

## China's Gorbachov Angst

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January 16, 2014

It is a matter of historical record that the Soviet Union lasted for 74 years and on its demise the Soviet Communist Party also went into oblivion. The People's Republic of China has been in existence for nearly 65 years and therefore if we were to follow the Soviet analogy; the People's Republic should survive for at least another 9 years, if not more. The Chinese leadership is not only conscious of the analogy, but more importantly also aware of the significance of the dates. It is common knowledge amongst most that follow the evolution of Chinese policies closely that nothing concentrates the mind of the Chinese leadership more than to ensure that there is no repeat of the Gorbachov fiasco in China. It is said that the Chinese have commissioned a vast number of studies to determine what actually went wrong in the ex-Soviet Union and what led to its collapse.

The question that is asked quite frequently these days is what is the nature of the Chinese State? After so many years of following Deng Xiaoping's reformist economic policies; it is certainly not any more a Marxist-Leninist State in the pure classical sense having abandoned most of Marxist-Leninist tenants. It is also not Confucian in nature, nor is it a functional democracy with free elections, free speech as is commonly understood. The present Chinese leaders themselves like to describe China as a 'socialist state with Chinese characteristics.'

A common definition of socialism would indicate that it is a political doctrine under which the means of production would be in public [state] rather in private hands and that it would usher in a classless society where inequality would be minimized, if not totally eliminated. But that is hardly true of Chinese society today for under decisions taken at the 3<sup>rd</sup> Plenum of the Chinese Communist Party [CCP] recently, not only is private ownership of the

means of production emphasized having been allowed much earlier, but even the pricing policy would be 'market driven.' At best it can be surmised that China today has a mixed economy with a large number of state owned enterprises [SMEs], but that which is largely capitalist in its orientation.

The other pillar of socialism is that it is supposed to promote a classless society with inequality reduced to a bare minimum. In the China of today, to the contrary, there is increasing evidence of growing inequality. The gini co-efficient for China, the internationally accepted measure of inequality within a country, was between 0.46 and 0.49 in 2007; the highest for any Asian country<sup>1</sup> and could be approaching 0.61.<sup>2</sup> According to the UN, if the gini co-efficient touches 0.44, danger signals on internal stability should start flashing. This inequality is further highlighted by the fact that the richest 10 percent in China own 45 percent of the country's wealth; whereas the poorest 10 percent own only 1.4 percent!<sup>3</sup> At the same time large income disparities exist between urban and rural residents, between regions and in minority areas. In addition there are about 200 million internal migrant workers that are treated as second class citizens as they are denied health care facilities, on par with local residents, and their children often end up in sub-standard schools. The Chinese National People's Congress [NPC] has 83 billionaires as its members as opposed to none in the US Senate and House of Representatives. Recently both the New York Times and Bloomberg were denied visas for their Beijing staff as they had published the wealth of family members of former PM Wen estimated at US\$2.7billion and present Chinese leader Xi Jinping estimated at US\$ 376million.

Clearly therefore the China of today is not a socialist country, even though some sections of the leadership may encourage the singing of Maoist songs, glorification of Mao's memory and the waving of the red flag. But what are the 'Chinese characteristics' of socialism that Deng first emphasized way back in 1978? The present governing group too underlines this aspect.

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<sup>1</sup> Asian Development Bank Report, 2007.

<sup>2</sup> The Economist, 15 December 2012.

<sup>3</sup> The China Daily, 19 June 2005.

China is governed by 7 members of the Standing Committee of the Politburo as also 25 members who constitute the larger full Politburo of the Chinese Communist Party [CCP]. They are unelected, for they nominate themselves from the larger full Central Committee. From the apex level downwards there are thousands of officials, party members who control all the levers of power. They are all members of the CCP, the membership of which is increasingly seen as a vehicle for personal advancement, for pelf and for family gain. Determined not to commit the same mistakes as Gorbachov did in the ex-Soviet Union, the Chinese leaders have further tightened their grip on the levers of power, rather than to go in for even a limited version of democracy. The power of local party officials has also not been touched. The People's Armed Police is increasingly deployed to quell any disturbance or arrest any suspected trouble-makers. The judiciary, subservient to the state, too plays its part in ensuring 'domestic weiwen' or the maintenance of stability. It is not surprising therefore that the annual budget of the People's Police [US \$ 124billion] is larger than the budget for the PLA [US \$ 119billion].

In the present Chinese system the armed forces [PLA] are also instruments of the Party and firmly under its control through the mechanism of the Central Military Commission [CMC]. All decisions, pertaining to the PLA, must have the imprimatur of the CMC. And in the past the PLA has not hesitated to open fire on its own people as we witnessed in the Tienanmen massacre in 1989. It was the PLA that rescued the Party from going the Soviet way. Should the necessity ever arise again in the future therefore, the CCP can rely on the armed might of the PLA to control the situation.

The Chinese leadership also maintains a tight grip on the means of communications. Despite vast technological advances in the field of information technology, the Chinese leadership have instituted what is known as a 'Chinese firewall' to prevent the dissemination of information. . Information security has been elevated to become one of China's core security concerns. According to Amnesty International, China probably has the largest number of journalists and cyber journalists in the world that are imprisoned. Although the number of internet users in China in 2013 is expected to reach 718 million or about 52 percent of the population, yet the internet content is vigorously censored. As the Vice-Minister from the State Internet Information Office, Ren Xianliang explained the

aim is to have ‘cyberspace with Chinese characteristics.’ In addition all Chinese journalists are required to pass an ‘ideology’ exam before receiving accreditation.

However the Chinese state allows its citizens to travel and study abroad. Unlike the Soviet Union there are about 83 million Chinese tourists that travelled abroad in 2012; mainly to Taiwan, Thailand, South Korea and Singapore and spent about US \$102 billion. Similarly, again unlike the Soviet Union, there are about 1.4 million Chinese students studying abroad, of whom about 235,000 are in the US alone. This large turn-over is on an annual basis. Almost all of China’s neighbors where Chinese tourists largely gather are practicing democracies. China is the only major state in Asia [Vietnam apart] that is not a functioning democracy. Similarly while in the US, Chinese students would undoubtedly imbue the spirit of democratic functioning and witness at first hand the respect for individual freedom and rights. A fairly large number of students do return home.

Till China’s economy gallops along developing at 9 per cent annually, there is little chance that domestic dissidence will get out of hand. The dream of China emerging as a strong and one of the most powerful states in the world has strong and wide resonance amongst the Chinese people. But China’s Gorbachov moment will arrive if either the economy begins to slow down and shows irretrievable signs of faltering or China suffers a major foreign policy and military fiasco as did the Soviet Union in Afghanistan. If and when that ever happens, it will be interesting to see who emerges as China’s Gorbachov.

*Views expressed are of the author and do not necessarily reflect the views of the IDSA or of the Government of India.*