Leadership Transition in the CPC: Promising Progress and Potential Problems

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The transformation of China from an all-powerful strongman-dominated political system to its current structure of collective leadership has generated new institutional rules and norms in elite politics. Over the past decade, top Chinese leaders have begun using the term "intra-Party democracy" to describe the idea that the Communist Party of China (CPC) should institutionalise checks and balances within its leadership. This development in turn has affected political dynamics and elite behaviours. This article reviews the CPC's institutional development in the reform era and discusses the challenges and opportunities that the CPC is encountering on the eve of the 18th Party Congress.

China is in the midst of a generational leadership transition. The generational transfer of power has happened only three times in the history of the People's Republic of China. The political succession from Jiang Zemin's third generation of leadership to Hu Jintao's fourth generation, which took place at the 16th National Congress of the Communist Party of China (CPC) in 2002, was particularly remarkable. For the first time in PRC history, the CPC leadership conducted a peaceful, orderly and institutionalised transition of power. It would be a great boost for the Chinese leadership and the whole country if this upcoming succession succeeds in the same manner despite the recent political crisis in Chongqing. The removal of Bo Xilai, a demagogue who was notorious for his hunger for power and his contempt for law, on the eve of the 18th Party Congress should not be seen as just another political purge in the power struggle of the CPC leadership, or as following the normal pattern of Chinese elite politics. Instead, one can argue that the new institutional mechanism within the Chinese political system is enduring enough to handle disruptive and destructive incidents such as the Bo saga. At the end of the day, another peaceful, orderly and institutionalised transition of power in the world's most populous country would make the international community see Chinese politics with new eyes.

The importance of the upcoming succession is also reflected in the scale and scope of this leadership change. In the three most important leadership bodies in the Party, government and the military — namely, the Politburo Standing Committee, the State Council and the Central Military Commission — about 70 per cent of the

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members will be replaced, mainly due to their age.[1] The principal figures responsible for the country's political and ideological affairs, economic and financial administration, foreign policy, public security and military operations will largely consist of newcomers after the 18th Party Congress in the fall of 2012 and the 12th National People's Congress in the spring of 2013. This upcoming power transition in the top leadership will likely be the largest in the past three decades.

Like many other things happening in China, the Chinese leadership change is a paradox of hope and fear. Hope — because this upcoming generation of leaders, the so-called fifth generation, is collectively more diverse in terms of their professional and political backgrounds, more weathered and adaptable from their formative experiences during the Cultural Revolution and more cosmopolitan in their worldviews and policy choices than the proceeding generations. They may contribute, in a profound way, to political institutionalisation and democratic governance of the country. Fear — because both the growing pluralistic thinking in Chinese society and increasing diversity among political elites not only make consensus-building in the leadership very difficult, but also cause serious concerns about leadership unity and elite cohesion. Although Bo's Maoist approach is somewhat extreme, ideological disputes within the leadership are real and they may become too divisive to reconcile. Policy differences may make the decision-making process lengthier and more complicated, perhaps even leading to deadlock. The removal of Bo Xilai apparently has reduced the chances for factional infighting to spiral out of control, but controversy about personnel appointments, especially regarding membership in the Politburo and its Standing Committee, can still be viciously contentious.

This article aims to provide a balance sheet that assesses the areas of achievements in the CPC's efforts to institutionalise the political succession process and the areas that will present challenges to the establishment of a sound, safe and sustainable political system that can meet the increasingly complicated needs of the Chinese economy and society. The article concludes with an argument that bold and proactive political reforms are greatly needed if the CPC wants to prevent more disruptive — and perhaps even violent — political change.

INSTITUTIONALISING CHINA'S ELITE RECRUITMENT: PROGRESS AND PROMISE

In recent years, both the Chinese authorities and the state-run media have frequently used the term "intra-Party democracy" to describe the concept of institutionalised checks and balances within the CPC. In September 2009, the Fourth Plenary Session of the 17th Central Committee of the CPC called for promoting democracy within the Party and characterised intra-Party democracy as the "lifeblood" of the Party and

[1] The State Council refers to the ten members of the executive meeting of the State Council (premier, vice premiers and state councillors). While some leaders will retire due to their age, a few may move to other leadership bodies.

the principal determinant of whether the CPC would be able to maintain its position of primacy in the future.[2]

It is understandable that CPC leaders and their advisors are inclined to pursue democratic experiments within the Party, or in other words, carry out political reforms in a way that is incremental and manageable. The CPC is the world's largest ruling party, consisting of 3.9 million grassroots branches and 80 million members, and it continues to grow. In the absence of any organised opposition, one can hardly expect the PRC to suddenly develop a multiparty system. Under these circumstances, a form of intra-Party democracy characterised by elite competition and linked to distinct interest groups in Chinese society may well be a more realistic way to promote democracy in the country.

As a matter of fact, the path to democracy varies from nation to nation, and it depends largely on the country's historical and socio-political circumstances. Chinese leaders and public intellectuals have every right to argue that the PRC's version of democracy will, and should, have its own distinct (or even unique) features. After all, British democracy, American democracy, Indian democracy and Indonesian democracy all differ from one another in important respects. Moreover, a number of today's fairly vibrant democracies, such as Japan and Mexico, have experienced lengthy periods of one-party rule with dynamic factional checks and balances within the ruling party.[3]

It should be emphasised that many Chinese leaders (particularly Premier Wen Jiabao) and liberal intellectuals in the political establishment perceive intra-Party democracy to be a means to arrive at general democracy, rather than an end in itself. Yu Keping, a distinguished CPC theoretician, for example, argues that China should and could make a transition to democracy with "minimum political and social costs."[4] Calling this approach "incremental democracy" (*jianjin minzhu*), Yu suggests that China's political reforms should be incremental over time, manageable in scale and combined with intra-Party democracy, grassroots village elections, civil society and legal development. Such an approach, he believes, will ultimately result in a "democratic breakthrough" when various existing political forces are ready.[5]

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[2] For the communiqué on the directives of the Fourth Plenary Session of the 17th Central Committee of the Chinese Communist Party, see <http://cpc.people.com.cn/GB/64093/64094/10080626.html> [20 Apr. 2012].

[3] For more discussion of the Liberal Democratic Party's (LDP) rule in Japan and the decades-long dominance of the Partido Revolucionario Institucional (PRI) in Mexican politics, see Gerald L. Curtis, *The Japanese Way of Politics* (New York: Columbia University Press, 1988); and Dale Story, *The Mexican Ruling Party: Stability and Authority* (Westport, CT: Praeger Publishers, 1986).

[4] For a more comprehensive discussion of Yu's ideas about the democratic transition in China, see Yu Keping, *Zengliang minzhu yu shanzhi* (*Incremental Democracy and Good Governance*) (Beijing: Shehui kexue wenxian chubanshe, 2003); and Yu Keping, *Zhongguo gongmin shehui de xingqi yu zhili de bianqian* (*The Emergence of Civil Society and its Significance for Governance in Reform China*) (Beijing: Shehui kexue wenxian chubanshe, 2002).

[5] Yu Keping, *Democracy is a Good Thing: Essays on Politics, Society and Culture in Contemporary China* (Washington, DC: The Brookings Institution Press, 2009).

China's intra-Party democracy is by no means just rhetoric. While nepotism in various forms (e.g., blood ties, school ties, regional identities, bureaucratic affiliations or patron-client ties) continues to play an important role in the selection of leaders, institutional mechanisms, including formal regulations and informal norms, have also been implemented to curtail various forms of favouritism and abuse of power. A number of important institutional developments have already affected the political behaviour of leaders and changed the game of Chinese elite politics.

Multi-Candidate Elections

The CPC has adopted some election methods to choose the members of the Central Committee and other high-ranking leaders. Since the 13th National Congress of the CPC in 1987, the Chinese authorities have adopted a method of multi-candidate election known as a "more candidates than seats election" (*cha'e xuanju*) for the election of Central Committee members. For example, if the top leaders plan to have a 350-member Central Committee, they may place 370 names on the ballot. The 20 candidates who receive the fewest votes in the ballot are eliminated. The delegates of the Party Congresses have often used this limited mechanism of "intra-Party democracy" to block some candidates favoured by top leaders or princelings — leaders who come from high-ranking official families. For example, Jiang Zemin promoted many of his protégés, especially those from Shanghai (the so-called "Shanghai Gang"), to important leadership positions in Beijing and elsewhere. To counterbalance the growing power of Jiang's Shanghai gang and princelings, delegates elsewhere often voted against Jiang's protégés on the ballot for the membership of the Central Committee. It is interesting to note that the three leaders who received the lowest number of votes for alternate membership in the Central Committee in the past three Party congresses were princeling Xi Jinping in the 15th Party Congress in 1997, You Xigui (Jiang's bodyguard) in the 16th Party Congress in 2002 and Jia Ting'an (Jiang's *mishu*) in the 17th Party Congress in 2007.

Vote on a Secret Ballot to Decide Major Personnel and Policy Matters

The full Party committees (with the attendance of at least two-thirds of the members) at the higher-level of leadership "vote on a secret ballot to decide" (*piaojuezhi*) the selection of the Party secretaries and deputy party secretaries for the lower-level Party committees.[6] In general, major personnel and policy decisions are now often decided by votes in various committees, rather than solely by the committee's party chief.

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[6] Zhang Lizhou, "'Piaojuezhi': Ganbu renyong juece de zhongyao gaige" (Vote on a Secret Ballot to Decide is a Major Reform Mechanism to Select Cadres), *Renmin Ribao* (*People's Daily*), 26 Dec. 2002. See also <http://news.xinhuanet.com/zonghe/2002-12/26/content_670280.htm> [20 Apr. 2012].

Term Limits

With few exceptions, a term limit of five years has been established for top posts in both the Party and the government. An individual leader cannot hold the same position for more than two terms and no leader should remain in the same level of the leadership for more than 15 years.

Age Limits for Retirement

Based on CPC regulations or norms, leaders above a certain level cannot exceed a set age limit. For example, all of the members who were born before 1940 retired from the Central Committee at the 17th Party Congress in 2007. Any provincial chief (party secretary or governor) who is above 65 years of age should retire, and any deputy provincial leader who is above 63 should retire. Among the current provincial chiefs, for example, with the exception of three Politburo members (70-year-old Liu Qi, 67-year-old Shanghai Party Secretary Yu Zhengsheng and 66-year-old Tianjin Party Secretary Zhang Gaoli), other provincial chiefs are all under 65. Based on CPC regulations and norms, provincial chiefs with Politburo membership have an older retirement age (72 years).

Regional Representation in the Full Membership Seats of the Central Committee

A strong political norm since the 1997 Central Committee has been that each provincial-level administration has two full membership seats (usually occupied by the provincial party secretary and governor) on the Central Committee. Table 1 shows that with only a couple of exceptions, an equal distribution has been the norm in the past three Central Committees.[7] Although provincial chiefs may be promoted later to the central government or transferred to other provinces, this distributional norm was strictly applied at the time when the Central Committee was elected.

"Law of Avoidance" in Selection of Local Top Leaders

For example, provincial party secretaries, secretaries of the discipline commissions, and police chiefs are often non-native outsiders who were transferred from another province or the central administration. Moreover, among the 31 provincial/municipal party secretaries at present, only two (Shandong Party Secretary Jiang Yikang and Shaanxi Party Secretary Zhao Leji) work in the province in which they were born. But Jiang left Shandong in 1985 and had worked in Beijing and Chongqing for 27 years before becoming Party secretary of Shandong. Zhao had never worked in Shaanxi prior to his appointment as provincial party secretary there in 2007.

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[7] The exception being the minority regions of Tibet and Xinjiang, whose representation is not constrained by these norms and who usually have more than two seats. The only exception was Yunnan Province, which had only one full member of the Central Committee in 1997.

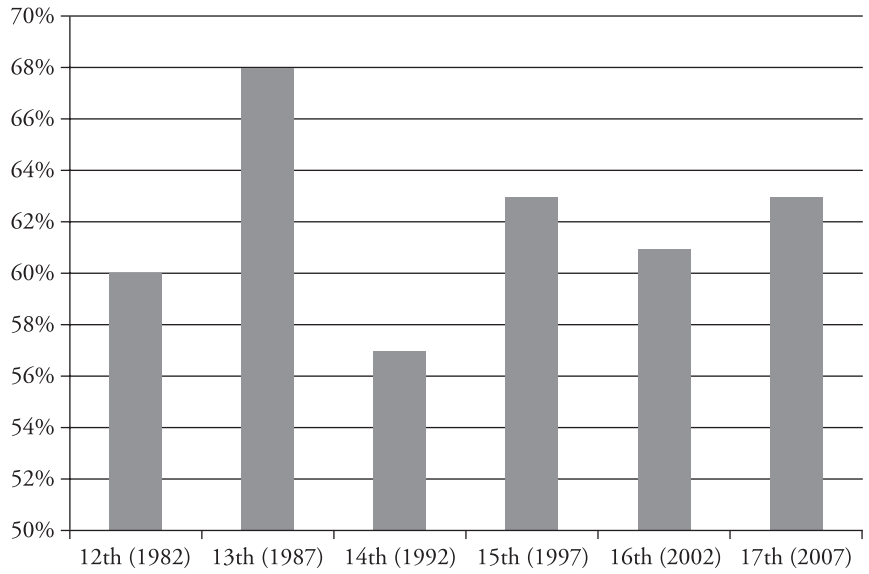
TABLE 1
Distribution of provincial leaders holding full memberships on the 15th, 16th and 17th CPC Central Committees

	15th CC (1997)	16th CC (2002)	17th CC (2007)
Beijing	2	2	2
Tianjin	2	2	2
Hebei	2	2	2
Shanxi	2	2	2
Neimenggu	2	2	2
Liaoning	2	2	2
Jilin	2	2	2
Heilongjiang	2	2	2
Shanghai	2	2	2
Jiangsu	2	2	2
Shandong	2	2	2
Zhejiang	2	2	2
Anhui	2	2	2
Fujian	2	2	2
Henan	2	2	2
Hubei	2	2	2
Hunan	2	2	2
Jiangxi	2	2	2
Guangdong	2	2	2
Guangxi	2	2	2
Hainan	2	2	2
Sichuan	2	2	2
Chongqing	2	2	2
Guizhou	2	2	2
Yunnan	1	2	2
Xizang	2	3	3
Shaanxi	2	2	2
Gansu	2	2	2
Qinghai	2	2	2
Ningxia	2	2	2
Xinjiang	2	4	4
Total	**61**	**65**	**65**

Source: The author's database.

These institutional rules and norms not only generate a sense of consistency and fairness in the selection of leaders, but also make the circulation of the Chinese political elite very rapid. The turnover rate of the CPC Central Committee membership, for example, has been remarkably high over the past 25 years, with newcomers constituting an average of 62 per cent at each of the five Party Congresses held during that period (see Figure 1). This turnover rate is much higher than the turnover rate of the US Congress. As a result of the fluidity of membership in this crucial leadership body of the CPC, no individual, faction, institution or region can dominate the power structure. These developments have reinforced the norm of checks and balances in the Chinese leadership and have affected elite behaviour. Leaders are now also interested in establishing their legitimacy through institutional channels rather than primarily relying on patron-client ties and political connections.

Figure 1. Turnover Rate of the CPC Central Committee (1982–2007)



Sources: Cheng Li and Lynn White, "The Sixteenth Central Committee of the Chinese Communist Party: Hu Gets What?", *Asian Survey* 43, no. 4 (July/Aug. 2002): 560. The data on the 17th Central Committee were updated by the author.

INTERPRETING PROBLEMS AND PITFALLS IN CHINA'S POLITICAL DEVELOPMENT

China's progress and promise in intra-Party democracy have been accompanied by problems and pitfalls. As the communiqués of the directives of the Fourth Plenary Session of the 17th Central Committee of the CPC candidly and wisely acknowledged, many problems internal to the Party are exacerbated by new domestic and international circumstances which "are severely weakening the Party's creativity, unity and effectiveness in dealing with these problems."[8] Therefore, both careful management of the Party and effective responses to new challenges "have never been so arduous and urgent."[9] In the words of the Chinese authorities, the Party needs to meet the new world environment (*shiqing*), new condition in the country (*guoqing*) and new reality in the Party (*dangqing*).[10] The communiqués do not elaborate on these new developments, but they are easy to imagine. One may adopt the three sets of changes in political circumstances as an analytical framework to characterise the daunting challenges and potential pitfalls that the CPC confronts.

[8] See *People's Daily* Online, 19 Sept. 2009 at <http://english.people.com.cn/90001/90776/90785/6761990.html> [20 Apr. 2012].

[9] Ibid.

[10] See <http://cpc.people.com.cn/GB/64093/64094/10080626.html> [20 Apr. 2012].

The New World Environment

On the international stage, one-party rule is now the exception, not the rule. Only a very small number of countries, including North Korea and Cuba, belong to this small club. The trends are clear — the Vietnamese Communist Party recently selected its top leaders through competitive elections. The latest election results in Singapore also suggested this longstanding authoritarian regime will very likely face true democratic challenges in the years to come. To a great extent, what Sun Yat-sen described as the "global waves towards democracy" a century ago have become a reality in our time as about 70 per cent of countries meet the criteria of democracy with genuine and competitive elections, rule of law and media freedom.[11] The ongoing "Arab Awakening" may further expand the number of democracies in the world. Conscious of its role as an emerging global power, it is difficult to imagine that China wants to be grouped with a couple of backward and isolated communist states and a few other disreputable authoritarian countries.

The New Condition in the Country

Despite rapid economic growth during the past three decades, China has been beset by growing economic disparities and other economic problems such as inflation, a property bubble and the rapid expansion of monopolised giant state-owned enterprises at the expense of the private sector. Within one or two generations, China has been transformed from one of the world's most equitable countries in terms of income distribution to one of the least. Certain major socioeconomic groups, including farmers, migrants, the urban poor and elderly often find themselves increasingly marginalised and have become the "losers" of reform. At the same time, the supposed "winners," such as entrepreneurs and members of the middle class, may also feel insecure. The recent large-scale outflow of capital on the part of rich entrepreneurs and corrupt officials reveals the sense of crisis among elites. The country faces myriad other challenges, including shortages of natural resources, environmental degradation, the side effects of large-scale urbanisation, the prospect of an ageing society, inadequate healthcare and social welfare, public concerns about food and product safety, tensions between the central and local governments and ethnic conflicts.

The New Reality in the Party

The greatest challenge to CPC rule probably comes not from outside forces but from factors within the Party. Over the past three decades, China has been moving away from rule by a single charismatic and all-powerful leader such as Mao or Deng towards a more collective form of leadership. This shift has ended China's long history of

[11] The figure of 70 per cent of the states in today's world meets the criteria of democracy based on Jack A. Goldstone, Eric P. Kaufmann, and Monica Duffy Toft, eds., *Political Demography: Identity, Institutions, and Conflict* (New York: Paradigm Publishers, 2011).

arbitrary decision-making by one lone individual. Collective leadership inherently involves more factional competition and coalition-building. In the absence of strong-man politics, factional compromise has become more common, as have negotiations and deal-making. The CPC's institutional developments discussed earlier do not reduce factional tensions; quite the contrary — they make factional politics all the more dynamic. Political campaigns or lobbying in various forms have already begun. All of these can be seen as positive (and perhaps inevitable) changes in Chinese politics, but it may not always be easy for many political elites and the general public to adjust to the new rules of the game. The country is perhaps still vulnerable to demagogues at a time of growing public resentment and rising expectations. Some politicians may be more inclined to use public resources for their personal gains.

ARGUING FOR BOLD AND PROACTIVE POLITICAL REFORMS

Despite wide-ranging measures adopted by the CPC leadership to make intra-Party democracy more than mere rhetoric, there are significant obstacles in the way. In my assessment, the most detrimental obstacle is the mindset that there is no need for major political reforms because China already constitutes a model of socioeconomic and political development in the world. The following three factors make this complacency even more problematic.

Stagnation of Political Reforms since the Fourth Plenary Session of the 17th Central Committee

It has been widely noticed, particularly in the China-study communities overseas, that China's political reforms, including intra-Party democracy, have made almost no progress at all since the Fourth Plenary Session of the 17th Central Committee in the fall of 2009. The promising ideas and plans approved in the Plenary Session have hardly been implemented or even further discussed. Many important institutional measures in intra-Party democracy were, in fact, adopted either at the 13th Party Congress in 1987 or the 15th Party Congress in 1997. For example, as early as 1987, the CPC adopted the aforementioned "more candidates than seats election" for the formation of the Central Committee. The scope and scale of open competition in terms of the percentage of candidate selection (and elimination) have not increased much over the past two decades. Important positions such as top posts in the local leadership above the village level are still not determined by multi-candidate election despite promises to do so in the past decade.

Yesterday's Solutions Becoming Today's Problems

One of the most important phenomena in present-day China is the fact that many retired leaders have become increasingly outspoken in criticising the policies adopted by the current leadership. This can be seen as a healthy political development that has

led Chinese politics to become more transparent and more pluralistic. But this trend can also be politically very sensitive for a country that has placed such a high priority on harmony and stability. While their criticisms may reflect the genuine consciousness of retired leaders about the need for sound policies and the right direction at this crucial moment of China's development, they can also be seen as the way retired leaders express their personal dissatisfaction. Due to term and age limits, many talented and capable leaders in good health have had to step down in their late 50s. Some of them later pursued business activities (*xiahai*) after retirement and some seized the last opportunity to use political power for corruption or other malfeasance, known in China as "the age 59 phenomenon." As a result of the strict implementation of institutional regulations and norms over the past two decades, retired leaders have increased their number significantly and have become important political forces in their own right. Unless the CPC authorities adopt more election mechanisms in the selection of senior leaders, the issue of age discrimination and the political resentment of retired leaders against nepotism, favouritism and other problems in governance will likely become acute in the near future.

Comparability of Economic Transformation and Political Reforms

It has been widely agreed among Chinese leaders and public intellectuals that China should make a major transformation in terms of the mode and the priority of economic development. This is a transition from a low-wage labour intensive, export-driven, high-energy consumption and high-environment cost mode of development to an innovation-led and domestic consumption-driven economy. Scientific and technological breakthroughs are crucial to the success of this economic structural transition. Meanwhile, the Chinese government rightly emphasises the growth of the service sector as an engine for the next phase of China's economic development. It is important to note that these pronounced objectives for the country's future development cannot be separated from much-needed political reform. Without a doubt, economic and managerial innovation needs a more conducive, more tolerant and freer political environment. The growth of the service sector requires a high degree of trust and a firm respect for the rule of law. Also, a country's soft power ultimately depends on a vibrant civil society. While China has made some important progress in these three areas during the reform era, the country needs bolder and more proactive political reforms without which the Chinese economy can no longer be as competitive as before.

China's rise to prominence in the 21st century world will depend on its strength in various domains, including political resilience, openness and the leadership's vision and guts. In 2005, Li Yuanchao, then Party Secretary of Jiangsu, criticised the mentality of some of his colleagues in the provincial leadership who were "obsessed with stability" (*taiping guan*) and who refused to try new political experiments.[12] He

[12] See <http://www.xinhuanet.com> [11 Aug. 2005].

argued that this seemingly cautious mentality is actually quite dangerous, because in seeking to avoid changes in the short term, officials might lose the opportunity to forestall more serious future crises. According to Li, Chinese leaders are not lacking in wisdom or ideas, but need more courage and "guts" to pursue bolder democratic reforms.[13] Hopefully, the CPC leadership, which has coordinated an economic miracle, will take a major step towards another miracle on the political front at the upcoming 18th Party Congress and beyond.

[13] Ibid.