

THE RISE OF AUTHORITARIANISM IN CHINA IN THE EARLY 21ST CENTURY

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Xi Jinping rose to power in 2012. Since then, he has systematically dismantled and rolled back the political reforms of Deng Xiaoping that guided China's leaders for the past four decades, namely, fixed term limit and enforced retirement rules for leaders and cadres, relative tolerance of intellectuals and limited dissent, and no personality cult around the leader. Thus, researchers have pointed to the rise of authoritarianism in China under the Xi regime. This article has three aims: (1) to delineate the distinctive features of Xi's authoritarian regime; (2) to explain the rise of this authoritarian regime and its relationship to the Communist Party of China over the past several years; and (3) to explore the implications of the authoritarian regime for China and the world.

Introduction

Today, at the end of the second decade of the 21st century, political rights and civil liberties around the world have deteriorated to their lowest point in more than a decade, extending a period characterized by emboldened autocrats in corrupt oligarchic states and beleaguered democracies. The values traditionally embodied in liberal bourgeois democracies in Europe and the United States – such as freedom of the press, robust civil society, and the rule of law – are increasingly under assault and in retreat globally.

According to *Freedom in the World Survey* for 2017, countries that suffered democratic setbacks outnumbered those that registered gains (Abramowitz and Repucci 2018). In its survey covering 2017, twice as many countries saw a decline (71) as those experienced an improvement (35) in their raw scores measuring political rights and civil liberties. The replacement of global democratic norms with authoritarian practices would mean more elections in which the incumbent's victory is a foregone conclusion; it would also mean more media landscapes dominated by propaganda mouthpieces that

marginalize the opposition while presenting the ruler as omniscient, strong, and devoted to the glory of the nation. Furthermore, it would mean state control over the internet and social media through censorship and active manipulation that pushes pro-regime messages while confusing users with lies and fakery.

At a first glance, China seems to be moving away from the democratic path and toward the authoritarian path as reported in *Freedom in the World Survey*. Susan Shirk (2018) laments that by failing to anoint a successor and pushing to change China's Constitution to abolish the two-term limit for the president, Xi Jinping has revealed unambiguously his ambition to rule China until he dies or is disabled by age. This revision of the state constitution is a bold move to return China to a personalist rule.

This move serves to give rise to arbitrary rule by individuals at the expense of collective leadership, and China under Xi Jinping is making an unmistakable turn to authoritarian rule. The consequences of this development are potentially devastating for China. Xi Jinping has proven especially hostile to civil society advocates. Sophie Richardson (in McGregor et al. 2018) points out that since Xi took power in 2012 Chinese authorities have aggressively and assiduously silenced human right lawyers, women's rights activists, labor right activists, leftist students, legal reformers, language rights advocates, and all manner of peaceful criticism of the government. Many have been forcibly disappeared or arbitrarily detained. Beyond that, the state-controlled media have steadily smeared their work, trying to deter future generations of whistleblowers and others who seek to challenge state authorities. Thus, in Xi's China, the mechanisms by which the central state exerts power are steadily sliding towards de-institutionalized channels. There is a revival of political tactics of "rule by fear" including televised confessions and unannounced disappearances of state officials and civil society activists.

The late Nobel Prize winner Liu Xiabo once described the Internet as "god's gift to China" – a tool that could allow people across the country to communicate with some degree of privacy and anonymity. But Xi's government has also further tightened internet control and imposed extraordinary digital mass surveillance systems across the country: second generation IDs, compulsory biodata gathering, facial and voice recognition, and big data systems known

as “Police Clouds,” all used to integrate information about people to predict supposed threats to the stability of the government. It is increasingly difficult to perform mundane tasks anonymously, from buying a train ticket to getting a broadband connection, let alone engaging in activity critical of the government and mobilizing people to protest.

Furthermore, Xi Jinping also wants to construct a massive personality cult around his own persona. Shambaugh (2018) points out those Maoist rhetorical throwbacks such as *zhuxi* (chairman), *lingxiu* (leader), and *da duoshou* (great helmsman) are again commonly used to refer to Xi. Xi was anointed the “core” of the Party leadership in 2016. The official ideological canon of “Xi Jinping Thought on Socialism with Chinese Characteristic for a New Era” has now been enshrined in the communist party constitution during his time in office, an honor accorded to no communist leader since Mao.

In sum, Xi has systematically dismantled and rolled back the political reforms of Deng Xiaoping that guided China’s leaders for the past four decades: fixed term limit and enforced retirement rules for leaders and cadres; relative tolerance of intellectual and limited dissent; and no personality cult around the leader. For some Chinese experts, Xi Jinping has done irreparable damage to the political institutions that have allowed China to prosper during the past four decades (Editorial Board of *East Asia Forum*, 2017). Heath (2018) has pointed out that, Chinese commentators have condemned political developments in Xi’s China, warning that Xi is poised to impose a brutal autocratic rule. Susan Shirk (2018) has stated that Xi Jinping is taking China back to personalist leadership and Carl Minzer (2018) has concluded that China’s reform era is over, while Gordon Chang (2018) has declared that Xi Jinping is deinstitutionalizing the Communist Party and has warned of a great leap backward.

These studies on Xi’s authoritarianism in China, however, have offered a narrow political analysis from a liberal democratic perspective. They tend to focus mostly on issues of leadership succession, leader’s personality cult, human rights, civil society, power play in the revision of the Constitution, etc. Thus, they implicitly assume that the Xi regime is just like other authoritarian regimes, with the country’s autocratic leader hungry for power and

wants to be an all-powerful leader for life. In overlooking China's socialist legacy and its post-socialist developmental context for the rise of Xi's regime (2012 to the present), these studies have failed to capture the distinctive features of Xi's authoritarian regime, which I label "*Maoist Authoritarianism*".

Distinctive Traits of China's Emergent Authoritarianism

To start with, let us examine the following three distinctive traits of Maoist authoritarianism, namely (1) revitalization of the communist party; (2) promotion of a statist orientation toward the economy; and (3) reemphasis on the role of ideology in policy matters. Kevin Rudd (2018) contends that Xi's authoritarianism is characterized by the unapologetic assertion of the power, prestige, and prerogatives of the Communist Party apparatus over the administrative machinery of the state. Since 1978, the role of the party apparatus had shrunk to a more narrowly defined, ideological role. The powers of detailed policy decision-making and policy implementation had gradually migrated to the institutions of the State Council. This indeed had been a signature reform under Premier Zhu Rongji.

When Xi Jinping took power in 2012, he found the Chinese Communist Party (CCP) in a state of erosion. The CCP had lost its organizational hold and internal discipline. Formal command structures had been undermined by informal mode of exchange, resulting in endemic corruption. Sebastian Heilmann (2016) points out that the CCP had become unfit to rule China in the eyes of Xi Jinping. To overcome this predicament, political power would have to regain priority over market logic, with the CCP firmly back in charge and a strong leader at the helm.

Revitalization of the Communist Party

Xi has spared no effort to reorganize and strengthen the party's governance since he took power in 2012, and has established a centralized leadership system that revolves around himself as the ultimate decision-maker. Xi reinforced Leninist-style authority and started a relentless rectification campaign. He also set out to centralize political decision-making and reassert party control over state bureaucracy, economy, society, university, media, military, and security. For example, state bureaucracies in charge of discipline

and surveillance, which had previously kept a lower profile, were mobilized and expanded to curtail organizational, political, and ethical deviations within the Party and state apparatus.

A vehement anti-corruption campaign was launched that brought fear and feigned compliance back to the center of inner party life. Through this crackdown he cleaned up the CCP – and purged his rivals. As of late 2017, the CCP's *Central Discipline Commission* had punished almost 1.4 million Party members, including high level Politburo Standing Committee members, and more than a hundred generals and admirals. The main goal, said Xi, was to restore public respect for the Party. It was a matter of "survival or extinction". Xi has also begun using the Discipline Commission against local officials who fail to carry out top-down economic and environmental policies. As of 2018, a new body under Xi's de facto control called the *National Supervision Commission* will press the campaign beyond Party members to everyone who works for the state or its affiliates. This will include professors, doctors, journalists, and executives of state-owned enterprises (Shirk, 2018). Hence, the state security apparatus, which had been busy pursuing its own business operation (from arms export to the operation of casinos in Macao), was reorganized to watch more effectively over Chinese and foreign organizations inside and outside China.

Amidst all these developments, Xi also promoted a more creative type of Leninist restoration. In particular, to fulfill his vision of "top-level design," he altered the mechanism of the core executive organs of the party and the state. The installation of new *Leading Small Groups* is a primary example. These Leading Small Groups, many headed by Xi himself, were turned into centers of policy decision-making of broad strategies (such as planning for long-term development goals) or narrowly defined issues (such as poverty alleviation). They also serve to entrench virtually all key decision-making in the party center, at the expense of the state (Heilmann, 2016). Through the above political reforms, the Party has reclaimed the authority that it delegated to the state starting in the 1980s.

Promotion of a Statist Orientation toward the Economy

The second defining feature of the Xi regime is the promotion of a statist orientation toward the economy. Following the above logic

of revitalization of the Party, the Xi regime also wants to accentuate the state to play a more important role to guide the post-socialist economy. Xi's statist policy includes: give more privileges to state-owned enterprises, exert more control and extract more taxes over non-state enterprises, and impose more regulations over the market economy.

For the past forty years, China's remarkable economic development is often said to be a product of neoliberal market reforms, the growing influence of businessmen, deregulation and privatization, and the downsizing of the state bureaucracy. As a result, the private sector has contributed nearly two-third of the country's growth and nine-tenths of the new jobs in the early 2010s, and many big capitalists, including Jack Ma (the richest man in China), have joined the communist party-state (Li, 2018).

Under Xi's regime, however, China may be stepping back from the free-market, pro-business policies that the country pursued over the past forty years. Xi has pruned previous emphasis on the private sector as the engine of growth. Private enterprises, especially large ones, have been ordered to trim acquisitions and to remember their socialist responsibilities. On the other hand, Xi has developed policies, like more easy credit to state enterprises, to favor the state sector. Subsequently, there has been an expansion of the state sector at the expense of the private sector, aptly expressed by the catchphrase "*Guo Jin, Min Tui*" or "state sector advances, private sector retreats" under the Xi regime. In the late 2010s, state-controlled companies increasingly account for growth in industrial production and profits, areas where private businesses once led (Hyman, 2018).

China has also stepped up regulation of online commerce, real estate and video games. For example, the Chinese government has tightened rules governing online commerce. A new law requires those who run online stores to register with the government and pay taxes. That could hit *Alibaba* Group, one of the world's largest internet companies, because it runs an online bazaar called *Taobao*, where merchants big and small have opened thousands of digital stores.

Companies could also face higher taxes and employee benefit costs. In 2019, China will step up efforts to collect social-benefit payments and shift the way they are calculated, resulting in higher

cost. Stricter social security tax collections could erode China's corporate profits by 2.5 percent, according to Lu Ting, an economist at Nomura Securities in Hong Kong.

Although Xi Jinping still sought to reassure private entrepreneurs that Beijing would still support them, Xi offered a full-throated defense of the country's big state-controlled companies, which many Western economists believe crowd out private businesses. "Such statements as there should be no state-owned enterprises and we should have smaller-scale state-owned enterprises are wrong and slanted," Xi Jinping said in October 2018 during a visit to a facility owned by China National Petroleum Corporation (Li, 2018). Many Chinese businessmen said that the biggest source of their anxiety is the advance of the state sector and the retreat of private investment in companies.

In addition, Xi Jinping also sought greater Party control over the private business enterprises. The state is considering taking direct stakes in the country's big internet companies. Regulators have stepped up existing requirements that business give Communist Party committees a greater role in management. Xi has installed a policy that any business entity with more than three party members is required to set up a party cell. Some three-quarters of private enterprises, or 1.9 million, had done so in 2017, according to official data (Li, 2018). Chinese capitalists worry that mixing politics with company management and letting the Communist Party play a leading role in all kinds of companies is a great setback in China's economic reforms.

Some struggling Chinese capitalists are doing what was once considered unthinkable: selling out to the state. In 2018, 46 private companies have agreed to sell shares to state controlled firms with more than half selling controlling stakes, according to the Shanghai Securities News. While the number is still small, it reverses a two-decade trend of privatization of selling shares of state enterprises to private businessmen (Li 2018).

In the wake of the anti-corruption campaign and other compliance irregularities, we now see a number of prominent Chinese private firms in real political scrutiny. For example, the Anbang Insurance Group, one of the largest insurance companies in China, which has been notable for its billion dollar purchases of

luxury hotels around the world, the temporary “assumption of state control” of the company’s assets after its Chairman and CEO was taken into custody in 2017 (Rudd, 2018). Many prominent capitalists are reported to have stepped down (Jack Ma), left China (Li Ka Shing), died suddenly overseas or in China, or committed suicide since Xi came to power in 2012.

In response, leftist scholars, bloggers and government officials are providing theoretical and practical support to the above economic policy of Xi Jinping. Zhou Xincheng, a professor of Marxism at Renmin University, declared that private ownership should be eliminated. Wu Xiaoping, then an unknown blogger, wrote that the private sector should be ended now that it had accomplished its historical mission of achieving growth. Mr. Wu’s blog went viral. Then Qiu Xiaoping, a vice minister of human resources, urged “democratic management” of private enterprises, saying that they should be jointly run by business owners and their employees (Li, 2018).

Reemphasizing the Role of Ideology in Policy Matters

A third defining feature of the Xi’s regime is the decisive role played by political ideology over pragmatic policy. For the previous forty years of post-socialist development, we have been told that China’s governing ideology was “Socialism with Chinese Characteristics.” As the decades rolled by, at least in the economy, there was much less “socialism” than there were “Chinese characteristics”. In this sense, “Chinese characteristics” became the accepted domestic political euphemism for good old capitalism (Rudd, 2018).

Xi Jinping’s response to “socialism with Chinese characteristics” has been a reassertion of ideology. This has meant a reassertion of Marxist-Leninist ideology and Maoism. In August 2013, Xi made a widely circulated address at a national propaganda conference. Arguing that regime disintegration often begins in the realm of ideas and complaining of an intensification of Western culture and ideological infiltration, Xi said that the entire Party, and particularly its leaders, must stress ideological work in order to avoid irreparable historical mistakes.

As a result, a new prominence accorded to ideological education had spread across the entire Chinese system. Since 2013, the CCP

has officially banned media and classroom discussion of seven topics associated with Western liberal democratic values that are considered subversive: universalism, press freedom, judicial independence, civil society, citizen's rights, the historical mistakes of the Party, and cronyism within elite financial and political circles. University professors who are Party members must defend the CCP in class if anyone criticizes it. Western textbooks are banned and being replaced with new indigenous versions that emphasize Marxism.

At all levels of schooling, more time is now being devoted to mandatory politics courses. Schools of Marxism are enjoying a renaissance on campuses all over the country. Getting ahead at school and work again depends at least in part on one's "redness." Public intellectuals with popular blogs have faced arrest, and some of them have been forced to make humiliating televised confessions that bring to mind the Cultural Revolution.

Xi, meanwhile, gives speeches promoting a rosy view of the Mao era that no one outside the Marxist radicals have voiced in thirty years. In November 2012, Xi urged Party members to embrace "Mao Zedong Thought" lest China fall into chaos. In December 2013, Xi honored the 120th anniversary of Mao's birthday by lauding him as a great figure that changed the face of the nation and led the Chinese nation to a new destiny. After Xi's speech, "Mao Zedong Thought" was becoming more common as political discourse continued to harden (Zhao, 2018).

Borrowing from Mao's playbook, Xi launched a campaign to enforce CCP authority. Harkening directly back to the Maoist era, when officials were required to "get close to the masses" and to become intimately familiar with their needs and demands, Xi urged Party cadres to focus on self-purification, self-improvement, self-innovation, and self-awareness. The evocation of a Mao-style "rectification" movement – a tactic favored by the "Great Helmsman" when he wanted to purge rivals and enforce ideological discipline – was unmistakable. Xi, as observers noted, was emboldening hardliners who have hailed him as a worthy successor to Mao Zedong (Zhao, 2018).

Efforts to promote CCP ideological propaganda have intensified. Xi has called for the arts, media, and internet to strengthen popular

support for the Party. In 2016, he visited the three main official news organizations (Xinhua, *People's Daily*, and CCTV) to ask journalists to pledge loyalty to the Party (and to him). He demanded that "official media make the Party their surname" and insisted that they "strictly adhere to the news viewpoint of Marxism" and "rebuild people's trust in the Party" (Shirk, 2018). In order to ensure compliance, editors and reporters across China are now required to attend ideological training that imparts the Marxist view of journalism. They even have to pass a multiple-choice examination that tests their knowledge of the CCP's myriad slogans. While foreign correspondents who criticize Chinese leaders find it increasingly difficult to get their visas renewed, Chinese journalists now risk being fired and even jailed if they publish stories that violate Communist Party policy (Zhao, 2018).

In sum, the three distinctive features of Xi's authoritarianism are: (1) politically, Xi has revitalized the Communist Party, enforced party discipline, re-strengthened the organic links between the Party and the State, and as a result the Party now has penetrated more deeply into society and economy; (2) economically, Xi has strengthened the state sector and imposed more constraints over the private sector; and (3) ideologically, Xi has revitalized the Maoist ideology and has raised ideology to a much higher level than before. It is these three features – the communist party, a statist economy, and Maoist ideology – which distinguish Xi's Maoist authoritarianism from other authoritarian regimes in the early twenty-first century.

As such, what explains the rise of Maoist authoritarianism in the Xi regime? Why did Xi Jinping want to resurrect an outmoded Maoist ideology which has been discredited for over four decades? And why did Xi want to revitalize the statist policy to exercise constraint on the private sector?

The Rise of Maoist Authoritarianism in China in the 2010s

Ezra Vogel explains that when Deng Xiaoping came to power in 1978, he had enormous authority of his previous positions and his experience in high places (McGregor et al., 2018). Thus Deng could afford to carry out such reforms as fixed term limit, relative tolerance of intellectuals and limited dissent, and no personality cult around

the leader. However, when Xi Jinping came to power, he did not have the natural authority that came from such a long history in high places; he therefore needed to set up a structure such as being the head of various Leading Small Groups in order to rule effectively. In this respect, Xi is said to be more prone to authoritarianism than Deng because Xi rose to power with less authority than Deng possessed; that is why Xi needs to revitalize the party-state and centralize the decision-making power.

Maybe Vogel's explanation is correct, but the fact that Xi's initial consolidation of power engendered so little resistance suggests that Xi and his policies must have enjoyed substantial political support among the top leaders in the party-state. For example, symptomatic of Xi's grip on power, over 99 percent of the 2,980 deputies of the 13th National People's Congress voted in favor of the amendments to the Constitution that included the removal of term limits for the presidency (Heath, 2018).

Insight into why the nation's top leaders have supported Xi's centralization of power requires researchers to examine the exceptional nature of the challenges confronting China in the 2010s. China's remarkable economic growth over the past four decades was hinged on a China Model that based on investment-driven, export-led industrialization which capitalized on labor-intensive manufacturing industries and the efficient infrastructure built by the party-state (So and Chu, 2016). But this China Model reached its developmental limit by the early 2010s when Xi came to power.

By the 2010s, China's economic growth rate has already declined from a high of 10 percent to 7-8 percent. Years of investment-driven impulses have led to surplus capital, with idle factories, empty shopping malls, vacant residential complexes, and wasteful infrastructural projects (like high-speed railways and freeways) leading to nowhere. China now needs to find an investment outlet in other regions to absorb surplus capital, or risk having its economic growth rate slow down further. Xi's signature project entitled "One Belt, One Road" Initiative (BRI) is designed to link China with faster-growing emerging markets in Asia, Africa, and Europe. Developing infrastructure (railways, freeways, airports, ports and harbors, electric lines, and internet) and market relationships in BRI countries will help China to use up its surplus capital.

Moreover, China's export-led industrialization is now facing the rise of protectionism in capitalist core countries, as exemplified by Donald Trump's trade war against China in 2018. Export market is simply too risky and too unreliable in the era of de-globalization and protectionism. China now needs to reorient its economic strategy from export-led growth to a more balanced development which relies on both export market and domestic market. To do this, China needs to build up its vast domestic market and to turn Chinese workers and consumers into passionate consumers to buy the goods it produced as the workshop of the world.

In addition, China's one-child policy and demographic transition is cutting back the supply of cheap laborers. "Made in China" is not as cheap anymore as labor costs have risen rapidly in the country's vast manufacturing sector. The average hourly wage for Chinese factory workers hit US\$3.60 in 2016, spiking 64 percent from 2011. That is more than five times the hourly manufacturing wages in India. As China's economy expanded at breakneck speed over the past four decades, so has the pay for Chinese factory workers. But the wage increase has translated to higher costs for manufacturing companies with assembly lines in China. Some companies are now taking their business out of China, which also means China could start losing manufacturing jobs to other developing countries like Sri Lanka, where hourly factory wages are US\$0.50 (*Asia Pacific News*, 2018).

Thus, China could no longer dependent on labor-intensive industry; it needs to move up the value-added chain and focus on high-tech industry. To accomplish this goal of becoming a high-tech power in the twenty-first century, China needs to vastly increase its spending on higher education and R&D, set up high-tech zones, recruit high-tech scientists and researchers from all over the world, and develop a few cutting-edge high-tech industries on artificial intelligence, robotics, telecommunications, etc. "Made in China 2015" is the strategic plan through which Xi Jinping used to turn China into a high-tech superpower in the 21st century.

As China now becomes a middle-income country, however, the party-state needs to satisfy the demands of an increasingly prosperous, better-educated people who have rising expectation to

improve their quality of life. Higher per capita income is a starting point, but China's development strategy also requires the party-state to go beyond the manufacturing industry to develop the service industry, i.e., to improve the quality of housing, education, and health care, to clean up the environment, to defend the nation's dignity and interests, among other goals.

Besides, China's remarkable economic growth over the past four decades has led to serious structural dislocations, the rise and fall of social classes, and the rapid increase of class conflict in Chinese society. In the Ministry of Public Security report of "mass incident" (*quantixing shijian*) – an overly broad catch-all term that encompasses the full spectrum of group protests – including sit-ins, strikes, group petitions, rallies, demonstrations, marches, traffic-blocking and building seizures, and even some public melees, riots, and inter-ethnic strife – the number of "mass incidents" skyrocketed from about 8,700 in 1993 to more than 200,000 in 2011 (Lorentzen, 2013). In recent years, the protest picture has been harder to trace, as Chinese authorities have made it harder to obtain these data, even within their law enforcement system. However, the Chinese Academy of Social Science estimated in 2012 that "mass incidents" now regularly exceeded 100,000 per year (Tanner, 2014).

In sum, the Party's old strategy for maintaining power – rapid economic growth in exchange for political support – has become obsolete. In the early 2010s, China's economic growth has started to decline and social conflict has been intensifying in Chinese society. Thus, Xi Jinping needs to achieve two inter-related tasks to meet the serious challenges confronting China in the late-2010s: *transform the country's mode of economic growth and improve the quality of its governance*. Indeed, the task of economic restructuring overlaps with improving the quality of governance because a successful economic transformation involves a strong developmental state that is autonomous, legitimate, and has the capacity to implement economic policies.

Timothy Heath (2018) points out that the pursuit of comprehensive reform inherently carries with it a serious political risk. The establishment of new industries, governance structures, and institutions requires the dismantling of obsolete industries, political structures, and patronage networks that stand in their way.

Some of these individuals and organizations have amassed considerable wealth and power and are unlikely to surrender them easily.

In 2012, a “China 2030” report concluded that the groups most likely to resist reform would be “*vested interests*,” which the report identified as those enterprises that enjoy monopoly in key markets as well as firms, groups, institutions, and individuals who obtain special privileges or enjoy preferential treatment from the current power structure and the institutional setting. These groups reap enormous economic rents from distortions implicit in the current price, institution, and administrative structures. The report warned that these interests are to be very influential, powerful, resourceful, and resolute in protecting their interests. It singled out in particular potential resistance by collusion between government officials, state monopolies, and the property and energy industries, which are closely linked to the government (Heath, 2018). Minxin Pei explained how party-state officials eager to cash in on their political power set up their immediate family members in business or find partners in the private sector. As Pei noted, such cronyistic arrangements have proven incredibly lucrative, created powerful parasitic patronage networks, and account for a large portion of corruption cases tried by the party-state.

China, of course, is not unique in confronting such a situation. The political problem inherent in large-scale economic restructuring has confronted all countries that have experienced rapid capitalist development. In each case, authorities eager to keep the country growing frequently clash with powerful elites who have profited from the old ways of business. Those few countries that successfully managed the restructuring process have typically required a strong state, with strong political leadership and a centralization of power, to overcome elite opposition from the exiting patronage network, and possess enough resources and legitimacy to impose needed policy changes.

Bringing back the lens of socialist legacy, political economy, and comparative historical framework, therefore, has helped us understand the rise of authoritarianism in Xi’s China. In early 2010s, China was facing exceptional challenges of economic restructuring and the declining legitimacy of the Chinese Communist Party. In

this respect, Xi's consolidation of power, violation of the decades-long norms of elite politics in the Deng era, and centralization of power enable him to purge his rivals, crush his enemies, destroy powerful patronage networks in the party-state, so as to promote the policy goals of economic restructuring, Party revitalization, and rejuvenating Maoist ideology to ensure the CCP's long-term survival.

The rise of Maoist authoritarianism in Xi's regime, therefore, marks a turning point in China's post-socialist development. In the remaining sections of this article, I will discuss the implications of this newly-emerged Maoist authoritarianism for China and the global order.

Implications for China and the World

If the Xi regime can attain its twin goals of transforming the country's pace of economic growth and improve the quality of its governance, China will continue its ascendance to become a "great modern socialist" country and an influential leader in the global economy in the twenty-first century.

Timothy Heath (2018) reports that under Xi, China's economy has continued to grow at a relatively high rate between 6-7 percent, and the World Bank (2017) has reported progress in the country's economic rebalancing. China remains politically stable, and Xi Jinping and the Chinese Communist Party enjoy high levels of support, especially among the working class and the poor (Phillips 2017). Xi is broadly popular among the Chinese public and has helped the Party recover its legitimacy. A survey by Transparency International found the anti-graft campaign had made some progress, and that corruption in China now lags that of India (Goswami, 2017). The plan for reorganizing the government to establish the National Supervision Commission, released at the National People's Congress (NPC) in 2018, will likely strengthen the central government's regulatory authority, which is badly needed to control some of the country's persistent financial, economic, and environmental abuses (Buckley and Bradsher, 2018). The court system is experiencing improvement as well. Plaintiffs are receiving fairer hearing in cases that do not touch on Party rules (Economist, 2017).

However, new problematic issues will also likely arise from Xi's

regime. The centralization of power risks creating bottlenecks in decision-making. Bureaucrats fearful of the new coercive power may face political reprisals to reveal accurate but unwelcome information to the party-state. The “hijacking” of government functions by the Party also risks making the decision-making process more opaque and unpredictable (Heath, 2018).

Yanmei Xie (in McGregor et al., 2018) further points out the problems in Xi’s regime. First of all, even though Xi Jinping has proven to be a largely popular and effective leader, his unchecked power could turn him into a bad one. As he continues to amass power and demand loyalty from other Chinese leaders and officials, dissent invites dire consequences. Xi is less likely to hear challenges and feedback even when his ideas are flawed and policies produce poor results. The absence of disagreements means Xi could become more insulated and prone to make mistakes.

Second, compounding the risk is the complexity of Xi’s economic restructuring agenda. For example, it requires difficult tradeoffs between economic growth and environmental protection, and among social classes and regions with diverse and contradictory interests. Making such decisions requires more debates and consultation.

Third, the system’s stability is predicated on the Party – now Xi himself – always succeeding in reading the sentiment of the Chinese majority and satisfying their needs, while keeping the disenfranchised marginalized and silenced. But as Chinese society continues diversifying, mastering this task will become more challenging. Pockets of grievances can multiply and pressure can build. After all, it was Mao Zedong who said “A single spark can start a prairie fire.” That is why Xi’s regime has so far indiscriminately suppressed any kind of protest in China, including a recent protest carried out by leftist students and labor activists against Shenzhen Jasic Technology in the summer of 2018. Although the Jasic protest was waged by the leftist students and labor activists, many of its protest leaders were educated overseas and have strong linkages to civil society activists in the Western world. Xi would worry that his enemies would use such labor protest to instigate a global campaign to condemn his regime, to stir up other kinds of protest in China, and to worsen the country’s economic decline in the midst of a trade war started by Donald Trump in 2018.

Finally, by rewriting the Constitution, Xi has entirely reversed

China's policies toward institutionalizing and regularizing succession politics. Future Chinese leaders are more likely to emerge from political clashes rather than through their credentials in governance, which is a problem that has afflicted most other authoritarian states and of which China has been spared until now.

Facing the above problematic issues, would Xi's regime attain its twin goal of transforming the country's mode of economic growth and improving the quality of its governance? In 2018, the jury is still out on whether Xi's regime will succeed. It is simply too early to tell. Given the CCP's strong record in handling crises (including the Tiananmen Crisis in 1989, the Asian financial crisis in 1997, the global financial crisis in 2008) over the past four decades, Xi's regime should be able to deal with the challenges that China was facing in the 2010s. But the challenges in the 2010s seem to be unprecedented, too complicated, and so overwhelming that even the CCP may not be able to handle them. Therefore, it is too early to conclude whether the CCP will be revitalized, the Chinese economy will be restructured, and Maoist ideology will be rejuvenated. If history teaches us anything about China, it is the fact the China's development is always highly uncertain, always moves up-and-down, back-and-forth, frequently takes sharp turns, and often defies the predictions by China watchers.

What is certain, however, is that the rise of Maoist authoritarianism will pose a challenge for the global capitalist system. As Xi's regime unfolded in the mid-2010s, the CCP no longer confined its strategy to economic restructuring and improvement of governance in China, but has gradually broadened its aim to undermine the global political order. Since Xi came to power in 2011, China has expanded its influence globally, displayed greater assertiveness, and challenged U.S. leadership not only in economic affairs, but also in the realm of values, norms, and public opinion.

As Pei (2018) points out, longtime trade surplus and the burgeoning foreign-exchange reserves they bring have allowed China to press on the weakest spot in the West's economic order: *development assistance*. Driven at first by a desire for more secure access to energy and crucial raw materials, China gradually expanded the scope of its activities and began to integrate its commercial activities into its geopolitical strategy. What makes Chinese development assistance distinct – and controversial – is its

apparent preference for autocratic regimes. Five of its top ten development assistance recipients are autocracies. Together, they received US\$77.8 billion or 36 percent of the total (Pei, 2018).

In addition, the projects launched since Xi came to power in 2012 include the creation of two Chinese-led international financial institutions: The New Development Bank (NDB) and the Asia Infrastructure Investment Bank (AIIB). The NDB and the AIIB are aimed to finance the vast infrastructure scheme that spans Asia, Europe, and Africa under the "One Belt, One Road Initiative" (BRI). The BRI is far more costly, risky, and difficult than anything that China has ever tried. If the BRI succeeds, China will have significantly reshaped the geopolitical and economic landscape of Asia and indeed the world at large. The long-term goal of NDB and AIIB is to break the grip that the U.S. and its Western allies have on multilateral international financial institutions. The NDB and the AIIB, with China as their founder and largest shareholder, could become alternatives to the World Bank, the International Monetary Fund (IMF), and regional development banks in development financing.

Kalathil (2018) complains that China frames its engagement with the developing world as guided by the principle of "non-interference," a riposte to what Beijing sees as the ideologically driven Western model of promoting democratic governance and human rights. Beijing has been using the BRI and its "community of common destiny" tagline to push the notion that economic growth without political liberalization and democratization is not only possible, but also advantageous.

Since World War II, the U.S. and other European countries required the developing countries to improve their *democratic governance* (including citizen participation, media independence, transparency, and accountability) as a condition to receive development assistance. But Chinese development assistance has no such condition. Thus, Kalathil (2018) complains that if institutions driving the development conversation ignore or even undermine liberal-democratic values and concerns, the global durability of democratic governance can suffer, corruption can flourish, and authoritarianism can find fertile ground.

Furthermore, Kalathil (2018) contends that while many of China's projects are more notable for their neglect of good-governance

principles than their advancement of authoritarian ones, this may be changing. Xi's Belt and Road projects that incorporate Chinese surveillance innovations may provide a chilling glimpse into how "technical assistance" package under the broad rubric of development can enhance authoritarian practices. For instance, the BRI component known as the Digital Silk Road intends to bring Chinese private-sector technology to not just infrastructure, but e-commerce, smart cities and other applications as well. China's smart cities have become a model for twenty-first century authoritarianism, aiming to seamlessly combine public services with big data harvesting, cloud computing, artificial intelligence, advanced facial recognition software, and fine-grained state surveillance. The smart cities are just one BRI project that will feature Chinese monitoring and surveillance technology from Peshawar to Karachi.

James Bosworth (2018) also reports that Beijing is using the surveillance technology it developed at home to help sustain a notoriously unstable authoritarian state in Venezuela. Through the Social Credit System, the Chinese Communist Party is apparently determined to build a real-world version of the streaming nightmare: a pervasive, highly intrusive AI-enabled surveillance system that tracks one all day every day and largely determines all of one's life chances. According to a Reuters report, Venezuela signed a multimillion-dollar contract with ZTE Corp, the Chinese telecom giant, to build a kind of Caribbean version of Social Credit. In Venezuela, the system pivots off of the "*carnet de la patria*" (fatherland card) – a smart-chip-enabled ID card that Venezuelans need to access state services. ZTE provides the servers to store the data and personnel embedded within Venezuela's state telecom would manage the system. This represents an early venture in exporting China's model for "high-tech authoritarianism," with powerful computer algorithms calculating individualized loyalty scores to dole out or withhold privileges and life chances accordingly.

Aside from high-tech authoritarianism, China has also developed a "*soft-power*" *offensive* to burnish the CCP regime's image around the world (Pei, 2018). Keenly aware of its lack of ideological appeal, the entrenched dominance of the Western media, and the overwhelming US advantage in soft power, the CCP has chosen to play a long game. Growing economic clout is a path to an improved

image, which in turn is the basis for a challenge to the West's dominant role in shaping international discourse and world opinion.

In 2013, Xi's regime announced that China would have to play an active role in "international public opinion struggle." In this, a three-pronged approach is used: setting up of propaganda teams abroad, promotion of Chinese culture, and cultivation of friendly political forces abroad. In 2012 Beijing launched CCTV Africa in Nairobi, Kenya, and CCTV America in Washington, D.C. In 2017, as part of an apparent attempt to chip away at the dominance of Western outlets such as CNN and BBC, CCTV rebranded its international network as the China Global Television Network (CGTN) News Center. The promotion of Chinese culture, the second prong of Beijing's soft-power offensive, hinges on the Confucian Institute, an ostensibly benign effort to promote the teaching of Chinese language around the world. Confucian Institutes typically join educational institutes outside China in setting up language programs. Beijing provides teachers and some of the money. As of the end of 2017, there were 525 Confucian Institutes spread across 146 countries and territories. The third prong of China's new strategy, acquiring political influence in the West, is most controversial. The CCP's United Front Work Department is overseeing the effort. The large Chinese diaspora, numbering about sixty-million around the world, is a prime target. Media reports suggest that Beijing has been making inroads among the well-to-do Chinese immigrants who have moved to Australia and Canada in large numbers in recent years.

In sum, through developmental assistance to developing countries, high-tech authoritarianism, and soft-power offensive, Beijing is conducting a coherent project to mobilize its power and resources to influence and impact the global order. Since this project as just started in the mid-2010s, only time will tell whether it will succeed and whether Xi's Maoist authoritarianism could emerge as an alternative political project to the neoliberal capitalist order.

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