

# A New Equilibrium of Power

The CPC's strong leadership is the key to China's success By Zhang Weiwei



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The Communist Party of China (CPC) draws its strength from the people, who fought alongside it to achieve national independence and helped it win the domestic war against the Kuomintang. Nonetheless, the Party at one point lost its course due to misjudgments and miscalculations, resulting in tragic outcomes such as the Cultural Revolution (1966–76), and it implemented policies that discouraged trade and commerce, causing a loss of economic dynamism.

Realizing its mistakes, the CPC readjusted its policies, led China out of poverty and achieved an economic miracle that surprised the whole world.

Today, the rapid economic expansion and enormous improvement in people's living standards show that China's reforms have been rather successful. Since the idea of a "socialist market economy" was put forward in 1992, China has made a lot of breakthroughs, injecting vigor and vitality into its economy without experiencing painful cycles of domestic economic and financial crises.

## One-party governance

All these rapid achievements would not have been possible if China had switched to a Western-style multi-party system. Under CPC governance, China is free from Western-style partisan political wrangling, which partly explains why the nation can always establish consensus to move forward in the interests of the vast majority

of the country's people.

The CPC has to a great extent followed Confucian traditions in building an impressive system of selecting its leaders based on merit and performance. For instance, most of its top decision-makers worked at least twice as Party secretaries or governors at the provincial level, which means that, on average, each has administered a population of at least 100 million before being promoted to their current position in Beijing.

Actually, the word "party" may be a misnomer for the CPC, as it bears no similarity to the type of political institutions like the Republican or Democratic parties of the U.S., which openly represent the interests of their constituencies and compete with each other for influence. The CPC has, based on China's political traditions, represented the interests of the overwhelming majority of its people. The people acknowledge this, due largely to the fact that most people's living standards have significantly improved over the past few decades.

In this sense, the CPC can be viewed as a state party or, in a hypothetical American context, an amalgam of the Republican, Democratic and all other parties, in which competence is the norm and consensus as well as a can-do spirit are prized.

## Lesson from the West

China's population of 1.3 billion is now covered by a national medical insurance and pension plan, while its counterpart across the Pacific Ocean is still debating whether to keep or remove "Obamacare."

The current U.S. political dysfunction is somewhat rooted in what political scientist Francis Fukuyama describes as the "vetocracy," where a party can independently block important political actions. Former U.S. President Barack Obama promised to change the country's rigid institutions; not only did he fail to deliver on many fronts,

but many of his successful efforts are being rolled back by his successor.

From a Chinese point of view, America's over-capitalistic tendencies—which have plagued U.S. society for many years, causing cyclical economic crises, stagnant wages and widening income inequality—should be reformed immediately.

In Europe, forward-looking political reformers may end up losing their job, as evidenced by the fate of former German Chancellor Gerhard Schröder. Germany's strength in the EU today has much to do with Schröder's extensive social and regulatory reforms. But his last years in the Bundestag were filled with controversy, which eventually led to his resignation.

The challenge is breaking the gridlock between reform measures and Western-style democracy. The crux of the matter is that there are three powers that form the fundamental core of a nation: political, social and capital. The balance between these powers determines the prospects for reform, and even the fate of a nation.

In the U.S., the power of capital has a marked advantage over political and social powers. Under the influence of capital, American political power lacks independence and neutrality, having no choice but to yield to the demands of various vested interests.

Likewise, the power of capital has essentially permeated social power. This is particularly evident in its ability to control mainstream media and set the social agenda for the country. If the current equilibrium in favor of the power of capital is not addressed in due course, it is very likely to trigger even larger crises. However, the reforms needed to address these issues are nowhere in sight.

In China, it is impossible for the 100 richest Chinese to sway the Political Bureau of the CPC Central Committee in their favor; but in the U.S., the dozen or so richest tycoons



The 19th National Congress of the Communist Party of China opens at the Great Hall of the People in Beijing on October 18

can shape White House policies.

In the case of Europe, social forces often cripple the decision-making process, which tends to lead to a dilemma in which people are inclined to prioritize personal gains at the expense of collective and long-term targets. The lack of consensus within European democracies makes it difficult for European governments to form solid foundations for reform.

## A dynamic equilibrium

China's political power has, on the whole, managed to maintain independence and neutrality during more than 30 years of reform and opening up, despite the rapid growth of its social and capital power. In China, capital power is to a great extent restrained by political and social forces, which render it incapable of dictating political decisions. While the wealth gap in China has admittedly widened in recent years, China's political power has for the most part managed to effect a constant rise in the living standards of low-income groups.

At the same time, China's social power has inherited a tradition of egalitarianism, and Chinese society has almost always leaned toward restricting the power of capital. This balance between political, social and capital

powers has enabled China to avert the kind of financial crisis and debt crisis that have played out in America, instead turning the vast majority of Chinese people into beneficiaries of the country's rapid development.

The relatively neutral and disinterested position of China's political power—the CPC—is the key to understanding why China's reforms have been successful. A stable equilibrium between these three powers underpins China's present-day success.

The power of capital can create efficiency and wealth, but its profit-driven nature can lead to extreme wealth gaps or economic crises. While Chinese society has been exerting increasing influence on every aspect of the political decision-making process, it is important to not lose sight of long-term goals.

After spending 20 years working and studying overseas and traveling to more than 100 countries and regions, I have reached the simple conclusion that China's party structure and meritocratic governance transcend the Western political model, as exemplified by the consistent improvement of people's living standards and the rising level of public satisfaction with the Chinese approach to modernization.

A year ago, on Oct. 5, the U.S.-based Pew

Research Center published the results of a survey that showed that the Chinese are optimistic about their long-term economic future. "Roughly 82 percent think that when children in the country today grow up, they will be financially better off than their parents," the report stated. It noted that the Chinese people's "positive outlook stands in stark contrast to the pessimism found in the United States and much of Europe."

Tactically, China can learn a lot from the West, while staying clear of the American syndrome of over-capitalism, or the Greek syndrome of the excessive welfare state. Strategically, it is imperative for China to maintain its political stance as it has done in the past.

The CPC serves as a reference for other developing nations seeking the path to economic growth, be they in Asia, Latin America or Africa. China will continue down the path it has chosen, pursuing reform to serve the best interests of the vast majority of its people. ■



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