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**Collapse Perhaps?**

**The Stability of the Modern Chinese State**

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A regime, an established order, is rarely overthrown by a revolutionary movement; usually a regime collapses of its own weakness and corruption and then a revolutionary movement enters among the ruins and takes over the powers that have become vacant.

—Walter Lippmann

We live in a new century—and with it a new millennium—but war, pestilence, and poverty have followed us into this young age. And by the look of things, so has that other scourge of humanity, namely dictatorial government. The Cold War, a titanic struggle spanning six decades, may have ended Marxist dreams, but Leninist aspirations are still alive today.

Can Leninism survive without Marxism? Andrew Nathan believes authoritarianism may be “a viable regime form even under conditions of advanced modernization and integration with the global economy.”¹ The successors of Mao Zedong, he tells us, have institutionalized themselves by smoothing out successions, promoting meritocratic politics, modernizing a large bureaucracy, and establishing the means of political participation to strengthen legitimacy. “Regime theory holds that authoritarian systems are inherently fragile because of weak legitimacy, overreliance on coercion, overcentralizaton of decision making, and the predominance of personal power over institutional norms,” Nathan writes. “This particular authoritarian system, however, has proven resilient.”² Or as Homer pointed out, “There is strength in the union of very sorry men.”

Homer’s observation, unfortunately, has held up over time. As much as we would like to think that people don’t put up with atrocious leaders and bad forms of governance, history proves otherwise. The Chinese people, for instance, have been an amazingly compliant flock. They may not have liked those who governed them, but they liked changing them even less.
And they were even more conservative when it came to altering the form of government. For most of the past two millennia the Chinese were content with imperial rule. From time to time they helped one clan take over from another, but they kept the same system. China’s inhabitants may have been rebellious, but until a hundred years ago they were not revolutionary.

Even when they opted for radical political change, in the second and fifth decades of the 20th century, they eventually drifted back to the old way of doing things. Despite a brief moment of representative governance, the Chinese merely substituted one form of repressive rule for another—making the long journey from boy emperor to committee of communist engineers. When Andrew Nathan tells us that authoritarianism may be a viable form of governance in China, he is really saying that the future could represent a continuation of the past.

1

The Failure of Extrapolation

“We ask a lot of history,” writes Tom Zeller of The New York Times. “We believe that if we study it closely enough, we can avoid repeating it. We also believe that its lessons are comprehensible enough to give us analogies to fit any unfolding tragedy or triumph.”

In China, where tragedy and triumph unfold every day, there’s too much material to work with. So many events have occurred in 5,000 years of civilization that we can, by peeking at history, find support for any forecast we care to make. Today, many people wonder which strands in China’s past will determine its future.

The consensus view is that the tradition of strong central governance will continue. And, in light of its recent successes, how could anyone disagree? In a quarter century of reform the Mainland has, under Beijing’s firm direction, developed a vibrant economy, the fastest growing in the world and perhaps in world history. Surprisingly, authoritarianism with communist characteristics has resulted in a withdrawal of officialdom from both the workplace and the home. Once hidden behind the “Bamboo Curtain,” the People’s Republic is more open than it has ever been. The central government has put a man in space, secured the right to hold an Olympics, built metropolises from paddies and fields. Foreigners and returning Chinese flock to the coastal and riverine cities. They bring talent, money, and, most important of all, their energy. The country is doing so well that many say we are living in “China’s Century.”

Most tellingly of all, Jim Rogers, the legendary Wall Street guru, has one piece of investment advice for you: make your children learn Chinese.

Extrapolate and you will conclude that China will shove aside the United States to become the globe’s only superpower. Investment bank Goldman Sachs predicts the People’s Republic could have the world’s largest economy by 2039. Geopolitical and cultural hegemony will inevitably follow unprecedented economic might. As China expands its influence abroad, the Communist Party should naturally grow stronger at
home. In short, the future looks bright for the nation’s leading political organization. As Ronald Reagan would say, it is morning again in the Mainland.

Yet history rarely cooperates with extrapolators, especially over the long run. In recent memory a handful of oil-pumping Arabs, loaded down with petrodollars, were set to dominate the planet. Next came the Japanese, who at one point controlled about a third of the world’s wealth. Now the Chinese look poised to exercise planetary control.

They undoubtedly will succeed if they can just keep their nation from destroying itself in another bout of Wagnerian-scale convulsion. These days, however, there is turmoil aplenty. There are hundreds of protests each day in the People’s Republic. Yet, as bad as it looks, political unrest may not mean much—and it may be no bar to continued Communist Party rule. As David Shambaugh writes, “China today is in a curiously ambivalent state of ‘stable unrest’ that may continue for some time.”

The country always looks like it’s collapsing, but it nonetheless continues to muddle along and even manages moments of apparent success, such as the time we are now in. “China is facing enormous problems,” notes Steven F. Jackson, but “this characterization has been true for the past 150 years.” Perhaps we should make that several thousand years. In any case, if we want to know the significance of what’s happening today, we need to distinguish change from instability and instability from revolutionary turbulence.

2 Convergence

Regime collapse is a low probability event, says Minxin Pei. Actually, he says it’s worse than that: governments completely fail only when a series of low probability events occur at the same time. Maybe it’s more precise to say that they crumble only when unlikely events happen in the right sequence, but Pei begins to explain why there are so few instances of government failure in the past. It’s not easy to get historical forces to converge on cue.

No wonder bad systems last so long. You need a lot to bring down a government, even a decrepit one. Political scientists, who like to bring order to the inexplicable, tell us that a host of factors are required for regime collapse. There must exist, for example, general discontent or even anger, solidarity among the aggrieved, the ability to resist official action, strong leadership, demands with mass appeal, a broad coalition, a divided government.

Most of the listed requirements cannot be found in the People’s Republic today—or at least they can’t be found in sufficient quantities. China, it would seem, must be a long way from its next revolution. Whatever school of thought one belongs to, it is hard to argue with this list.
Lists like this one are compilations of the lessons of the past, and, as Marx said, history repeats itself. One recurring pattern of recent times is that communist systems don’t last. They collapse without much notice and with great rapidity.

So is Beijing’s republic of the people the next communist domino to fall? Just because other Marxist-Leninist systems failed last century does not mean that China will do so in this one, argues Christopher Marsh. “China is doing its best not to make the sort of mistakes that led to the collapse of the Soviet Union,” he writes. Marsh reminds us that the past does not determine the future and that a China with Leninist characteristics could be a winner.

Beijing’s cadres reflexively say that their system won’t disappear, and the majority of outsiders seem to agree. Read most any foreign analysis of China, and you will find a recitation of issues and problems. There will often be statements to the effect that if this or that change can be made, the situation will improve. Most commentaries end with a variation of “Oh, the country will just muddle through.” That is what passes for analysis these days.

Analysts make the mistake of looking at each of China’s problems one-by-one when they should review all of them in the context of each other. The point is that Beijing faces many challenges all at once, not one challenge at a time. It’s the convergence of problems that potentially creates regime-ending crisis.

3
Time

“We are entranced by the epic sweep of the Middle Kingdom, and the Chinese themselves oblige us by talking endlessly of their 5,000 years of civilization,” writes Hannah Beech of *Time*. Enthralled, we naturally accept the notion that China is unique. Therefore, we often do not apply what we know about the rest of the world to the People’s Republic. In the past, this was undoubtedly the correct approach to gaining an understanding of China. The country was isolated and, for the most part, operated according to its own logic and sense of time.

Today, China is still unique but only in the sense that every country, culture, and corner in the world is special. The nation has lost a good deal of its mystique—or at least should have. We no longer have to peer inside; we can travel there, talk to the Chinese, share their lives. We can even live there if we care to. The country is more accessible than it has been in five decades and perhaps in its entire history.

Openness, of course, has political ramifications for an atomized society. Mao Zedong made the People’s Republic abnormal, but he also protected it with high and strong walls. Its government has been so resilient—repeatedly defying foreign predictions of collapse—largely because the Chinese people have been separated from the outside and, as important, from each other.
This isolation, of course, is ending as Mao Zedong’s walls are taken down by his successors, who want a more modern nation. As they continually open the country, all the forces that apply around the world—political, economic, and social—are beginning to apply in China as well. As they reshape the nation, the People’s Republic begins to take on the look, and even some of the feel, of the modern world. In short, China is becoming less Chinese.

Mao’s successors, however, have not essentially changed the nation’s Leninist political system in which the Communist Party dictates and the people are supposed to follow. But at some point the centrally-directed system will fail. It’s as if Mao tried to abolish the law of gravity by decree in his republic. As the country is opened up by his successors, gravity is beginning to apply in China. While the country integrates with the rest of the world, it is inconceivable that nine men wearing the same suits, shirts, and ties can continue to control the other 1.3 billion.

So the issue today is not whether Beijing is doing the right things or the wrong things. The issue is time. If we want to determine whether the Communist Party will survive, we need to know more than whether it’s headed in the right direction. We have to figure out whether it’s moving fast enough.

In a closed system, the Communist Party, during the era of Mao through the time of Jiang, could move as fast—or as slow—as it pleased. Beijing set the rules and administered the game. Today, however, the story is changing. China once had an “endless capacity to take things very slowly,” but that’s no longer true. One of the prices of modernity is the weakening of control, which includes the loss of the ability to defy time.

The dimension of time, previously irrelevant to China, puts the Communist Party’s cumbersome decision-making processes, slowed by a seemingly unending transition from Third Generation leaders to the Fourth, in a whole new light. In view of critical challenges facing the nation in the next few years, it appears less likely that Chinese leaders will be able to implement solutions fast enough.

Therefore, China’s world-class procrastination begins to look like a fatal disease. Chinese intellectuals criticize Mikhail Sergeyevich Gorbachev for reforming too quickly, which is one of the superficial lessons they draw from the Soviet demise. Yet they should remember that he assumed power following a long period of stagnation that began with Brezhnev and continued through the tenure of other Kremlin leaders whose names we barely remember.

Gorbachev could have slowed the pace of change, but he did not have much flexibility by the time he arrived on the scene. The real lesson for China is that once necessary reform is delayed too long, change cannot be planned, ordered, or controlled. Sure Gorbachev failed to save Soviet communism, but, given the condition of the U.S.S.R. at the time, it
is doubtful that reform implemented in any other way—or at any other speed—could have rescued the Soviet system.

The cost of procrastination is barely understood in the upper reaches of Beijing. “China cannot afford radical political reform as in Russia,” argues Li Yushi, vice president of the foreign trade ministry’s think tank, as he presses the case for gradualism. “Shock therapy is not fitted to China’s reality.” Perhaps Li is correct, and it is clear that Beijing is taking a different route to rejuvenation than Moscow’s. Nonetheless, just because Chinese cadres reject Gorbachevism doesn’t mean they will succeed. It is just as likely that they are pioneering a new way to fail. China can drive off the cliff gradually as well as at full speed.

4
Authoritarian Dilemma

Today, the Politburo Standing Committee is setting new standards of underachievement when it comes to political reform. Senior officials tinker but do not sponsor change of consequence. Consider the meteoric rise of China’s current leader. Hu Jintao, who was virtually unknown to the Chinese populace, took over China’s most powerful posts because he had been previously selected by Deng Xiaoping—in the early 1990s. So a person who had died in 1997 got to choose the next General Party Secretary and President in 2002 and 2003. Some 1.3 billion living souls, including then-President Jiang Zemin and then-Premier Zhu Rongji, had no role except to confirm Deng’s choice. As Chinese analysts say, one man—Deng—personally chose three of the four leaders of the People’s Republic. What kind of system is that?

It’s a system in which change, when it occurs, takes place at the speed of continental drift. “It can’t go much slower, can it?” asks Susan Shirk, referring to political reform. There’s no secret why liberalization is now on hold inside the nation’s leading political organization: senior leaders do not wish to share Gorbachev’s fate. “They’ve boxed themselves in,” says Linda Jakobson, a Hong Kong-based China scholar at the Finnish Institute of International Affairs. “They’re extremely fearful that opening up political decision-making is going to lead to the party’s demise.”

Party leaders have apparently been reading their Huntington. “Reform can be a catalyst of revolution rather than a substitute for it,” he writes. This conclusion is one of the clearest lessons of the demise of the Soviet Union. “Gorbachev had raised the stakes higher than he had imagined,” notes journalist Fred Coleman, a long-time observer of events in Moscow. “His ‘third way,’ an attempt to adopt democracy under Communist control, would prove impossible to implement. Instead it would show that once communism embarks on genuine reform, there is no going back.”

The current crop of Chinese leaders don’t have to worry about going back because they have no intention of moving forward in the first place. The best way for authoritarian systems to maintain political stability is repression, history teaches us. And as Ekkart
Zimmermann notes, the more successful tyrants in history realized that coercion should be applied consistently.\textsuperscript{23}

Consistent repression appears to be the Chinese theme since Tiananmen. Ms. Jakobson portrays Zhongnanhai’s leaders as afraid, and she is undoubtedly correct, but they may also be as wise as autocrats ever get.

Deng Xiaoping, a wise autocrat if there ever was one, believed in economic revitalization as well as political repression. To remain in control, atheistic Beijing has elevated his thoughts to gospel. Deng’s formula has worked so far as everyone knows. During the “reform era” of the past 25 years, the nation has experienced unprecedented economic transformation, unprecedented not just for China but for the world. So who can blame senior Communist Party’s leaders for believing they have found the path to national rejuvenation?

And who can blame them for rejecting Soviet-style reform? “Gorbachev was too much in a hurry,” says Sergei, an ethnic Russian member of the Chinese Communist Party, echoing the party line. “They should have reformed the economy first and gone slower with the politics.”\textsuperscript{24} If we “seek truth from facts,” as we should always strive to do, we have to conclude that the Chinese experiment is succeeding where the Soviet one failed.

The Party scores points for surviving the Soviet collapse and gets extra credit for achieving extraordinary growth. Yet senior Beijing officials now face the dilemma of all reforming authoritarians: economic success endangers their continued control. In short, it’s time for Beijing’s cadres to study Comrade Huntington. “Sustained modernization,” he writes, “poses problems for the stability of one-party systems.”\textsuperscript{25} Revolutions occur under many conditions, but especially when political institutions do not keep up with the social forces unleashed by economic change.\textsuperscript{26} Nothing irritates a rising social class like inflexible political institutions.\textsuperscript{27}

Beijing’s policies almost seem designed to widen this gap between the people and their government, thereby ensuring greater instability for the foreseeable future. Today there’s unimaginable societal change at unheard of speed thanks in large part to government-sponsored economic growth and social engineering. Yet at the same time the Communist Party stands in the way of meaningful political change.

At one time Beijing’s cadres were leading change, but now they’re struggling to keep up. Officials still prepare their five-year plans while the Chinese people make a “kinetic dash into the future”\textsuperscript{28} without so much as a roadmap or a compass. Once clothed in faded totalitarian garb, the Chinese today are dynamic, sassy, and colorful. This mall-shopping, Internet-connected, and trend-crazy folk are remaking their country at breakneck speed as they outrace everyone else on the planet. Deprived for decades, they don’t just want more. They demand everything. It’s hard to describe the Chinese because they change so fast, maybe faster than any other group in world history. “China’s leaders may run what looks like a closed political system, and their decisions seem autocratic,” notes
Clinton-era official Robert Suettinger, “but they are struggling to keep up with a society that is changing in a direction and at a speed they cannot fully control.”

5

Loss of Fear

“With 5,000 years of history, our people cannot be suppressed,” declares Wen Jiabao. Cynics might say that China’s last five millennia prove exactly the opposite conclusion, but the new premier nonetheless correctly identifies a current trend. Although the Chinese people were perfectly happy with kings and emperors for thousands of years, that was before two revolutions last century. In magnificent upheavals they exhibited imagination as well as discontent, boldly going where they had never been before.

And it does not appear that the Chinese people have stopped their historical quest. From countryside to city the Communist Party faces a restive populace. Hundreds of times a day peasants and workers take to the streets. Their demonstrations are definitely larger and somewhat better organized these days, and there is a desperation that is perhaps not new but is certainly more evident and widespread. Peasants no longer vent just their anger, some take their own lives in public in horrifying forms of protest.

The discontent of the disadvantaged, however, is hardly surprising. We expect demonstrations in destitute Guizhou, Gansu, or Ningxia, but we are also seeing them in prosperous Beijing, Shanghai, and Zhejiang. The most interesting trend in public protest in the People’s Republic is that the middle class, the social group that dares not use this common label, is taking matters into its own hands.

In Shanghai, for instance, homeowners recently fought a builder, state-owned Shanghai West Enterprise Group, which reneged on its agreement to keep land open in the middle of a development. A ragtag group of residents physically tore down a fence to stop construction in that area, and, when the developer put up another, an even larger group demolished its replacement. In China today the well-to-do will act like peasants if that’s what it takes to defend their rights. Ownership, everyone knows, “breeds a sense of entitlement.” That belief is dangerous for a political party still uncomfortable with the notion of private property and hence reluctant to protect it.

There is nothing so destabilizing as modernization, which can radicalize even the beneficiaries of change—and especially them. Analysts believe that the middle class, big winners during the last quarter century, generally support the Communist Party. That appears true today from all that we can tell, but China watchers may want to brush up on their de Tocqueville, who noted that peasants in pre-revolutionary France detested feudalism more than their counterparts in other parts of Europe, where conditions were worse, and discontent was highest in those parts of France where there had been the most improvement. Moreover, the French Revolution followed “an advance as rapid as it was unprecedented in the prosperity of the nation.” So, as de Tocqueville notes,
“steadily increasing prosperity” doesn’t tranquilize citizens. On the contrary, it promotes “a spirit of unrest.”

As we know, prosperity is coming to all parts of China, even in backwaters of the nation. “In a city in Manchuria, I stopped in a small restaurant and ordered a cup of coffee,” writes New York Times columnist Nicholas Kristof. “The waiter asked whether I wanted Nescafé, Maxim coffee, Swiss coffee, Brazilian coffee, Blue Mountain coffee, mountain-grown coffee, mocha coffee, iced coffee or Italian cappuccino. I can’t help feeling that when people get multiple choices in ordering a cup of coffee, it’s only a matter of time before they demand choices in national politics.”

Today those demands are already being made. Of course, the voices calling for a new system are still weak, but the defiance in society is certainly more evident than at any time since the Tiananmen Square massacre, what Wen Jiabao delicately calls “that 1989 affair.” Moreover, something else is also evident: the apparently mighty state looks less than fearsome these days.

“Why is the Chinese leader so afraid of a mouse?” asked The Wall Street Journal. The state detained Liu Di, the college student better known online as the “stainless steel mouse.” The mouse posted essays both critical and satirical and told people that they did not have to be afraid. “Ignore government propaganda and live freely,” she wrote, telling the Chinese that they could do whatever they wanted. Thousands signed online petitions on her behalf and some were jailed for doing so. One man, Dean Peng, even called a press conference to campaign on her behalf.

Tiny Ms. Liu reminds us that the gigantic state can threaten, but the Chinese people don’t have to listen. That’s a dangerous message for a government that likes to rely on people’s fear and sense of self-restraint to maintain control. In determining the borders of the permissible, people are beginning to realize that they may have as much influence as their government. “Nobody knows what’s possible these days,” notes Li Fan, a leading democracy activist in China. “Whatever you can do, that’s what’s possible.” Beijing eventually declined to prosecute Liu Di. The mouse hardly roared, but the coercive forces of the state were confounded by a frail loner.

And intimidated by what she represents. The stainless steel mouse first aroused admiration and began a chain reaction as people drew inspiration from each other. Cyber China, the most vibrant part of the most exciting nation on the planet, reflects the growing interest of Chinese citizens in their own society. It is on the Internet that officials criticize the government over corruption and businessmen post tracts on democracy.

Political dissent is sizzling, online, and available, at least most of the time. The state censors and imprisons and intimidates, but it is fighting a battle in which it can never claim final victory, even when it gets its way in the short run. “One site has been shut down thirty times,” says Liu Xiaobo, who knows firsthand the meaning of the state’s awesome coercive power. “But after a month or two they open up again. You can’t shut
them down completely.”53  China’s Internet is a lively place where “an astonishing variety of political theories, 90% of them incompatible with the CCP’s worldview, are whispered and weighed.”54  Yet it is only just one or two steps ahead of the offline version. “China today,” writes H. Lyman Miller, “is not a cultural and ideological vacuum: it is a bewildering riot of competing ideas, values, and re-embraced and frequently reinvented traditions.”55

And in that real world, just like the virtual one, Chinese people are beginning to lose their fear. When that happens, societies change. The process can take years, but authoritarian governments tremble when common folk begin to feel the safety of numbers. “Chinese don’t protest when they are most upset, but when they think they can get away with it,” notes Nicholas Kristof.56  If Beijing wants to learn anything from the Soviet collapse, this is it. As journalist Fred Coleman notes about the Soviet Union, “Once the fear was gone, the system could not last.”57

There is, of course, one crucial difference between the Soviet Union of the last decade of the 20th century and China of the first decade of the 21st: the P.R.C., unlike the U.S.S.R., is economically vibrant. Serge Schmemann of The New York Times has said that the Russians knew that Moscow had nothing to offer once repression was gone.58  Beijing’s leaders have not fallen that far in the eyes of urban Chinese folk, but it is apparent that continued economic growth in China has bred the notion that prosperity is just part of the natural order, especially along the coast. The result is that gratitude is eroding at the same time fear is fading.59  The government, therefore, has to prove itself all the time because it no longer represents the vanguard of class struggle and does not rest on the consent of the governed. Chinese society, therefore, has the potential of becoming unruly.

In today’s China, when Communist Party leaders misstep, the Chinese people can go their own way. For months Beijing denied the obvious about the SARS epidemic, as if it were only a minor inconvenience. It’s true that Hu Jintao deserves credit for reversing course, but he did so only when Chinese doctors and nurses left him no choice. These courageous men and women began talking to the foreign media60 and the World Health Organization61 and thereby made the cover-up untenable.

At the same time, Beijing residents made government officials irrelevant. The Health Ministry knew that the mass migration out of the capital would lead to a health care catastrophe but could not move itself to act. “The government held meetings for hours with no decision and meanwhile, everybody left town,” said Bi Shengli, a virologist who worked for the now disgraced Zhang Wenkang, the former health minister.62  About 10 percent of Beijing’s population, or roughly one million people, took to the road as government bureaucrats talked among themselves for no purpose.63

“The previous model of social governance by an all-powerful government is already hard put to cover a society which is flowing at high speed,” wrote a Chinese newspaper during the SARS crisis.64  Should we be surprised that China’s Communist Party is beginning to lose control? Although Gorbachev’s name is associated with shock therapy, he initially
believed that reform could be imposed from the top in limited doses and controlled. He was wrong, because it exploded from the bottom up.\(^6^5\)

None of the other great reformers in history was able to foresee—or control—what followed.\(^6^6\) After a quarter century of relentless modernization, China’s people are in motion. Why do we think that Chinese leaders will be able to do what no others in history have ever accomplished?

6

Disintegration Is Not Adaptation

There are only 18 countries that have more residents than China’s Communist Party has members. Although size does matter, bulk does not necessarily confer strength. With 67 million card carriers,\(^6^7\) it is the largest political organization of its kind in the world, but it is also flabby.

Once young and vital, the Party has been diminished. Its strength has been eroded by widespread disenchantment, occasional crises, continual reform, and the enervating effect of the passage of time. Although it is big, it is also corrupt, reviled, and often ineffective. As Minxin Pei writes, the Communist Party exhibits “the classic symptoms of degenerating governing capacity.”\(^6^8\)

It is “barely operational” in some areas,\(^6^9\) having been replaced by clans or gangs. It’s doubtful that the Party commands the loyalty of its own members.\(^7^0\) Many cadres are careerists and opportunists and many, for good or ill, disregard orders from the center. “Now, no Communist official is loyal to or will sacrifice for the Party,” says exile Peng Ming, just one of the many subversives now plotting the next revolution. “When I was in jail, the prison warden and guards were very respectful to me,” he says. “Even when I criticized them, they would not criticize me back. Why? They said, ‘This regime will not last long. Who knows you won’t be our next leader? If we mistreat you now, you will come after us when you come to power.’”\(^7^1\)

The Communist Party was structured to take power and remake society, not govern it.\(^7^2\) To its credit, it has sponsored change and then stepped back so that change could occur, but as Bruce J. Dickson writes, “disintegration is not adaptation.”\(^7^3\)

And sloganeering is not creativity. To revitalize China’s leading political organization, former leader Jiang Zemin espoused the Three Represents, which holds that the Communist Party should represent just about everything and everybody. This doctrine, which was written into the nation’s constitution earlier this month, implicitly replaces Marxism with utilitarianism and makes the Communist Party a ruling organization rather than a revolutionary one.

That is a switch of historic proportions. Commentators say this is a necessary transformation, and in a way they are correct. Jiang deserves praise for updating
ideology and redefining the Party so that it can have a role in a truly modern society. The former president realized that his organization faced the same dilemma as Cher: How can you reinvent yourself and draw new fans without alienating the old ones? Jiang’s answer was to bring in the most productive elements of society, private entrepreneurs, without tossing out the peasants and workers.

Jiang’s answer is probably a mistake. “I don’t know the key to success,” said comedian Bill Cosby, “but the key to failure is to try to please everyone.” The unworkable concept behind the Three Represents, which is more slogan than anything else, is that competing interests in an increasingly complex society can be balanced, or represented, without representative government. “The theory says that the party can represent both the exploited and the exploiters,” says an official of a Communist Party institute in Beijing. “How do you do that? Just because you say you do?”

The Party faces a crisis of identity as do all revolutionary organizations that are successful enough to mature. As it tries to adapt, the Communist Party hopes to switch the base of its support in society, and that is always a dangerous exercise. Jiang’s theory risks alienating peasants and workers, who already are not hesitant to express their grievances in public. Yet these groups generally support the Communist Party as an institution even though they often complain about its low-level officials. If these groups come to believe that the Party no longer represents them, all the unrest we see today could become revolutionary unrest.

The Party faces another problem in the transition. The Three Represents works if the most productive elements in society buy into the program. Although entrepreneurs will always collude with cadres as a means of doing business, it does not appear that they are rushing to sign up to become card-carrying Communists. An unsuccessful base-switching exercise for the Party could mean that it ends up representing no one.

In essence, that is what happened in the U.S.S.R. In 1961 the Soviet Communist Party declared itself to be “a party of the whole people.” It was Mikhail Gorbachev, however, who actually abandoned the notion of class struggle. Yet his attempt to accomplish two conflicting goals—strengthening communism and reforming it—resulted in his losing everyone’s support.

We can see a little bit of the last Soviet leader in Hu Jintao and Wen Jiabao, who both belong to the first generation of leaders who joined the Party after it came to power. Like Gorbachev, they realize that their party’s path was unsustainable. The Chinese duo, the acceptable face of communism, are charting a course correction under the banners of “putting people first” and “common wealth,” new slogans for the new decade of the new century. Their programs, revealed in the past several weeks, seek to reorient the central government toward the poor and neglected. Their proposals, even if implemented, will only make a token difference, however. Even if they sponsor more meaningful change—and that’s open to question—it’s unlikely they will be able to do so in time to stop the turbulence at the lower rungs of society. In reality, their version of “Communism Lite” looks suspiciously like their predecessors’ even though their
programs sound markedly different. In sum, the new president and premier are trying to please even more people than Jiang.

After a year in office Hu and Wen have been long on gestures and short on solutions. They may want to ameliorate China’s notorious system, but local officials, state enterprises, and business interests are not about to give way just because they are asked. These new leaders should remember that Gorbachev was initially popular but lost altitude when he failed to deliver.85 “This Mr. Nice Guy approach won’t work,” said a senior Chinese government official. “You can’t govern by pretending to be nice to everybody. You’ve got to make hard choices.”86

7
Deferred Reality

Hu and Wen have hard choices to make because their predecessors, Jiang Zemin and Zhu Rongji, avoided them. As a result, the Chinese economy now has the appearance of a miracle.

“China is the most successful development story in world history,” says Jeffrey Sachs.87 Smooth-talking Kenneth Courtis of Goldman Sachs, referring to China’s economic transformation, proclaims, “I believe that we are in a process which doesn’t happen every fifty years, it is only once every three to four hundred years when something this big, this all embracing, happens.”88

All of this could be true, but it is still much too early to say the Communist Party will be successful in making the transition away from a Marxist command economy. The central government was able to soften the pain of this transformation by creating unending economic growth, which was the payoff from early reforms. But in the middle of last decade the economy began to turn from boom to bust. So Zhu Rongji, to avoid a “collapse,”89 switched his emphasis from reform to development and started a government spending spree. Beijing claims uninterrupted growth in Gross Domestic Product since 1976, the year the Cultural Revolution officially ended.90

The problem with Zhu’s strategy is that no government has ever succeeded in eliminating recessions and depressions. There is a cycle to economies that, for some reason, is impossible to avoid. Americans in the recent past have proclaimed that technology or superior government policy could abolish the low points, but they have been proven wrong each and every time. No one has ever been able to create a linear economy: dotcommers, Dutch tulip bulb promoters, and Florida real estate developers have all felt the sting of the cycle.

And so undoubtedly will Chinese citizens. The track record of uninterrupted expansion suggests the People’s Republic will suffer a correction soon. Hoping to grow their way out of problems, Beijing’s technocrats caused overproduction, overbuilding, and overheating by government overspending.91 Beijing says that 86 percent of industrial
products are in oversupply. “Even when domestic demand is satisfied 10 times over and goods are stacked to the ceiling, production lines run at full tilt,” write James Kynge and Dan Roberts of the Financial Times. Moreover, China today has roads, airports, and buildings for a country twice its size. Excessive building and production is not the path to enduring prosperity. Sure, the economy is bigger today, but without a strong foundation it’s even more unstable.

Too much of everything is not the worst of the technocrats’ worries, however. Miracle-working officials have ensured growth by not dealing with dislocations and imbalances that have resulted from the nation’s unprecedented economic expansion. They cannot procrastinate forever, however. Chinese leaders, if they want to have a future, will have to repair the finances of the central, provincial, and local governments; find a half trillion dollars to recapitalize state banks; find another half trillion to fund the social security system; clean up a severely degraded environment, probably the worst in the world; stop pervasive corruption and lawlessness; replace failing agricultural policies; reform state enterprises and deal with the resulting unemployment; and provide education, health care, and other essential social services to hundreds of millions of citizens who now do without.

The longer the solutions to internal problems are delayed, the bigger they become. At some point, they will no longer be capable of solution. “You can see a lot of time bombs binding together to become an atom bomb,” observes Liu Mingkang, a well-respected bureaucrat. That, in a nutshell, is one of the lessons from the fall of Moscow’s brand of communism. “Everything Gorbachev was forced to do had deeper origins,” says Xu Xin, one of China’s experts on the Soviet Union. “It shows that if deep-seated problems remain buried sooner or later they will explode.”

China’s external economic problems are also becoming explosive. The Mainland is “critically reliant” on exports to keep the economy growing. Foreign nations, however, are complaining that Beijing is not complying with the sweeping promises it made in order to gain entry to the World Trade Organization. Call it a “crescendo,” “rising tide of complaints,” or “a political firestorm.” Whatever you label it, China is the target. Moreover, the nation has kept its exports up by keeping its currency low by pegging the renminbi to the sinking U.S. dollar. Neither the failure to meet its W.T.O. obligations nor its currency manipulation is a sustainable course of action. Yet Chinese officials act as if they have all the time in the world to bring their practices into line with those of the rest of the world.

The deferral of reform has only caused trouble, as it did in the Soviet Union. Beijing has been successful in modernizing its economy when it took bold steps, and it has gotten into trouble when it turned timid. For the last half decade Chinese leaders seem to have lost their way, but they cannot afford to continue their slow pace. They were forced into joining the World Trade Organization, and now membership is creating the need for accelerated change so that China can comply with its obligations without a massive failure of its domestic industries.
So why can’t Beijing’s leaders bring themselves to undertake the remaining structural reforms needed for long-term success? They realize they have implemented all the easy changes and most of the rest are too difficult to make. Unfortunately for them, the system in which they operate is losing the capacity to transform itself from within. The change that we now see is more the product of creative destruction than conscious reform. And when the central government makes decisions these days, we often see half measures and backsliding, as if they were options. There has been much talk of reform in China and we have even seen change, but there has been surprisingly little progress in the last few years.

Today, momentum has been lost. The ongoing political transition in Beijing, which started smoothly but could be headed for disaster nonetheless, is bound to slow fundamental economic transformation. In a period of political struggle, it will be difficult for untested and insecure leaders to undertake what Jiang Zemin and Zhu Rongji were unwilling to do in a more peaceful period: force structural change in the economy by taking on vested interests, reordering priorities, and further risking social instability. “They always buckle on the tough issues,” notes financial journalist Matthew Miller.99

“China today, for all the successes of the past fifteen years, stands at an economic crossroads and at the edge of a monumental economic crisis,” wrote MIT Professor Edward Steinfeld in 1998.100 The economy, from outward appearances, looks like it’s doing better now than a half decade ago or even during any other time in recent Chinese history. The numbers are bigger these days and the economy’s velocity is faster so Beijing has even less control over what is happening.101 This trend is exacerbated by the decline of state-owned enterprises and the imposition of World Trade Organization rules. The state, in short, is courting disaster.

Hu Jintao and Wen Jiabao seem to want to take China in a new direction. Their prescription of “balanced and sustainable”102 growth sounds as if they recognize the problems resulting from the nation’s unsustainable trajectory, but their specific programs, unveiled earlier this month, are grossly inadequate for the challenges of the times. Peasants, for example, will be delighted at having a few extra yuan in their pockets due to the abolition of an agricultural tax, but what they really need is justice,103 something Hu and Wen are not prepared, or in a position, to give. And their banking reform proposals, announced last year, are bound to make a grave situation even worse.104

There is a potentially more serious problem than inadequate solutions, however. Hu and Wen, unfortunately, still profess to adhere to an outmoded system of belief. They talk about a “concept of scientific development” and “five syntheses and coordination”105 as if there is a “correct” path to economic growth. They like to wax poetic about socialism as a “huge ocean that will never dry up”106 and are in the midst of a campaign to revive Mao Zedong’s reputation.

Why do they talk like this when they have critical challenges to meet? “What we see here is a political structure that no longer corresponds to its economic base, a society where productive forces are hampered by political ones,” said Ronald Reagan. He was
referring to the Soviet Union, but the same observation applies to China, even more so. Because Beijing cannot confront this gap, it cannot talk about the real economic issues. “These are problems that are too important to avoid but too sensitive to face up to, so they’re dealt with by vagaries,” notes Zhong Dajun, who runs his own economic consultancy in Beijing.\textsuperscript{108}

Wen, between bouts of ideological regression, is bravely trying to slow down runaway growth. That’s a complicated task in a country with sophisticated macroeconomic levers. In the People’s Republic, it is an even more difficult task. “China has a long history of disruptive hard landings,” admits China bull Stephen Roach, Morgan Stanley’s chief economist,\textsuperscript{109} and another one is on the horizon. Once problems appear, the economy could go into free-fall.\textsuperscript{110}

The stakes, of course, are high. If growth were to slow, there would be unrest comparable to, say, Indonesia in 1998, when Suharto fell.\textsuperscript{111} As Samuel Huntington writes, “Revolutions often occur when a period of sustained economic growth is followed by a sharp economic downturn.”\textsuperscript{112} But China’s recent history shows that recession is not a precondition for radical political action against the state. Tiananmen Square, after all, occurred during a period of growth that was merely mismanaged by the Communist Party.

\section{Leaderless Revolution}

Today, the world’s leading communist party gives off “an unmistakable stink of political, social, and moral decay.”\textsuperscript{113} As Chinese history shows, however, feeble regimes can last a long time. They may smell like they’re decomposing, but they can nonetheless be strong enough to fend off unorganized challengers for decades.

So even Beijing’s detractors think the current system is here to stay. “There’s no viable, organized, nationwide opposition,” says Minxin Pei. “In order to overthrow [a] regime, you must persuade the people that there’s a better alternative. Otherwise, they’re going to stay with the devil they know, rather than the devil they do not.”\textsuperscript{114} If there is one reason why analysts place their bets on the current group of demons, it’s because there is no one else to take their place.

Making sure there is no opposition is Job One for the Communist Party. This January, for instance, the Beijing Municipal Civil Affairs Bureau closed down 51 organizations including the Beijing Association on Roast Duck Technology, the Beijing Pigeon Watching Association, the Amateur Singers Association, and the Association on Music in Korean Dialect. Two fishing organizations were also caught by the authorities.\textsuperscript{115} The Falun Gong as well as the China Democracy Party have been decimated, and the dissidents who remain inside the People’s Republic don’t appear to be organized anymore.
Vladimir Ilyich Lenin would scoff at today’s radicals because he figured out what it takes to succeed. In the words of Samuel Huntington, the Russian “glorified” organization.116 By paying attention to structure and administration, Lenin proved that you could impose Marxism by force in a society, even at a premature stage of class development.117 There is virtual unanimity that there will be no successful challenge to China’s Communist Party in the foreseeable future because, among other reasons, no one is sufficiently organized to take on Beijing.

Yet, as carmaker DaimlerChrysler tells us, “People don’t always see accidents coming.”118 Futurists and analysts have a terrible record in predicting the turning points in the course of human events. That’s because nobody in history has ever been fired for extrapolating. Although the meek may inherit the earth, they’re not very good in predicting those periods when events defy existing trends.

Unfortunately for forecasters, people will say and do the darndest things. “Many great things in history started out as crazy acts,” says one of the few survivors of Castro’s ill-fated raid that launched his revolution.119 Chinese history is also filled with impossible rebellions that succeeded, including the one that eventually toppled the mighty Qin Dynasty, a revolt started by two impressed laborers who faced execution for reporting late for work. The Qings went down after an accidental explosion in Wuhan that Sun Yat-sen read about while in Denver. The Ming Dynasty was started by the most improbable of personages. We didn’t foresee the Beijing Spring of 1989 or the rise of the Falun Gong ten years later.120 What are we missing now?

If we don’t see the opposition in Chinese society today it’s because the guerillas are gathering out of sight in the basement.121 There are dozens, perhaps hundreds, of secret societies, political parties, and revolutionary armies that want to bring down the Communist Party. As reported in November 2002 in Open Magazine, a Chinese-language publication in Hong Kong, the Ministry of State Security believed that there were more than 60 revolutionary organizations existing in China at that time.122 The authorities are constantly uncovering and smashing underground organizations, like the East Thunderbolt Party, which aimed to overthrow the Communist Party and establish a democratic system. This group, many of whose members were demobilized soldiers, was organized much like the Communist Party in its earliest days. For every East Thunderbolt Party that is uncovered and destroyed, there is at least another one to take its place.

Moreover, in this day and age it might not take much to destabilize society. Peng Ming, the revolutionary in exile, claims to have training bases in Laos and Burma and an organization in China. In addition, this exile has a network of friends in North America and, it appears, Western Europe as well. “It only takes a small group, and we are that small group,” Peng says. “We don’t need the general population, and we don’t need the overseas dissidents,” he says. Overthrowing the government “only takes a couple of people to plan, a dozen people to organize, and a couple of hundred people to act.”123 Peng’s view is plausible in light of Walter Lippmann’s observation that revolutionaries don’t win as much as governments fail: “A regime, an established order, is rarely
overthrown by a revolutionary movement; usually a regime collapses of its own weakness and corruption and then a revolutionary movement enters among the ruins and takes over the powers that have become vacant.”

Whether Peng is correct about China, developed nations are vulnerable. If a nation is a matrix, as network theorists assume, then you don’t need to wreck much of the grid before you fundamentally alter the structure of the entire society. All you have to do is bring down critical junctures or, to use the nomenclature of today, hubs. Peng has said that he can take over the city of Beijing by poisoning its water supplies, and, based on his analysis of the water table and the location of reservoirs, he may be right.124 And before we judge Peng Ming delusional, we should remember that the recent Madrid bombings demonstrate that unsophisticated acts of terror can change a government overnight—and reverberate around the world. As we now know too well, “violence is the force multiplier of the weak.”125

We naturally tend to think that an opposition must be large and visible for it to be successful. Yet nations today are increasingly interdependent and thus vulnerable. Peng, who has thought a lot about how to attack a modern society, has figured out that millions of supporters are no longer needed, if they ever were, to topple a government. “I began revolution with 82 men. If I had to do it again, I’d do it with 10 or 15 and absolute faith,” said Fidel Castro in 1959. “It does not matter how small you are if you have faith and a plan of action.”

Now you may not even need a Castro: the model of political change around the world is itself changing to the benefit of the enemies of unpopular states. We are, these days, approaching the time of leaderless revolution. Think Seattle as the new template for political change. In 1999 small and amorphous “affinity groups” routed the police in that city, shut down the downtown area, and grievously wounded the World Trade Organization. Lenin would have been surprised by the turn of events—as was just about everyone else. “In the eyes of many activists,” notes writer Austin Bunn, “the greater success of the battle of Seattle was the validation of their decentralized, leaderless model.”126 “Our model of organization and decision making was so foreign to their picture of what constitutes leadership that they literally could not see what was going on in front of them,” writes “Starhawk,” referring to the Seattle police.127

What worked in Seattle also produced a miracle in Manila in January 2001 when “People Power 2,” a mass protest, brought down the government of President Joseph Estrada. Estrada was finished when an unknown Filipino sent out a text message urging people to congregate at a well-known intersection in Manila. Other citizens urged friends and relatives to join by sending text messages (“Go 2 EDSA. Wear blck.”128) from cell phones. The crowd grew geometrically, beyond the expectation—or control—of anyone. Ringleaders of the anti-Estrada forces didn’t lead the protest—they took advantage of it. A demonstration that would never have happened in the past occurred spontaneously and grew electronically. Eventually the military, gauging public opinion by the size and fervor of the crowd, switched allegiance and forced Estrada to resign.
There was a miracle in Moscow too, of course. Even after the loss of the Eastern European satellites, Soviet citizens despaired of changing their government. They felt that change would not happen because there was no opposition, says Andrew Meier, a *Time* correspondent at the time. What we witnessed in Moscow and Manila we also saw in Lima, Belgrade, and Tbilisi in the last few years. Governments, even democratically-elected ones, are failing with increasing frequency these days. Who needs an organized opposition when spontaneous combustion is the latest fashion in revolutionary politics?

Of course, every revolution in the history of mankind has had leaders. But today, their role is diminished as crowd formation is becoming the most important event in the dynamics of regime change. As Vaclav Havel has written, “Without anybody organizing a demonstration, the passersby had turned into demonstrators who filled the main square in Prague.” Leaders still make preparations, but they are often the captive of events once they begin to occur. Today, change creates leaders as much as leaders create change.

Leaders these days are the ones who best follow the mood of common folk. Of course, that has always been true, but now popular opinion counts for much more than it ever has. The combination of the concept of self-rule and the power of instant communications, which has never existed before in history, has magnified the power of crowds in the streets. There is, in short, a new legitimacy for people taking power into their own hands. Furthermore, there’s a general reluctance to shore up bad governments.

Telecommunications and the Internet tip the balance toward instability as they can put everyone in touch and thus make it possible for leaders to emerge from society. It has happened before in China’s past when individuals, and sometimes the most unlikely of people, have risen up to lead. Why can’t history repeat itself now, especially because technology makes it easier to happen?

In an age of instant communications, ideas are more powerful than they have ever been. Beijing’s opponents may look weak and scattered, but appearances reveal almost nothing about their ability to destroy the Communist Party. In a war waged in the minds of a population, a thought can start out small and spread rapidly. A concept—representative government, for instance—that is dominant throughout the remainder of the world, can sweep away authoritarians. Imagine how Tiananmen would have ended if news traveled across China by Internet instead of by phone and fax—and if it had occurred after the fall of the Berlin Wall.

Mao built the Party on the concept of isolation—separating China from the rest of the planet and the Chinese people from each other. The Internet and cell phones, however, put people back in touch. This year at Spring Festival the Chinese sent about 9.8 billion text messages. Last year, more than 220 billion such messages whizzed across the nation, which is responsible for one-third of the world’s total. No other country has more cell phone subscribers. In China, you can send out a message that will be read by
100 million citizens within an hour. No wonder text messaging is called China’s “fifth media.”

Today, many are arrayed against the modern Chinese state, but these groups have yet to link up. In a China of instant communications, alliances can come together quickly, thereby making a broad coalition possible. In the future, groups can be separated geographically yet still act in concert. Connected by cell phone or pager, they “can be drawn together at a moment’s notice like schools of fish to perform some collective action.” That’s already beginning to happen in Shanghai where organizers of housing protests in different parts of the city are making extensive use of cell phones for coordination. Texting spread rumors on SARS and forced the government to take action. We can only begin to think of the political and social implications. In 1999 a bank run in China was spread by rumors posted on the Internet. Why can’t revolution, another type of event fueled by emotion, be transmitted electronically?

In 2002 tens of thousands of workers across China protested against a single company, PetroChina. “It’s the first time we have seen protests occur in the same industry, over the same issues, in different cities in China,” says Han Dongfang, the labor activist exiled from the Mainland. “It’s not necessarily organized, but it looks like the beginning of a united movement.” Imagine what will happen next time when organizers across the nation synchronize their activities. How secure can the Communist Party be when each person in Beijing can have 15 minutes of leadership?

9

The Tipping Point

“Revolution is a trivial shift in the emphasis of suffering,” said Tom Stoppard. The playwright obviously read his de Tocqueville, who explained why a period of reform is the most dangerous moment for a bad government. “Patiently endured so long as it seemed beyond redress, a grievance comes to appear intolerable once the possibility of removing it crosses men’s minds,” wrote the Frenchman. “For the mere fact that certain abuses have been remedied draws attention to the others and they now appear more galling; people may suffer less, but their sensibility is exacerbated.”

China today is at a “tipping point,” to borrow the phrase popularized by writer Malcolm Gladwell. Gladwell likens social change to epidemics, which begin with the smallest of events. “Things can happen all at once, and little changes can make a huge difference,” he writes. So change rarely occurs gradually; usually it takes place in one critical moment. Gladwell, building upon Stoppard and de Tocqueville, explains how big change can occur after seemingly inconsequential events.

Societies “tip” because, at some point, enough people think the same way. “Ideas sometimes seep into people’s minds almost imperceptibly and, over time, become embedded in a population’s collective psyche,” writes Jean Nicol, a psychologist and South China Morning Post columnist.
Unfortunately, there is often little visible evidence of this most important change in society. “I recall that my friends and I for decades were asked by people visiting from democratic Western counties, ‘How can you, a mere handful of powerless individuals, change the regime, when the regime has at hand all the tools of power: the army, the police and the media, when it can convene gigantic rallies to reflect its people’s ‘support’ to the world, when pictures of the leaders are everywhere and any effort to resist seems hopeless and quixotic?’” wrote Havel, who knows something about how people under communist governments think. “My answer was that it was impossible to see the inside clearly, to witness the true spirit of the society and its potential—impossible because everything was forged. In such circumstances, no one can perceive the internal, underground movements and processes that are occurring. No one can determine the size of the snowball needed to initiate the avalanche leading to the disintegration of the regime.”

So, one person, at the right moment, can move a nation. Many already have.

China will tip when something, and probably something minor, goes wrong. In some small village or large town, events will get out of control. Because many people share the same thought, it’s not surprising they react the same way. When people realize that they’re not alone, governments crumble. Citizens lose fear, gain hope, and then let little stand in their way. “It’s amazing how the nature of perception shifts,” says Spencer White, a Merrill Lynch regional strategist, referring to the rush out of China stocks. Whether we think about investor moods or popular discontent, the same dynamic is at work. Emotions travel at the speed of light, so now it’s possible to have copycat demonstrations in an age of globalization. Why else would Chinese leaders order state media to dampen coverage of Argentinian unrest and, of course, the events in Hong Kong?

What’s really amazing is not that people’s thinking changes so quickly. The astounding aspect is that we continue to be surprised each time it occurs. After all, it’s not as if it hasn’t happened in China before. The nation tipped in 1989, for instance.

The next time perception shifts, the story could be different because present-day China is reminiscent of the country in the late 1940s. Then, the Kuomintang quickly fell simply because the people had become disgusted with Chiang Kai-shek and his mob. Now, few know the names of the members of the Politburo, and most Chinese appear not to care. During the last five decades there has simply been too much corruption, injustice, and suffering. People’s loyalty to their rulers is largely absent. As Yu Ying-shih says, the Communist Party has lost people’s hearts.

10

Breakdown or Crackdown?

“If we had followed the example of the Chinese Communist Party, we would still be in power,” said Andrei Brezhnev. Leonid’s grandson was contrasting Beijing’s splendid economic growth with the stagnation of his grandfather’s Soviet Union. Although
Moscow probably would not have been saved by Beijing-type reforms, the young Brezhnev is nonetheless correct: the Soviet Communist Party would still be in control today if Mikhail Gorbachev had followed Deng Xiaoping’s example and used deadly force against the residents of Moscow. Contrary to what Andre Brezhnev thinks, it is not just reform that keeps the Chinese Communist Party in power.

Communist leaders have a choice. “Either they crack down or they break down,” notes Russian writer Vladimir Bukovsky. Gorbachev, despite all his unrealistic notions on just about everything, realized that he could not be a Stalin. But will China’s current leaders think they can be a Deng?

“Smith & Wesson beats four aces,” says Arthur Waldron. That is always true—as long as one is willing to pull the trigger. Despite all the trends in China, the Communist Party can remain in control for a long time if senior leaders are willing to order the use of force again—and if the security forces of the state obey.

Of all the communist states, only China’s has been willing to massacre protesters in public. Yet the Chinese people are losing their fear. So are Hu Jintao and his colleagues willing to instill it by any means available?

Most analysts think they will, but as Ambassador Stapleton Roy notes, “That’s applying old lessons to new situations.” In the newest version of New China, the options for the Communist Party are narrowing. A political organization that is critically dependent on ever-increasing flows of foreign trade and investment cannot do what it wants with impunity. Although authoritarian leaders “are not the sort of people who allow historical trends to run their natural course if the new developments threaten their power,” it is nonetheless hard to see Hu repeat these words from Deng: “We are not afraid to shed a little blood since this will not seriously harm China’s image in the world.” Another round of sanctions cutting China off from the world would be too much for the nation’s fragile economy. And Hu and his colleagues undoubtedly know it.

Tiananmen is the ball at the end of the chain attached to the ankle of the Communist Party. Many Chinese want a reevaluation, as was evident from the excitement surrounding Dr. Jiang Yanyong’s recent plea to the Politburo on this matter. Although the senior leadership evidently will not reconsider the Party’s verdict on Tiananmen, no one wants to share Li Peng’s stain by being associated with another murderous crackdown. Veteran China watcher Willy Lam says that it’s extremely unlikely that the Fourth Generation leadership would ever order another Tiananmen. For one thing, no one in the current leadership has the personal authority to do so.

Even if someone in the Fourth Generation leadership gave the order, it’s highly unlikely that the People’s Liberation Army would obey, says Willy Lam. Even with his military credentials, it took Deng a long time to find a unit that would actually fight unarmed citizens in 1989. The current civilian leadership does not have the same stature, and such an order might split the military and cause a revolt in the officer ranks. Finally, even if the top brass followed an order to shoot, it’s unlikely that most ordinary
soldiers would kill ordinary citizens on behalf of a regime that has lost the love and loyalty of most of its people. A government under siege cannot survive when its soldiers refuse to fire.

11

Resetting the Time Bomb

“If optimism speaks a language these days, it’s probably Chinese,” writes Washington Post columnist David Ignatius. The people of China push forward while the rest of us applaud, and most everyone sees continued success for the current Chinese state.

Nonetheless, we should be concerned that Fidel Castro, an expert in authoritarian governance, apparently does not approve of the grand experiment in Beijing. “You can say that every so often your country undergoes great changes,” the Cuban leader told Li Peng last year. China, for all the progress it has made in the reform era, appears especially unstable. Unrest and turmoil occurring in a period of great social change usually has the potential of unseating current leaders as well as abolishing their form of government. Castro does not need to read de Tocqueville or Zimmermann or Huntington to realize that.

Fidel is no infidel. He has largely remained loyal to the notion of a planned society, and his island suffers to this day as a result of his failure to implement reform. Cuba may be stagnant, but it is also stable. Castro’s grip on power is surely more secure than that of the Chinese leaders, who have unleashed forces that they can barely control. In short, the residents of Zhongnanhai, to borrow Castro’s words, face the prospect of even more great change, and perhaps none of it will be to their liking.

Unfortunately for them, unpopular governments around the world are even more prone to catastrophic failure these days. Yet the really dangerous trends for the leadership are those at home. The protests in China today may resemble and even be linked with unrest that has existed for generations, but they are occurring at a time of great stress in society. Therefore, these disruptions reflect more than just change or instability—they have the potential to cause government collapse. Chinese people today may not have revolutionary intentions, yet their acts, occurring at this turbulent time, have revolutionary implications nonetheless. In sum, too much is probably happening too fast for any government—no matter how institutionalized—to hold on.

To survive, the Party must withstand historical forces both at home and abroad. That’s too much to ask of any political organization, especially one as weak as this one. Therefore, the Communist Party doesn’t have much time left to save its peculiar brand of authoritarianism.

That’s why the rulers in Beijing, whether they are smug or scarred, need to get in front of change before change gets in front of them. They have delayed political liberalization for most of the last quarter century, and the gap between Chinese political institutions and
Chinese society is now almost too wide to bridge. China’s leaders, in short, are running out of room to maneuver and running out of time. “The longer the delay in addressing pressing issues, the more the pressure builds up,” says famous Chinese gadfly Cao Siyuan. “We cannot keep on resetting the time bomb.”

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I thank my research assistants, Sonja Sray and David Yang; David Welker; and the head of my work unit, my wife Lydia.


2 Ibid., at p. 6.


5 Says Jim Rogers: “You want some solid investment advice? Make your children and grandchildren learn Chinese, because the 21st century will be the century of China. The 19th century was the century of the United Kingdom. The 20th century was the century of the U.S. The 21st century will be China’s.” Jim Rogers, interview by Scott Patterson, “Conversation with Jim Rogers,” wsj.com, June 18, 2003.


9 David Shambaugh writes: “Indeed, over the millennia, it is probably fair to say that China has known more instability than stability.” David Shambaugh, preface to *Is China Unstable?*, p. ix.

10 Lyman Miller asks: “How do we differentiate instability from change in general?” H. Lyman Miller, “How Do We Know If China Is Unstable?,” in *Is China Unstable?*, p. 18.


12 This list is derived from Martin King Whyte, “Chinese Social Trends: Stability or Chaos?,” in *Is China Unstable?*, p. 143, at p. 150.


Alan Wheatley, “Political Reform Holds Key to China Economic Course,” Reuters, August 18, 2002.


Huntington, *Political Order in Changing Societies*, p. 373.


Ibid., p. 265.

Ibid., p. 275.

Beech, “Let One Hundred Cultures Bloom.”


31 “Workers Hold Protests over Unpaid Wages,” *Hong Kong Standard*, January 1, 2000, p. 3.


34 Earlier this month the National People’s Congress amended the nation’s constitution to protect private property, but this amendment, by itself, hardly guarantees that private property will be protected. *See, e.g.*, China Economic Quarterly, “Toiling in a Semi-Capitalist Purgatory,” scmp.com, March 15, 2004; Allen T. Cheng, “Capitalism Finally Dawns for Veteran Campaigner,” scmp.com, March 5, 2004.


37 Ibid., p. 175.

38 Ibid., p. 173.

39 Ibid., p. 175.


43 Ibid.


The Christian Science Monitor notes: “China hands describe a tension between what Chinese authorities say is necessary to keep stability in a large and developing country and what intelligent, often urban and educated Chinese will accept as limits to their speech and expression.” Marquand, “The ‘Mouse’ that Caused an Uproar in China.”


“A small group of people from all over the country are drawing inspiration from each others’ courage. They are unwilling to remain silent in the face of oppression and are rallying to Miss Liu’s cause,” The Wall Street Journal stated in an editorial. “As history has shown, from such small beginnings can arise a movement that changes an entire society.” “China’s Internet Democrats.”


Terrill, The New Chinese Empire, p. 309.

Miller, “How Do We Know If China Is Unstable?,” at p. 23.

Kristof, “Coffee, Tea or Freedom?”

Coleman, The Decline and Fall of the Soviet Empire, p. 284. Fred Coleman also wrote, “The loss of fear was the essential precondition for victory.” Ibid.
Said Serge Schmemann: “All of us who were there quickly realized that there was nothing except fear propping it up and that as soon as that fear was gone it had nothing to offer.” CNN Presents, 80 Days that Changed the World, CNN, May 11, 2003.


David Murphy, “The SARS Outbreak, feer.com, April 24, 2003. “We get lots of e-mails from people in China,” says Pat Drury of the W.H.O., referring to this recent phenomenon. Ibid.


Coleman, The Decline and Fall of the Soviet Empire, p. 252.

Ibid., p. 225.


Bruce J. Dickson, “Political Instability at the Middle and Lower Levels: Signs of a Decaying CCP, Corruption, and Political Dissent,” in Is China Unstable?, p. 40, at p. 53.

Ibid., at p. 44.

Peng Ming, interview by author, New York City, October 8, 2002.
Bruce Dickson writes, “China’s current political institutions are not designed to respond to social pressures: indeed, they were designed to change society, not adapt to it.” Bruce J. Dickson, “Political Instability at the Middle and Lower Levels: Signs of a Decaying CCP, Corruption, and Political Dissent,” at p. 54.

Ibid., at p. 53.

Bruce Dickson notes: “Although it has shown it can get out of the way of economic and social progress, it has not yet demonstrated what role—if any—it can perform in the rapidly changing domestic environment its policies have created.” Ibid.


“‘Representation’ in some mystical way beyond being chosen in an election is a fraud.” Terrill, *The New Chinese Empire*, p. 324.


H. Lyman Miller writes: “sooner or later communist regimes confront the necessity of abandoning social warfare in favor of governing, and this change of agenda produces a fundamental crisis of identity.” Miller, “How Do We Know If China Is Unstable?,” at p. 19.

Only 0.5% of private entrepreneurs have joined the Communist Party. Allen T. Cheng, “The Reformer Who Came in from the Cold,” scmp.com, February 27, 2004.


Coleman, *The Decline and Fall of the Soviet Empire*, p. 226.


Kristof, “Coffee, Tea or Freedom?”


Ibid.


Most observers say that senior Chinese leaders favored joining the World Trade Organization because they wanted to force the reform of state-owned enterprises. Better explanations are that China joined because senior leaders wanted to reverse a sharp fall in foreign investment in 1999, to ensure that China would be a participant in what was then called the Seattle Round, to avoid the effects of the expiration of the Multifiber Agreement, and to make sure that the Mainland joined before Taiwan.
99  Matthew Miller, interview by author, Hong Kong, March 14, 2002.


110  Joe Studwell writes: “Once the contagion starts, it will be almost impossible to stop.” Studwell, *The China Dream*, p. 214.


112  Huntington, *Political Order in Changing Societies*, p. 56. “The real test is a political system’s ability to survive the inevitable cyclical downturns, political shocks or social upheavals that almost inevitably challenge a country, particularly developing ones.” Orville Schell, “Can China Weather the Next Big Storm?,“ scmp.com, November 14, 2003.

Minxin Pei, “Book Forum: *The Coming Collapse of China.*”


“The decisive factor is the nature of political organization not the stage of social development.” Huntington, *Political Order in Changing Societies*, p. 337.


See Ibid.


Starhawk, “How We Really Shut Down the WTO,” December 1999 (available at www.starhawk.org). Starhawk describes herself as “a veteran of progressive movements and deeply committed to bringing the techniques and creative power of spirituality to political activism.”


See Adrian Karatnycky, “Fall of a Pseudo-Democrat,” Washington Post, March 17, 2004, p. A25 (“regime changes such as last month’s in Haiti represent, on balance, a healthy trend: a rising intolerance among publics and elites for authoritarian and corrupt rule, and the growing unwillingness of the international community to shore up ineffective, corrupt and democratically illegitimate leaders”).

“Instead, we’re seeing two different ideas about what society should be like, and when you talk about a tussle of ideas, size doesn’t matter much. We all know ideas can start small and go a long way, and the Hong Kong idea, while dominant in only a small part of China, represents the dominant idea in the global community.” Philip P. Pan, “Hong Kong’s Summer of Discontent,” Washington Post, July 15, 2003, p. A1 (comments of Christine Loh).


Ibid.


Chris Taylor, “Day of the Smart Mobs.”


de Tocqueville, The Old Regime and the French Revolution, p. 177.


Coleman, The Decline and Fall of the Soviet Empire, p. 317.


Willy Wo-Lap Lam, interview by author, Hong Kong, October 24, 2003.

Arthur Waldron, writing in *Commentary* on a military solution *a la* Tiananmen Square for Hong Kong: “Nor does anyone in the Beijing leadership have the personal standing, or perhaps the courage, to order such a thing.” Arthur Waldron, “Hong Kong and the Future of Freedom,” *Commentary*, September 2003, p. 21.

Lam, interview.

Arthur Waldron has recently written: “Nevertheless, it seems to me that another attempt to use the military against the people would risk splitting the military itself and possibly a military coup against the civilian administration.” “Watching China: Arthur Waldron & Critics,” commentarymagazine.com, October 2003.

