

The Problem Posed by Xi Jinping's Personal Rule for Chinese Policymaking

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Although the Olympics will likely be China's most visible event this year, the 20th Congress of the Chinese Communist Party will be the most momentous. The meeting is most likely to propel Xi Jinping to a third term as president.

His authority already is extraordinary. He appears to be in full control of the nearly 400-member Central Committee. Still, in a country so large and diverse much remains beyond his direct control. For instance, local officials must implement and can evade direction from the highest office. Xi has responded in character.

As stated by Neil Thomas of the Eurasia Group: "Xi is increasingly leaning into political discipline to increase responsiveness to the Party center, with the annual number of internal investigations and punishments more than tripling since Xi's first full year in power Record levels of internal monitoring, evaluation, and control may strengthen Xi's ability to correct lower-level noncompliance, improve policy execution, and deliver public services."

However, such oversight also can undermine the flexibility and freedom in decision-making that are necessary to best meet human needs on such a vast scale. CCP members long argued that the party listened and responded to the Chinese people. For instance, China's ambassador to America, Qin Gang, joined his Russian counterpart to criticize the Biden administration's recent democracy summit. Gang defended the Chinese political system:

"What China has is an extensive, whole-process socialist democracy. It reflects the people's will, suits the country's realities, and enjoys strong support from the people. . . . On matters concerning people's keen interests, there are broad-based and sufficient consultations and discussions before any decision is made. Policies and measures can only be introduced when there is a consensus that they are what the people want and will serve the people's needs. It has been proved that the whole-process democracy works in China, and works very well."

However, Xi's leadership style may threaten these purported advantages. Several scholars recently assessed its impact in testimony before the U.S.-China Economic and Security Review Commission. Their general conclusion was that Xi's centralization of power might, however inadvertently, undermined the policy-making process.

For instance, Nis Grünberg of the Mercator Institute for China Studies noted a decrease in alternative sources of information: “With few exceptions, all influential private think tanks in favor of policies that challenge party rule and state intervention have been closed. Academic debates and teaching materials considered critical of party-state policy have also been greatly limited.” Appointments have emphasized personal loyalty: “Looking at the cohort of cadres promoted under Xi, it becomes evident that those with personal or professional ties to Xi, and/or have shown loyalty and positive engagement with his politics, are overrepresented.”

Thomas warned: “Xi’s top-down ‘campaign’-style governance appears less suited to resolving structural challenges that require careful calibration between state and market and between central and local governments. ... Furthermore, Xi’s centralized rule creates its own political risks that may weigh on long-term policy performance. It distorts resource allocation by encouraging money to follow political rather than market signals... It can reduce flexibility in local governance as cadres are increasingly bound by central dictates... It risks policy overshooting as fear of punishment and competition for favor push local officials to overzealously implement central policies.”

Other scholars raised similar concerns. For instance, Victor Chung Shih of the University of San Diego predicted that “The consolidation of policy power in his hands means numerous special interests, including foreign countries, must compete for his limited attention. In the meantime, information manipulation by officials around him may lead to policy missteps.”

Jessica Teets of Middlebury College warned that “centralization has also resulted in reduced local discretion for policy experimentation, rigid policy implementation without local adaptation, and decreased morale among local officials.” Moreover, current governing “tools rely mostly on punishment rather than incentivizing meaningful policy implementation and innovation, resulting in short-term enforcement at the loss of long-term innovation and citizen engagement.”

The transformation of Chinese decision-making also affects foreign policy. Noted the Stimson Center’s Yun Sun: “there used to be a popular but simplified categorization of foreign and national security affairs into routine issues under the purview of the top leader and strategic issues under the purview of the Politburo Standing Committee. It’s simply difficult to imagine how the members of the Politburo Standing Committee would or could now challenge a decision made by the top leader himself.”

No matter how smart or gifted such a person, decision-making will be impaired if the process reinforces his or her preconceptions. Observed Sun: “Xi’s power concentration and the indoctrination of his strategic visions also created the bandwagon effect within the bureaucratic polity.” This process is “consolidated and amplified through the mobilization of nationalism and hawkish domestic public opinion,” which, “in turn, feeds into the government’s decision-making, as it reinforces the top leader’s belief that he is fulfilling the view and aspiration of the Chinese people—the perceived source of his authority and legitimacy.”

Shih pointed out: “Xi may not keep abreast to the latest developments in the United States and its ally countries unless diplomatic events force him to do so. He may fall into easy assumptions about the United States’ declining power and ill intention, which are enforced by some foreign

policy experts and perhaps even some segment of the national security establishment. Such misunderstanding may exacerbate bilateral tension more than is necessary.”

Although the focus of reporting on Chinese politics this year will be on Xi and his political future, the leadership should review the impact of current policies on the quality of decision-making. Xi’s demand for loyalty is unsurprising, but risks undermining the strengths claimed by Gang. Not just the PRC but the entire world depends on a well-informed and balanced Chinese leadership. Ensuring the latter should be a priority of the upcoming party congress.