of human rights activists and dissidents has taken on softer forms (for example, getting invited to have tea with the police appears

¹⁶ See James Tong, “Anatomy of Regime Repression in China: Timing, Enforcement, Institutions, and Target Selection in Banning the Falungong, July 1999,” *Asian Survey*, Vol. 42, No. 6 (November/December 2002), pp. 795-820.

¹⁷ Yongshun Cai, “Power Structure and Regime Resilience: Contentious Politics in China,” *British Journal of Political Science* (2008), 38:3 (May 2008):411-432.

to be a favorite tactic).¹⁸ Even in dealing with rising social unrest, the regime has acquired growing tactical sophistication. Although confronted with hundreds of collective protests and riots each day, the Chinese state has demonstrated a considerable capacity to deploy highly effective measures to decapitate local protest, disperse crowds, and pacify the masses.¹⁹ The regime also acquired tactical sophistication in manipulating public opinion. Instead of relying on old-fashioned ideological indoctrination, the CCP's propaganda department has, in recent years, learned to influence social agenda by showcasing the party's ability to address general social concerns. Admittedly, this effort is not completely successful. Nevertheless, the mixed use of outright censorship and manipulation of public opinion is a telling example of the growing tactical sophistication of the CCP.²⁰

(3) Improvement in operational capabilities

Through its massive investment in manpower, technology, and training, the party has greatly improved the operational capabilities of its security forces, which are now well-funded, equipped, and trained. The emergence of new threats, such as the information technology, is dealt with by the party through relatively effective countermeasures, which include both regulatory restrictions and technological fixes. As a result, the political impact of the information revolution has been contained even though this revolution has forced the party to adopt new tactics. Research on the CCP's capacity for controlling the mass media suggests that, instead of losing its grip on the flow of information, the CCP's propaganda operations have grown more sophisticated and contributed to the CCP's political hegemony.²¹ Another area where the improvement in operational capabilities has become evident is in the party's response to emergencies, such as natural disasters, major accidents, and protests. Even though the Chinese system is high-risk (due to poor governance and embedded lack of responsiveness of the government) and such emergencies are frequent, the party's capabilities to respond to these emergencies have improved overtime in the last decade.²² Consequently, such periodic shocks have not inflicted serious damage

¹⁸ Philip Pan described some of these repressive tactics in *Out of Mao's Shadow: The Struggle for the Soul of a New China* (New York: Simon and Schuster, 2008).

¹⁹ See Murray Scot Tanner, "Chinese Government Responses to Rising Social Unrest," Testimony presented to the U.S.-China Economic and Security Review Commission, April 14, 2005).

²⁰ Alex Chan, "Guiding Public Opinion through Social Agenda-Setting: China's media policy since the 1990s," *Journal of Contemporary China*, 16(53), November (2007), pp. 547-559.

²¹ Anne-Marie Brady and Wang Juntao, "China's Strengthened New Order and the Role of Propaganda," *Journal of Contemporary China*, 18: 62 (November 2009) pp. 767-88.

²² One example was the 2003 SARS crisis, the first major public health crisis that confronted the CCP since the end of the Cultural Revolution. Its initial response was incompetent and ineffective, but

to the party's control of power.

2. *Economic Statism and Political Co-optation*

(1) Partial Economic Reform and Political Patronage

The party fully understands the inseparable linkage between its political survival and its control of the economic resources of Chinese society. Without its ability to hand out economic rents, the party will surely lose the loyalty of its supporters and its ability to retain power. Richard McGregor's reporting of the CCP's extensive and tight control of China's state-owned enterprises provides a revealing perspective on the connection between political patronage and the state's domination of economic activities.²³ The political logic flowing from this connection means that the CCP is inherently incapable of implementing market-oriented reforms since such reforms will ultimately undermine the party's political base. China's stalled economic reform in recent years has vindicated such a view. Indeed, the party has not only publicly announced its intention of retaining the state's control of key economic sectors, such as finance, energy, telecom services and transportation, but also has successfully defended these monopolies or oligopolies from domestic and international competition. State-owned firms dominate these industries while private firms and foreign competitors are kept out. Such policies have slowed down the pace toward privatization, but they have enabled the state to remain the most powerful actor in the economy. Even after three decades of economic reform, the Chinese state-owned and controlled firms account for close to 40 percent of the GDP.²⁴ The state's dominance of the economic rose to a new level after the Chinese government used aggressive fiscal and monetary policies to maintain high rates of growth following the global economic crisis in 2008. With a fiscal stimulus package of nearly \$700 billion and \$2 trillion in new bank loans, the Chinese state was able to further strengthen state-owned enterprises at the expense of the private sector.²⁵

While the economic efficiency losses caused by the state's continuing and deep

after replacing key leaders, the regime quickly turned around the situation. See Jonathan Schwartz and R. Gregory Evans, "Causes of Effective Policy Implementation: China's public health response to SARS," *Journal of Contemporary China*, 16(51), (May 2007), pp.195–213.

²³ Richard McGregor, *The Party: The secret world of China's communist rulers* (New York: Harper 2010).

²⁴ For a provocative analysis of the limits of economic reform under the CCP, see Yasheng Huang, *Capitalism with Chinese Characteristics: Entrepreneurship and the State* (New York: Cambridge University Press, 2008).

²⁵ Barry Naughton, "China's Economic Policy Today: The New State Activism," *Eurasian Geography and Economics*, Vol. 52, No. 3 (May-June 2011), pp. 313-329.

involvement in the economy are incalculable, the political benefits of this strategy are clear. The party continues to possess the capacity to appoint key officials in state-owned firms and distribute lucrative economic rents to its key constituencies (bureaucrats, businessmen with ties to the elites, the children, relatives, and friends of the ruling elites). For the members of these elite groups, the party's patronage can be easily translated into significant economic benefits. One study shows that politically connected firms in China can have higher offering prices when their stocks are listed on China's equity markets.²⁶ Economic patronage thus gives the party a dual-purpose tool: it is not only a critical instrument to influence economic activities, but also a source of economic incentives to secure and maintain the support of its key political supporters.

(2) Political Co-optation

Authoritarian regimes can prolong their longevity by expanding their social base. A key development in China since the early 1990s has been the party's success in forming an elite alliance through political co-optation. The most important elements of this strategy of political cooptation comprise of elevating the political status and improving the material benefits of the intelligentsia and the professionals – in addition to the use of regulations and sanctions that penalize and deter intellectuals who dare to challenge the regime.²⁷

Systematic campaigns have been sustained to recruit the intelligentsia and professionals into the party and give them important technocratic appointments. This effort has succeeded in both raising the technocratic capacity of the party and extending the party's base into the intelligentsia, an elite social group that had been at odds with the party in the 1980s over the issue of political reform.²⁸ The much-publicized effort to recruit private entrepreneurs into the party has done much less to expand the party's social base since the majority of private businessmen who own non-agricultural firms were already members of the party (who apparently used their power to convert state-owned assets into private property). Nevertheless, numerous studies have concluded that the CCP has been relatively successful in co-opting private entrepreneurs. Some scholars have even called Chinese private

²⁶ Bill Francis, Iftekhhar Hasan, and Xian Sun, "Political connections and the process of going public: Evidence from China," *Journal of International Money and Finance*, Vol. 28, No. 4, (June 2009), pp. 696-719.

²⁷ For a fascinating account of how the regime disciplines leading academics, see Margaret Sleeboom-Faulkner, "Regulating Intellectual Life in China: The Case of the Chinese Academy of Social Sciences," *The China Quarterly*, No. 189 (March 2007), pp. 83-99.

²⁸ Cheng Li, "The Chinese Communist Party: Recruiting and Controlling the New Elites," *Journal of Current Chinese Affairs*, Vol. 38, No. 3 (2009), 13-33.

entrepreneurs “allies of the state.”²⁹ One case study finds that local officials who are supportive of the private sector have proven to be more effective in incorporating local private business elites into the local power establishment.³⁰ The strategy of political cooptation has been unexpectedly successful, leading some observers to argue that, as a result, China’s emerging middle-class is conservative and pro-status quo.³¹ In addition to the political pacification of the middle-class, the CCP has also managed to transform its own membership base. While the party was predominantly a party of the peasants and workers during the Mao era, it has now become a party of the elite. According to official figures on the CCP membership released in 2010, of the party’s 78 million members at end of 2009, roughly 10 percent were workers and 20 percent were farmers. The remaining 70 percent of the members of the party were bureaucrats, managers, retired officials, professionals, college students and intellectuals. Particularly noteworthy is the high proportion of well-educated individuals in the CCP. Thirty-six percent of the CCP members as of 2009 were either college graduates or had received college education, and 15 percent of the CCP members were management, technical and professional personnel and college students.³² In short, political co-optation has turned the party into an elite-based alliance. The incorporation of key social elites into an authoritarian regime generates significant political benefits for the rulers. Among other things, it denies potential opposition groups access to social elites and makes it much harder for lower-status groups to get organized and become effective political forces.

Beneath the Façade of Resilience: Authoritarian Fragility in China

The most intriguing puzzle about authoritarian resilience is the discrepancy between the apparent strengths of autocracies perceived by outsiders and the insecurity felt by the authoritarians themselves. Autocrats are constantly on guard against forces that pose even the slightest threat to their rule, expending tremendous resources and taking excessively harsh and repressive measures in the process. Why does such discrepancy exist? If authoritarian regimes are as resilient as they are said to be, then such costly measures motivated by insecurity can only be self-defeating and

²⁹ Jie Chen and Bruce Dickson, *Allies of the State: China’s Private Entrepreneurs and Democratic Change* (Cambridge, Mass.: Harvard University Press, 2010).

³⁰ Björn Alpermann, “Wrapped up in Cotton Wool”: Political Integration of Private Entrepreneurs in Rural China, *The China Journal*, No. 56 (Jul., 2006), pp. 33-61.

³¹ Jonathan Unger, “China’s Conservative Middle Class,” *The Far Eastern Economic Review*, (April 2006), pp. 27-31; Teresa Wright makes essentially the same argument in *Accepting Authoritarianism: State-Society Relations in China’s Reform Era* (Stanford: Stanford University Press, 2010).

³² Xinhua News Agency, June 28, 2010.

counterproductive because they are both unnecessary and, by wasting the regime's scarce resources, undermine its long-term survival. The answer is quite simple. The perception of authoritarian strengths by outsiders is likely an optical illusion. As regime insiders, authoritarians actually possess information about the regime's weaknesses that outsiders know little about. The knowledge of such weaknesses prompts authoritarians to feel insecure and act accordingly.

In the Chinese case, authoritarian resilience may be a temporary phenomenon because of the inherent institutional and systemic flaws of autocracy. These flaws cannot be eradicated because they are embedded in the very system of autocracy. The measures that have been taken to strengthen autocratic rule since the early 1990s, however effective, merely offset, to some degree, the deleterious effects of these flaws on regime survival. Therefore, in the long run, authoritarian resilience should be expected to dissipate.

1. Misalignment of Interests and Opportunism

Ironically, the very success of authoritarianism can imperil its long-term survival and effectiveness because such success, defined in terms of suppressing political opposition and defending the political monopoly of authoritarians, makes it more likely that authoritarians, unrestrained by political opposition, free media, and the rule of law, will engage in looting and theft, which inevitably weakens the regime's capacity for survival.³³ Authoritarian regimes tend to breed corruption for a variety of reasons. One of the principal causes of corruption in authoritarian regimes is the relatively short time-horizon of autocrats, whose hold on power is tenuous, uncertain, and insecure. Even the rules of succession and promotion may have improved, in the case of China, such improvement is only relative. For instance, succession at the top remains opaque and unpredictable in terms of outcome. Although the top leadership has managed to reach compromises through bargaining and avoid destabilizing power struggle, succession politics continues to be shadowed by intrigue and dynamic factionalism. In the case of promotion, the only objective rule appears to be age while all the other factors that are supposedly merit-based can be gamed. The fact that many officials resort to bribery to gain promotions indicates that personal favoritism continues to play an important role in promotions inside the party.³⁴ All this makes the political future of an individual inside the party's

³³ Mancur Olson, "Dictatorship, Democracy, and Development," *American Political Science Review*, Vol. 87, No. 3, (September 1993), pp. 567-576; Susan Rose-Ackerman, *Corruption and government: Causes, consequences, and reform* (New York: Cambridge University Press, 1999).

³⁴ The practice of paying bribes for appointments and promotions is widespread in China. See Yan Sun, "Cadre recruitment and corruption: what goes wrong?" *Crime, Law and Social Change*, Vol. 49, No. 1, (January 2008), pp. 61-79; Jiangnan Zhu, "Why are offices for sale in China: A case study of the

hierarchy extremely uncertain. Such uncertainty reduces that individual's time-horizon and can encourage predatory behavior. There is evidence that corruption has worsened in China in recent years despite periodic anti-corruption campaigns launched by the CCP.³⁵ More important, because of the deep and extensive involvement of the Chinese party-state in the economy, the combination of motives (driven by uncertainty) and opportunity (access to economic rents) can create an ideal environment for regime insiders to engage in collusion, looting and theft.³⁶ Corruption endangers the long-term survival of authoritarian regimes in several ways. It can hinder economic growth, thus reducing the regime's political legitimacy and capacity to underwrite a costly patronage system and maintain its repressive apparatus. Corruption also contributes to rising inequality as it benefits a small number of well-connected elites at the expense of the welfare of the public, thus further fueling anti-regime sentiments and social tensions. Corruption undermines the regime's survival capacity by creating a high-risk environment. For example, corruption makes it difficult to enforce regulations governing workplace, food, drug, traffic and environmental safety, increasing the risks of accidents and disasters and the likelihood of mismanaged government response to them.³⁷

2. *The Limits of Political Co-optation*

Even political co-optation has its limits. By nature, autocracies are exclusivist political coalitions. Although the incorporation of social elites can generate short-term benefits for the rulers, such a strategy can be very costly and ultimately unsustainable because the process of modernization produces social elites at a rate that is faster than authoritarian rulers can co-opt. Eventually, a large number of social elites will not be co-opted due to costs, thus creating a potential pool of opposition leaders. A key test of the CCP's capacity for co-opting new social elites is the employment of college graduates. Since the late 1990s, China has greatly expanded college and university enrolments. In 1997, Chinese tertiary educational institutions admitted 1 million new students; in 2009, they admitted 6.35 million. The number of college graduates has soared in the same period. In 1997, 829,000

office-selling chain in Heilongjiang province," *Asian Survey*, Vol. 48, No. 4 (July-August 2008), pp. 558-579.

³⁵ Andrew Wedeman, "Anticorruption Campaigns and the Intensification of Corruption in China," *Journal of Contemporary China*, Vol. 14, No. 42 (2005), pp. 93-116.

³⁶ Ting Gong, "Dangerous collusion: corruption as a collective venture in contemporary China," *Communism and Post-Communist Studies*, Vol. 35, No. 1 (March 2002), pp. 85-103; Ting Gong, "Corruption and local governance: the double identity of Chinese local governments in market reform," *The Pacific Review*, Vol. 19, No. 1 (March 2006), pp. 85-102.

³⁷ For a survey of the consequences of corruption in China, see Yan Sun, *Corruption and Market in Contemporary China* (Ithaca, N.Y.: Cornell University Press, 2004).

students graduated from colleges; in 2009, 5.31 million did.³⁸ However, for all its focus on co-opting social elites, the CCP could recruit only a small proportion of China's increasing college-educated population. In 2009, the CCP recruited 919,000 new members with a college degree (roughly 30 percent of the CCP's annual new recruits).³⁹ Thus, it seems that the CCP can absorb only 20 percent of the net increase in college-educated population into its ranks each year. This implies that the CCP leaves out the vast majority of newly minted college graduates. Because membership in the CCP confers enormous material benefits, college graduates who are rejected by the CCP are bound to be frustrated politically and socially.⁴⁰ The likelihood that this group will become a potential anti-regime force has risen significantly in recent years because of the difficulty experienced by graduates of second and third-tier colleges and universities in finding employment.⁴¹

The long-term effectiveness of political co-optation is also limited by the questionable loyalty of those social elites being targeted for recruitment into the party and its patronage system. To the extent that these individuals join the party or support its policies chiefly out of pecuniary interests, the CCP may not be able to count on their loyalty when its ability to satisfy their material interests declines (due to poor economic performance or constraints of the state's fiscal capacity). In a crisis situation, when these opportunistic supporters of the CCP regime could be potentially called on to risk their lives or property to defend its rule, it is doubtful that a majority of these elements would choose to stick with a regime on the brink of collapse.

3. Adaptive Ossification

Generally speaking, authoritarian adaption occurs in response to crisis. Indeed, many of the measures taken by the Chinese Communist Party to strengthen its rule were adopted to respond to the challenges posed by the Tiananmen crisis in 1989 and the collapse of communism during 1989-1991.⁴² Such measures may be effective in dealing the particular challenges and threats stemming from the twin crisis, such as the need to revive a stagnant economy through greater liberalization and opening to

³⁸ *Statistical Yearbook of China*, (Beijing: Zhongguo tongjinnianjian chubanshe, 2010), pp. 756-757.

³⁹ Xinhua News Agency, June 28, 2010.

⁴⁰ For a study of the privileges enjoyed by CCP members, see Bruce Dickson and Maria Rost Rublee, "Membership has its Privileges: Characteristics of Communist Party Members in Urban China," *Comparative Political Studies*, Vol. 33, No. 1 (February 2000), pp. 87-112.

⁴¹ One on-line survey of 21,057 new college graduates in 2009 found that only 50 percent had found jobs. In 2007 and 2008, the percentage was 56 and 52 percent respectively. <http://edu.qq.com>, July 30, 2009.

⁴² David Shambaugh, *The Chinese Communist Party*.

the outside world, end international isolation, placate the intelligentsia, and boost the confidence of the business community, but the same measures may not be the right policy prescriptions for the challenges to regime survival in the post-crisis era. Today, after two decades of rapid economic growth, China's political landscape and socioeconomic environments have radically changed. New threats to the CCP's hold on power have emerged while the dangers that prompted the party to undertake the adaptive survival strategies in the early 1990s have either disappeared or dissipated. For instance, the Chinese government no longer faces international isolation or a mass anti-regime movement led by the intelligentsia. However, new and difficult challenges confront the CCP today from different directions. Rapid economic growth has greatly expanded China's middle-class. Although the majority of this group has remained politically acquiescent, some of its members have become more active in civic affairs, such as environmental protection and charity work. While regime repression has effectively destroyed the formal political dissident community, opposition to the regime has now taken more innovative forms. Activists today challenge the CCP's power as human rights lawyers and focus on issues that can connect them with ordinary Chinese people, such as labor rights, forced evictions, land disputes, environmental protection, and public health. The CCP's single-minded focus on GDP growth has led to a systemic degradation of the Chinese state's capacity for providing essential public goods, such as healthcare, education, and environmental protection. Rising official corruption and unbalanced economic development strategy that has depressed the growth of household income and consumption have also fueled the rapid increase in China's income inequality.

Few, if any, of the counter-measures adopted by the party since Tiananmen are suitable to deal with these challenges. In fact, taking on these challenges will require the CCP to abandon many key components of its post-Tiananmen strategy. Economically, it will have to seek a different economic development model that is less investment-intensive and socially costly. Politically, it may have to replace repression and co-optation with some form of political liberalization to gain a broader base of social support. But the leadership of the Hu Jintao administration has shown no sign that the party is ready or willing to embrace such fundamental policy shifts.

So the party is at the risk of falling into the trap of adaptive ossification – applying an outdated adaptive strategy that no longer works. The result of adaptive ossification can be, ironically, the accumulation of the tensions and risks during the period of perceived authoritarian resilience. Just as the CCP is viewed as a resilient, adaptive, and resourceful regime, it may have entered a period during which its

dynamism is gone and stagnation has firmly set in.

Toward the Future: the end of resilient authoritarianism in China?

The debate on whether China is exhibiting authoritarian resilience or experiencing authoritarian decay is likely to continue. How this intellectual debate will be settled depends on whether the CCP's post-Tiananmen strategy of relying on economic growth and political repression for maintaining power will continue to be effective under drastically different socioeconomic conditions. Proponents of Chinese authoritarian resilience count on the CCP's adaptive capacity to confront the new challenges in the years ahead while skeptics point to the inherent institutional flaws in autocracy to significantly discount the CCP's ability to formulate and implement a substantially different survival strategy that can help it maintain its political monopoly and gain new sources of legitimacy at the same time. This paper advances the skeptic perspective. It rejects the argument that the post-Tiananmen CCP regime has demonstrated and gained resilience through fundamental institutional and policy innovations. Instead, it provides evidence suggesting that the principal factors for the CCP's survival since Tiananmen are self-evident: robust economic performance and consistent political repression. While it is true that the CCP may have improved many of its political tactics, its survival for the last two decades would have been unthinkable had these two critical factors – economic performance and political repression – had been taken out of the equation.

In the future, the role of economic performance and political repression may remain important factors for the CCP's survival, but their contribution is likely to decline for several reasons. First, the deleterious effects of authoritarian decay, as described in the previous section of the paper, will offset the positive impact of economic growth. Second, political repression is likely to be less effective in defending the regime's political monopoly since China's societal opposition, relying on novel methods and technology (particularly the information revolution), will acquire greater political capabilities in challenging and delegitimizing the CCP rule. Finally, the probability of an internal split of the CCP when the fortune of the party starts to wane is likely to increase. Elements at the top of the CCP are not bound by ideological commitment or political loyalty to the party. They will be tempted to exploit future opportunities presented by regime decay or crisis in order to gain greater power for themselves, thus leading to disunity within the top leadership of the CCP – and meeting a key requirement for democratic transition.

