

## *Introduction*

On October 1, 2019, China's leader, Xi Jinping, presided over the most expansive military parade in the history of the PRC. Some 100,000 troops escorted “missiles, missiles, and more missiles” down the Avenue of Eternal Peace as China's most advanced aircraft flew above. Driving home the nationalistic message, Xi declared that “no force can shake the status of this great nation.”<sup>1</sup>

In celebrating its seventieth anniversary, the PRC marked itself as one of the world's longest-lasting autocracies. The Soviet Union had lasted seventy-four years and the Institutional Revolutionary Party (PRI) in Mexico held uninterrupted power for seventy-one years. The Workers Party of Korea (WPK) has held power in North Korea since 1945, some seventy-six years and counting. Some monarchies have lasted even longer, such as the House of Saud in Saudi Arabia and the House of Khalifa in Bahrain, but authoritarian regimes generally do not last very long. The general explanation for those regimes (other than the monarchies) that beat the odds and survive for lengthy periods of time is that they develop party systems and institutions that define relations among the top elite. That is to say, they become institutionalized.

“Institutionalization,” however, is a vexed word. Different people use it in different ways. Douglass North famously defines institutionalization as “the rules of the game” or, in more formal language, “the humanly devised constraints that shape human interaction.” For North, all systems are institutionalized in the broad sense that all have “rules of the game,” defined in formal or informal terms, or

<sup>1</sup> Andrew S. Erickson, “China's Massive Military Parade Shows Beijing Is Military Superpower,” *National Interest*, October 1, 2019; and Emma Graham-Harrison and Verna Yu, “China Celebrates 70th Anniversary as Xi Warns ‘No Force Can Shake Great Nation’,” *The Guardian*, October 1, 2019, retrieved from [www.theguardian.com/world/2019/oct/01/china-celebrates-70-years-military-parade-xi-jinping-hong-kong](http://www.theguardian.com/world/2019/oct/01/china-celebrates-70-years-military-parade-xi-jinping-hong-kong), accessed September 15, 2020.

both. What interests North is that some institutions are conducive to economic development and others are not.<sup>2</sup> This is a useful definition for his purposes. For others, however, what North calls “organizations” are seen as “institutions.” This redefinition plays down the “rules of the game,” which are abstract and often informal, in favor of the study of specific organizations.<sup>3</sup>

When analysts of China talk about institutionalization, they usually mean that the political system is typified by decision-making rules that define how leaders are promoted and chosen. In particular, an institutionalized system means one in which leadership can be passed from one leader to another without power struggles because there is a widely accepted decision-making rule. The implication of this is that there are constraints on power that mean that a leader cannot and does not need to “consolidate” power by cultivating a “faction” of supporters and removing members of a rival network. Institutionalization also means the development of an administrative system that more or less resembles a Weberian-style rational–legal bureaucracy; that is, one in which members of the bureaucracy are recruited and promoted on the basis of knowledge. This understanding does not mean that the system is frozen in place, immune to change, but it does mean that the use of raw power, including the building of personal factions, is not central to the political system.

Certainly Milan W. Svoblik, the eminent political scientist at Yale University, was thinking in terms of decision-making rules and constraints on power when he wrote about Xi Jinping, then still heir apparent, “He will be expected to serve no more than two five-year terms and be accountable to a set of institutions within the Communist Party of China that carefully balance two major political coalitions as well as regional and organizational interests within the Chinese political system.”<sup>4</sup> This was a reasonable prediction, based on what China specialists were writing, but it turned out to be sadly mistaken. Why was it mistaken? Because the Chinese system had not institutionalized

<sup>2</sup> Douglass C. North, *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990), p. 1.

<sup>3</sup> See, for instance, Paul Pierson, *Politics in Time: History, Institutions, and Social Analysis* (Princeton, NJ: Princeton University Press, 2004). See also James Mahoney and Kathleen Thelen, eds., *Explaining Institutional Change: Ambiguity, Change, and Power* (Cambridge: Cambridge University Press, 2010).

<sup>4</sup> Milan W. Svoblik, *The Politics of Authoritarian Rule* (New York: Cambridge University Press, 2012), p. 85.

the way many observers thought it had. It is certainly true that the Chinese Communist Party (CCP) certainly has its own “rules of the game,” hence it is meaningful to talk of norms and traditions, but those rules of the game have continued to stand in the way of institutionalization as defined above.

Since there are substantial numbers of intra-party rules and systems built up within the CCP over the years, one might well have thought that the CCP would have taken on more of the look of a Weberian-style bureaucracy. But it has not. On the contrary, we find that the personalization of power, factionalism, the arbitrary abuse of power, corruption, and the lack of discipline within the party continue to plague the party and stand in the way of institutionalization. Indeed, these problems stem both from the revolutionary past and from the inauguration of reform (see Chapter 4), and Xi Jinping’s efforts to fight corruption and reshape the party are a response to such problems. Whether he is successful or not, it is clear that the party as a system is not developing clear decision-making rules and checks on power; on the contrary, the personalization of power is overwhelming whatever norms the party seemed to be developing, even though Xi Jinping emphasizes law and intra-party regulations. Susan Whiting has argued convincingly that the elaboration of a legal system can, in fact, legitimize authoritarian political systems.<sup>5</sup> The same appears to be true about the promulgation of regulations governing intra-party relations. Such laws and regulations turn out to be means by which the ruling elite can control and dominate society, not constrain their own exercise of power. The question for political scientists should not be explaining institutionalization but rather explaining its absence. The answer lies in certain pathologies of its one-party system. These pathologies will be explored in the course of this book.

Despite the lack of institutionalization, the idea that China has institutionalized is widespread throughout the field of political science and among those who study China. I suggest that the idea that the Chinese system has institutionalized derives from three separate literatures that have converged, however unintentionally, in recent years. Together, they have provided a framework for much of our understanding of contemporary China. However, these literatures are

<sup>5</sup> Susan H. Whiting, “Authoritarian ‘Rule of Law’ and Regime Legitimacy,” *Comparative Political Studies*, Vol. 50, No. 14 (December 2017): 1907–1940.

misleading. Indeed, by focusing on “institutionalization,” they miss some of the most important aspects of China’s political system. It is necessary to rethink how that political system works.

One body of literature comes from the field of political science. This literature is directed at understanding authoritarian systems in general rather than China specifically, though some of the most important works do address China. Indeed, one of the problems with the general authoritarian literature is that there is no commonality to authoritarian systems. Authoritarian rule is a residual category; authoritarian countries are those that are not democratic.<sup>6</sup> Thus, it is necessary to break down the category “authoritarian”; the most common breakdown is monarchical, military, and one-party systems, though other taxonomies have been suggested.

The category “one-party system” seems most promising, not only because China is a one-party system but also because the literature concludes that one-party systems tend to be long-lived. But the category of one-party systems contains a wide variety of countries, and most of them do not look or act like China. Golkar in Indonesia, the United Malays National Organization (UMNO) in Malaysia, and the Falange in Franco’s Spain are quite different from each other and also different from China. The People’s Action Party (PAP) in Singapore at first glance seems to be a bit closer, but Singapore has a legal system that has nothing in common with that in China. Moreover, Singapore’s bureaucracy really is Weberian, and the PAP has little of the mobilizing characteristics so apparent in the CCP. While the term “authoritarian” has become the term of the day, it really does not tell us very much about China. The term “Leninist” is less used these days, apparently because China does not seem as “totalitarian” as it used to be under Mao (though it seems to be moving back in that direction) and there is a lingering sense of the Cold War that clings to the term, yet “Leninism” remains the best term for describing the CCP. Leninist systems are, of course, authoritarian, but they function differently than the personalistic, patron–client dominated systems often described in the literature. Using the concept of Leninism can tell us a great deal about China’s system, so there is no reason to discard what we know about Leninist systems just to conform to political-science currency.

<sup>6</sup> *Ibid.*, p. 26.

Ken Jowitt, who wrote as well as anyone about Leninist systems, argues that the distinctive feature of such systems is the “charismatic impersonalism” of the cadre system. He emphasizes the structure of Leninism because he wants to distinguish between Leninism, on the one hand, and authoritarian systems, including Nazism, on the other. Thus, in his opinion, the *Führerprinzip* – a leadership principle – was the defining characteristic of Nazism, whereas the “correct line” – an organizational characteristic – is the defining characteristic of Leninism.<sup>7</sup>

Jowitt’s concept of Leninism is also useful because he sees Leninism as passing through stages – transformation, consolidation, and inclusion – that make it a much more useful concept than the static notion of totalitarianism.<sup>8</sup> We will explore this thesis more below. In any event, Leninism refers to a system that extends hierarchically from the top of the system to the bottom. The most important principles holding the system together are that “the party controls the cadres” (*dangguan ganbu*) and a common ideology that is enforced on the basis of a “correct line.”

One has to be careful in identifying the chief characteristics of Leninist systems because they, too, have a need for strong leadership. Indeed, as we will see in the pages below, leaders of the CCP have worked to consolidate their power, and the most successful leaders – Deng Xiaoping and Xi Jinping – have concentrated so much power that they appear to be more above the party than simply the highest leader in the party. There is also an inherent tension between the individual cadre and the organization to which he or she is supposed to be subordinate. The individual cadre in a leadership position, say a county party secretary, concentrates power by building a personal network which may act in a predatory fashion. Indeed, in the Chinese case, the natural tendency to form vertical factions has been heightened because in 1984 the CCP adopted the system of one level supervising the level below it (*xiaguan yiji*). Corruption has grown because of this organizational feature.<sup>9</sup> There are systems in place to try to stop such

<sup>7</sup> Ken Jowitt, “The Leninist Phenomenon,” pp. 1–49, in *New World Disorder: The Leninist Extinction* (Berkeley: University of California Press, 1992).

<sup>8</sup> Ken Jowitt, “Inclusion and Mobilization in European Leninist Systems,” *World Politics*, Vol. 28, No. 1 (1975): 69–96.

<sup>9</sup> Minxin Pei, *China’s Crony Capitalism: The Dynamics of Regime Decay* (Cambridge, MA: Harvard University Press, 2016).

corruption, such as the discipline inspection commissions (DICs) at each level, but such systems have never been very effective for the simple reason that the head of the local DIC has traditionally been subordinate to the local party secretary. To the extent that local networks reinforce their own power, they sometimes ignore orders coming from the top. Xi Jinping has been trying to centralize the discipline inspection system, but we will have to wait to see how effective his efforts will be. It is clear, however, that there are tensions inherent in the organizational structure of Leninism.

One reason for emphasizing a Leninist structure is that it provides for a great deal of stability. Leninist systems are very effective in penetrating society and rewarding and sanctioning compliance and deviance respectively. One does not need to explain longevity by reference to institutionalization when reference to the Leninist system provides a more parsimonious explanation. Leninism, unlike the broader universe of authoritarian systems, transforms society and then rules through penetration of the basic social institutions. Although the lowest level of the party-state bureaucracy in China is the township (below the county), the party system extends into the villages. The cadre system can itself be a source of conflict, but its control of society and its control of cadres through its organizational hierarchy are, on balance, a source of stability.

The other reason to call attention to China's Leninist system is because the literature on authoritarian governments often treats the top leadership as a group of individuals, each of whom possesses political and often military assets and thus can bargain with the leader. The literature defines the central issue as the establishment of a set of "rules" that will define roles and divide spoils equitably, or otherwise will lead to the personalization of power or the ouster of the leader. As Geddes et al. write, when united militaries or disciplined parties lead to authoritarian seizures of power, "lieutenants are likely to be able to resist extreme concentration of power in the dictator's hands."<sup>10</sup>

However, this certainly does not apply to China under Mao or Deng, or apparently under Xi. The party is certainly more than a collection of leaders that a coup might bring to power. Each leader has a position in the system; that position and its importance can be challenged, but it

<sup>10</sup> Barbara Geddes, Joseph Wright, and Erica Frantz, *How Dictatorships Work* (Cambridge: Cambridge University Press, 2018), p. 79.

makes coups more difficult, though not impossible (as Khrushchev learned). The game in China, as we will see below, is always to concentrate power in the hands of the leader, and the lieutenants are there to support the leader, not to challenge him. A leader who cannot secure a majority of the top leadership will not survive. Leadership splits can happen, as when deep differences developed between Mao Zedong and Liu Shaoqi, but sooner or later the hierarchical order is restored.

This tendency to concentrate power in the hands of the leader means that opposition is handled differently from what is described in the literature on authoritarian rule. Leaders are often seen as “buying off” potential opposition by offering the opposition positions in legislatures or other organizations, but in China losers are rarely offered concessions.<sup>11</sup> Mao beat out Li Lisan, Zhang Wentian, Bo Gu, Wang Ming, and others in his quest for power. All were retained in the elite, but they were stripped of power. They were not bought off. Other threats, such as Liu Shaoqi, were dealt with more harshly. In the reform era, losers have been deposed, and, under Xi, many have been jailed. Concessions are few and far between.

Although one can never discount the possibility of a general secretary being deposed (Jiang Zemin faced a precarious environment when he first took the position of general secretary and there have been numerous rumors, none confirmed, of assassination attempts against Xi Jinping), one has to look at the checks and balances within the system that make such actions difficult. Just as the disparate composition of the Politburo (PB) and Politburo Standing Committee (PBSC) can make a new general secretary’s life difficult, it also makes coordination among potential opponents problematic. Moreover, there is always a reason (perhaps several reasons) why the general secretary emerged as top dog in the first place. Unless that dynamic changes, it is tough to mount a challenge. Moreover, the monitoring of the movements and communications of top officials makes co-ordination both difficult and dangerous. Finally, there is the issue of legitimation – those who purge a leader need to put forward a persuasive reason, and the Chinese system, with its elaborated ideology, makes that complicated.

<sup>11</sup> Jennifer Gandhi and Adam Przeworski, “Authoritarian Institutions and the Survival of Autocrats,” *Comparative Political Studies*, Vol. 40, No. 1 (November 2007): 1279–1301.

In any event, the literature on authoritarian governments concludes that institutional arrangements make for more stable regimes; in China, however, longevity has occurred through manipulation and violation of the rules, not through the creation of binding institutions.

### The Cadre Management System

A second body of literature focuses on the cadre system in China. One of the first efforts to argue that the cadre system had institutionalized and that that institutionalization could control cadre behavior by providing important incentives is by Zhou Li'an. Zhou Li'an, an economist at Peking University, argues that the reason why China could sustain growth over the decades was its promotion system. Promotions were conducted as "tournaments" – cadres who did a better job than their rivals were promoted. Such competition over promotions incentivized cadres to build their local economies. The same lever allowed the central (or provincial) government with a means of controlling lower-level officials. This system, which propelled officials to work hard on behalf of their communities, discouraged predatory behavior because such behavior would hurt economic growth and those who engaged in predatory behavior would lose out in the competition for higher office.

In a co-authored article, Zhou and Hongbin Li note that the "strong pro-business role of Chinese local officials stands in stark contrast with the rent-seeking behavior (the 'grabbing hand') of local officials in other transitional and developing countries." Unlike Weingast and others who attribute this phenomenon to "market-preserving federalism," Zhou and Li believe that it is the result of the promotion incentives facing Chinese officials. As they conclude, "the Chinese central government tends to promote provincial leaders who perform well economically and terminate provincial leaders who perform poorly."<sup>12</sup>

Although impressive, there are many questions about Zhou's thesis. One is simply the question of how much impact a leader can have on

<sup>12</sup> Gabriella Montinola, Yingyi Qian, and Barry Weingast, "Federalism, Chinese Style: The Political Basis for Economic Success in China," *World Politics*, Vol. 48, No. 1 (October 1995): 50–81; Hongbin Li and Li-an Zhou, "Political Turnover and Economic Performance: The Incentive Role of Personnel Control in China," *Journal of Public Economics*, Vol. 80 (2005): 1743–1962, at 1760.



the economy of a place in the course of a single term. The economic development of a place is determined by so many factors, including its geographical location, transportation networks, capital stock, investment, and so forth. Leadership can certainly make a difference, but it is not clear how much of a difference it can make within a short period of time.

The more important question is the degree to which the incentive system, as measured through the cadre evaluation system, can control cadre behavior. Although much has been written about the cadre evaluation system, there remains much that is not known. For instance, application of the system seems to vary greatly from place to place. In some places, cadre evaluation seems to be taken seriously and discussed during party meetings. In other places, only the party secretary and the head of the Organization Department see the results, and they are only advisory. The “democratic evaluation” part is especially suspect. Cadres with a bad boss will certainly give him or her high marks – if their recommendation is accepted, they get rid of the bad boss and open up the position, into which one of his subordinates can move.<sup>13</sup>

Moreover, although the CCP has adopted a number of regulations regarding promotions, the formal regulations are simply impossible to follow. As Chien-wen Kou and Wen-hsuan Tsai point out, if cadres were promoted strictly according to the regulations, which means abiding by the rules that cadres serve their full five-year term in a given position and are promoted step by step, then not a single cadre could be promoted to the bureau-director (*ting*) level.<sup>14</sup> The regulations were designed in a way that there had to be exceptions – and there are. As Kou and Tsai note, one can rise up through the Communist Youth League (CYL), which allows faster promotions, and then transfer to a regular party position. (It should be noted that in 2016 when the Central Discipline Inspection Commission (CDIC) cracked down on the CYL its fast promotions were one of the

<sup>13</sup> Interviews with various local officials.

<sup>14</sup> Chien-wen Kou and Wen-hsuan Tsai, “Sprinting with Small Steps’ towards Promotion: Solutions for the Age Dilemma in the CCP Cadre Appointment System,” *China Journal*, No. 71 (January 2014): 153–171. The regulations are “Zhonggong Zhongyang bangongting fayin ‘Dangzheng lingdao ganbu kaohe gongzuo tiaoli’” (The Central CCP Office promulgates ‘Regulations on the evaluation work of leading party and state cadres), retrieved from [www.xinhuanet.com/politics/2019-04/21/c\\_1124395835.htm](http://www.xinhuanet.com/politics/2019-04/21/c_1124395835.htm). Accessed October 10, 2020.

criticisms). Or one can accept a position in an external unit (*guazhi*), which allows the transferred cadre to return to his or her original unit at a higher level. Or a cadre can be the recipient of a “non-regulation promotion” that allows him/her to be promoted in fewer than the five years required by the regulations.<sup>15</sup> Altogether it is estimated that the majority of cadres serve only three years at a given post.<sup>16</sup>

Pang Baoqing and his colleagues push this argument further by suggesting that there is a political intention behind the design of the regulations. They argue that the regulations act as a regular track that is intended to halt the progress of most cadres below the bureau-director level, but other cadres are “fast-tracked” to be promoted to higher levels faster. Hopefully “merit” is one reason why some cadres are fast-tracked, but this design certainly allows other considerations to be factored in. Pang et al. argue that this two-track system creates a core of cadres that is loyal to the regime. But one has to argue that this loyalty is bought at the expense of the institutionalization that supposedly underlies the longevity of the regime.<sup>17</sup>

This is an important point with broader application to understanding China’s political system. The implication of Pang Baoqing’s argument is that the elaboration of rules within the party does not imply institutionalization. After all, if the rules apply only to those not on the fast track, it suggests that others, those who are core to the functioning of the system, are not subject to such constraining rules. On the contrary, promotions, particularly promotions to important, even critical, positions entail political support above and beyond the factors that guide the promotions of most cadres. We certainly see this in high-level promotions when some cadres are able to enjoy “helicopter promotions,” meaning promotions of more than one rank.

The literature’s focus on “institutionalization” and (generally) step-by-step promotions also sidesteps the actual functioning of the cadre system. Perhaps the most useful insight in this literature is Yang Xuedong’s concept of a “high-pressure system” (*yaxing tizhi*). The notion of a high-pressure system is obviously related to the idea that the cadre system is a mobilization system. This mobilization system is

<sup>15</sup> Interviews with various local officials.

<sup>16</sup> Interview with expert on local politics.

<sup>17</sup> Pang Baoqing, Shu Keng, and Lingna Zhong, “Sprinting with Small Steps: China’s Cadre Management and Authoritarian Resilience,” *China Journal*, No. 80 (2018): 68–93.