

**HUNTING THE CORRUPT “TIGERS” AND “FLIES” IN CHINA:
AN EVALUATION OF XI
JINPING’S ANTI-CORRUPTION CAMPAIGN
(NOVEMBER 2012 TO MARCH 2015)**

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“Facts prove that if corruption is allowed to spread, it will eventually lead to the destruction of a party and the fall of a government. . . . Serious violations of Party discipline and state laws that have occurred inside our Party during the past few years are of a vile nature and have produced shockingly harmful political consequences. . . . All violations of Party discipline and state laws must be punished without exception, and we shall not be soft in dealing with them.”

XI Jinping, November 2012¹

1. “Study, Disseminate and Implement the Guiding Principles of the 18th CPC National Congress,” in Xi Jinping, *The Governance of China* (Beijing: Foreign Languages Press, 2014), pp. 17-18.

“When I grow up, I want to be . . . a corrupt official, because corrupt officials have a lot of things.”

A six-year old schoolgirl in Guangzhou, September 2009²

“It’s hard to be a good person in China. The system makes you numb to what’s right and wrong. Companies bribe each other, passing on the cost to customers, and use payoffs to cut corners, accelerate growth or box out competitors.”

TAO Jun, an activist and former general manager of an Internet company in Foshan, China, December 2008³

“There’s not a single straight road in China; they were all built with kickbacks. No one stays clean when traveling along these sparkling, yet tainted roads. Corruption is the norm, it has become the unwritten law, an article of faith. It is everywhere. . . . No one can stay clean. . . . Good luck to the person who tries to stay clean. . . . Not a single person in China can completely break free from corruption, and not a single road is straight.”

XUECUN Murong, May 2012⁴

I. INTRODUCTION

The Three Anti (*Sanfan*) and the Five Anti (*Wufan*) Campaigns were initiated in 1951-1952 by MAO Zedong to curb corruption by the “tigers” or corrupt senior officials and businessmen respectively.⁵ On the other hand, the Anti-Corruption Campaign of 1963-1966 focused on petty corruption by targeting the “fleas” or lower-rank officials. At a high-level meeting on these anti-corruption campaigns, Mao coined these terms when he asserted that: “the more graft cases that are exposed, the happier I am. Have you ever caught fleas on your body? The more you catch, the more pleased you are.”⁶

2. Primary school students were asked by the *Southern Metropolis Daily* in Guangzhou what they wanted to be when they grew up. See Joshua Keating, “I want to be a corrupt official when I grow up!” *Foreign Policy*, September 10, 2009.

3. Quoted in Mark Magnier, “Bribery and graft taint every facet of life in China,” *Los Angeles Times*, December 29, 2008.

4. Murong Xuecun, “No roads are straight here,” *New York Times*, May 8, 2012.

5. These two campaigns are discussed in Section V.B below.

6. Xiaobo Lu, *Cadres and Corruption: The Organizational Involution of the Chinese Communist Party* (Stanford, CA: Stanford University Press, 2000), p. 119.

Sixty-three years later, the problem of corruption in the People's Republic of China (PRC) has not only remained unresolved but has become an intractable and "maddingly resilient"⁷ problem. This poses a serious threat to the survival of the Chinese Communist Party (CCP), as reflected in the first quotation above by XI Jinping during the first group study session of the Political Bureau of the 18th CCP Central Committee on November 17, 2012. The second quotation by the six-year old primary schoolgirl in Guangzhou brazenly admitting her ambition to be a corrupt official when she grows up reflects not only the Chinese population's tolerance for corrupt officials but also their admiration for the latter's lavish lifestyle. Corruption is so widespread in China today that LING Jiefeng, a historical fiction writer, has observed recently that children learn how to bribe teachers from an early age. For example, a child attending kindergarten would inform his teacher that "my father works at a coal company. Please let me know if you are short of coal."⁸ The third and fourth quotations by TAO Jun and XUECUN Murong confirm that corruption is "a way of life" in contemporary China. This means that corruption is rampant, occurring at all levels; thus making it the norm rather than the exception.⁹

After becoming the General Secretary of the CCP and Chairman of the Central Military Commission (CMC) at the 18th Party Congress in November 2012, Xi launched an anti-corruption campaign to eliminate the "tigers and flies" who had become rich through bribery and patronage.¹⁰ This campaign has been described by Anthony Saich of Harvard University as the "most ambitious anti-corruption campaign since at least Mao's days." Georgia State University's Andrew Wedeman calls it the "most sustained drive against high-level corruption" following the economic reforms of the early 1980s.¹¹

According to Transparency International's Corruption Perceptions Index (CPI) of 2012, China was ranked 80th among 176 countries with a score of 39/100. China's performance did not improve significantly in

7. Robert Lawrence Kuhn, *How China's Leaders Think: The Inside Story of China's Past, Current and Future Leaders*, revised edition (Singapore: John Wiley & Sons [Asia], 2011), p. 180.

8. Nectar Gan, "Kindergarten corruption: Chinese author says even young children are crooked," *South China Morning Post*, March 12, 2015.

9. This useful distinction was introduced by Gerald E. Caiden in his article, "Public Maladministration and Bureaucratic Corruption," *Hong Kong Journal of Public Administration*, 3 (1) (June 1981): 58-62.

10. Matt Schiavenza, "Why Xi Jinping's anti-corruption campaign is hollow, unserious, and ultimately doomed," *The Atlantic*, July 18, 2013.

11. Quoted in Shai Oster, "President Xi's anti-corruption campaign biggest since Mao," *Bloomberg Businessweek*, March 4, 2014.

2013 as it was ranked 80th among 177 countries with a score of 40/100.¹² However, China’s ranking on the CPI dropped significantly from 80th to 100th position in 2014 with a decrease in its score from 40 to 36.¹³ China’s unfavorable performance on the 2014 CPI was criticized by the *Global Times*. The paper stated that the “20-place fall in ranking, which does not in the slightest reflect how terrified China’s corrupt officials are due to the anti-graft campaign, is barefaced mendacity.”¹⁴

Notwithstanding the *Global Times*’ criticism of China’s ranking on the 2014 CPI as an “incredibly irresponsible ranking, which was made through questionable working methods,”¹⁵ is China’s significant decline in its CPI ranking and score from 2012 to 2014 a reflection that Xi’s anti-corruption campaign is ineffective and not reaping the expected results? This monograph addresses this question by evaluating the effectiveness of Xi’s campaign during its first 28 months from my perspective as a public administration scholar who has studied anti-corruption strategies in many Asian countries for 38 years. My evaluation identifies the strengths and weaknesses in Xi’s campaign and makes policy recommendations for enhancing the effectiveness of China’s anti-corruption strategy.¹⁶

This monograph is divided into seven sections. Following this introductory section, the second section provides a background analysis of

12. Details of China’s performance on the CPI from 1995-2014 are available at <http://www.transparency.org>.

13. See <http://www.transparency.org/cpi2014/results> for the CPI 2014 ranking and scores for 175 countries.

14. See “Corruption index reflects West’s prejudice,” *Global Times*, December 5, 2014.

15. *Ibid.*

16. See Jon S.T. Quah, “Bureaucratic Corruption in the ASEAN Countries: A Comparative Analysis of their Anti-Corruption Strategies,” *Journal of Southeast Asian Studies*, 13 (1) (March 1982): 153-177; Jon S.T. Quah, “Singapore’s Experience in Curbing Corruption,” in Arnold J. Heidenheimer, Michael Johnston and Victor T. LeVine (Eds.), *Political Corruption: A Handbook* (New Brunswick, NJ: Transaction Publishers, 1989), Chapter 48, pp. 841-853; Jon S.T. Quah, “Controlling Corruption in City-States: A Comparative Study of Hong Kong and Singapore,” *Crime, Law and Social Change*, 22 (1995): 391-414; Jon S.T. Quah, “Responses to Corruption in Asian Societies,” in Arnold J. Heidenheimer and Michael Johnston (Eds.), *Political Corruption: Concepts and Contexts*, 3rd ed. (New Brunswick, NJ: Transaction Publishers, 2002), Chapter 28, pp. 513-532; Jon S.T. Quah, *Curbing Corruption in Asia: A Comparative Study of Six Countries* (Singapore: Eastern Universities Press, 2003); Jon S.T. Quah, *Curbing Corruption in Asian Countries: An Impossible Dream?* (Bingley: Emerald Group Publishing, 2011); Jon S.T. Quah, *Minimizing Corruption in China: Is this an Impossible Dream?* (Baltimore, MD: Carey School of Law, University of Maryland, 2013); Jon S.T. Quah, “Combating Corruption in Asian Countries: What Lessons have we Learnt?” *Public Administration and Policy: An Asia-Pacific Journal*, 16 (1) (Spring 2013): 15-34; and Jon S.T. Quah, “Evaluating the Effectiveness of Anti-Corruption Agencies in Five Asian Countries,” *Asian Education and Development Studies*, 4 (1) (January 2015): 143-159.

the chronic problem of corruption in China since the CCP assumed power in October 1949 after the Kuomintang (KMT) government's defeat and escape to the island of Taiwan. The third section focuses on XI Jinping and analyzes his family background and education, and explains his rise to power within the CCP so as to understand his objectives in initiating the anti-corruption campaign after assuming power. Before describing and evaluating Xi's anti-corruption campaign in sections five and six, it is necessary to provide background information in the fourth section on the four anti-corruption agencies (ACAs), which constitute the other important component of China's anti-corruption strategy. The concluding section identifies the weaknesses of Xi's anti-corruption campaign and provides some suggestions for enhancing anti-corruption efforts in China. Indeed, China will not succeed in curbing the systemic problem of corruption if it continues to rely on ineffective ACAs and implement anti-corruption campaigns which target political opponents rather than address the underlying causes of corruption.

II. ANALYZING CHINA'S SYSTEMIC CORRUPTION PROBLEM

A. Corruption and the Dynastic Cycle

The various dynasties in China from the Shang Dynasty (1600 to 1000 B.C.) to the Ch'ing or Qing Dynasty (A.D. 1644 to 1911) were plagued with corruption, which was also an important contributing factor to their decline. The periodic rise and fall of China's rulers and dynasties, described as the dynastic cycle, can be attributed to these four causes: "oppressive land taxes, especially those imposed on peasants; an increase in government corruption; inadequate protection of the people; and the inability of the regime to provide for the people in times of distress."¹⁷ There were five stages in the dynastic cycle: "(1) the establishment of a new virtuous and benevolent ruler; (2) a period of intellectual rejuvenation; (3) an era of corruption and misrule; (4) the occurrence of uncontrolled natural calamities, such as floods and/or droughts; and finally, (5) overthrow of the regime by rebellion or invasions."¹⁸

YE Feng, the Director-General of the Foreign Affairs Bureau of the Supreme People's Procuratorate (SPP), one of China's four ACAs, blames rampant corruption for the fall of many dynasties. According to

17. Elizabeth Freund Larus, *Politics and Society in Contemporary China* (Boulder, CO: Lynne Rienner Publishers, 2012), p. 16.

18. James C.F. Wang, *Comparative Asian Politics: Power, Policy, and Change* (Englewood Cliffs, NJ: Prentice-Hall, 1994), p. 19.

Ye, “the founding emperors created the empire out of hardship and through hard work, but their descendants lost the empire because of corruption.” Consequently, many anti-corruption measures were initiated to curb corruption in China. But “throughout history, they failed more often than succeeded in the fight against corruption, and no dynasty ever escaped the cycle of rise and fall which was linked to the phenomenon of corruption.”¹⁹

In short, an important historical trend in China was the dynastic cycle in which corruption was a major cause for the decline and overthrow of the various dynasties. While China’s current political leaders wish to distance themselves from China’s imperial past, Carolyn Hsu argues that these aspects of corruption discourse in late imperial China – namely, “the moral mandate of the ruling regime, the power of the corruption charge, and the different degrees of acceptable and unacceptable *fubai* [corruption]” – resonate and “live on” in China today.²⁰ Orville Schell reminded us recently that the CCP leaders are concerned with combating corruption because of their “deep and frightening historical awareness” of “how dynasties and the Kuomintang fell due to uncontrolled corruption.”²¹

B. Corruption and Low Salaries of Officials in Imperial China

In 59 B.C., Emperor Hsuan (73 to 48 B.C.) issued an edict to increase by 50 percent the salaries of minor officials ranking 100 *shih* or less so as to prevent them from becoming corrupt. Emperor Ch’eng followed suit in 7 B.C. by raising the salaries of officials ranking 300 *shih* or less in 7 B.C.²² The “unrealistically low salaries” of public officials in 11th century China was a major cause of the corruption of the lower level bureaucrats. The low salaries of the junior officials of the Song Dynasty (A.D. 960 to 1279) were increased during the early years, but the situation deteriorated by the middle of the 11th century because of the increased growth of the bureaucracy and the fact that the officials were on-

19. Ye Feng, “The Chinese Procuratorate and the Anti-Corruption Campaigns in the People’s Republic of China,” in Jianfu Chen, Yuwen Li and Jan Michiel Otto (Eds.), *Implementation of Law in the People’s Republic of China* (The Hague: Kluwer Law International, 2002), pp. 113-114.

20. Carolyn L. Hsu, *Corruption and Morality in the People’s Republic of China* (Bloomington, IN: Indiana East Asian Working Paper Series on Language and Politics in Modern China, No. 8, Spring 1996), p. 11.

21. Quoted in “How serious is Xi Jinping in tackling corruption in China?” *The Atlantic*, June 28, 2013.

22. Hans Bielenstein, *The Bureaucracy of Han Times* (Cambridge: Cambridge University Press, 1980), p. 125.

ly paid for three out of the six or seven years of service. Consequently, these officials were forced to supplement their income by engaging in private trade, which “led easily and too frequently to the misappropriation of state property and the abuse of official position through venality and improbity of other kinds.”²³

The low salaries of civil servants constituted a major cause of the corruption during the Ming Dynasty (1368-1644) and Ch’ing or Qing Dynasty (1644-1911). Since three-quarters of government revenue during the Ming Dynasty came from the land tax, the reduction in tax revenues resulted in a drastic reduction in the salaries of civil servants. In 1392, the salary schedule of civil servants was introduced, but by the 15th century their salaries continued to decline in value because half of their salaries were paid in grain, and the other half in such commodities as silk fabrics, cotton cloth, pepper and sapanwood. In 1432, some officials were paid with confiscated garments and salvaged materials, and by 1472, peas were also used as payment. By the mid-1440s, half of the salaries of officials were unpaid.²⁴

Pierre-Etienne Will has attributed the corruption in late imperial China to “insufficient salaries” and “loyalty to one’s family, ancestors, and native place.”²⁵ The nominal salaries of the officials were woefully inadequate to meet their nine types of public and private expenses.²⁶ Apart from unavoidable expenses such as family upkeep and employing private secretaries and servants, officials were also expected to contribute to charities or public works for political expediency, and to provide gifts and entertainment to their superiors to enhance their prospects for pro-

23. E.A. Kracke, Jr., *Civil Service in Early Sung China: 960-1067* (Cambridge, MA: Harvard-Yenching Institute, 1953), p. 83.

24. Shawn Ni and Pham Hoang Van, *High Corruption Income in Ming and Qing China* (Columbia, MO: Department of Economics, University of Missouri, Working Paper 503, February 2005), pp. 4-5.

25. Pierre-Etienne Will, “Officials and Money in Late Imperial China: State Finances, Private Expectations, and the Problem of Corruption in a Changing Environment,” in Emmanuel Kreike and William Chester Jordan (Eds.), *Corrupt Histories* (Rochester, NY: University of Rochester Press, 2004), pp. 52-53.

26. The six public expenses of the officials were: (1) travel expenses to reach their posts after appointment at the capital, and later on special missions; (2) repayment of debts incurred at the capital before reaching their posts; (3) salaries of private staff; (4) contributions to charities, grants of start-up money for local projects; (5) “reciprocities” (*yingchou*), for meeting social obligations, delivering customary gifts to their superiors, and entertaining visiting colleagues, especially superiors; and (6) meeting the demands for funding and fees from the higher echelons, either customary or extortionary. The officials’ private expenses were: (1) living expenses and upkeep of family and servants in their posts and at home; (2) extra money representing “savings” for their retirement; and (3) demands from relatives at home for common expenses and charities. *Ibid.*, p. 32.

motion. Since the local officials could not meet their public and private expenses with their salaries, they were compelled to engage in corrupt activities. Consequently, the Yongzheng emperor introduced the “integrity-nourishing” (*yanglian*) allowance in 1723, which multiplied their basic salaries by 10, 20 or more times, in order to help the local officials survive and perform their duties without resorting to alternative sources of revenue.²⁷

C. Corruption during the Republican Period (1912-1949)

After the Japanese troops surrendered in Tientsin on October 6, 1945, the officials of the Chungking government reasserted control over areas held by the Japanese by taking over the property and assets of the Japanese and their collaborators. However, the takeover process became “a racket with official position treated as an opportunity rather than a responsibility” because the supervisors were “favorites, relatives, or close political allies of the Generalissimo.”²⁸ Corruption was widespread because the government failed to provide “any equitable and orderly means for disposing of enemy property,” and the absence of institutional safeguards resulted in “the path to corruption” since there was no “overall plan or coordinated policy delineating what was to be taken over by whom.”²⁹

Since corruption prevailed in China during the Republican period, “it was common for individuals to take advantage of their official position first to occupy a building and then to manipulate things in such a way as to have the building sold to them.”³⁰ An investigating committee found that “offenders down to the soldiers [were] using the resources of the country as their personal property.” The KMT officials believed that “as public functionaries they had suffered so much hardship and privation in the interior during the seven years of war that they had a right to indulge themselves.”³¹ Consequently, “the web of corruption that had spread through Nationalist China eroded the [KMT] regime’s ability to defend itself.”³²

27. *Ibid.*, pp. 31 and 34.

28. Ronald H. Spector, *In the Ruins of Empire: The Japanese Surrender and the Battle for Postwar Asia* (New York: Random House, 2007), pp. 58-59.

29. Suzanne Pepper, *Civil War in China: The Political Struggle, 1945-1949* (Berkeley, CA: University of California Press, 1978), pp. 16-17.

30. Spector, *In the Ruins of Empire*, p. 59.

31. *Ibid.*, p. 60.

32. Keith Maguire, “Modernization and Clean Government: Tackling Crime, Corruption and Organized Crime in Modern Taiwan,” *Crime, Law and Social Change*, 28 (1) (1997): 76.

The civil service was ineffective since the low salaries made the junior officials vulnerable to corruption. In 1934, CHIANG Kai-shek launched the New Life Movement in order to encourage the promotion of more traditional moral virtues, and “to fight against entrenched attitudes of graft and corruption.”³³ However, in June 1945, the KMT was plagued by factional struggles, corruption and low morale.³⁴ The bureaucracy during the Republican period was “permeated with corruption” because there was “a wilful perversion of formal laws and procedures by the holders of public office for the sole purpose of their own and their families’ private gain – from the center down to the lowest *pao* and *chia* official.”³⁵

The rampant corruption in mainland China under CHIANG Kai-shek’s government was a major reason for the KMT’s defeat by the CCP in October 1949. Keith Maguire has highlighted the significant differences in the level of corruption between the CCP controlled and KMT controlled areas. The Communists in the red base areas paid for the food they took and were polite and friendly to the peasants. However, looting was widespread in the KMT areas since their troops were poorly paid and had low morale. Consequently, the population favored the Communists and “had no particular sympathy for the KMT.”³⁶

In analyzing the CCP’s victory over the KMT, James E. Sheridan observed that unlike the excellent Communist leadership, the incompetent and corrupt KMT generals stole and sold government property, sometimes to the Communists.³⁷ The morale of the KMT’s army was “at rock bottom” because their soldiers were “inadequately paid and fed; training was poor to non-existent; discipline was bad; the rank and file did not know what they were fighting for, and thus, saw no reason to fight.” By contrast, there was high morale among the Communist soldiers because they were “well cared for, well trained, [and] thoroughly indoctrinated about the need and purpose of the struggle.”³⁸ Finally, the Communists were also favored by the peasants because they “instituted honest government” and initiated political and economic reforms that benefited the peasants.³⁹

33. Keith Maguire, *The Rise of Modern Taiwan* (Aldershot: Ashgate, 1998), p. 23.

34. *Ibid.*, p. 32.

35. Pepper, *Civil War in China*, p. 147. The local administrative unit, *chia*, consists of 6 to 15 families, and a *pao* comprises 6 to 15 *chia* (p. xi).

36. Maguire, *The Rise of Modern Taiwan*, p. 29.

37. James E. Sheridan, *China in Disintegration: The Republican Era in Chinese History 1912-1949* (New York: Free Press, 1975), p. 272.

38. *Ibid.*, p. 273.

39. *Ibid.*, p. 274.

D. Corruption in China after 1949

Most China watchers agree that corruption in China during the past 65 years can be divided into two phases: Mao’s era, from 1949 to 1976 and the post-Mao era, after the introduction of DENG Xiaoping’s “open door” policy in 1978.⁴⁰ While the CCP’s aversion towards corruption was responsible for its victory over the corrupt KMT government in October 1949, MAO Zedong was concerned that corruption would be the most serious problem facing the CCP because it had inherited the KMT’s administrative apparatus and its “deeply entrenched bureaucratism.”⁴¹ In 1950, the CCP, alarmed at the corrupt behavior of veteran cadres, reprimanded them for their lavish lifestyles and engaging in corrupt behavior such as “extramarital affairs, divorcing wives of peasant backgrounds to marry young, educated urban girls, and sexual harassment.” In Beijing, 79 veteran cadres (12 percent) were among the 650 persons involved in corruption during 1949-1951. In contrast, the problem was more serious in Shanghai as 319 CCP members had committed graft in 1950.⁴²

While corruption was a problem in China during the 27 years under Mao, its magnitude pales in comparison to the exponential growth of corruption cases during the post-Mao era. Based on the amount of bribes involved, the scale of corruption has increased exponentially from 100,000 yuan per case in the late 1970s to millions of yuan per case in the late 1990s.⁴³ Deng’s “open door” policy gave rise to many corrupt practices and rampant smuggling in Fujian, Zhejiang and Guangdong provinces. The number of corruption cases in China increased in the early 1980s, continued to grow in the 1980s and 1990s, and involved both larger sums of money and more senior officials too.⁴⁴

By analyzing the data collected on the corruption cases investigated by the procuratorates in China from 1980-2000 from their yearbooks and other sources, Melanie Manion found that among the 736,473 cases investigated, there were 404,548 cases (55 percent) involving embezzle-

40. There is a wealth of literature on corruption in China after 1949. The most useful sources are: Lu, *Cadres and Corruption*; Melanie Manion, *Corruption by Design: Building Clean Government in Mainland China and Hong Kong* (Cambridge, MA: Harvard University Press, 2004); Qingli Meng, *Corruption in Transitional China: A 33-Year Study* (Oisterwijk: Wolf Legal Publishers, 2013); Yan Sun, *Corruption and Market in Contemporary China* (Ithaca, NY: Cornell University Press, 2004); and Andrew Wedeman, *Double Paradox: Rapid Growth and Rising Corruption in China* (Ithaca, NY: Cornell University Press, 2012).

41. Wedeman, *Double Paradox*, p. 89.

42. Lu, *Cadres and Corruption*, pp. 35-36.

43. Dali L. Yang, *Remaking the Chinese Leviathan: Market Transition and the Politics of Governance in China* (Stanford, CA: Stanford University Press, 2004), p. 219.

44. Manion, *Corruption by Design*, pp. 84-85.

ment of public assets, 207,153 cases (28 percent) of bribery, and 124,778 cases (17 percent) of misuse of public funds.⁴⁵ This means that the Chinese procuratorates had investigated an average of 35,070 cases per year during these two decades. China's economic environment after the implementation of Deng's "open door" policy in December 1978 was conducive for the rapid growth of corruption because of "more opportunities, higher payoffs, weaker enforcement, and lower psychic costs for officials choosing to engage in corruption."⁴⁶ The five "most common and serious forms of corruption" during the post-Mao period were "bureaucratic commerce, predatory exactions, corrupt exchanges, use of public funds as private capital, and illegal privatization of state enterprise assets."⁴⁷

III. XI JINPING'S CAREER AND RISE TO POLITICAL POWER

A. Family Background and Education

Xi Jinping was born on June 15, 1953 in the north western province of Shaanxi. His father, XI Zhongxun, was a revolutionary hero who had faithfully served MAO Zedong, but was purged by him and publicly stripped of his positions and humiliated in 1962. In January 1969, when XI Jinping was 15 years old, he was sent to a small, remote mountain village of Liangjiahe in Wenan township of Yanchuan county in Shaanxi Province for "re-education" as part of Mao's "Down to the Countryside" Movement. He was part of the group known as "the children of black gang" or *heibang*, referring to those who preferred capitalism to socialism.⁴⁸ He lived in a cave house for the next seven years cutting hay, reaping wheat and herding sheep as a member of a local work unit during the day, and reading "thick books in the dim light of kerosene lamps" at night. He worked hard and earned the respect of his older colleagues, who also admired his personal modesty and endurance.⁴⁹

Consequently, in 1972 Xi became responsible for party-line education at the age of 19. One year later, he was appointed party secretary of his production brigade. He initiated a biogas program for cooking to alleviate energy shortages and led his commune members in building dams

45. Ibid., p. 88, Table 3.1.

46. Ibid., p. 94.

47. Ibid., p. 96. For a comprehensive analysis of these five forms of corruption, see *ibid.*, pp. 97-110.

48. Xi Jinping, *Son of Yellow Earth*, reproduced as an Appendix in Lance L.P. Gore, "Deciphering the two abrupt turns of the Xi Jinping regime," *EAI Background Brief*, No. 890 (Singapore: East Asian Institute, National University of Singapore, January 27, 2014), p. 15.

49. Kuhn, *How China's Leaders Think*, p. 413.

and fixing ditches. Xi was recommended to study at Tsinghua (or Qinghua) University in 1975 even though he had only a primary school education⁵⁰ and received a grand send-off by the whole village when he left for his studies. The seven years of hard rural village life in Shaanxi were responsible for his practical orientation and enabled him to retain “his common man’s touch.”⁵¹

Xi admitted that many of his “practical ideas stem from my life during that period, which has influenced me every minute, even till today. To truly understand the common folk and society is the most fundamental thing.”⁵² He was also influenced by his family from an early age in “building comradeship with people around” him. His father taught him about solidarity and encouraged him to seek and forge unity with other people.⁵³ The most important difficulty Xi had to overcome during his seven years of living in the countryside was changing his mindset by learning the “peasants’ honest and practical ways and their spirit of hard work.”⁵⁴ Xi admitted that his “seven years of living in the countryside have benefited me tremendously” and enabled him to “forge deep bonds with the masses and laid the foundation for my growth and progress.”⁵⁵

The first foreign leader that Xi met in Beijing in November 2007 after his promotion to the Politburo Standing Committee (PSC) was the late LEE Kuan Yew, Singapore’s first prime minister from June 1959 to November 1990. Lee’s first impression of Xi was highly favorable as he described him as “a man of great breadth – what the Chinese call *da qi*, as opposed to *xiao qi*.” Xi is also “not narrow-minded” and “thinks through a problem deeply and he does not want to show off his knowledge.” He has gravitas and considering his trials and tribulations in Shaanxi Province in 1969 as a young man “working his way slowly back up, never complaining, never grumbling,” Lee “would put him in the Nelson Mandela class of persons.”⁵⁶

In short, Xi’s personality emphasizes “perseverance, restraint, circumspection, and [a] low-key profile.” Furthermore, his governance style is “down-to-earth, determined but shrewd in political maneuvering, never pushy but yet skilful.” During his first two years in office, Xi has consol-

50. Hsin-Chi Kuan, *China under the New Leadership* (Baltimore, MD: Carey School of Law, University of Maryland, 2013), p. 3.

51. Kuhn, *How China’s Leaders Think*, p. 414.

52. Quoted in *ibid.*, p. 414.

53. Xi, *Son of Yellow Earth*, p. 16.

54. *Ibid.*, p. 15.

55. *Ibid.*, p. 16.

56. Lee Kuan Yew, *One Man’s View of the World* (Singapore: Straits Times Press, 2013), p. 28.

idated his power by following the established rules and “through a delicate struggle of side-lining skeptics and placing [his] supporters in important positions.”⁵⁷ As a princeling, Xi is “less guarded” than HU Jintao and has “the space to act, communicate, and relate to people with a confidence that comes from living a life in which power and resources naturally flowed his way.” Xi has also “experienced both palace life and peasant toil” and according to his peers, Xi’s experience in Liangjiahe has given him “an earthy pragmatism that distinguishes him from Hu, who was raised on Communist Party ideology and spent his working life inside the party machine.”⁵⁸

Xi studied Chemical Engineering at Tsinghua University in Beijing as a “Worker, Peasant, PLA [People’s Liberation Army]” student (*gongnongbing xuesheng*) and graduated in 1979 at the age of 26.⁵⁹ During his four years at Tsinghua University, Xi focused on basic organic synthesis and was a classmate of CHEN Xi.⁶⁰ As Xi completed junior middle school lessons and devoted most of his time on revolutionary activities rather than attending classes, he encountered problems with mathematics, chemistry and physics, and began to show more interest in history and literature.⁶¹ LIU Cuiquin, Xi’s former teacher at Tsinghua, said that he was hard working, excelled in sports, and “had a lovely heart and was respectful and caring to the teachers and other students.”⁶²

After his graduation in 1979, Xi did not keep in touch with his *alma mater* and classmates until the 1990s, when Tsinghua University became a “pilgrimage place” for politicians and CHEN Xi was the Secretary of the CCP Tsinghua University Committee.⁶³ As the Governor of Fujian Province, Xi began his study for a Doctor of Law degree in Marxist Theory and Ideological and Political Education at the School of Humanities and Social Sciences (SHSS) at Tsinghua University. He wrote his doctoral dissertation on “Research on the Rural Marketization of China” under the supervision of LIU Meixun, the Director of the Institute of Economics at SHSS at Tsinghua University. He received his doctorate in

57. Kuan, *China under the New Leadership*, p. 4.

58. John Garnaut, “The Creation Myth of Xi Jinping: What do we really know about China’s new leader?” *Foreign Policy*, October 19, 2012.

59. Joseph Fewsmith, “China’s Ruling Elite: The Politburo and Central Committee,” in Larry Wortzel and Andrew Scobell (Eds.), *Civil-Military Change in China: Elites, Institutions, and Ideas after the 16th National Party Congress* (Darby, PA: Diane Publishing Company, 2004), p. 87.

60. Wu Ming, *China’s Future: A Biography of Xi Jinping* (Hong Kong: CNHK Publications Ltd., 2012), p. 68.

61. *Ibid.*, p. 71.

62. Quoted in *ibid.*, p. 72.

63. *Ibid.*, pp. 68 and 88.

2002 but questions were raised by critics on how he was able to get a doctorate without a master’s degree, without attending classes in Beijing when he was based in Fuzhou, and how he was able to write his dissertation in spite of his busy schedule as the Governor of Fujian Province.⁶⁴ However, his doctoral dissertation was revised and published later by the People’s Publishing House and was favorably reviewed by LU Liangshu, former Dean of the Chinese Academy of Agricultural Sciences, and by HAN Juan, Director of the Department of Research on Rural Economy of the Development Research Center of the State Council.⁶⁵

Table 1: Qinghua Graduates in the 17th Central Committee (October 2007)

Name	Home Province	Year of Birth	Year of Joining CCP	Department	Period in Qinghua University
CHEN Yuan	Shanghai	1945	1975	Automatic Control	1964-1970
HU Jintao	Anhui	1942	1964	Water Conservancy	1959-1965
HUA Jianmin	Jiangsu	1940	1961	Power	1957-1963
LIU Yandong	Jiangsu	1945	1964	Chemical Engineering	1964-1970
LOU Jiwei	Beijing	1950	1973	Computer Science	1978-1982
TIAN Chengping	Hebei	1945	1964	Civil Architecture	1962-1968
WU Bangguo	Anhui	1941	1964	Radio Electronics	1960-1967
XI Jinping	Shaanxi	1953	1974	Chemical Engineering	1975-1979
ZHOU Ji	Shanghai	1946	NA	Precision Instruments	1964-1970
ZHOU Xiaochuan	Jiangsu	1948	1986	Economic Management	1980-1985

Source: Bo Zhiyue, *China’s Elite Politics: Governance and Democratization* (Singapore: World Scientific Publishing, 2010), p. 138, Table 4.2.

The “Qinghua Clique” has declined from 20 members in the 16th Central Committee to 10 members in the 17th Central Committee because of retirement.⁶⁶ Table 1 provides details of the Qinghua Clique in the 17th Central Committee and shows that Xi is the youngest member from Shaanxi Province and one of the two chemical engineering graduates. Apart from being a Qinghua graduate, Xi is among the 52 members of the 17th Central Committee with PhD degrees.⁶⁷ As mentioned earlier, he also studied Marxist philosophy in an on-the-job postgraduate program at

64. Ibid., pp. 88-91.

65. Ibid., pp. 92-93.

66. Bo Zhiyue, *China’s Elite Politics: Governance and Democratization* (Singapore: World Scientific Publishing, 2010), p. 137.

67. Ibid., p. 56.

Tsinghua University's SHSS from 1998 to 2002 and obtained a Doctor of Law (LLD) degree in 2002 at the age of 48.⁶⁸

As his father, XI Zhongxun, was a vice premier of the State Council from April 1959 to October 1962 and a key ally of DENG Xiaoping, XI Jinping is also one of the 25 "princelings" (*taizidang* or children of former senior CCP officials) in the 17th Central Committee.⁶⁹ Table 2 identifies the nine members of the 17th PSC in October 2007. It should be noted that Xi is the only PSC member who is one of the six members of the 17th Secretariat.⁷⁰

Table 2: The 17th Politburo Standing Committee (October 2007)

Name	Year of Birth	Age	Home Province	Prior Party Position	Membership
HU Jintao	1942	65	Anhui	16 th PSC member	Old
WU Bangguo	1941	66	Anhui	16 th PSC member	Old
WEN Jiabao	1942	65	Tianjin	16 th PSC member	Old
JIA Qinglin	1940	67	Hebei	16 th PSC member	Old
LI Changchun	1944	63	Liaoning	16 th PSC member	Old
XI Jinping	1953	54	Shaanxi	Shanghai Party Secretary	New
LI Keqiang	1955	52	Anhui	Liaoning Party Secretary	New
HE Guoqiang	1943	64	Hunan	16 th Politburo member	New
ZHOU Yongkang	1942	65	Jiangsu	16 th Politburo member	New

Source: Bo, *China's Elite Politics*, p. 21, Table 1.1.

B. Administrative and Political Experience

XI Jinping and LI Keqiang were promoted to the 17th PSC in October 2007 as candidates of the fifth generation leadership in China. Xi was transferred to Zhejiang as acting governor on October 12, 2002, after serving as acting governor and governor of Fujian from August 1999 to October 2002. He was promoted to Party Secretary of Zhejiang on No-

68. Zheng Yongnian and Chen Gang, "Xi Jinping's Rise and Political Implications," *China: An International Journal*, 7 (1) (March 2009): 24, fn. 51 and 30.

69. Bo, *China's Elite Politics*, p. 140, Table 4.3.

70. *Ibid.*, pp. 37-38.

ember 21, 2002, and transferred to Shanghai as Party Secretary in March 2007 to replace HAN Zheng, the acting Party Secretary.⁷¹ Table 3 provides details of the various positions held by Xi from 1979-2012.

Table 3: Positions held by Xi Jinping, 1979-2013

No.	Period	Position
1	1979-1982	Secretary of the General Offices of the State Council and Central Military Commission
2	1982	Secretary to GENG Biao
3	1982-1983	Deputy Party Secretary, Zhengding County, Hebei Province
4	1983-1985	Party Secretary and First Political Commissar, Chinese People's Armed Police Force, Zhengding County, Hebei Province
5	1985-1988	Executive Vice-Mayor of Xiamen and Member of Party City Committee and Standing Committee, Xiamen, Fujian Province
6	1988-1990	Party Secretary, Prefectural Committee, Ningde Prefecture and First Secretary, People's Liberation Army (PLA), Nanjing Military Region, Fujian Military District, Fujian Province
7	1990-1995	Chairman, City People's Congress, Fuzhou, Fujian Province
8	1990-1996	First Secretary, PLA, Nanjing Military Region, Fujian Military District, and Party Secretary, City Committee, Fuzhou, Fujian Province
9	1992-1997	Delegate, 14 th Party National Congress
10	1995-2002	Deputy Party Secretary, Provincial Committee, Fujian Province
11	1996-2000	First Political Commissioner, PLA, Services and Arms, Reserve Artillery Division, Fujian Province
12	1997-2002	Alternate Member, 15 th Party Central Committee
13	1998-2003	Deputy, 9 th National People's Congress
14	1998-2002	Graduate Student, Humanities Department, Tsinghua University, Beijing
15	1999-2002	Director, PLA, National Defense Mobilization Committee, Provincial Level, Fujian Province
16	1999-2003	Deputy Director, PLA, National Defense Mobilization Committee, City Level, Nanjing, Jiangsu Province
17	1999-2000	Acting Governor, People's Government, Fujian Province
18	2000-2002	Governor, People's Government, Fujian Province
19	2001-2002	Member, Party Provincial Committee and Standing Committee, Fujian Province
20	2002-2003	Director, PLA, National Defense Mobilization Committee, Provincial Level, Zhejiang Province
21	2002-2007	First Secretary, PLA, Regions, Nanjing Military Region, Zhejiang Military District, Party Committee, Zhejiang Province
22	2002	Deputy Party Secretary, Provincial Committee, Zhejiang Province
23	2002-2003	Acting Governor, People's Government, Zhejiang Province
24	2002-2007	Party Secretary, Provincial Committee, Zhejiang Province
25	2002-2007	Member, 16 th Party Central Committee

71. Ibid., p. 23.

26	2003-2007	Chairman, Provincial People's Congress and Standing Committee, Zhejiang Province
27	March 2007	Party Secretary, Municipal Committee, Shanghai Municipality
28	2007-2012	President, Party Central Committee, Central Party School
29	2007-2012	Member, 17 th Party Central Committee Politburo, Standing Committee and Secretariat
30	2007-2012	Vice-Chairman, 17 th Party Central Committee, Taiwan Affairs Leading Small Group and Chairman, 17 th Party Central Committee Party Building Leading Small Group
31	2008-2013	Vice-President, People's Government, People's Republic of China
32	2010-2012	Vice-Chairman, 17 th Party Central Committee, Central Military Commission
33	2010-2013	Vice-Chairman, Central Military Commission, PRC
34	November 2012	Secretary-General, 18 th Party National Congress, General Secretary, 18 th Party Central Committee and Member, 18 th Party Central Committee Central Military Commission, Politburo and Politburo Standing Committee

Source: Compiled from China Vitae at http://www.chinavitae.com/biography/Xi_Jinping/full (accessed 18 March 2015).

Xi's promotion to the 17th PSC was based on "careful selection and deliberation." A survey of a random sample of 400 senior officials by the Central Organization Department was conducted in January 2007 to ascertain their views on social issues and to collect public opinion on candidates for the position of Shanghai Party Secretary. Xi performed well on this poll and was appointed to the position two months later.⁷² Contrary to expectations, Xi's appointment as Shanghai Party Secretary in March 2007 did not prevent him from being promoted to the 17th PSC. He was promoted because of his selection by 400 officials surveyed on June 25, 2007 to identify candidates for the 17th PSC from a pool of 200 candidates below 63 years old with the rank of a minister or a chief military region officer. LI Keqiang was HU Jintao's protégé but Xi was placed ahead of Li because of his higher score on the survey. Xi's position as the heir apparent to Hu was consolidated in March 2008 with his election as the Vice-President of the People's Republic of China (PRC).⁷³ Xi was not appointed as the first Vice-Chairman of the CMC in October 2007 because he needed more time before becoming involved in military affairs.⁷⁴

72. *Ibid.*, pp. 23-24.

73. *Ibid.*, pp. 24-25.

74. *Ibid.*, p. 43.

C. Explaining Xi’s Meteoric Rise to Power

In his autobiography, *Son of Yellow Earth*, Xi revealed that he had submitted eight applications to join the Communist Youth League before he was accepted. Similarly, he was only admitted into the CCP in 1974 and made the brigade party secretary only after submitting his tenth application for membership because his previous nine applications were rejected due to his family background and based on the fact that his father XI Zhongxun was purged by Mao during the Cultural Revolution.⁷⁵

After graduating with a degree in Chemical Engineering from Tsinghua University in 1979, Xi’s first position was Secretary of the General Offices of the State Council and CMC. In October 2007, 28 years later, Xi was appointed as one of the nine members of the 17th PSC. In other words, Xi was promoted to the 17th PSC as a member of China’s fifth generation leadership 33 years after joining the CCP in 1974. During 1982-2013, Xi has held 17 positions, with an average of less than two years in each position. Xi’s fast-track career is the result of his “mastery of the political tricks necessary to move forward in good and opportune times.”⁷⁶

What are the reasons for Xi’s rapid rise to political power from 1974 to his appointment as the CCP’s General Secretary in November 2012? First, Xi’s background as a princeling was not a disadvantage because during his seven years of hardship living in the Shaanxi countryside Xi acquired the ability to relate with the masses. His wealth of grass-roots experience put him in good standing and gave Xi the edge over his closest competitor, LI Keqiang, who lacked such experience.⁷⁷ Zheng and Chen contend that Xi’s “abundant local grass-roots working experience” in northern Hebei, southeastern Fujian, eastern Zhejiang, and Shanghai from 1982 to 2007 was an important asset because in contrast Li remained in Beijing until he was transferred in 1998 from the Central Committee of the Chinese Communist Youth League to Henan Province to serve as the Deputy Party Secretary.⁷⁸

Second, Xi’s strong ties with the military constituted an important asset for his climb to the top. His father’s “closest old comrade-in-arms” was GENG Biao, who was appointed as the Secretary General of the CMC in January 1979. He was also a Politburo member from August 1977 and a Vice-Premier of the State Council from March 1978.

75. Xi, *Son of Yellow Earth*, p. 18.

76. Kuan, *China under the New Leadership*, p. 4.

77. For details of Li’s background, see Wu Ming and Lin Zheng, *China’s Road: A Biography of Li Keqiang* (Hong Kong: CNHK Publications, 2012).

78. Zheng and Chen, “Xi Jinping’s Rise and Political Implications,” 10.

Through his father's friendship with Geng, Xi was offered the position of Geng's personal secretary in the CMC's General Office. As Geng's personal secretary, Xi was a member of Geng's government delegation when they visited Iceland, Finland, Norway and Sweden in May 1979, and he also accompanied Geng and his military delegation to the United States from May 25 to June 6, 1980.⁷⁹ Xi left his position at the CMC's General Office in July 1981 when GENG Biao was succeeded by YANG Shangkun as the CMC's Secretary General.⁸⁰

Table 3 shows that Xi's ties with the PLA are further reflected in his occupancy of these positions: First Secretary, PLA, Nanjing Military Region in Fujian Province (1988-1996); First Political Commissioner, PLA, Services and Arms, Reserve Artillery Division, Fujian Province (1996-2000); Director, PLA, National Defense Mobilization Committee (NDMC), Provincial Level, Fujian Province (1999-2002); Deputy Director, PLA, NDMC, City Level, Nanjing, Jiangsu Province (1999-2003); Director, PLA, NDMC, Provincial Level, Zhejiang Province (2002-2003); and First Secretary, PLA, Regions, Nanjing Military Region, Zhejiang Military District, Party Committee, Zhejiang Province (2002-2007).

Xi's close ties with the PLA are cemented by the support he has received from the CMC's Vice-Chairmen, General GUO Boxiong and General XU Caihou,⁸¹ both of whom were loyal to former President JIANG Zemin, who was the CMC's Chairman from November 1989 to September 2004. They have demonstrated their support for Xi on many occasions since his appointment as the CMC's Vice-Chairman in October 2010.⁸² Xi's other source of military support comes from these three "princeling generals": General LIU Yuan (son of LIU Shaoqi), General LIU Yanzhou (son of LIU Jiande), and General ZHANG Haiyang (son of General ZHANG Zhen). As a close friend of Xi in the PLA, General LIU Yuan is also committed to fighting corruption.⁸³

Third, Xi has valuable administrative experience as Governor of Fujian Province (2000-2002) and Acting Governor of Zhejiang Province (2002-2003). More importantly, he has also risen rapidly within the CCP

79. Bo Zhiyue, "Xi Jinping and his Military Ties," *EAI Background Brief*, No. 702 (Singapore: East Asian Institute, National University of Singapore, March 1, 2012), p. 3.

80. *Ibid.*, p. 4.

81. General Xu, former vice-chairman of the CMC, was expelled from the CCP in June 2014 and handed over to the prosecutors in October 2014 on corruption charges. See Liu Sha, "No one untouchable after downfall of Zhou Yongkang: PLA paper," *Global Times*, December 18, 2014.

82. Bo, "Xi Jinping and his Military Ties," pp. 4-5.

83. *Ibid.*, pp. 6-9.

as can be seen from his various positions as Party Secretary in Zhengding County, Hebei Province (1983-1985); Party Secretary in Ningde Prefecture, Fujian Province (1988-1990); Delegate at the 14th Party National Congress (1992-1997); Party Secretary in Fuzhou, Fujian Province (1990-1996); Alternate Member of the 15th Party Central Committee (1997-2002); Deputy of 9th National People’s Congress (1998-2003); Party Secretary, Provincial Committee, Zhejiang Province (2002-2007); Member of 16th Party Central Committee (2002-2007); and Party Secretary, Municipal Committee, Shanghai Municipality from March 2007 until his promotion to the PSC in October 2007.

The final reason for Xi’s rapid climb within the CCP hierarchy is his incorruptible reputation and commitment to combating corruption within and outside the CCP. Xi’s performance in Fujian and Zhejiang Provinces facilitated his entry into the Political Bureau. Xi’s 17 years in Fujian Province first as Vice-Mayor of Xiamen in 1985 to later serving as the Governor from 2000 to 2002 were significant because he was responsible for helping Fujian Province recover from the Yuanhua smuggling scandal.⁸⁴ Similarly, Xi was moved in March 2007 to Shanghai to replace CHEN Liangyu, who was jailed for his role in the pension fund scandal, as Party Secretary. Xi’s clean reputation enabled him to clean up Shanghai by requiring its officials to declare their assets.⁸⁵

When he was 35, Xi’s first attempt to combat corruption occurred after his appointment as the Party Secretary for the Ningde Prefecture in May 1988. Ningde was a poverty-stricken prefecture of 14,000 square kilometers with a population of about three million and a per capita income of RMB160.⁸⁶ Xi’s difficult task was to improve the poverty and poor infrastructure in Ningde Prefecture. The three major life events in East Fujian were building a house, funerals and weddings. Xi found that 7,392 cadres had built private houses in the area since 1982, including 242 cadres above vice county level and 1,399 cadres above section level. One cadre spent RMB100,000 to build a 300 square meters house, which was beyond his official income. Before Xi’s arrival, the Ningde Prefectural Party Committee investigated this problem three times but without any positive results as the housing construction continued unabated.⁸⁷

Xi began to curb the “roadside corruption” by demolishing the buildings and investigating and prosecuting those officials responsible for their construction. He restricted housing construction with “an iron

84. Zheng and Chen, “Xi Jinping’s Rise and Political Implications,” 11.

85. *Ibid.*, 12.

86. Wu, *China’s Future: A Biography of Xi Jinping*, p. 178.

87. *Ibid.*, p. 190.

hand” and made inspection breakthroughs by “cracking the hard nut, attacking the negative models, and demolishing the diehard.”⁸⁸ Xi’s first anti-corruption campaign won public support in East Fujian and was endorsed by ZHANG Mingqing, Head of the Fujian Journalist Station of the *People’s Daily*, who submitted a report titled “Investigating on Cadres’ Violating Discipline to Build Houses in Ningde, Fujian” to the CCP Central Committee and the State Council for Internal Reference. The report was subsequently published as an article in the *People’s Daily* titled “A good deed wins thousands of people”, which made Xi’s anti-corruption campaign in Ningde famous.⁸⁹

In sum, XI Jinping succeeded HU Jintao because of his acceptability to the CCP’s various factions in view of “his special family background, unique personal experience and low-profile, open-minded characteristics”⁹⁰ as well as his strong ties with the military, extensive administrative and experience, and honest reputation. Xi’s “biggest redeeming quality is that he has managed to rise up the party hierarchy without creating major waves, getting caught up in any major scandals, or creating too many enemies.” Like Hu, Xi is “a good consensus candidate for party secretary, because although he is probably not anyone’s first choice, he is at least acceptable to a wide range of cadres.”⁹¹ Similarly, Gordon Chang contends that Xi was selected because he “appealed to factions” as he was not identified with any faction, and was “essentially, the least unacceptable candidate.”⁹² The event that confirmed Xi’s selection as Hu’s successor was his successful management of the Beijing Olympic Games in August 2008, which was his first political test after his appointment as the PRC’s Vice-President in October 2007.⁹³

Perhaps, the best explanation for Xi’s selection as Hu’s successor is provided by Kerry Brown, who attributes Xi’s success to his extensive membership of the five networks of family, military, business, provincial and elite support. Unlike his six colleagues in the 18th PSC, “the political

88. Ibid., pp. 190-191.

89. Ibid., p. 191.

90. Zheng and Chen, “Xi Jinping’s Rise and Political Implications,” 9.

91. Melanie Hart, *China’s Real Leadership Question* (Washington, DC: Center for American Progress, August 16, 2012), p. 23.

92. Gordon G. Chang, “China’s Next Mao,” *Journal of International Security Affairs*, 25 (Fall/Winter 2013): 7.

93. See Bo, *China’s Elite Politics*, p. 370 and Zheng Yongnian and Chen Gang “A Political Gold Medal for Xi Jinping: The Successful Beijing Olympics,” *EAI Background Brief*, No. 407 (Singapore: East Asian Institute, National University of Singapore, October 8, 2008), p. 1.

rationale for Xi is that he alone combined the full range of networks.”⁹⁴ Brown observes that Xi’s “diverse range of supportive networks” spread from “those he inherited from his father; to those he acquired while working in his military position; and then in the county, prefecture, provincial and national entities from 1979 onwards.” His eight years in Fujian and Zhejiang Provinces and brief stay in Shanghai linked him to powerful local business interests and provincial political and social elites.⁹⁵ Table 4 confirms that Xi is the only committee member belonging to all the five networks, thus confirming his choice as Hu’s successor.

Table 4: Networks of Members of 18th Politburo Standing Committee

Name	Networks
XI Jinping	Family, military, business, provincial, elite support (5)
LI Keqiang	Family, provincial, business, some elite support (4)
WANG Qishan	Family (inherited), provincial (brief), business (central, intellectual), elite support (4)
ZHANG Gaoli	Provincial, elite support, business (3)
ZHANG Dejiang	Provincial, elite support, business (3)
YU Zhengsheng	Family, provincial, business, elite support (4)
LIU Yunshan	Business (intellectual, central), some elite support (2)

Source: Kerry Brown, *The New Emperors: Power and the Princes in China* (London: I.B. Tauris, 2014), p. 218.

IV. CHINA’S RELIANCE ON MULTIPLE ANTI-CORRUPTION AGENCIES

Unlike Singapore and the Hong Kong Special Administrative Region (SAR), which rely on a single ACA like the Corrupt Practices Investigation Bureau (CPIB) and the Independent Commission Against Corruption (ICAC) respectively,⁹⁶ China relies instead on these four ACAs: the Central Commission for Discipline Inspection (CCDI); the Ministry of Supervision (MOS); the SPP; and the National Corruption Prevention Bureau (NCPB).

94. Kerry Brown, *The New Emperors: Power and the Princes in China* (London: I.B. Tauris, 2014), p. 218.

95. *Ibid.*, p. 121.

96. For details of these two ACAs, see Quah, *Curbing Corruption in Asian Countries*, pp. 221-232, 253-264.

A. Central Commission for Discipline Inspection (CCDI)

The origins of the CCDI, which is the lead ACA in the PRC, can be traced to the creation of the CCP's Discipline Supervision Commissions (DSCs) at the central and provincial levels in April 1927 in order to strengthen its consistency and authority.⁹⁷ In November 1949, the CCP's Central Political Bureau established the Discipline Inspection Commissions (DICs) at the central and local levels to conduct discipline inspections in all the departments directly under the central government and the CCP organizations at all levels. Consequently, the number of personnel in the DICs grew from less than 1,500 to 7,269 from April 1951 to December 1954.⁹⁸ In 1953, the DICs dealt with 409,532 cases and initiated disciplinary measures against 74,671 CCP members.⁹⁹ The DICs were replaced by the DSCs at the central and local levels in March 1955 to strengthen the CCP's political and organizational discipline.¹⁰⁰

The Cultural Revolution from May 1966 to October 1976 dismantled the CCP's discipline inspection system and in April 1969, the DSCs at all levels were abolished by the CCP's 9th National Congress, thus halting the CCP's discipline inspection work. After more than nine years in December 1978, the third session of the CCP's 11th National Congress decided to re-establish the CCDI, which held its first plenary meeting on January 4, 1979.¹⁰¹ The CCDI's 100 members were elected at the December 1978 meeting with CHEN Yun as its first secretary, which enhanced his career prospects in the CCP.¹⁰² The 12th Party Congress in 1982 elected a new CCDI with 132 members, of whom only 26 had served on the previous CCDI.¹⁰³ The number of CCDI personnel has increased by almost eight times over the past 32 years and reached about 1,000 by December 2014.¹⁰⁴

97. Guo Yong, "Historical Evolvement and Future Reform of the China Communist Party Discipline Inspection Commission," (Paper presented at the Opening Ceremony of the Centre of Anti-Corruption Studies and Seminar in Hong Kong, April 2, 2009), p. 236.

98. *Ibid.*, p. 236.

99. Ting Gong, "The Party Discipline Inspection in China: Its Evolving Trajectory and Embedded Dilemmas," *Crime, Law and Social Change*, 49 (2) (March 2008): 142.

100. Guo, "Historical Evolvement and Future Reform of the China Communist Party Discipline Inspection Commission," p. 236.

101. *Ibid.*, p. 237.

102. Leslie Holmes, *The End of Communist Power: Anti-Corruption Campaigns and Legitimation Crisis* (Cambridge: Polity Press, 1993), p. 207.

103. Graham Young, "Control and Style: Discipline Inspection Commissions since the 11th Party Congress," *China Quarterly*, 97 (1984): 30.

104. Chen Gang, "Wang Qishan and China's Central Commission for Discipline Inspection," *EAI Background Brief*, No. 1012 (Singapore: East Asian Institute, National University of Singapore, April 2, 2015), p. 10.

The CCDI reports to the National People’s Congress (NPC) and is supervised by the CCP’s Central Committee. The CCDI’s composition and its procedures are governed by the CCP’s Constitution and statutes, which entrusts the CCDI with the responsibility of coordinating the CCP’s anti-corruption activities by article 44.¹⁰⁵ The CCDI’s role as the chief coordinator of the CCP’s anti-corruption efforts and the PRC’s lead ACA was recognized at the 16th Party Congress in 2002.¹⁰⁶ In March 2013, the CCDI’s organizational chart was revealed on the website of the MOS. The CCDI is divided into these nine offices: General Office; General Inspection Office; Corruption Prevention; Research; Legal Office; Communication and Education Office; Party Culture Construction Office; Inspection Circuit; and Correction of Unhealthy Tendencies within Organizations and Industries. These offices are assisted by eight Inspection Offices, which are further divided into these ten units: Law Enforcement Inspection; Performance and Efficiency Management; Investigation Surveillance Office; Prosecutor Office; Letters and Visits Office; Official Management Office; External Affairs Office; Internal Affairs Office; Party Commission; and Bureau of Retired Officials.¹⁰⁷

The CCDI also publicizes on the same website these five steps for launching a corruption investigation: (1) receiving the report; (2) preliminary probe; (3) launching the case; (4) investigation; and (5) transfer case to the police.¹⁰⁸ The CCDI has revealed recently that it dispatches agents to meet fugitive corrupt officials in those countries like the United States, Canada and Australia, where China does not have extradition treaties, to persuade them to return home. Furthermore, it also provides other countries with evidence of criminal activity, including violations of that country’s immigration laws. China conducted Operation Fox Hunt in 56 countries and by November 2014, 288 fugitives suspected of financial crimes were arrested by the CCDI.¹⁰⁹

Since China’s ACAs employ a sectoral approach to investigate corruption cases, the CCDI and DICs only deal with party officials who are accused of corruption. Even though the CCDI is China’s lead ACA, it is

105. Irene Hors, Gretta Fenner, Joachim Pohl and Janos Bertok, “Fighting Corruption in China,” in *Governance in China* (Paris: Organization for Economic Cooperation and Development, 2005), p. 117.

106. Gong, “The Party Discipline Inspection in China,” 147.

107. Lin Yunshi, “Graphics: Details of Party’s Discipline Watchdog released,” *Caixin Online*, March 14, 2013. The MOS website is available at <http://www.mos.gov.cn>.

108. *Ibid.*

109. Mark Hanrahan, “China anti-corruption campaign: Authorities reveal how they target fugitives in countries with no extradition treaties,” *International Business Times*, March 19, 2015.

not a statutory law supervision agency like the SPP but the CCP's internal disciplinary agency responsible for investigating corruption involving party members.¹¹⁰

B. Supreme People's Procuratorate (SPP)

The SPP originated from the People's Procuratorate, which was established in 1949 to ensure that the government's activities complied with the law and to investigate and prosecute serious crimes committed by public officials. However, it was the weakest of the four organizational monitors formed by the CCP because of the shortage of cadres and the fact that its primary function did not entail organizational supervision.¹¹¹ The People's Procuratorate "transacted very little actual business" and played "a minimal role" during its first two years.¹¹² Its "virtually snail-like pace" resulted from "the acute shortage of qualified personnel to man a comprehensive and balanced network of procuratorial offices."¹¹³ Furthermore, the government did not initiate a training program to meet the shortage of competent cadres because it preferred to rely on "non-judicial methods of suppression and punishment, bound by few rules" than on the People's Procuratorate, which was hampered by procedural restrictions. Consequently, the People's Procuratorate was "fated to occupy a back seat" while other agencies like the Office of Public Security, "enjoyed undisputed priority of precedence."¹¹⁴

The SPP was re-established in 1978 to combat judicial corruption. The People's Procuratorates are identified by article 129 of the PRC's Constitution as the "state organs for legal supervision." In 1989, the SPP created the Procuratorial Division of Graft and Bribery in the wake of the Tiananmen anti-corruption and democracy movement. The Bureau for Embezzlement and Bribery of the People's Procuratorate handles and prevents cases of embezzlement and bribery by investigating economic crime including misappropriation of public funds, tax evasion and refusal to pay taxes, and use of fake trademarks.¹¹⁵ The SPP institutionalized its

110. Guo, "Historical Evolvement and Future Reform of the China Communist Party Discipline Inspection Commission," p. 247.

111. Harry Harding, *Organizing China: The Problem of Bureaucracy 1949-1976* (Stanford, CA: Stanford University Press, 1981), pp. 78-79.

112. George Ginsburgs and Arthur Stahnke, "The Genesis of the People's Procuratorate in Communist China 1949-1951," *China Quarterly*, 20 (October-December 1964): 21.

113. *Ibid.*, 22.

114. *Ibid.*, 23-24.

115. Luo Ji, Miao Chunrui and Guo Hua (Eds.), *The Work against Embezzlement and Bribery in the People's Procuratorates of the People's Republic of China* (Beijing: Procuratorial Department for Embezzlement and Bribery, Supreme People's Procuratorate, n.d.), p. 3.

anti-corruption efforts in 1989 with the formation of the General Bureau of Anti-Corruption.¹¹⁶

In December 1995, the SPP established an Anti-Corruption and Anti-Bribery General Office and similar offices at the provincial level in 28 provincial procuratorates and at the municipal level in nearly 300 municipal procuratorates. The SPP continued to build specialized anti-corruption departments in the local procuratorates to enhance their capacity in corruption control in 1996.¹¹⁷ The SPP renamed its Department of Law and Regulation as the Department of Anti-Malfesance of Duty in July 2000 to reflect these four new priorities: (1) malfesance of duty of senior officials in the CCP and administrative sector; (2) judicial sector corruption; (3) administrative legal enforcement corruption; and (4) public sector employee corruption.¹¹⁸

On November 3, 2014, *Xinhua* reported that the SPP had formed a new anti-corruption committee to solve “unprecedentedly serious” cases of corruption. According to QIU Xueqiang, the Deputy Procurator-General, since the SPP’s work has been weakened by “a frail organizational structure and staffing limitations,” the new agency “will be better organized” to help the SPP “handle major cases and break institutional obstacles.”¹¹⁹

C. Ministry of Supervision (MOS)

In November 1949, the Central Supervision Commission was created to investigate public accusations against state agencies and officials for malfesance and other offenses. Local commissions were also established in the provinces and counties. The Austerity Inspection Commission (AIC) was formed in December 1951 to implement the Three Anti Campaign. The expansion of the supervision apparatus led to the creation of 3,586 supervisory agencies with 18,000 supervisory officials and 78,000 “people’s supervision correspondents.”¹²⁰ The MOS was formed by the 1954 constitution, which empowered the supervisory agencies to supervise, investigate and recommend further disciplinary measures

116. Stephen K. Ma, “The Dual Nature of Anti-Corruption Agencies in China,” *Crime, Law and Social Change*, 49 (2) (March 2008): 154.

117. Melanie Manion, “Corruption and Corruption Control: More of the same in 1996,” in Maurice Brosseau, Kuan Hsin-chi and Y.Y. Kueh (Eds.), *China Review 1997* (Hong Kong: Chinese University Press, 1997), p. 44.

118. Meng, *Corruption in Transitional China*, p. 62.

119. Sneha Shankar, “China to set up new anti-corruption committee to fight ‘unprecedentedly serious’ cases,” *International Business Times*, November 3, 2014.

120. Lu, *Cadres and Corruption*, pp. 51 and 64-65.

against administrative misconduct by public officials.¹²¹ It was dissolved in 1959 but was restored by the Standing Committee of the 6th NPC in December 1986 to curb corruption in the civil service.¹²²

The MOS is described as the “Ministry of Honesty in Foreign Contracts” because it is responsible for checking “all contracts signed with foreign interests for any indications of ‘corruption’—from failure to provide for compensation within legal limits to undercover arrangements that amount to bribery.”¹²³ It also investigates the problems encountered by the different departments of the State Council, the people’s governments of all provinces, autonomous regions, and municipalities in following and enforcing discipline, laws, regulations and decisions of the people’s government. Its third function is to receive and investigate complaints about civil servants and personnel of state administrative departments violating administrative procedures. The MOS’s final function is to accept and consider appeals by those civil servants and other state administrative personnel for not adhering to the punishment imposed for their mistakes.¹²⁴

Both the CCDI and MOS have their counterparts at the provincial, municipal, and county levels.¹²⁵ As most civil servants are also party members, the MOS and CCDI merged in January 1993 after working together for six years. However, both ACAs have retained their separate organizational identities, with the MOS being responsible for the control of administrative punishment in State Council organs and the CCDI focusing instead on the punishment of CCP members.¹²⁶

D. National Corruption Prevention Bureau (NCPB)

Unlike the CCDI, SPP and MOS, which focus on the investigation and prosecution of corruption offenses among public officials, the NCPB was formed on September 13, 2007 as China’s fourth ACA to implement preventive measures, monitor the transfer of assets across the organizations, facilitate and promote information sharing between agencies, and police corrupt practices among private enterprises, social organizations,

121. Ibid., p. 65.

122. Ma, “The Dual Nature of Anti-Corruption Agencies in China,” 154.

123. Boye Lafayette De Mente, *The Chinese Way in Business: The Secrets of Successful Business Dealings in China* (Tokyo: Tuttle Publishing, 2013), p. 99.

124. Ibid., pp. 99-100.

125. Guo Yong, *National Integrity Systems Transparency International Country Study Report: China 2006* (Berlin: Transparency International, 2006), p. 17.

126. David Shambaugh, *China’s Communist Party: Atrophy and Adaptation* (Washington DC: Woodrow Wilson Center Press, 2008), pp. 132-133.

and nongovernmental organizations.¹²⁷ Thus, the NCPB focuses on two aspects not dealt with by the other three ACAs namely, corruption prevention and private sector corruption.

The NCPB is located within the MOS and was headed by MA Wen, who was the Minister of Supervision, the CCDI deputy secretary and a Central Committee party member. It is divided into four offices with a coordinating office, and consists of 30 personnel drawn from the Ministry of Justice, the Supreme People’s Court and the SPP.¹²⁸ The CCDI, MOS and SPP are ineffective ACAs because of “limited coordination between the three agencies, a lack of timely, actionable information, and narrow oversight capabilities all hinder anti-corruption work.”¹²⁹ Consequently, the NCPB cannot enhance coordination and facilitate cooperation among the ACAs in China because apart from its limited independence and minimal enforcement capabilities, its creation has increased complexity instead of improving coordination. The NCPB is in “a highly untenable position” because it lacks the power to enforce its mandate of coordinating the work of the ACAs.¹³⁰ Its creation was “symbolic” as it cannot investigate individual cases of corruption.¹³¹

E. Weaknesses of China’s ACAs

There is an unequal division of labor and power among the four ACAs in China with the lead ACA, the CCDI, being the most powerful and responsible for dealing with party officials accused of corruption offenses. Those found guilty of disciplinary offenses, including corruption, are punished according to the severity of their offenses. Punishments can include a warning, serious warning, demotion from duty, expulsion from the CCP with a two-year probation period, or expulsion from the CCP and transfer to the judicial system for those accused of accepting bribes exceeding 5,000 yuan.¹³²

Flora Sapio has criticized the CCDI for protecting party cadres who are under investigation by shielding them in “a safe nest” and exempting

127. Jeffrey Becker, “Tackling Corruption at its Source: The National Corruption Prevention Bureau,” *Journal of Chinese Political Science*, 13 (3) (2008): 291.

128. *Ibid.*, 291.

129. *Ibid.*, 287.

130. *Ibid.*, 297-299.

131. Chen Gang and Zhu Jinjing, “China’s Recent Clampdown on High-Stakes Corruption,” *EAI Background Brief*, No. 490 (Singapore: East Asian Institute, National University of Singapore, November 19, 2009), p. 13.

132. Flora Sapio, *Implementing Anti-Corruption in the PRC: Patterns of Selectivity* (Lund: Centre for East and Southeast Asian Studies, Lund University, Working Paper No. 10, 2005), pp. 8 and 10.

them from criminal punishment.¹³³ This weakness of the CCDI is reflected in the low conviction rate of party members being investigated for misconduct. PEI Minxin found that only 1,915 (6.6 percent) of the 28,901 cadres disciplined by the CCDI were sentenced by the courts.¹³⁴ The CCP's lenient treatment of its corrupt members can be attributed to the political tradition of not imposing the legal penalty for corrupt party members in order to save the "face" of the CCP and government and prevent the erosion of official authority. In other words, instead of punishing high-ranking officials, which is shameful and threatens the authority of the CCP and government, the preferred option is to rely on "internal resolution." Consequently, corrupt party officials believe that they would unlikely be caught or punished.¹³⁵

Since not all officials who are suspected of corruption and investigated in China are convicted, CAI Yongshun contends that some corrupt officials are punished less severely for three reasons. First, those corrupt officials who are cooperative, make voluntary confessions, provide information on the corruption of other officials, and return illegal income to the government, are punished less severely. Second, some corrupt officials receive less harsh punishment depending on the definition of the amount of money embezzled or bribes received. Third, when there are many corrupt officials, only seriously corrupt officials are punished whereas the less corrupt officials are exempted from punishment in order to avoid paralyzing the operations of the city or local government. Indeed, "when the number of corrupt agents becomes too high, curbing corruption becomes too difficult, if not impossible."¹³⁶ The inconsistencies in investigating and punishing corrupt officials at both the central and local levels in China have undermined the credibility of the disciplinary agencies and encouraged the belief among officials that they would unlikely be punished for corrupt offenses.¹³⁷

The CCP's preference for disciplining corrupt party members by relying on the DICs instead of subjecting them to investigation and prosecution by the SPP has also contributed to their low conviction rate. Apart from replacing harsh criminal punishment with disciplinary action for

133. Ibid., pp. 8-9.

134. Minxin Pei, *China's Trapped Transition: The Limits of Developmental Autocracy* (Cambridge, MA: Harvard University Press, 2006), p. 153.

135. Lening Zhang, "White-Collar Crime: Bribery and Corruption in China," in Jianhong Liu, Lening Zhang and Steven F. Messner (Eds.), *Crime and Social Control in a Changing China* (Westport, CT: Greenwood Press, 2001), pp. 28 and 33.

136. Yongshun Cai, *State and Agents in China: Disciplining Government Officials* (Stanford, CA: Stanford University Press, 2015), pp. 130-131.

137. Ibid., p. 133.

corrupt officials, the probability of establishing their guilt is very low due to the limited investigative skills and experience of the DIC personnel and the fact that it takes them nine months to complete their investigations.¹³⁸ Corrupt officials can cover their tracks and destroy incriminating evidence to avoid punishment because of the DIC personnel’s poor investigative skills and inordinate delay in completing their investigations.¹³⁹ In comparison to the DIC, the SPP has more personnel with a legal education background and are also more professional.¹⁴⁰

During their formative years, the CCDI and DICs were inadequately staffed and their personnel’s lack of previous experience in control work was not supplemented by specialized training because of the emphasis on their moral qualities and adherence to party principles.¹⁴¹ Instead of addressing their personnel’s lack of skills in discipline inspection work, the DICs provided ideological and vocational training to enhance their understanding of party policies and increase their knowledge in several related fields.¹⁴²

In addition to the limited capacity of the CCDI and DICs personnel, China’s ACAs are also not independent. The CCDI members are elected for five years by the CCP’s Central Committee. The MOS is a functional department of the State Council and its minister is nominated by the Premier and approved by the NPC or its standing committee. The budgets of the CCDI and MOS are also approved by the People’s congresses at the same level.¹⁴³ The personnel of the CCDI and DICs have faced “numerous difficulties” because of their limited operational autonomy from the CCP. The 1955 National Conference highlighted the DICs’ lack of autonomy but the 1956 Party Constitution reaffirmed their subordination to the party committees.¹⁴⁴ The DIC personnel are subject to the dual authority or leadership of the party committee at the corresponding hierarchical level, and higher-level control organs up to the CCDI and the Central Committee.¹⁴⁵ In investigating those party members who

138. Manion, *Corruption by Design*, pp. 132-134.

139. *Ibid.*, p. 135 and Hors, Fenner, Pohl and Bertok, “Fighting Corruption in China,” p. 114.

140. Guo, “Historical Evolvement and Future Reform of the China Communist Party Discipline Inspection Commission,” p. 248.

141. Lawrence R. Sullivan, “The Role of the Control Organs in the Chinese Communist Party, 1977-83,” *Asian Survey*, 24 (6) (June 1984): 613; and Young, “Control and Style,” 46-47.

142. Young, “Control and Style,” 46-47.

143. Quah, *Minimizing Corruption in China*, p. 73.

144. Young, “Control and Style,” 26.

145. Sullivan, “The Role of the Control Organs in the Chinese Communist Party, 1977-83,” 611.

have violated party style, the DICs distinguish between “work mistakes, political mistakes, line mistakes, and counter-revolutionary actions” and rely on educating them on discipline and party style instead of punishing them.¹⁴⁶

The SPP’s independence is compromised in practice by the power of the local party committee and local people’s government regarding the appointment, promotion, transfer or removal of procuratorial personnel and the funding of the procuratorates. A provincial procuratorate is equal in status and independent of the provincial people’s government according to the Constitution, but in practice it is viewed as a subordinate part of the people’s government. The procuratorates are ineffective in supervising the legality of the work of the public security agencies and labor reform organizations as they cannot enforce their recommendations for rectifying the irregularities or impose sanctions for these irregularities. Finally, as most procurators are not well trained, a Central Procurators Management Academy was established in 1991 to enhance their training.¹⁴⁷

The final limitation is the lack of coordination between the CCDI and the SPP. Since the MOS merged with the CCDI in 1993, there is limited coordination and cooperation between both agencies because of their unequal relationship. The CCDI and DICs have four advantages over the SPP in investigating corruption cases. The first advantage arises from the fact that since the DICs learn about the corruption cases first, they can investigate these cases before transferring them to the procuratorates. Second, the CCDI can appropriate criminal corruption cases involving party members by punishing them internally with disciplinary measures instead of transferring them to the SPP for prosecution and harsher punishment. The DICs’ third advantage is their broader jurisdiction, which enables them to investigate a broader range of misconduct than the procuratorates. The final advantage arises from the larger number of DICs and their omnipresence at the grassroots level, in rural villages, urban neighborhoods, and within workplaces. As the procuratorates only operate at the county level, it is not surprising that the CCDI and DICs have received more reports of corruption than the procuratorates.¹⁴⁸

146. Young, “Control and Style,” 39.

147. Albert H.Y. Chen, *An Introduction to the Legal System of the People’s Republic of China* (Singapore: Butterworths Asia, 1992), pp. 126-127.

148. Manion, *Corruption by Design*, pp. 130-132.

To minimize competition and enhance cooperation between the CCDI and SPP, both agencies agreed in 1988 to share information and transfer cases. In 1989, the CCDI, SPP, Supreme People’s Court and the Ministry of Public Security also agreed to share information and documents in the investigation of corruption cases. Furthermore, in 1993, the CCDI, SPP and MOS issued the “Circular to Strengthen Cooperation between the DICs and Procuratorates in Anti-Corruption” to promote cooperation by agreeing to meet regularly.¹⁴⁹ However, in practice, given its status as the lead ACA and the CCP’s preference for disciplining corrupt party members internally, the CCDI and DICs investigate more corruption complaints involving party members than the SPP and the procuratorates.

V. XI JINPING’S ANTI-CORRUPTION CAMPAIGN

A. Mass Campaigns in China

In his analysis of various anti-corruption measures, Leslie Holmes has identified anti-corruption campaigns as a popular measure for curbing corruption in communist and post-communist states, including Bulgaria, Czechia, Hungary, Macedonia, Poland, Russia and Ukraine (which had initiated anti-corruption campaigns during the 1990s).¹⁵⁰ China has implemented the most anti-corruption campaigns¹⁵¹ and even though the former Soviet Union initiated many anti-corruption campaigns in the 1980s, it “could not match the Chinese in terms of public campaigning by the leadership against corruption.”¹⁵²

The extensive reliance on mass campaigns in China is also reflected in the literature.¹⁵³ Alan Liu has defined a “mass campaign” as “a series

149. Guo, “Historical Evolvement and Future Reform of the China Communist Party Discipline Inspection Commission,” p. 248.

150. Leslie Holmes, *Rotten States? Corruption, Post-Communism, and Neo-Liberalism* (Durham, NC: Duke University Press, 2006), p. 238.

151. Ting Gong, *The Politics of Corruption in Contemporary China: An Analysis of Policy Outcomes* (Westport, CT: Praeger Publishers, 1994), p. xv.

152. Holmes, *The End of Communist Power*, p. 232.

153. See Vincent V.S. King, *Propaganda Campaigns in Communist China* (Cambridge, MA: Center for International Studies, Massachusetts Institute of Technology, 1966); Frederic T.C. Yu, “Campaigns, Communications and Development in Communist China,” in Daniel Lerner and Wilbur Schramm (Eds.), *Communications and Change in the Developing Countries* (Honolulu: East-West Center Press, 1967), pp. 195-215; Alan P.L. Liu, *Communications and National Integration in Communist China* (Berkeley, CA: University of California Press, 1971); Frederick C. Teiwes, *Rectification Campaigns and Purges in Communist China, 1950-61* (Ph.D. dissertation, Columbia University, 1971); Gordon Bennett, *Yundong: Mass Campaigns in Chinese Communist Leadership* (Berkeley, CA: Center for Chinese Studies, University of California, 1976); Charles P. Cell, *Revolution at Work: Mobilization Campaigns in*

of organized, planned actions for a particular purpose, usually involving the mobilization of a large number of people to engage in highly visible, intensive, and concentrated activities.”¹⁵⁴ Unlike Liu, Charles Cell defines a mass mobilization campaign as an “organized mobilization of collective action aimed at transforming thought patterns, class/power relationships and/or economic institutions and productivity.”¹⁵⁵ Finally, Gordon Bennett defines a Chinese *yundong* or campaign as “a government-sponsored effort to storm and eventually overwhelm strong but vulnerable barriers to the progress of socialism through intensive mass mobilization of active personal commitment.”¹⁵⁶

After analyzing the various mass campaigns conducted in China from 1949-1966, Liu has identified four types of campaigns: (1) functionally diffuse and with a target group; (2) functionally diffuse and without a target group; (3) functionally specific and with a target group; and (4) functionally specific and without a target group.¹⁵⁷ Similarly, Cell has provided a threefold classification of campaigns based on his definition: (1) economic campaigns to improve economic conditions and are directed at the agricultural, industrial, commercial, and medical sectors; (2) ideological campaigns, which are concerned with “changing thinking, and cultural and educational standards, correcting erroneous thoughts . . . , raising each person’s general political consciousness, and opposing anti-socialist forces outside the society”; and (3) struggle campaigns, which attempt to correct erroneous thinking and eliminate the power base and/or class position of enemy classes or groups.¹⁵⁸

The origins of China’s use of mass campaigns can be traced to MAO Zedong’s reliance on “the mass line” to perceive the principal “contradictions” in society and to initiate and implement campaigns to

China (New York: Academic Press, 1977); Tyrene White, *China’s Longest Campaign: Birth Planning in the People’s Republic, 1949-2005* (Ithaca, NY: Cornell University Press, 2006); Julia Strauss, “Morality, Coercion and State Building by Campaign in the Early PRC: Regime Consolidation and After, 1949-1956,” in Julia Strauss (Ed.), *The History of the PRC (1949-1976)* (Cambridge: Cambridge University Press, 2007), pp. 37-58; and Elizabeth J. Perry, “From Mass Campaigns to Managed Campaigns: ‘Constructing a New Socialist Countryside,’” in Sebastian Heimann and Elizabeth J. Perry (Eds.), *Mao’s Invisible Hand: The Political Foundations of Adaptive Governance in China* (Cambridge, MA: Harvard University Asia Center, 2011), Chapter 2, pp. 30-61.

154. Alan P.L. Liu, “Mass Campaigns and Political Development in China,” *Current Scene*, 11 (8) (August 1973): 1.

155. Cell, *Revolution at Work*, p. 7.

156. Bennett, *Yundong*, p. 18.

157. Liu, “Mass Campaigns and Political Development in China,” 2-3.

158. Cell, *Revolution at Work*, pp. 8-9.

resolve these “contradictions.”¹⁵⁹ The mass mobilization campaign was the “central strategy utilizing the mass line”¹⁶⁰ as mass line techniques were “embodied primarily in waves of mass campaigns.”¹⁶¹ There were four stages in a campaign. During the first phase of policy formulation, Mao or one of his supporters would suggest the launching of a campaign to tackle a “contradiction” or problem. The public announcement of the campaign was followed by the dissemination of relevant information by means of mobilization meetings, study groups, articles, and press editorials discussing the campaign. The third stage entailed mass participation by the targeted sectors of the population where there would be mass rallies, self-criticism meetings, and visits to the countryside. The end of the campaign was followed by an evaluation, which would discuss whether the campaign was effective in resolving the contradiction or whether new problems had emerged after the campaign.¹⁶²

B. The Three Anti and Five Anti Campaigns (1951-1952)

After the establishment of the PRC on October 1, 1949, the CCP initiated its first large-scale anti-corruption campaign two years later because China was still “haunted” by corruption.¹⁶³ The CCP lacked competent administrative personnel to attain its goal of transforming China because its cadre corps consisted of three groups: old cadres, new cadres and fresh university graduates, and many retained KMT personnel, intellectuals and specialists. Both the old and new cadres were vulnerable to corruption for different reasons and the CCP was concerned that the retained KMT personnel would continue with their previous corrupt practices.¹⁶⁴

The Three Anti (*Sanfan*) Campaign, which was launched by the CCP on August 31, 1951, was a functionally specific urban campaign directed at its members to reduce corruption, waste and bureaucracy.¹⁶⁵ It was an ideological campaign “against the corrupt and degenerate ideolo-

159. Ibid., pp. 12-18.

160. Ibid., p. 19.

161. Richard Pfeffer “Mao Tse-tung and the Cultural Revolution,” in Norman Miller and Roderick Aya (Eds.), *National Liberation* (New York: Free Press, 1971), p. 271.

162. Cell, *Revolution at Work*, pp. 19-20.

163. Gong, *The Politics of Corruption in Contemporary China*, p. 49.

164. Ibid., pp. 59-63.

165. John Gardner, “The *Wu-fan* Campaign in Shanghai: A Study in the Consolidation of Urban Control,” in A. Doak Barnett (Ed.), *Chinese Communist Politics in Action* (Seattle, WA: University of Washington Press, 1969), p. 494.

gy of the bourgeoisie,”¹⁶⁶ which ended in May 1952 and involved “the all-out mobilization of both party cadres and the general public.” The Austerity Inspection Commissions (AICs) were established at each level to coordinate the anti-corruption activities of the CCP’s DICs, the administrative supervision commissions, the procurate, and the courts.¹⁶⁷

Mao was personally involved in the *Sanfan* Campaign because he was responsible for setting its “course, guiding principles, and policies” and issuing important instructions during November and December 1951.¹⁶⁸ He also read and commented on major reports and telegrams from various provinces and ministries on their anti-corruption activities. He had sent telegrams to provincial leaders to urge them to catch those “big tigers,” that is, those who had embezzled a large amount of money and materials. Mao had also approved the execution of two senior officials, LIU Qingshan and ZHANG Zishan, who were found guilty of graft and embezzlement.¹⁶⁹

There were four phases in the Three Anti Campaign: (1) the inspection phase organized by the AICs for mutual inspections between superior and subordinate officers; (2) the confession phase where those cadres who had committed embezzlement and graft were pressured to make confessions and self-criticism instead of concealing their misconduct; (3) the denunciation phase where the masses and lower-level officials and staff were mobilized to “confront their corrupt superiors and expose wrongdoing, which they would otherwise not have dared to do”; and (4) the investigation or “tiger-hunting” phase of catching those suspected cadres who had not confessed earlier for their wrongdoing. Each unit was given a quota of “tigers” to hunt.¹⁷⁰ The *Sanfan* Campaign conducted “struggle meetings” throughout China to attack offending cadres and remove them from office by mass demand.¹⁷¹ During the campaign period, there was “a spectacle of astonishing disclosures of serious corruption and waste in government, of accusations against government officials of all ranks (excepting the top leadership of the Communist Party), and of confessions made ‘voluntarily’ or under various degrees of pressure.”¹⁷²

166. Theodore Hsi-En Chen and Wen-Hui C. Chen, “The ‘Three Anti’ and ‘Five Anti’ Movements in China,” *Pacific Affairs*, 26 (1) (1953): 12.

167. Lu, *Cadres and Corruption*, pp. 51-52.

168. Gong, *The Politics of Corruption in Contemporary China*, p. 67.

169. Lu, *Cadres and Corruption*, pp. 52 and 58.

170. *Ibid.*, pp. 52-53.

171. Franz Schurmann, *Ideology and Organization in China*, 2nd edition (Berkeley, CA: University of California Press, 1968), p. 318.

172. Chen and Chen, “The ‘Three-Anti’ and ‘Five-Anti’ Movements in Communist China,” 6.

Table 5: Participants of Three Anti Campaign and “Tigers” Caught by Region, 1951-52

Region	Total Participants	“Tigers” (those embezzling > 1,000 yuan) caught
Central Agencies	88,427 (2.3%)	822 (0.9%)
North China	890,231 (23.1%)	16,107 (1.8%)
Northeast China	755,271 (19.6%)	18,569 (2.5%)
Northwest China	289,647 (7.5%)	2,478 (0.9%)
Eastern China	797,272 (20.7%)	15,411 (1.9%)
South Central China	496,716 (12.9%)	13,843 (2.8%)
Southwest China	492,419 (12.8%)	28,810 (5.9%)
Inner Mongolia	40,530 (1.1%)	1,790 (4.4%)
Total	3,850,513 (100%)	107,830 (2.8%)

Source: Xiaobo Lu, *Cadres and Corruption: The Organizational Involvement of the Chinese Communist Party* (Stanford, CA: Stanford University Press, 2000), p. 56, Table 2.1.

HO Kan-chih, the CCP’s official historian, estimated that 4.5 percent of all state officials in China were punished during the Three Anti Campaign.¹⁷³ Table 5 shows that, in terms of participation, the campaign was most effective in North China (23.1 percent), followed by Eastern China (20.7 percent) and Northeast China (19.6 percent), and the least effective in Inner Mongolia (1.1 percent). However, Southwest China was most effective in catching “tigers” (those who had embezzled more than 1,000 yuan) (5.9 percent), followed by Inner Mongolia (4.4 percent). Table 5 also shows that among the 3.85 million cadres in government agencies above the county level who participated in the campaign, 107,830 “tigers” (2.8 percent) were caught. However, 10,009 “tigers” (9.3 percent) were sentenced to imprisonment and only 42 “tigers” (0.04 percent) were executed. The number of “tigers” punished was fewer than Mao had expected because many cadres who were initially accused of graft were subsequently spared from any disciplinary action.¹⁷⁴

In sum, the *Sanfan* Campaign was effective in mass mobilization against corruption in the short term. It demonstrated the CCP’s commitment to curb corruption among its members and enhance its legitimacy among the urban population.¹⁷⁵ However, it had unintended consequences such as backlash and personal vengeance in the long run. The director of the CCP’s Central Organization Department admitted that a mass campaign was ineffective in changing the behavior of the participants because “no sooner is the campaign over than they would return to their

173. Schurmann, *Ideology and Organization in China*, p. 318.

174. Lu, *Cadres and Corruption*, p. 56.

175. *Ibid.*, p. 59.

old selves.”¹⁷⁶ Another serious problem was that those officials who were criticized or denounced by their subordinates retaliated against the latter by “fixing them” (*zheng ren*) or “giving them tight shoes to wear” (*chuan xiaoxie*).¹⁷⁷

The *Wufan* Campaign was implemented throughout urban China during the first half of 1952 and was directed against businessmen and industrialists who were alleged to be guilty of spreading the “five poisons”: “bribery, tax evasion, theft of state property, cheating on government contracts, and stealing state economic information.”¹⁷⁸ After the PRC’s establishment in October 1949, many CCP members including veterans became complacent and enriched themselves by accepting bribes, using public funds for private business ventures, and selling public property to private individuals.¹⁷⁹ The number of tax evasion cases by capitalists increased from 49,175 in 1949 to 139,068 by November 1951.¹⁸⁰ Apart from evading taxes, many capitalists also stole state assets, cheated on government contracts, and stole state economic data. The CCP was also concerned that many private entrepreneurs were “pulling out” old and new cadres by buying them “banquets, gifts, sales commissions, and beautiful girls.”¹⁸¹

Corruption was a serious problem in Shanghai and other cities in China where the CCP members were working closely with “bourgeois elements.” Following the *Sanfan* Campaign, which purged the “corrupt elements” within the CCP, the bureaucracy, and state-owned enterprises (SOEs), the *Wufan* Campaign attacked the bourgeoisie for spreading the “five poisons” and for being the source of the anti-social and decadent attitudes of urban China.¹⁸² On December 27, 1951, the CCP established the Shanghai Increase Production and Practice Economy Committee to control the processes of propaganda and inspection and to handle cases.¹⁸³ This Committee instructed the branch committee members to attack the corrupt practices in every business by conducting “self-examination” and organizing mutual inspections.¹⁸⁴

Following the *Sanfan* Campaign, “accusations, public trials, confessions, huge mass meetings and the like [also] marked” the *Wufan* Cam-

176. Ibid., p. 54.

177. Ibid., p. 54.

178. Gardner, “The *Wu-fan* Campaign in Shanghai,” p. 478.

179. Ibid., p. 493.

180. Gong, *The Politics of Corruption in Contemporary China*, p. 64.

181. Ibid., pp. 65-66.

182. Gardner, “The *Wu-fan* Campaign in Shanghai,” pp. 494-495.

183. Ibid., p. 502.

184. Ibid., p. 506.

paign.¹⁸⁵ Public support for the *Wufan* Campaign was initiated by encouraging citizens to participate in “denunciation meetings, presenting specific accusations against individuals in public trials, serving on investigation teams, [and] offering information on ‘unconfessed’ or undiscovered offenders.”¹⁸⁶ The *Wufan* Campaign surpassed its predecessor in scale because it investigated more than 450,000 business firms in the nine largest cities in China. Since hoarding was endemic in China, the *Wufan* Campaign “pried loose much frozen wealth” and relied on “terroristic methods” to provide “new recruits for the concentration camps in the interior.” These purges struck fear in the hearts of the officials, but did not consolidate the state apparatus.¹⁸⁷

The Five Anti Campaign was also significant because “it enabled the leadership to consolidate its power in urban China by extending its influence over both the bourgeoisie and the working class.”¹⁸⁸ Apart from changing old attitudes and habits, the campaign also enabled the CCP to curb the problem of bourgeois corruption and “curtail severely the independence of the industrial and commercial groups after 1952.”¹⁸⁹ However, “the supreme irony” was that even though the campaign succeeded in eliminating bourgeois corruption, the CCP could not eliminate corruption among its own members.¹⁹⁰ Furthermore, the campaign had mixed results because it succeeded in curbing bribery and tax evasion, but at the expense of slowing down the economy and increasing unemployment due to the closure of many business firms. The economic recession resulted in massive unemployment and economic hardship among the urban population.¹⁹¹

Chen and Chen have indicated that both campaigns provided the state with US\$1,250 million from the fines collected from offenders, delinquent tax assessments, and “returned stolen assets” including confiscated property in order to meet the high costs of the Korean war.¹⁹² Both campaigns had also enhanced the power of the state over both private business and the mobilization of the population as a whole.¹⁹³ However,

185. Chen and Chen, “The ‘Three-Anti’ and ‘Five-Anti’ Movements in Communist China,” 13.

186. *Ibid.*, 14-15.

187. Schurmann, *Ideology and Organization in China*, p. 318.

188. Gardner, “The *Wu-fan* Campaign in Shanghai,” p. 534.

189. *Ibid.*, pp. 535-536.

190. *Ibid.*, p. 539.

191. Lu, *Cadres and Corruption*, pp. 61-62.

192. Chen and Chen, “The ‘Three-Anti’ and ‘Five-Anti’ Movements in Communist China,” 18.

193. *Ibid.*, 19.

their implementation not only exposed the extent of corruption in the government and CCP, but the *Sanfan* Campaign also showed that many cadres at the village level could not be trusted to enforce agrarian reform projects properly without “deviations” and adopting a correct “working style.”¹⁹⁴

Perhaps, the most serious weakness of the CCP’s reliance on “mass mobilization” campaigns is the inherent difficulty of sustaining emotions “at a high pitch” because “public interest shifts and emotions subside” when the appeal or novelty wears off. The implementation of both campaigns shows that “despite the attendant fanfare and elaborate trappings, public interest lagged after the first weeks.” Some people complained that they were so exhausted by the *Sanfan* Campaign that they could not participate in both the *Wufan* Campaign and the spring sowing.¹⁹⁵

C. Major Features of Xi’s Anti-Corruption Campaign

The major difference between the Maoist campaigns and its post-Mao variant was that the former involved “high degrees of mass mobilization” while the latter lacked the “mass mobilizational element” and were launched by “the leadership to focus the state bureaucracy on enforcement of previously existing rules and laws.”¹⁹⁶ The anti-corruption campaigns in China during the 1980s and 1990s were anti-corruption struggles (*fan fubai douzheng*) characterized by these two features: enhanced publicity to encourage the public to report corruption and corrupt officials to confess their misconduct and the demand by the political leaders to increase the enforcement of the anti-corruption measures. The second feature reflects the leaders’ reliance on “enforcement figures as political performance targets” because they “view increased cases as evidence of greater anti-corruption commitment, not more corruption.” In other words, “more cases connote enforcement success, not deterrence failure.”¹⁹⁷ The CCP has launched anti-corruption campaigns to “reclaim ruling legitimacy and re-establish itself as *the* moral agent at a time when its apparatuses are infested with corruption.”¹⁹⁸

Like the functionally specific Three Anti and Five Anti Campaigns of 1951-1952, which were directed toward senior government officials

194. Ibid., 19-20.

195. Ibid., 22-23.

196. Strauss, “Morality, Coercion and State Building by Campaign in the Early PRC,” p. 42.

197. Manion, *Corruption by Design*, p. 161.

198. Ruoyun Bai, *Staging Corruption: Chinese Television and Politics* (Hong Kong: Hong Kong University Press, 2015), p. 157.

and businessmen, XI Jinping’s anti-corruption campaign is wider in scope since it targets both senior and junior officials i.e., the “tigers” and the “flies.” At the same time, Xi’s campaign is also an ideological and struggle campaign because it is directed at changing the corrupt behavior of senior and junior officials as well as eroding the power base and/or class position of enemy classes or groups.

Yundong or mass campaigns in China perform these seven functions: (1) implementing an existing policy; (2) emulating advanced experience; (3) introducing and popularizing a new policy; (4) correcting deviations from important public norms; (5) rectifying leadership malpractices among responsible cadres or organizations; (6) purging from office individuals whose political opposition is excessive; and (7) effecting “enduring changes in both individual attitudes and social institutions which will contribute to the growth of a collective spirit and support the construction of socialism.”¹⁹⁹ Following Bennett’s list of seven functions, Xi’s anti-corruption campaign focuses on the fourth, fifth and sixth functions by minimizing corrupt practices among senior and junior officials.

The first feature of Xi’s anti-corruption campaign is its durability. Unlike previous campaigns, it has lasted for more than two years and is unlikely to end soon. On August 25, 2014, WANG Qishan, the CCDI secretary, indicated that the anti-corruption campaign would last for another five years and reminded officials to avoid the mid-autumn tradition of providing mooncakes as gifts.²⁰⁰ On March 2, 2015, LIU Xinhua, the spokesman for the third session of the 12th National Committee of the Chinese People’s Political Consultative Conference, confirmed that China’s current anti-corruption campaign “has no limit or ceiling” and that “no one has impunity.”²⁰¹ The same message was reiterated one day later by Premier LI Keqiang, who declared that “our tough stance on corruption is here to stay; our tolerance for corruption is zero, and anyone found guilty of corruption will be dealt with seriously.”²⁰² Xi’s anti-corruption campaign is a “game-changer” because it is “on-going and ex-

199. Bennett, *Yundong*, p. 46.

200. “China’s war on graft set to last 5 more years,” *Straits Times*, September 6, 2014, p. A18.

201. “China’s anti-graft drive has ‘no limit or ceiling,’” *Straits Times*, March 3, 2015, p. A20.

202. Megha Rajagopalan, “China premier vows to fight pollution, corruption,” *Reuters*, March 4, 2015.

tensive, and implemented in tandem with [a] crackdown on official extravagance and overspending on banquets, gifts and overseas trips.”²⁰³

Second, Xi’s campaign is “the most sustained and intensive drive against corruption” since 1978 because it is a war waged on these four fronts: (1) a guerrilla war at the grassroots level where whistle-blowers and netizens employ social media to expose low-level corrupt officials; (2) trench warfare against corrupt officials below the county and department levels; (3) corruption in the business sector or “commercial bribery”; and (4) corruption as a weapon in factional infighting among the CCP leaders.²⁰⁴ BO Xilai’s fall from power meant that he was no longer Xi’s political rival and the investigations of ZHOU Yongkang and his protégés for corruption enabled Xi to further consolidate his power.²⁰⁵

Third, Xi’s anti-corruption campaign also focuses on curbing Chinese officials’ extravagance on public expenses such as vehicles, banquets and overseas trips or *sangong xiaofei*, which had generated a great deal of public criticism.²⁰⁶ CHEN Gang traces such extravagance to the granting to magistrates in imperial China of political privileges and generous fringe benefits in addition to their modest salaries. The political status of these magistrates was linked to the extent of extravagance shown to them in official receptions, banquets and travelling. An official’s status and rank was also reflected in the quality of his official sedan chair (*guanjiao*) and the number of followers and sedan chair bearers. During the Qing Dynasty (1644-1911) the number of sedan chair carriers ranged from two for a courtling, to eight for a minister or governor, to the maximum of 64 bearers for the emperor.²⁰⁷

Not surprisingly, official cars in contemporary China are also ranked according to their engine capacity and cost. A 2004 regulation specifies that a minister is entitled to an official car with a 3-litre engine capacity that costs 450,000 yuan (US\$71,000). A vice-minister is entitled to a 3-litre capacity car worth 350,000 yuan (US\$55,293) and an official below the vice-ministerial rank is allocated a 2-litre capacity official car

203. Chen Gang, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” *EAI Background Brief*, No. 933 (Singapore: East Asian Institute, National University of Singapore, 30 June 2014), p. 6.

204. Andrew Wedeman, “Xi Jinping’s Tiger Hunt and the Politics of Corruption,” *China Research*, 13 (2), October 15, 2014, 1-4.

205. *Ibid.*, 4.

206. Chen Gang, “China Curbs Official Extravagance,” *EAI Background Brief*, No. 762 (Singapore: East Asian Institute, National University of Singapore, 22 October 2012), p. 1.

207. *Ibid.*, p. 7.

costing 250,000 yuan (US\$39,494). However, in practice, this regulation has not been enforced strictly at the local or provincial levels.²⁰⁸

The banquet is an important aspect of Chinese culture and its primary purpose is “to create and maintain social harmony.”²⁰⁹ Since “eating is symbolic of showing good faith — ‘giving each other face’” — the Chinese prefer to establish informal relationships first with potential business partners by having a meal together to get to know each other in a casual setting to enable both parties to establish *guanxi*. The belief is that when two parties can sit down to eat a meal harmoniously they can trust each other in business.²¹⁰ The Chinese officials’ penchant for “alcohol banquets” or *jiu xi* is related to China’s culture of wining and dining at lavish banquets to facilitate networking in politics and business. In China and many Asian countries, drinking alcoholic beverages is associated with fostering “new personal, political, and business relationships, and in celebrating business and political events.”²¹¹

The lavishness of a banquet is linked to the respect accorded by the host for his guests and “the amount of alcohol consumed by either side” is “an indication of the level of political trust and friendship.”²¹² Alcohol was “such a reliable choice [as a bribe] that the state media conceded that sales of the country’s most famous liquor, *Kweichow Moutai*, was ‘an index for China’s corruption.’”²¹³ Its price increased from 200 yuan per bottle in 2005 to 2,000 yuan per bottle in 2012 because of the demand generated by its widespread use at official dinners.²¹⁴ Consequently, reciprocating Chinese drinking and dining hospitality can be expensive since the cost depends on the pomp of the banquet and the restaurant’s head rate (*biao zhem*) increases with the rank of the banquet guests.²¹⁵

The problem of “illegitimate feasting” is not new since Liu found that it was the second most common type of corruption among the 304 media reports of corruption in China from 1977 to 1980. The illegitimate feasting and cadres’ lavish, traditional style weddings and funerals adversely affect the CCP member’s *dongfen* or style of work and under-

208. Ibid., pp. 7-8.

209. Matthew B. Christensen, *Decoding China: A Handbook for Traveling, Studying, and Working in Today’s China* (Tokyo: Tuttle Publishing, 2013), p. 232.

210. Geoff Baker and Helen Zhang, *Inside the Chinese Mind: A Guide on How the Chinese Think* (Singapore: CENGAGE Learning Asia, 2012), p. 132.

211. De Mente, *The Chinese Way in Business*, p. 82.

212. Chen, “China Curbs Official Extravagance,” p. 8.

213. Evan Osnos, *Age of Ambition: Chasing Fortune, Truth and Faith in the New China* (London: Bodley Head, 2014), p. 250.

214. Chen, “China Curbs Official Extravagance,” p. 10.

215. De Mente, *The Chinese Way in Business*, p. 83.

mine the communist ideal that he ought to be “a revolutionary ascetic.”²¹⁶ Contrary to Mao’s observation that “revolution is not a dinner party,” LI Cheng contends that “for the rich and corrupt officials, the reform has literally been a ‘dinner party’” as a 1992 survey revealed that US\$18 billion of public funds were spent on dinner banquets.²¹⁷

Since the Chinese officials’ extravagance on the three public expenses can be traced to the tradition in Imperial China of relying on the lavishness of official sedan chairs and banquets to differentiate the ranking of officials, it will be difficult for the central government to curb such extravagance across the country without “detailed regulations and strict enforcement.”²¹⁸ Consequently, Xi’s anti-corruption campaign should be viewed as an attempt to rectify the shortcoming of previous efforts to curb official extravagance on the three public expenses.

Accordingly, the CCP Politburo meeting chaired by XI Jinping on December 4, 2012 passed the following “Eight Directives” or *baxiang guiding*:

1. Do investigations and research, guard against going through the motions and practicing formalism, travel light with a only a small entourage, reduce accompanying staff, and simplify receptions with people;
2. Simplify meeting activities, enhance the effectiveness of meetings, shorten meetings and speeches, and ban empty talk and verbiage;
3. Simplify documents and bulletins, stop routinely issuing documents and reports that have no real content and that need not be issued;
4. Standardize official visits abroad, strictly control the numbers of accompanying personnel, and strictly use communications tools according to regulations;
5. Improve security work, reduce traffic controls, and under general conditions not block traffic, clear areas or close off hotels or restaurants;
6. Improve news reporting, decide questions of whether or not to report Politburo members presiding over meetings and other activities according to the needs of work, news value, and so-

216. Alan P.L. Liu, “The Politics of Corruption in the People’s Republic of China,” in Arnold J. Heidenheimer, Michael Johnston and Victor T. LeVine (Eds.), *Political Corruption: A Handbook* (New Brunswick, NJ: Transaction Publishers, 1989), p. 491.

217. Cheng Li, “Revolution is no dinner party, but China’s reform is,” *CNN.com*, 1999, available at <http://edition.cnn.com/SPECIALS/1999/china.50/red.giant/communism> (accessed 24 February 2015).

218. Chen, “China Curbs Official Extravagance,” p. 12.

cial effects, and progressively reduce the volume, number and length of reports;

7. Regulate issuance of draft documents and, except under uniform central provisions, stop publishing their own works or speech collections in open media, and stop issuing congratulatory letters or telegrams or writing inscriptions; and
8. Strictly enforce working hard and practicing economy, and strictly carry out relevant work and livelihood remuneration regulations with regard to allocation of housing, cars, etc.²¹⁹

Xi himself followed these “Eight Directives” during his first official tour of Shenzhen, Zuhai and Guangzhou in Guangdong Province after the meeting by travelling in a small minibus instead of a limousine and dispensing with lavish receptions and ceremonies.²²⁰ However, it appears that the sixth directive of maintaining a low public profile does not apply to him because according to an observer, “he draws the press untiring attention and enjoys high-profile publicity on the media notwithstanding the CCP Central Committee’s Eight Rules discouraging ‘non-essential’ detail coverage or long reports of the top leaders’ daily activities.”²²¹ Furthermore, contrary to the seventh directive of not publishing books or speech collections, Xi published in 2014 *The Governance of China*, which is a compilation of the 79 speeches he made from November 12, 2012 to June 13, 2014.²²² On January 11, 2015, *Xinhuanet.com* announced the publication of another book compiling Xi’s 216 remarks on anti-corruption drawn from his 40 speeches, articles and written instructions from November 15, 2012 to October 23, 2014.²²³

The “Eight Directives” were implemented by 17 provinces and municipalities from January 2013 in order to streamline the bureaucracy and curb waste and extravagance.²²⁴ Since VIP cards for private clubs became popular after the implementation of the “Eight Directives” all anti-corruption officials in China were ordered in late May by WANG Qishan, the CCDI’s Secretary, to surrender their private club VIP cards

219. This is the English translation of the “Eight Directives” provided in Alice Miller, “The Road to the Third Plenum,” *China Leadership Monitor*, No. 42 (October 7, 2013): 2-3.

220. Kor Kian Beng, “Why Xi Jinping is on charm offensive,” *Straits Times*, December 22, 2012.

221. Wen Rixin, “Xi’s Authoritative Leadership and his Middle Way Reform,” (unpublished paper, March 2014), p. 2.

222. Xi, *The Governance of China*, Contents, pp. i-vi.

223. “Compilation of Xi Jinping’s anti-graft remarks published,” *Xinhuanet.com*, January 11, 2015.

224. Shi Jiangtao, “Xi Jinping’s guidelines to cut back extravagance go into effect,” *South China Morning Post*, January 4, 2013.

before June 20, 2013 because these cards can be used to pay for the services provided at these clubs.²²⁵ Also since access to vehicles is a perk given to senior CCP members and government officials, the new regulations issued on May 1, 2013 banned the owners of luxury foreign cars like BMW and Bentley from applying for military and armed police license plates because these plates enabled their owners “to skirt traffic laws with impunity and skip toll fees.”²²⁶ In November 2013, the State Council banned provincial level officials from using official cars for general use. On January 14, 2014, the State Council disallowed military officers from purchasing foreign made vehicles.²²⁷

In order to curb extravagance on galas and official dinners, a regulation banning all government agencies from using public funds to organize galas was issued by the State Council on November 25, 2013. This was followed by another regulation in December 2013 which removed shark’s fin soup, bird’s nest soup and wild animal products from the menu and prohibited the provision of free cigarettes and expensive liquor at official dinners.²²⁸ During the same month, the CCP’s General Office and the State Council’s General Office issued these “Six Injunctions” or *liuxiang jinling*:

1. Officials are prohibited from using public funds to pay for visits, gifts, receptions and banquets during the New Year celebrations.
2. Officials are prohibited from giving complimentary local products to their superiors.
3. Officials are banned from accepting gifts, cash, gift vouchers or prepaid cards.
4. Officials are not allowed to take part in high-end recreational activities or to use official receptions to host families or friends during the holidays. Officials are banned from using public vehicles for private matters.
5. All receptions should strictly follow the guidelines of the central and provincial governments.

225. Choi Chi-yuk, “Surrender your private club VIP cards, China’s anti-graft officials are told,” *South China Morning Post*, May 28, 2013.

226. William Wan, “China curbs use of coveted military license plates in latest anti-corruption move,” *Washington Post*, April 1, 2013.

227. Tim Donovan, “China’s Crackdown on Corruption and Government Spending: A Timeline,” *China Business Review*, January 23, 2014.

228. Ibid., and J.T. Quigley, “No more Shark’s Fin Soup and Bird’s Nest Soup at CCP Banquets,” *The Diplomat*, December 9, 2013.

6. All officials are banned from organizing or participating in gambling activities.²²⁹

The fourth feature of Xi’s anti-graft campaign is its reliance on inspection teams (*xunshizu*), which are dispatched across China to investigate corruption in corruption-prone provinces, ministries, state corporations and public service organizations. These inspection teams scrutinize the work of the cadres, government officials, legislators and political advisers.²³⁰ This practice is inspired by the sending of imperial envoys (*qinchai dachen*) by the emperor to oversee officials in the provinces in the past. The CCDI sent the first batch of 10 inspection teams during May to July 2013 to various locations with each team being stationed for two months to provide feedback on corruption to the CCDI. The second batch of 10 inspection teams was dispatched to other locations from October to December 2013.²³¹ Table 6 provides details of these 20 inspection teams and their locations.

Table 6: CCDI’s Inspection Teams, May to December 2013

Serial No. of Inspection Team	Location of Inspection (First batch, May-July)	Location of Inspection (Second batch, October-December)
No. 1	China Grain Reserves Corporation	Ministry of Commerce
No. 2	Hubei Province	Xinhua News Agency
No. 3	Ministry of Water Resources	Ministry of Land and Resources
No. 4	Inner Mongolia	Jilin Province
No. 5	Chongqing City	Yunnan Province
No. 6	Guizhou Province	Shanxi Province
No. 7	China Publishing Group Corporation	Anhui Province
No. 8	Jiangxi Province	Guangdong Province
No. 9	Export-Import Bank of China	Three Gorges Corporation
No. 10	Renmin University of China	Hunan Province

Source: Xinhua News Agency quoted in Chen Gang, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” *EAI Background Brief*, No. 933 (Singapore: East Asian Institute, National University of Singapore, June 30, 2014), p. 9, Table 2.

The CCDI’s reliance on these inspection teams has reaped dividends since their inception. In 2013, these teams have investigated

229. Chen Gang, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” Appendix 2, “Xi Jinping’s Rules against Red Tape and Extravagance,” pp. 18-19.

230. Zhou Dongxu, “How inspection teams expose graft in China,” *Caixin Online*, July 16, 2014.

231. Chen, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” p. 8.

182,000 officials, which is 13 percent more than in 2012.²³² The inspection teams discovered widespread corruption in the provinces of Shanxi, Hunan, Guizhou and Jiangxi, and in the China Grain Reserves Corporation, Renmin University and the Three Gorges Corporation.²³³ The CCDI inspection team based in Hunan Province exposed an electoral fraud scandal, which forced more than 500 municipal lawmakers to resign, and dismissed 56 representatives of the Hunan People's Congress for being elected through bribery.²³⁴ The investigations of "big tigers" or high-level corrupt officials targeted in Xi's anti-graft campaign have revealed many cases where "tiger wives" played an important role in their husbands' corruption. Not surprisingly, the CCDI inspection teams have found family corruption in regions where the officials' spouses and families have taken advantage of their husbands' or fathers' power to reap personal benefits.²³⁵

Consequently, the CCDI sent two batches of 13 inspection teams from March to September 2014 to Beijing, Shanghai, Tianjin, 13 provinces, three autonomous regions, three corporations, two ministries and two academic institutions. Table 7 provides details of these 26 inspection teams and their locations.

Table 7: CCDI Inspection Teams, March to September 2014

Serial No. of Inspection Team	Location of Inspections (First batch, March-May)	Location of Inspections (First batch, July-September)
No. 1	Gansu Province	Guangxi Autonomous Region
No. 2	Beijing	Shanghai
No. 3	Ningxia Autonomous Region	Qinghai Province
No. 4	Shandong Province	Tibet Autonomous Region
No. 5	Tianjin	Zhejiang Province
No. 6	Xinjiang & Xinjiang Production & Construction Corporation	Hebei Province
No. 7	Hainan Province	Shaanxi Province
No. 8	Henan Province	Heilongjiang Province
No. 9	Fujian Province	Sichuan Province
No. 10	Ministry of Science and Technology	Chinese Academy of Sciences

232. Donovan, "China's Crackdown on Corruption and Government Spending."

233. Chen, "The 'Tigers' in Xi Jinping's Anti-Corruption Campaign," p. 8.

234. Ibid., p. 9 and "China: More than 500 resign over election fraud," *BBC News China*, December 28, 2013.

235. "Inside the lives of the 'tiger wives': Anti-graft campaign brings to light misdeeds of corrupt officials' spouses," *Global Times*, March 30, 2015. See also, Minnie Chan, "'Tiger Wife' who wooed doomed major general," *South China Morning Post*, March 22, 2015.

No. 11	Liaoning Province	General Administration of Sport
No. 12	Fudan University	Jiangsu Province
No. 13	China National Cereals, Oil & Foodstuffs Corporation	FAW Group

Source: Xinhua News Agency quoted in Chen Gang, “Wang Qishan and China’s Central Commission for Discipline Inspection,” *EAI Background Brief*, No. 1012 (Singapore: East Asian Institute, National University of Singapore, April 2, 2015), pp. 16-17, Table 5.

The CCDI traps a corrupt official by arranging a high-profile meeting which requires his attendance. The CCDI investigators then wait outside the meeting room and monitor the meeting by using surveillance cameras and receiving text messages from someone attending the meeting. At an appropriate moment, the CCDI investigators would enter the meeting room to arrest the targeted official in the presence of the other senior officials attending the meeting to intimidate and warn them of the consequences of being corrupt. The tactics employed by the CCDI investigators to trap and arrest WAN Qingliang, the Party Secretary in Guangzhou, on June 27, 2014 are described in the People’s Net, the online publication of the CCP on February 2, 2015.²³⁶

The fifth feature of Xi’s anti-corruption campaign is that it has resulted in the investigation of 71 civilian “tigers” or officials of vice-ministerial rank or above and 30 military “tigers” in the PLA during its first two and a quarter years. WANG Qishan, the CCDI’s Secretary, has explained that “catching the tigers is a way to intimidate others” since the objective of the CCDI investigators is to ensure that officials “don’t dare to commit corruption, cannot be corrupt, and don’t want to be corrupt.”²³⁷ Table 8 provides details of the 71 civilian “tigers” investigated by the CCDI for corruption offenses from December 2012 to March 2015.

Table 8: Senior officials investigated by the CCDI, December 2012 to March 2015

No.	Name	Position	Date of Dismissal or Investigation
1	LI Chuncheng	Deputy Party Secretary, Sichuan Province	December 2012
2	YI Junqing	Chief of CCP Central Compilation and Translation Bureau	January 2013
3	WU Yongwen	Vice-Chairman, Hubei Provincial People’s Congress	January 2013

236. Frank Fang, “Setting a trap for China’s corrupt officials,” *Epoch Times*, February 4, 2015.

237. *Ibid.*

4	LIU Tienan	Deputy Director, National Development and Reform Commission	May 2013
5	NI Fake	Vice-Governor of Anhui Province	June 2013
6	GUO Yongxiang	Vice-Governor of Sichuan Province	June 2013
7	WANG Suyi	Minister of United Front of Inner Mongolia	June 2013
8	LI Daqiu	Vice-Chairman, People's Political Consultative Conference of Guanxi	July 2013
9	WANG Yongchun	Deputy General Manager, China National Petroleum Corporation	August 2013
10	LI Huanlin	Deputy General Manager, China National Petroleum Corporation	August 2013
11	JIANG Jiemin	Director, State-Owned Assets Supervision and Administration Commission	September 2013
12	LIAO Shaohua	Party Secretary, Zunyi City, Guizhou	October 2013
13	JI Jianye	Mayor of Nanjing City, Jiangsu	October 2013
14	CHEN Baihuai	Vice-Chairman, People's Political Consultative Conference of Hubei	November 2013
15	GUO Youming	Deputy Governor of Hubei Province	November 2013
16	XU Jie	Deputy Director, State Bureau for Letters and Calls	November 2013
17	CHEN Anzhong	Vice-Chairman, Jiangsi Provincial People's Congress	December 2013
18	YANG Gang	Deputy Director, Committee for Economic Affairs of Chinese People's Political Consultative Conference	December 2013
19	LI Chongxi	Chairman, People's Political Consultative Conference of Sichuan	December 2013
20	TONG Mingqian	Vice-Chairman, People's Political Consultative Conference of Hunan	December 2013
21	LI Dongsheng	Vice-Minister of Public Security	December 2013
22	JI Wenlin	Vice-Governor of Hainan Province	February 2014
23	JIN Daoming	Vice-Chairman, Shanxi Provincial People's Congress	February 2014
24	ZHU Zuoli	Vice-Chairman, People's Political Consultative Conference of Shaanxi Province	February 2014
25	ZHOU Zhenhong	Head, United Front Work Department of CCP of Guangdong Provincial Committee	February 2014
26	SHEN Peiping	Vice-Governor of Yunnan Province	March 2014
27	YAO Mugen	Vice-Governor of Jiangxi Province	March 2014
28	SHEN Weichen	Vice-Chairman, Chinese Association for Science and Technology	April 2014
29	SONG Lin	Chairman of China Resources Holdings	April 2014
30	MAO Xiaobing	Party Secretary, Xining City, Qinghai Province	April 2014
31	WEI Jian	Director, CCDI No. 4 Office of Discipline Inspection and Improvement	May 2014

32	YANG Hanzhong	Vice-Secretary, Commission for Political and Legal Affairs, CCP Inner Mongolia Committee	May 2014
33	LI Yali	Deputy Police Chief of Taiyuan, Shanxi Province	May 2014
34	CHEN Zengxin	Party official, Shanwei, Guangdong Province	May 2014
35	QI Pingjing	Deputy Director, China Foreign Languages Publishing Administration	May 2014
36	LI Xinghua	Director, Guangdong Provincial Department of Science and Technology	May 2014
37	LIANG Daoxing	Vice-Mayor, Shenzhen City	May 2014
38	YANG Dacai	Director, Shaanxi Administration of Work Safety	May 2014
39	LEI Zhengfu	Party Secretary, Beibei District, Chongqing	May 2014
40	DUAN Yizhong	Inspector, Bureau of Quality and Technical Supervision Guangxi Zhuang Autonomous Region	May 2014
41	ZHENG Beiquan	Vice-Mayor and Police Chief, Yingde, Guangdong Province	May 2014
42	SHAN Zengde	Deputy Director, Agricultural Department of Shandong Provincial Government	May 2014
43	YANG Baohua	Vice-Chairman, Chinese People’s Political Consultative Conference of Hunan Province	May 2014
44	FANG Xuan	Deputy Party Secretary, Guangzhou	May 2014
45	SU Rong	Vice-Chairman, Chinese People’s Political Consultative Conference National Committee	June 2014
46	DU Shanxue	Vice-Governor of Shanxi Province	June 2014
47	LING Zhengce	Vice-Chairman, People’s Political Consultative Conference of Shanxi Province	June 2014
48	WAN Qingliang	Party Secretary, Guangzhou City, Guangdong Province	June 2014
49	ZHAO Zhiyong	Secretary-General, Party Committee, Jiangxi Province	June 2014
50	TAN Qiwei	Deputy Director, People’s Congress of Chongqing	July 2014
51	ZHANG Tianxin	Member, Standing Committee, Yunnan Province	July 2014
52	HAN Xiancong	Vice-Chairman, Chinese People’s Political Consultative Conference of Anhui Province	July 2014
53	WU Changsun	Vice-Chairman, Chinese People’s Political Consultative Conference of Tianjin	July 2014
54	CHEN Tiexin	Vice-Chairman, Chinese People’s Political Consultative Conference of Liaoning Province	July 2014

55	TAN Hong	Senior Officer, Guard Bureau, Ministry of Public Security	July 2014
56	TAN Li	Vice-Governor of Hainan Province	July 2014
57	ZHOU Yongkang	Member, Standing Committee of Politburo and Secretary, Political and Legislative Affairs Committee of CCP Central Committee	July 2014
58	LING Jihua	Vice-Chairman, Chinese People's Political Consultative Conference National Committee	December 2014
59	ZHANG Kunsheng	Assistant Foreign Minister	January 2015
60	CAI Guangliao	Major General, Paramilitary Armed Police	January 2015
61	YANG Weize	Party Secretary, Nanjing City	January 2015
62	SI Xinliang	Vice-President, Zhejiang Provincial People's Political Consultative Conference	February 2015
63	JING Chunhua	Member, Standing Committee, Hebei Provincial Party Committee	March 2015
64	QIU He	Deputy Party Chief, Yunnan Province	March 2015
65	XU Jianyi	Chairman, State-owned China FAW Group	March 2015
66	LIAO Yongyuan	Vice-Chairman, PetroChina	March 2015
67	DAI Haibo	Executive Deputy Director, Shanghai Free Trade Zone	March 2015
68	LIU Xiangdong	Head, Environmental Protection Agency, Shanxi Province	March 2015
69	QI Dacai	Vice-President and Director, Southern Power Grid, Guangdong Province	March 2015
70	CUI Jian	Vice-President, China Baosteel Group	March 2015
71	XU Gang	Deputy Governor, Fujian Province	March 2015

Sources: Compiled by the author from Chen, "The 'Tigers' in Xi Jinping's Anti-Corruption Campaign," p. 3; Guo Yong and Li Songfeng, "Anti-Corruption Measures in China: Suggestions for Reforms," *Asian Education and Development Studies*, 4 (1) (January 2015): 11-12; and newspaper reports.

Table 9 identifies the 30 military "tigers" and their positions in the PLA before their investigation by the CCDI in 2014 and 2015. The PLA is "riddled with corruption and professional decay, and asphyxiated by the ever-greater effort required to impose political control."²³⁸ Military corruption is a serious problem because XU Caihou, the former CMC's Vice-Chairman, had built a corrupt culture in the PLA because the criteria for recruitment and allocation of positions were based on the amount of bribes offered and the candidates' relations with the military leaders. Major General YANG Chunchang, a former aide to Xu, said that it was

238. John Garnaut, "Rotting from within: Investigating the massive corruption of the Chinese military," *Foreign Policy*, April 16, 2012.

“an open secret that there are different price levels of bribery for promotion to different military ranks.”²³⁹ Xu was investigated for corruption by the CCDI in March 2014 and expelled from the CCP in October 2014. He died of bladder cancer while in custody on March 15, 2015.

Table 9: PLA officers investigated by the CCDI, 2014 to March 2015

No.	Name	Military Position before Investigation
1.	LIU Zheng	Deputy Head, PLA General Logistics Department
2.	YU Daqing	Deputy Political Commissar, Second Artillery Force
3.	FAN Changmi	Deputy Political Commissar, Lanzhou Military Area Command
4.	WANG Minggui	Political Commissar, Air Force Command School
5.	FANG Wenping	Head, Military Command, Shanxi
6.	WEI Jin	Deputy Political Commissar, Tibet Military Command
7.	YE Wanyong	Political Commissar, Sichuan Provincial Military Command, Chengdu
8.	YANG Jinshan	Deputy Commander, Chengdu Military Area Command
9.	ZHANG Qibin	Deputy Chief of Staff, Jinan Military Area Command
10.	FU Linguo	Deputy Chief of Staff, PLA General Logistics Department
11.	DAI Weimin	Deputy President, PLA Nanjing Political College
12.	GAO Xiaoyan	Deputy Political Commissar and Chief of Discipline Inspection, PLA Information Engineering University
13.	MA Xiangdong	Head, Political Affairs Department, PLA Nanjing Political College
14.	ZHANG Daixin	Deputy Commander, Heilongjiang Provincial Military Command
15.	CHEN Qiang	Deputy Head, PLA Unit 96301
16.	XU Caihou	Vice-Chairman, Central Military Commission
17.	ZHU Heping	Director, Joint Logistics Department, Chengdu Military Area Command
18.	WANG Aiguo	Director, Joint Logistics Department, Shenyang Military Area Command
19.	HUANG Xianjun	Director, Political Department, Shanxi Provincial Military Command
20.	DUAN Tianjie	Deputy Director, Political Department, PLA National Defense University
21.	YUAN Shijun	Commander, Hubei Provincial Military Command
22.	HUANG Xing	Director, Research Instruction Department, PLA Academy of Military Sciences
23.	ZHANG Dongshui	Deputy Political Commissar, PLA Second Artillery Force
24.	LIU Hongjie	Deputy Director, Management and Support Department, PLA General Staff Headquarters

239. “PLA delegates support ongoing anti-graft efforts,” *Global Times*, March 10, 2015. See also, “PLA anti-corruption campaign shows determination to combat issue,” *Global Times*, March 15, 2015.

25.	CHENG Jie	Deputy Chief of Staff, North China Sea Fleet of the PLA Navy
26.	CHEN Jianfeng	Deputy Director, Joint Logistics Department, PLA Guangzhou Military Area Command
27.	CHEN Hongyan	Deputy Director, Political Department, Air Force, PLA Beijing Military Area Command
28.	WANG Sheng	Director, Logistics Department, Air Force, PLA Guangzhou Military Area Command
29.	GUO Zhenggang	Deputy Political Commissar, Zhejiang Provincial Military Command
30.	LAN Weijie	Deputy Commander, Hubei Provincial Military Command

Sources: Compiled from the information provided by Xinhua News Agency on January 16 and March 2, 2015; Catherine Wong Tsoi-lai, “16 PLA officers on graft list,” *Global Times*, January 16, 2015; and Catherine Wong Tsoi-lai, “Military probes 14 senior PLA officers for graft,” *Global Times*, March 3, 2015.

An important objective of President Xi’s campaign is to show the citizens that he is concerned about curbing corruption in China by “bagging big tigers.” However, Wedeman warns that “bagging too many big tigers can backfire if the public becomes convinced” that “the party’s jungle is full of big tigers, senior leadership is full of corrupt tigers, and that the only big tigers being hunted are Xi’s political enemies and the politically unlucky and unloved whom Xi had sacrificed.”²⁴⁰

From January to November 2013, the procuratorates investigated 2,703 officials at division level and 204 officials at bureau level and above, and 17 ministerial officials. Table 10 shows that during HU Jintao’s second term (2008-2012), the procuratorates investigated 13,173 division and county officials, 950 bureau officials and 30 ministerial officials, or an annual average of 2,635 division and county officials, 190 bureau officials and six ministerial officials. Thus, in terms of output, the number of officials at all levels investigated by the procuratorates in 2013 has exceeded their average annual output during 2008 to 2012.

Table 10: Number of Officials Investigated by the Procuratorates in China by Level, 2008-2013

No. of officials investigated	2008	2009	2010	2011	2012	2013
Division level and above	2,687	2,670	2,723	2,524	2,569	2,703
Bureau level and above	181	204	188	198	179	204
Ministry level and above	4	8	6	7	5	17
Total	2,872	2,882	2,917	2,729	2,753	2,924

Source: Compiled from data provided by the SPP, quoted in Chen, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” p. 7, Chart 1.

240. Wedeman, “Xi Jinping’s Tiger Hunt and the Politics of Corruption,” 6.

In sum, Xi’s anti-corruption campaign is different from previous campaigns by its length, its focus on curbing official extravagance on cars, banquets and overseas travel, its reliance on inspection teams to uncover corruption cases, and its investigation of more “tigers” and “flies” during its first two and a quarter years.

VI. EVALUATION OF XI JINPING’S ANTI-CORRUPTION CAMPAIGN

A. Utility of Mass Campaigns in China

How useful are the mass campaigns in China? In July 1957, ZHOU Enlai, the PRC’s first premier, had endorsed the utility of campaigns for fostering China’s socialist transformation.²⁴¹ Based on his analysis of 36 campaigns conducted in China from April 1950 to December 1971, Cell concluded that campaigns were useful for attaining China’s goal of socialist transformation, with the struggle campaigns being the most important despite their greater shortcomings. These shortcomings resulted from their high levels of mobilization and “over-classification, physical abuse, and the use of coercion instead of persuasion.”²⁴² On the other hand, with the exception of the Great Leap Forward, the economic campaigns had fewer weaknesses and were the most effective. Ideological campaigns were the least useful because of the low level of achievements, shortcomings and mobilization.²⁴³ However, he cautioned that China’s campaign mobilization strategy was not a “blueprint for action for other societies” because of the “differences between societies in culture, history, and natural environment.”²⁴⁴

Since mass campaigns in China have stirred political controversy among many scholars, Bennett has succinctly summarized the three criticisms as well as the supporting arguments for such campaigns. The first criticism was that mass campaigns were “effective as a leadership strategy only temporarily under conditions of great stress” because they were appropriately used by the CCP and PLA in their mountainous rural base in the 1930s and 1940s. Secondly, critics argued that mass campaigns were incompatible with China’s growing industrialization which requires “elaborate training and specialization” and moving away from political

241. Cell, *Revolution at Work*, p. 171.

242. *Ibid.*, pp. 130-131, and 172.

243. *Ibid.*, p. 172.

244. *Ibid.*, p. 175.

indoctrination.²⁴⁵ Third, China's "excessive emphasis on political priorities and hostility toward bureaucratic authority and professionalism" had to be curbed by reducing the number of campaigns and their hostility toward professionalism.²⁴⁶

In his study of a central ministry in China, A. Doak Barnett observed that the effects of political campaigns within the bureaucracy were "subtle and far-reaching." This is because "by dramatically demonstrating the Party's power to determine the fate of every cadre, and by clearly defining attitudes and behavior that are unacceptable to the Party," these campaigns "create strong incentives for all cadres to submit to the Party's authority" to reduce the risks of being punished.²⁴⁷ However, apart from reinforcing the CCP's authority, the reliance on these campaigns has also incurred "significant costs and liabilities": the disruption of the normal tasks of government and Party administration; neglecting problems not highlighted by the current campaigns; waste of time and effort because the cadres were diverted from their regular work; and inhibiting "the development of an effective government administration of a more routinized sort."²⁴⁸

Barnett concluded that even though campaigns "played an extraordinary role in the operational dynamics of the bureaucracy in China," the regime found it "increasingly difficult to mobilize the cadres and inject a high level of tension into the system." This is because they adapted to the repeated campaigns by developing defense mechanisms to avoid the same degree of psychological involvement.²⁴⁹ Lynn White contends that China's reliance on campaigns "suggests that regular, reliable legal punishments must be ineffective."²⁵⁰

On the other hand, supporters observed that China had to rely on mass mobilization of labor power after the CCP assumed power to construct public works, irrigation systems and flood control projects because the country lacked the required financial resources to invest in these projects. Furthermore, mass campaigns were emphasized in China during the early 1960s to foster the spirit of self-reliance, which was proclaimed as a national goal after the collapse of Sino-Soviet economic coopera-

245. Bennett, *Yundong*, p. 79.

246. *Ibid.*, p. 80.

247. A. Doak Barnett, *Cadres, Bureaucracy, and Political Power in Communist China* (New York: Columbia University Press, 1967), pp. 34-35.

248. *Ibid.*, p. 142.

249. *Ibid.*, p. 70.

250. Lynn T. White, "Political Mechanisms and Corruption," in Gregory C. Chow and Dwight H. Perkins (Eds.), *Routledge Handbook of the Chinese Economy* (London: Routledge, 2015), p. 292.

tion. Thirdly, proponents argued that mass campaigns had enhanced development by removing bottlenecks caused by “established cliques, privilege, and administrative routine.” Finally, advocates contended that mass campaigns were an effective way for solving existing problems if they were not excessive and “rhythmically in cycles of tension and relaxation.”²⁵¹

B. Impact of Xi Jinping’s Anti-Corruption Campaign

In his review of the literature on communication campaigns in China, WANG Jianglong found that “systematic evaluations with reliable and valid measurements are seriously lacking” because researchers relied on “mostly anecdotal reports, official Chinese government publications, and other less-reliable sources to gauge the effectiveness of communication campaigns in the PRC.”²⁵² For example, Robert Bishop has argued that those campaigns in China which attempted to change the targets’ attitudes achieved minimum or superficial effects, while those campaigns which targeted behavioural changes accomplished campaign objectives temporarily because of the campaign targets’ reluctance to reveal their true feelings.²⁵³

What has been the impact of Xi’s anti-corruption campaign? The first two and a quarter years of the campaign have not made a significant impact on China’s perceived extent of corruption, judging from its performance on Transparency International’s CPI and PERC’s surveys of corruption from 2012-2015, as shown in Table 11. As indicated at the outset of this analysis, China’s drop in rank from 80th to 100th positions and score from 40 to 36 on the 2014 CPI was unexpected and not well received by the PRC government.

Table 11: Perceived Level of Corruption in China according to three indicators, 1995-2015

Year	Corruption Perceptions Index	Political & Economic Risk Consultancy	World Bank Control of Corruption
1995	40/41 (2.16)	10/11 (7.30)	NA
1996	50/54 (2.43)	12/12 (8.00)	43.90 (-0.25)
1997	41/85 (2.88)	10/12 (8.06)	NA

251. Bennett, *Yundong*, pp. 80-85.

252. Jianglong Wang, “Research on Chinese Communication Campaigns: A Historical Review,” in Wenshan Jia, Xing Lu and D. Ray Heisey (Eds.), *Chinese Communications Theory and Research: Reflections, New Frontiers, and New Directions* (Westport, CT: Ablex, 2002), p. 139.

253. Robert L. Bishop, *Qi Lai! Mobilizing one billion Chinese: The Chinese Communication System* (Ames, IA: Iowa State University Press, 1989).

1998	52/85 (3.5)	6/12 (6.97)	45.85 (-0.25)
1999	58/90 (3.4)	10/12 (9.00)	NA
2000	63/90 (3.1)	9/12 (9.11)	50.73 (-0.24)
2001	57/91 (3.5)	7/12 (7.88)	NA
2002	59/102 (3.5)	7/12 (7.00)	33.66 (-0.65)
2003	66/133 (3.4)	8/12 (8.33)	43.41 (-0.41)
2004	71/146 (3.4)	9/14 (7.48)	34.63 (-0.56)
2005	78/159 (3.2)	10/14 (7.68)	31.71 (-0.64)
2006	70/163 (3.3)	11/15 (7.58)	37.07 (-0.51)
2007	72/180 (3.5)	9/16 (6.29)	33.50 (-0.59)
2008	72/180 (3.6)	12/16 (7.98)	35.44 (-0.54)
2009	79/180 (3.6)	12/16 (7.30)	34.93 (-0.54)
2010	78/178 (3.5)	10/16 (6.70)	32.38 (-0.60)
2011	75/183 (3.6)	11/16 (7.93)	35.07 (-0.55)
2012	80/176 (3.9)	12/16 (7.00)	39.23 (-0.48)
2013	80/177 (4.0)	11/16 (7.79)	46.89
2014	100/175 (3.6)	10/16 (7.10)	NA
2015	NA	11/16 (6.98)	NA

Sources: Compiled from <http://www.transparency.org> for the CPI rankings and scores from 1995-2014; *Asian Intelligence*, No. 579, March 7, 2001, p. 2; *Asian Intelligence*, No. 750, March 12, 2008, p. 7; *Asian Intelligence*, No. 871, March 20, 2013, p. 6; *Asian Intelligence*, No. 895, March 19, 2014, p. 1; *Asian Intelligence*, No. 920, April 1, 2015, p. 1; and <http://info.worldbank.org/governance/wgi/index.aspx#reports>.

On the other hand, the measures introduced to minimize the three “public expenses” – the public officials’ reliance on official cars, banquets and overseas trips – have been effective in reducing such expenditures. According to the CCDI, about 20,000 officials were punished in 2013 for decadence and the violation of the “Eight Directives.” Among them, more than 5,000 officials had broken the regulations concerning the use of official cars and 903 officials had organized “overly elaborate” celebrations.²⁵⁴ On March 15, 2014, the CCDI reported on its website that the expenditure on meetings in 2013 declined by 53 percent, followed by a decrease of 39 percent for official overseas trips, and a drop of 10 percent for vehicle purchases.²⁵⁵

The effectiveness of the regulations for curbing official extravagance manifests in the effects on China’s economic growth and changes in the behavior of the corrupt officials. The short term impact of the anti-corruption campaign is the reduction of economic growth in China in 2014 by between 0.6 and 1.5 percent, according to LU Ting, a Bank of America analyst, with the decline in sales of luxury watches, penthouses, cars and other status symbols caused by the official curb on extrava-

254. Ben Blanchard, “China punishes 20,000 officials for being too bureaucratic,” *Reuters*, December 2, 2013.

255. “Austerity drive hits official spending,” *Straits Times*, March 17, 2014, p. A11.

gance.²⁵⁶ China’s annual growth rate for luxury spending decreased from 7 percent in 2012 to 2 percent in 2013.²⁵⁷ The sales of jewelry, watches and other luxury items in Hong Kong have declined by 40 percent in April 2014, and by 28 percent in June 2014.²⁵⁸

The crackdown on official extravagance has also resulted in the decline in the hosting of official dinners at five-star hotels in China. The average spending per person at the Grand Hyatt Hotel in Shanghai has decreased from 1,000 yuan in 2012 to between 600 to 700 yuan in 2014. The liquor company Remy Cointreau blames the anti-graft campaign for the 32 percent drop in the sales of its high-end brand, Remy Martin in China, during January to March 2014.²⁵⁹ The shipment of cognac in China has also decreased by 20 percent.²⁶⁰ The Scotch Whiskey Association reported that the sales of whiskey in China declined by 11 percent from January to June 2014 as a result of the “anti-extravagance measures.”²⁶¹ To cope with the drastic drop in patronage by officials, high-end restaurants in Beijing have removed expensive and exotic dishes from their menus. Beijing’s Xiang E. Qing Restaurant, which was a favorite of CCP cadres before the anti-graft campaign, replaced shark’s fin soup, bird’s nest soup and abalone with “less exotic fare such as shredded beef, pickled turnip and fried peanuts.”²⁶² The sales of mooncakes in Guangdong Province dropped drastically after the CCDI banned the use of public funds to purchase mooncakes as gifts for the mid-Autumn festival.²⁶³

XI Jinping himself set an example by having a simple dinner of “four dishes and one soup” during his official visit to Fuping county in Hebei Province in late December 2012.²⁶⁴ Xi’s simple menu was prescribed earlier by the 1988 national campaign to curb public waste and

256. Bob Davis, “Anti-graft push could have big impact on China’s economy,” *Wall Street Journal*, August 21, 2014.

257. Rennie Whang, “Singapore firms hit by cut in China’s spending,” *Straits Times*, June 7, 2014, p. C9.

258. Kate O’Keefe, “Wary high-rollers shy away from Macau’s casinos,” *Wall Street Journal*, August 1, 2014.

259. “Less is more for China’s luxury businesses,” *Straits Times*, May 27, 2014, p. A18.

260. Jacqueline Nelson, “Corruption and Cognac: China’s crackdown hits luxury,” *The Globe and Mail*, August 20, 2014.

261. Fred Barbash, “Sales of Scotch and other luxury items down—thanks to China’s corruption crackdown,” *Washington Post*, September 23, 2014.

262. “China’s crackdown on extravagance means abalone off the menu,” *Associated Press*, September 4, 2013.

263. “Mooncake sales in China plunge after anti-graft agency bans use of public funds to buy them,” *Straits Times*, September 6, 2014.

264. Brian Spegele, “Xi eats plainly amid focus on official waistlines,” *Wall Street Journal*, December 31, 2012.

extravagance, which reduced the 10 to 15 dishes usually served at banquets to four dishes and a soup.²⁶⁵ However, the high-profile case of HAN Junhong, the Party Secretary of Wangluo, a town in Henan Province, who was suspended for not paying his bills of 700,000 yuan (US\$115,000) over three years at a pig trotter restaurant, illustrates the persistence of “wasteful spending and corruption” in China.²⁶⁶ In January 2015, 14 Shenzhen police officers were suspended for assaulting three undercover journalists who caught them feasting on a giant salamander at a lavish banquet attended by 28 officials from the Shenzhen Police Department.²⁶⁷

On December 18, 2013, the State Council circulated guidelines for “funeral and internment reform” to ensure that CCP members and officials set an example for others by having “simple, civilized funerals without monumental gravestones, fireworks and the practice of collecting gifts (bribes).”²⁶⁸ Consequently, ZHANG Hongbao, the owner of the Shanghai Funeral Service, claims that his profits have decreased by 20 percent in 2013 because government officials now “choose simple ceremonies, such as having quieter events, rather than the noisy rituals of the past.”²⁶⁹

The frugality campaign was demonstrated clearly at the annual meetings of the NPC held in Beijing in March 2013 and March 2014. Fifteen frugality measures were introduced to improve the conduct of the 2013 NPC. Among the 17 frugality measures implemented at the 2014 NPC was the reduction of the number of “tea ladies” since the delegates were served bottled water instead of tea. To reduce waste, there were no red carpets or welcome banners at the hotel lobbies and fruit platters were no longer provided in the hotel rooms. Gift-giving and lavish welcome ceremonies were banned and delegates were served buffet meals without expensive food or wine.²⁷⁰

Xi’s anti-corruption campaign has also changed the behavior of corrupt officials in four ways. First, many corrupt officials who have visited the casinos in Macau since 2009 to gamble or launder money have

265. T. Wing Lo, *Corruption and Politics in Hong Kong and China* (Buckingham: Open University Press, 1993), p. 63.

266. “China official suspended over pig trotter banquet bills,” *BBC News China*, October 28, 2013.

267. William Wan and Gu Jinglu, “Chinese officers caught feasting on an endangered salamander,” *Washington Post*, January 27, 2015.

268. Christina Larson, “China’s anti-graft campaign bans luxury funerals,” *Bloomberg Business*, December 20, 2013.

269. “Funeral business hard hit by anti-graft drive,” *Straits Times*, March 4, 2014, p. A10.

270. Esther Teo, “Beijing steps up frugality drive to clean up image,” *Straits Times*, March 10, 2014, p. A12.

stopped doing so after the initiation of the anti-corruption campaign in November 2012. Discretionary spending by Chinese high-rollers, which included many corrupt officials, increased Macau’s gambling revenue in 2012 to US\$38 billion.²⁷¹ However, casino revenue in Macau decreased in June and July 2014 by 3.6 percent from 2013 since high-rollers from China stayed away. In July 2014, the revenue from VIP gamblers from China declined by 14 to 18 percent.²⁷² The gross gambling revenue in Macau fell by 23.2 percent in October 2014 and by 19.6 percent in November 2014 compared to the same period in 2013.²⁷³ Hoffman Ma, Deputy Chief Executive Officer of Ponte 16 Resort in Macau, observes that the high rollers are “spending less to avoid drawing attention amid the government’s fierce anti-corruption campaign.”²⁷⁴ Consequently, the Gaming Inspection and Coordination Bureau in Macau reported that the highest decrease in casino revenue was 30.4 percent in December 2014 and the annual revenue for 2013 dropped by 2.6 percent to 351.5 billion patacas (US\$44 billion).²⁷⁵ In January 2015, the gaming revenue in Macau dropped by 17.4 percent to 23.7 billion patacas (US\$3 billion).²⁷⁶

The second way in which corrupt officials in China have changed as a result of Xi’s anti-graft campaign is that they have become more cautious in accepting bribes or helping their relatives and friends to avoid detection and punishment. CHEN Jin has offered a bribe of 100,000 yuan (US\$16,000) to enroll her 12-year old daughter in a top middle school in a city in Hebei Province but no official has accepted her offer after four months. Furthermore, CAI Xiaopeng, a businessman in Beijing, has admitted that he usually spends a million yuan a year to bribe more than 100 officials from many departments. However, because he has received fewer calls from officials requesting gifts before the mid-Autumn festival in 2014, he saved 800,000 yuan in bribes last year. To avoid getting caught, corrupt officials are more cautious now and only accept bribes from those they trust and also demand higher amounts. A jeweller from Henan Province said that he had to pay three times more than the usual bribe to get a permit to open a new shop.²⁷⁷

271. Chen Gang, “Xi Jinping’s Campaign against Corruption,” *EAI Background Brief*, No. 839 (Singapore: East Asia Institute, National University of Singapore, August 7, 2013), p. 10.

272. O’Keefee, “Wary high-rollers shy away from Macau’s casinos.”

273. Stuart Leavenworth, “China’s corruption crackdown takes toll on Macau’s U.S.-owned casinos,” *McClatchy DC*, December 5, 2014.

274. Frank Langfitt, “China’s corruption crackdown pummels Macau’s casinos,” *NPR* (National Public Radio), November 7, 2014.

275. “Worst year for Macau casinos,” *Straits Times*, January 3, 2015, p. A31.

276. “Macau casinos’ losing streak continues,” *Straits Times*, February 3, 2015, p. A20.

277. Keith Zhai, “‘I will not give up’ says Chinese mother who can’t find anyone to bribe for daughter’s schooling,” *Bloomberg News*, January 23, 2015.

The third change is that local officials are reluctant to perform their regular duties for fear of being punished for making mistakes and also because there is no longer any financial incentive for them to implement large investment projects. An official in Beijing admitted that “nobody wants to do anything” because “if we do things, we are exposed to all kinds of risks, including political risks. And we don’t have financial incentives.”²⁷⁸ Consequently, the reluctance of local officials to perform their functions has delayed the implementation of many projects. Accordingly, on February 9, 2015 Premier LI Keqiang asked local officials to sign a written pledge to implement major economic and social policies faithfully because their dereliction of duty has delayed the implementation of large projects and investment plans in the agricultural and water conservation industries.²⁷⁹ PEI Minxin contends that local officials have reacted to Xi’s anti-graft campaign by engaging in “passive resistance” because he “has taken away their cheese without offering anything in return.” The local officials are engaged in a test of wills with XI Jinping because they know that the CCP’s survival will be threatened if “they stopped working indefinitely and the economy sank.” They demand to be allowed to return to their corrupt ways because “if you don’t allow us to have a comfortable, corrupt life, we are not going to work for you.”²⁸⁰

The fourth effect of Xi’s anti-corruption campaign is that it has increased the number of suicides among corrupt officials in China. In 2013, of the 54 officials who died from “unnatural deaths” (including over-drinking and accidents), 23 officials committed suicide.²⁸¹ The media in China reported that 30 officials committed suicide from January to September 2014. This figure indicates that the suicide rate among senior Chinese officials is 30 percent higher than the suicide rate in China’s cities. On January 31, 2015, Peng Pai, a new-state-funded online media outlet, reported that 77 people killed themselves during 2013 and 2014 compared to 68 persons during 2003 to 2012.²⁸²

Corrupt officials commit suicide not only to avoid long prison terms, public shame and loss of face, but also to protect their wives, chil-

278. Simon Denyer, “Without corruption, some ask, can the Chinese Communist Party function?” *Washington Post*, February 11, 2015.

279. Zhao Yinan, “Local officials neglect duties, premier says,” *China.Daily.com.cn*, February 10, 2015.

280. Quoted in Denyer, “Without corruption, some ask, can the Chinese Communist Party function?”

281. Dexter Roberts, “As the anti-graft campaign widens, Chinese officials commit suicide,” *Bloomberg Business*, April 11, 2014.

282. Fang, “Setting a trap for China’s corrupt officials.”

dren and parents so that they will “survive and not lose their wealth.”²⁸³ As disciplinary investigations are terminated with the deaths of the prime suspects, some corrupt officials choose to commit suicide to prevent bringing shame to their families. Thus, the suicides of corrupt Chinese officials reflect not only the psychological impact of Xi’s anti-graft campaign, but also the limited care and help available for depressed officials.²⁸⁴ As many officials had previously tried to commit suicide by hitting their heads against the walls in the interview rooms, Professor LIN Zhe of the Central Party School revealed that the interview rooms at the disciplinary detention center in Shanghai have soft rubber walls to prevent officials who are interrogated from committing suicide.²⁸⁵

A final unintended consequence of Xi’s anti-corruption campaign is that it has led to a decline between 10 to 37 percent in the number of job applications for the civil service in 16 provinces and municipalities. The highest decrease occurred in Zhejiang Province where the number of persons sitting for the annual entrance examination decreased from 360,000 in March 2013 to 227,000 in March 2014.²⁸⁶ The number of persons taking the national civil service examination in China has decreased from 1.12 million in 2013 to 900,000 in 2014. A recent online survey conducted by the *China Youth Daily* found that 51.6 percent of the respondents admitted that the anti-corruption campaign was the most important reason for the drop in the number of applicants to join the civil service.

The “Eight Directives” and curbs on official extravagance have reduced the attractiveness of a civil service career because of the absence of the “hidden benefits” of being an official, which include “lavish banquet meals and government-sponsored stays in luxury hotels.”²⁸⁷ Without these extra benefits and perks, the actual monthly salaries of civil servants are very low. Hence, it is not surprising that in April 2013, five months after the initiation of Xi’s anti-graft campaign, a journalist has described the job of a Chinese government official as “one of the worst jobs in the world.” The “life as a Chinese government official isn’t what

283. Didi Kirsten Tatlow, “Spate of suicides by Chinese officials tied to drive against graft,” *New York Times*, September 11, 2014, p. 4.

284. Kor Kian Beng, “Deadly impact of anti-graft campaign,” *Straits Times*, April 18, 2014, p. A12.

285. William Wan, “How the secretive, powerful agency in charge of investigating corrupt Chinese officials works,” *Washington Post*, July 3, 2014.

286. Rachel Chang, “‘Gold rice bowl’ losing its lustre in China,” *Straits Times*, April 8, 2014, p. A13.

287. “Applications for government jobs decline as anti-graft campaign takes hold,” *Global Times*, December 3, 2014.

it used to be” because “lavish, liquor-heavy banquets have been outlawed” and it will also be harder to get those military license plates to avoid dealing with the traffic police.²⁸⁸

C. Treating Symptoms but not Causes of Corruption

Since corruption is a difficult problem to solve, many countries have failed in their anti-corruption efforts partly because their efforts have focused on the symptoms of corruption instead of its causes. Steven Levitt and Stephen Dubner explain why it is easier to deal with the symptoms of corruption than with addressing its root causes:

But the big problems that society cares about — crime and disease and political dysfunction, for instance — are more complicated than that. Their root causes are often not so nearby, or obvious, or palatable. So rather than address their root causes, we often spend billions of dollars treating the symptoms and are left to grimace when the problem remains. . . . Alas, fixing corruption is a lot harder than airlifting food. . . . But when you are dealing with root causes, at least you know you are fighting the real problem and not just boxing with shadows.²⁸⁹

XI Jinping’s anti-corruption campaign’s emphasizes treating the symptoms of corruption without addressing its causes, which makes it the campaign’s Achilles’ heel. This may also explain why the campaign has been ineffective in minimizing corruption in China during its first two and a quarter years. This limitation is not surprising since as Bennett has astutely observed, the fourth objective of a mass campaign was the correction of deviations from important public norms. “The tasks of *yundong* in the correcting deviations category are to draw such deviations into the open, raise popular awareness of the political implications of indulging in the deviant practices, and finally, try to stamp them out.” However, “often the announced deviations superficially appear to be mere symptoms, and *yundong* run to suppress them seem to toy with the symptoms alone instead of squarely addressing the basic causes.”²⁹⁰

288. Lily Kuo, “Being a Chinese government official is one of the worst jobs in the world,” *Quartz*, April 25, 2013.

289. Steven D. Levitt and Stephen J. Dubner, *Think Like a Freak: How to Think Smarter about Almost Everything* (London: Allen Lane, 2014), pp. 66-67 and 70.

290. Bennett, *Yundong*, p. 58.

1. *Low salaries*

There are five major causes of corruption in China.²⁹¹ As discussed in Section II.B, the low salaries of public officials in imperial China were responsible for their corrupt behavior. After the readjustment of salaries in 1956, the average salaries of administrative cadres were not “exceptionally high.” For example, the minister’s monthly salary was only 400 yuan, whereas a bureau chief earned between 200 to 250 yuan per month.²⁹² The salaries of public officials in contemporary China are still low and explain why to a large extent they are corrupt. Senior officials have tolerated low salaries during the reform period because they could compensate the difference through “corruption with relatively little chance of getting caught.”²⁹³ Many officials have engaged in such illegal strategies such as embezzlement and commercial activities to supplement their low official incomes.²⁹⁴ The rampant corruption among the managers of the SOEs is the result of their low salaries and their unfettered control over the economic resources of their organizations.²⁹⁵

Table 12 shows that the average annual salary of employees in the public sector in China was lower than the average annual salary of employees in nine other sectors from 2003 to 2007. In 2009, public sector salaries were ranked ninth, but their ranking dropped to 11th position in 2010. The average annual salary of civil servants increased by two and a half times from 15,355 yuan (or 1,280 yuan per month) in 2003 to 38,242 yuan (or 3,187 yuan per month) in 2010. As mentioned earlier, the anti-corruption campaign has reduced the attractiveness of the civil service as an employer in China because of the curb on official extravagance and other perks. The average monthly salary of a department head in the central government in 2014 was 3,000 yuan (US\$480) while a department head at the provincial level earned an average of 2,000 yuan (US\$320) a month.²⁹⁶

In 1981, Harry Harding astutely attributed the problem of corruption in China to these two structural causes: “when the opportunity is

291. For a comprehensive analysis of these five causes, see Quah, *Minimizing Corruption in China*, pp. 41-58.

292. Barnett, *Cadres, Bureaucracy, and Political Power in Communist China*, p. 41.

293. John P. Burns, “Rewarding Comrades at the Top in China,” in Christopher Hood and B. Guy Peters with Grace O.M. Lee (eds.), *Reward for High Public Office: Asian and Pacific Rim States* (London: Routledge, 2003), p. 63.

294. John P. Burns, “Civil Service Reform in Contemporary China,” *Australian Journal of Chinese Affairs*, 18 (July 1987): 79-80.

295. Wenhao Cheng, “An Empirical Study of Corruption within China’s State-owned Enterprises,” *China Review*, 4 (2) (Fall 2004): 63-65

296. Chang, “‘Gold rice bowl’ losing its lustre in China,” p. A13.

present,” there are weak penalties, ineffective monitoring mechanisms, and bureaucratic discretion; and when the motivation is high with poorly paid officials they are “strongly tempted to engage in graft or extortion.”²⁹⁷ The late LEE Kuan Yew, Singapore’s first prime minister, noted that the adoption of market reforms in China resulted in the exponential increase in corruption because “the salaries of ministers and officials were paltry compared with the rest of society, which was growing rich very rapidly.”²⁹⁸

Table 12: Average Annual Salary in Yuan in China by Sector, 2003-2010

Sector	2003	2005	2007	2009	2010
Telecommunications and computer service	30,897	38,799	47,700	58,154	64,436
Financial industry	20,780	29,229	44,011	60,398	70,146
Research and technological services	20,442	27,155	38,432	50,143	56,376
Electricity, gas and water utilities	18,574	24,750	33,470	41,869	47,309
Culture, sports and entertainment	17,098	22,670	30,430	37,755	41,428
Real estate	17,085	20,253	26,085	32,242	35,870
Tenancy and business services	17,020	21,233	27,807	35,494	39,566
Health, social security and social welfare	16,185	20,808	27,892	35,662	40,232
Transport, storage and postal service	15,753	20,911	29,903	35,315	40,466
Public sector	15,355	20,234	27,731	35,326	38,242
Education	14,189	18,259	25,908	34,543	38,968
Mining	13,627	20,449	28,185	38,038	44,196
Manufacturing	12,671	15,934	21,144	26,810	30,916
Neighborhood services	12,665	15,747	20,370	25,172	28,206
Management of water resource and public infrastructure	11,774	14,322	18,383	23,159	25,544
Construction	11,328	14,112	18,482	24,161	27,529
Hotel and catering services	11,198	13,876	17,046	20,860	23,382
Wholesale and retail trade	10,894	15,256	21,074	29,139	33,635
Agriculture, forestry and fishery	6,884	8,207	10,847	14,356	16,717
Average for all sectors	13,969	18,200	24,721	32,244	36,539

Source: Compiled from Alfred M. Wu, *Governing Civil Service Pay in China* (Copenhagen: NIAS Press, 2014), pp. 167-168, Table 7.6.

2. Red tape

Second, red tape and cumbersome procedures contribute to corruption by providing civil servants with the excuse to extort bribes from

297. Harding, *Organizing China*, pp. 7-8.

298. Lee, *One Man's View of the World*, p. 18.

those members of the public who are willing to pay “speed money” to “cut” red tape and reduce delay by expediting their applications for permits or licenses.²⁹⁹ Red tape is a serious problem in China as reflected in its performance on the World Bank’s ease of doing business rank from 2007-2015, as shown in Table 13. In 2007, China was ranked 93rd among 175 economies in terms of the ease of doing business rank. Its ease of doing business rank gradually improved to 79th among 183 economies in 2011 but decreased to 96th position among 189 economies in 2014, and 90th position in 2015. More specifically, China’s rank for starting a business has worsened from 128th among 175 economies in 2007 to 158th among 189 economies in 2014. However, in 2015, China’s rank for starting a business improved to 128th among 189 economies. Even though the number of days needed to obtain a license was reduced from 367 days in 2007 to 244.3 days in 2015, China’s rank for dealing with licenses deteriorated from 153rd position to 179th position during the same period. Similarly, China’s rank in registering property has also declined from 21st position in 2007 to 37th position in 2015.

Table 13: China’s Ease of Doing Business Rank, 2007-2015

Criterion	2007	2008	2009	2010	2011	2012	2013	2014	2015
Ease of doing business rank	93	83	83	89	79	91	91	96	90
Starting a business rank	128	135	151	151	151	151	151	158	128
Procedures (number)	13	13	14	14	14	14	13	13	11
Time (days)	35	35	40	37	38	38	33	33	31.4
Dealing with licenses rank	153	175	176	180	181	179	181	185	179
Procedures (number)	29	37	37	37	37	33	28	25	22
Time (days)	367	336	336	336	336	311	270	270	244.3
Registering property rank	21	29	30	32	38	40	44	48	37
Procedures (number)	3	4	4	4	4	4	4	4	4
Time (days)	32	29	29	29	29	29	29	29	19.5
Number of economies	175	178	181	183	183	183	185	189	189

Sources: World Bank, *Doing Business 2007-2015* (Washington DC, 2006-2014), various pages.

The problem of red tape in China is also reflected in the proliferation of administrative and operating fees, which are collected by the ministries, government bureaus, commissions and authorized organizations. There were 340 administrative and operating fees authorized in 2002 by the State Council, involving more than 50 ministries, bureaus and com-

299. Jon S.T. Quah, “Civil Service and Corruption,” in Anuradha K. Rajivan and Ramesh Gampat (Eds.), *Perspectives on Corruption and Human Development*, Vol. 2 (Delhi: Macmillan Publishers India, 2009), pp. 820-821.

missions. The provincial governments also authorized the payment of several hundred fees.³⁰⁰ Needless to say, the collection of excessive fees has increased business costs, the size of government as well as corruption. The fees collected are considered by government agencies, SOEs and local governments as off-budget revenue (*xiaojinku* or “small coffers”), which is “often abused and used for lavish pursuits such as purchasing luxury vehicles” as well as “treating guests, purchasing presents, personal uses, and paying bribes.”³⁰¹

3. *Low probability of detection and punishment*

The third cause of corruption in China is the low probability of detection and punishment for corrupt offenses. Corruption is perceived as a “low risk, high reward” activity in China because corrupt offenders are unlikely to be caught and punished. Gerard Lemos describes the CCP as “remarkably tolerant and forgiving” because only two groups of corrupt officials are punished: “those whose greed, dishonesty and exploitation are so extreme and meretricious that they simply cannot be ignored and those whose denigration for corruption is a devious proxy for settling scores in a long-running factional fight.”³⁰² With the low probability of being caught and prosecuted for corrupt offenses, it is not surprising that many officials, including senior CCP members, are willing to assume the low risk for engaging in corrupt practices.³⁰³

Corruption in China deteriorated during 2005-2006 because the risk of corrupt offenders being caught was significantly reduced due to the time lag between the committing of the offense and the arrest of the offender increased from 20 months during 1992-1996 to 63 months during 2005-2006.³⁰⁴ Among the average number of 30,000 public officials charged with economic crimes annually, more than 20,000 officials (66.7 percent) were remanded to the courts for trial, but only 5,000 officials (16.7 percent) were imprisoned for five years or more.³⁰⁵ Among the

300. Lin Shuanglin, “Too Many Fees and Too Many Charges: China Streamlines Fiscal System,” in John Wong and Lu Ding (Eds.), *China’s Economy into the New Century: Structural Issues and Problems* (Singapore: Singapore University Press and World Scientific Publishing, 2002), p. 179.

301. *Ibid.*, pp. 186-189.

302. Gerard Lemos, *The End of the Chinese Dream: Why Chinese People Fear the Future* (New Haven, CT: Yale University Press, 2012), p. 259.

303. John P. Burns, “Governance and Civil Service Reform,” in Jude Howell (Ed.), *Governance in China* (Lanham: Rowman & Littlefield Publishers, 2004), pp. 43-44.

304. Andrew Wedeman, “China’s War on Corruption,” in Ting Gong and Stephen K. Ma (Eds.), *Preventing Corruption in Asia: Institutional Design and Policy Capacity* (London: Routledge, 2009), p. 26.

305. *Ibid.*, p. 27.

115,143 CCP members disciplined during 1992-2006, 44,836 (38.9 percent) were warned, and 32,289 (28 percent) of them were given a serious warning. This means that two-thirds of those party members who were disciplined “got away with only a mild to serious warning that appeared to have no real punitive consequences.”³⁰⁶

What accounts for the low probability of detecting and punishing corrupt officials in China? As mentioned earlier, the lack of public accountability enables officials to abuse their power to further their personal interests without fear of detection or punishment. Furthermore, the CCP’s preferred option of relying on “internal resolution” instead of criminal prosecution to deal with its corrupt members so as to avoid embarrassing the CCP reinforces the perception that they would be unlikely to be caught or punished. Finally, the prevalence of bribery as a subculture among Chinese officials encourages them to believe that they would not be caught or penalized since only those officials with “bad luck” would be punished for their corrupt offenses.³⁰⁷ In sum, the combination of increased opportunities for corruption after 1978 and the ineffective anti-corruption measures mean that “engaging in corruption was a rational decision” for many Chinese officials because the costs of corruption were perceived to be much lower than the benefits.³⁰⁸

4. *Decentralization*

The fourth cause of corruption in China is decentralization. Decentralization gives the power of the central government to local governments at the county and town levels so they can implement policies. In addition, it grants managers of SOEs with decision-making autonomy, meaning there is no accountability for their decisions. The most powerful person at the county and township levels is the party committee secretary or the “first hand.” He has the final authority in making all the major decisions, including personnel decisions affecting the officials and the implementation of national economic policies.³⁰⁹ The central government relies on the local party secretaries to ensure control of the county and

306. Minxin Pei, “Fighting Corruption: A Difficult Challenge for Chinese Leaders,” in Cheng Li (Ed.), *China’s Changing Political Landscape: Prospects for Democracy* (Washington, DC: Brookings Institution Press, 2008), pp. 230-232.

307. Zhang, “White-Collar Crime,” pp. 28 and 33.

308. Chan Kin-man, “Corruption in China: A Principal-Agent Perspective,” in H.K. Wong and Hon S. Chan (Eds.), *Handbook of Public Administration in the Asia-Pacific Basin* (New York: Marcel Dekker, 1999), p. 318.

309. Zhong Yang, “Why China’s local officials do not always comply with Central Government Policies,” *EAI Background Brief*, No. 86 (Singapore: East Asian Institute, National University of Singapore, April 24, 2001), pp. 3-4.

township governments. The unintended consequence of giving so much power to the local party secretaries is their abuse of power. This allows them to build their own “independent kingdoms” by circumventing or disobeying the central government’s directives.³¹⁰

The relationship between the central government and local governments in China depends on the issues involved. For critical issues like the crackdown on the Falun Gong and the single child policy, the party secretaries give top priority because they would be punished for any mistakes in policy implementation. Similarly, they also comply with meeting the detailed requirements for implementing those policies with specific quotas because their job performance is based on the attainment of such quotas. Spotlight issues that are brought to the attention of the political leaders by media exposure are usually resolved quickly by the local party secretaries to avoid negative consequences for themselves. By contrast, the local party secretaries usually ignore or pay lip service to general slogans or guideline issues without specific details or performance indicators because of the absence of negative consequences for non-compliance. As thousands of laws and regulations are passed by the NPC, provincial people’s congresses and local congresses, the local party secretaries routinely violate these laws and regulations because of their “abuse of power, lack of a sense of the rule of law,” “ignorance of the existence of these laws and regulations,” and the weak monitoring system. The non-implementation of these laws and regulations is the “most problematic area” of policy implementation at the county and township levels in China.³¹¹

GONG Ting contends that the functions of local governments as state political agents and local economic principals have contributed to widespread corruption in China. As state agents, local governments have a great deal of administrative and economic discretion in implementing government policies, including such additional economic powers as “business licensing, resource distribution, administrative budgeting, local taxation, and trade and investment in their own localities.”³¹² The local officials’ enhanced power and discretion has increased the opportunities for corruption in land transfers because of their “*de facto* power to decide whether, how, to whom and at what price to lease land. Most local officials often succumb to bribery, while many of them also engage in aggressive ‘rent-seeking’ activities.”³¹³ Land corruption involving ex-

310. Ibid., p. 4.

311. Ibid., pp. 8-9.

312. Ting Gong, “Corruption and Local Governance: The Double Identity of Chinese Local Government in Market Reform,” *Pacific Review*, 19 (1) (March 2006): 88-89.

313. Ibid., 90.

changes between local officials and private interests has increased and as many as 710,000 cases of illegal land deals were investigated from 1993 to 2003.³¹⁴ A 2014 survey of 2,293 executives in China found that the incidence of corruption was the highest at 41 percent in the real estate and construction sector and 79 percent of them reported that local officials were the main beneficiaries of corruption because they “enjoy the power and regulatory control to help or make life hell for businesses in their domains.”³¹⁵

The local governments’ second role as economic principals has encouraged local officials to expand their financial resources because their performance is assessed by “local economic output, revenue growth and improvement in living standards” rather than compliance with the central government’s policies. Financial decentralization has forced local officials to use *xiaojinku* or “small coffers” for storing extra- and off-budgetary funds. *Xiaojinku* are also known as “private coffers” and do not require the “strict budget compilation, examination, approval and execution” because “they remain outside normal financial revenue and expenditure.” These coffers are also used to “embezzle, withhold and hide various forms of revenue and falsify costs and expenditure.” Often, their funds are transferred from the account books and financial statements of their organizations and deposited privately elsewhere.³¹⁶ The money in the private coffers are derived from “public funds, publicly or privately, legally or illegally.”³¹⁷

The excessive reliance on *xiaojinku* to keep secret funds by many government agencies and SOEs have given rise to rampant organizational corruption in China. The amount kept in these “small coffers” has increased from 10 billion yuan in 1985 to 120 billion yuan in 1990.³¹⁸ The local officials’ increased reliance on extra- and off-budgetary revenues has increased the opportunities for corruption because these revenues are not subject to oversight. The off-budgetary funds kept in *xiaojinku* are “notoriously associated with the corruption of local officials,” as these funds are usually spent on bribery, bonuses and entertainment, including

314. Ibid., 90-91.

315. Chris Charney and Shehzad Qazi, “Corruption in China: What companies need to know,” *Charney Research White Paper No. 1* (January 2015): 2-3.

316. Sun Baohou, “Why private coffers are rampant,” in Wang Mengkui (Ed.), *Good Governance in China – A Way towards Social Harmony: Case studies by China’s rising leaders* (London: Routledge, 2009), p. 4.

317. Ibid., p. 5.

318. Xiaobo Lu, “Bounty Socialism, Bureaupreneurs, and the State in Transition: Organizational Corruption in China,” in Tak-Wing Ngo (Ed.), *Contemporary Chinese Studies – Economy and Society*, Vol. 2, *Regulation and Governance in the Hybrid Market* (London: Sage Publications, 2011), pp. 195-196.

the payment for lavish banquets, dancing, bowling, sauna bathing and vacationing in sanatoriums.³¹⁹

SUN Baohou, the Auditor-in-Chief of China's National Audit Office, has observed that the "private coffers" are used for diverse purposes by officials including extravagant eating and drinking, secret purposes, currying favor with superiors, buying official positions, entertaining guests and buying gifts, gambling, or keeping mistresses. Thus, these private coffers are viewed as the "personal purses" of the leaders and officials and used by them for multiple purposes.³²⁰ He contends that corruption in China is a chronic disease which cannot be cured because the "private coffers" in many public organizations provide "an endless financial source for corrupt officials."³²¹

5. *Guanxi and gift-giving*

Cultural practices like *guanxi* and the tradition of gift-giving contribute to corruption in China by influencing individuals to give or receive bribes. *Guanxi* emphasizes the importance of "connections in order to secure favors in personal relations" and refers to "interpersonal linkages with the implication of continued exchange of favors."³²² Apart from promoting reciprocity in social relations, gift-giving also encourages bribery among civil servants, who accept gifts provided by businessmen wishing to cut red tape or to obtain licenses or permits improperly. *Guanxixue*, or the "exchange of gifts, favors, and banquets," is usually associated with official corruption in both official and popular discourse in China.³²³

In China, "*guanxi* arose as a way to defuse and subvert the elaborate regulations and restrictions that the state redistributive economy imposed on everyday life."³²⁴ HE Qiugang of the New China News Agency has attributed the problem of corruption in the CCP to the criteria for promotion, which are based more on *guanxi* than merit. Accordingly, he recommended that the CCP should curb corruption by establishing a "scientific," meritocratic cadre management system.³²⁵ His criticism is valid as shown by a survey of 3,000 local cadres in 16 provinces, which found

319. Gong, "Corruption and Local Governance," 96-97.

320. Sun, "Why private coffers are rampant," p. 8.

321. Ibid., p. 10.

322. Yadong Luo, *Guanxi and Business*, 2nd edition (Singapore: World Scientific Publishing, 2007), p. 2.

323. Mayfair Mei-hui Yang, *Gifts, Favors and Banquets: The Art of Social Relationships in China* (Ithaca, NY: Cornell University Press, 1994), pp. 6 and 63.

324. Luo, *Guanxi and Business*, p. 27.

325. Quoted in Shambaugh, *China's Communist Party*, p. 80.

that nepotism and corruption were widespread and meritocracy was “often absent when selecting cadres.”³²⁶ Based on their analysis of China’s Central Committee members during the post-reform era, Victor Shih, Christopher Adolph and LIU Mingxing found that factional ties with senior party leaders, educational qualifications, and provincial revenue collection were the most important factors in promotion rather than their performance.³²⁷

The criteria for promoting Chinese officials and granting bonuses are based on their age, educational level and length of service. Accordingly, in order to enhance their chances for promotion, many local officials “white wash” their personal records by changing “their ages, prolonging their working services, and enhancing their education degrees.” Some officials have also deleted blemishes from their work records. Since China lacks a system for preventing and punishing such practices, faking records and deleting unwanted information are easy because “as long as you bribe the staff in charge of managing profiles, you can easily fix your record.”³²⁸

The gift-giving tradition makes it easy for Chinese officials to solicit bribes either directly or indirectly.³²⁹ Senior officials are usually induced to get involved in corruption progressively, beginning with “less harmful banquets and seemingly innocent offering of gifts” to bribery and embezzlement after *guanxi* is built.³³⁰ HUANG Zongliang, a Beijing University professor, has attributed gift-giving to bribers attempting to “buy over” officials in a subtle way to enable them to ask for favors in the future. In his view, “festival gifts are simply bribes in disguise, although bribers may not ask for favors immediately.”³³¹

Since *guanxi* is implicated in almost all major corruption scandals in China, it provides “a fertile soil” for corruption to flourish and is “a powerful tool wielded by corrupt officials to blackmail business for their personal gains.”³³² Gift-giving builds *guanxi* in the business world and

326. Dexter Roberts, “China’s Communist Party admits it has a big corruption problem,” *Bloomberg Businessweek*, July 10, 2014.

327. Victor Shih, Christopher Adolph and Mingxing Liu, “Getting ahead in the Communist Party: Explaining the Advancement of Central Committee Members in China,” *American Political Science Review*, 106 (1) (2012): 166-187.

328. Lu Chen, “Chinese officials lied about almost everything in personal records, except gender,” *Epoch Times*, February 26, 2015.

329. Yuan Wang, Xin Sheng Zhang and Rob Goodfellow, *China Business Culture: Strategies for Success* (Singapore: Talisman Publishing, 2003), p. 171.

330. Peter Nan-Shong Lee, “Bureaucratic Corruption during the Deng Xiaoping Era,” *Corruption and Reform*, 5 (1) (1990): 35.

331. Quoted in De Mente, *The Chinese Way in Business*, p. 115.

332. Luo, *Guanxi and Business*, p. 228.

the powerful combination of *guanxi* and gift-giving constitutes an important cause of corruption in China today. Furthermore, since political factions in China are based on the *guanxi* networks of senior officials, the existence of these networks undermines the anti-corruption campaign because “cracking down on corrupt senior government officials requires the Chinese government to destroy the *guanxi* networks that may shield these officials from legal punishment.”³³³ Thus, Xi’s anti-graft campaign “faces [a] core problem [because] graft is an important element in cementing the loyalty of officials.”³³⁴

The preceding analysis of the five causes of corruption in China reinforces the main thesis of this monograph, which is that Xi’s anti-corruption campaign will only be effective if it addresses these causes instead of treating only the symptoms of corruption. William Wan has observed that “the license plate crackdown [on May 1, 2013] represents a way for him [XI Jinping] to target the visible symptoms of corruption without taking on its more tangled roots, such as military-related state enterprises.”³³⁵ Since corruption in China is the result of the low salaries of officials, red tape, low probability of detection and punishment of corrupt offenders, discretion of local officials without accountability, and the cultural practices of *guanxi* and gift-giving, corruption cannot be minimized unless measures are initiated by the CCP to deal with these causes too.

D. Corruption as a Weapon against Political Opponents

In 1988, Robert Klitgaard suggested that future research on corruption should focus on studying the abuse of anti-corruption powers because anti-corruption campaigns were used “to clean up political opponents rather than to clean up corruption.”³³⁶ Joseph Fewsmith has observed that in China “charging one’s opponents (or their close followers) with corruption” has “become a weapon of choice for political maneuver.”³³⁷ During the past two decades, China’s political leaders have

333. Roderic Broadhurst and Peng Wang, “After the Bo Xilai trial: Does Corruption threaten China’s future?” (unpublished revised working paper, December 17, 2013), p. 10.

334. Jonathan Fenby, *Tiger Head, Snake Tails: China today, how it got there and why it has to change* (London: Simon & Schuster, 2013), p. 384.

335. William Wan, “China curbs use of coveted military license plates in latest anti-corruption move,” *Washington Post*, April 1, 2013.

336. Robert Klitgaard, *Controlling Corruption* (Berkeley, CA: University of California Press, 1988), p. 203.

337. Joseph Fewsmith, *China since Tiananmen: The Politics of Transition* (Cambridge: Cambridge University Press, 2001), p. 231.

employed corruption as a weapon against their political enemies. According to HO Pin and HUANG Wenguang:

Leadership transitions historically have been times of political intrigue and conspiracy, and during the past two decades a common and effective way to eliminate a challenger or political opponent was to link a rival with a corruption scandal. President JIANG Zemin employed the trick to consolidate his power, as did his successor, President HU Jintao. In a one-party state such as China, jockeying for influence is a raw reality of the political system. There is nowhere else to go, so all fighting must be infighting.³³⁸

The regional DICs in China are very important tools used by the local leaders to eliminate their political foes. Moreover, the CCDI enforces the law selectively and relies on an anti-corruption investigation as a tool to protect the interests of some senior CCP leaders. The CCDI's important function is “to filter out and if necessary remove any suggestion of impropriety that might be harmful to the senior leadership, or attack opponents, or protect certain privileged persons by warning and offering a way out of a potential political scandal.”³³⁹ When a corruption scandal is exposed, the CCP leaders control the damage by identifying “who will take the fall” and taking action against them to appease the public.³⁴⁰ This means that only persons who lack connections or are not politically significant are punished.

The four prominent examples are the purging of CHEN Xitong by JIANG Zemin, CHEN Liangyu by HU Jintao, and BO Xilai and ZHOU Yongkang by XI Jinping. These cases are discussed briefly below.

1. CHEN Xitong

To illustrate the “politicization of graft-busting” in China, Willy Lam indicates that the investigation of CHEN Xitong, Beijing's Party Secretary, in July 1995 was orchestrated by JIANG Zemin because of the rivalry between his Shanghai Faction and Chen's Beijing Faction.³⁴¹ Since Chen's Beijing Faction was supported by DENG Xiaoping, PENG Zhen and WAN Li, Jiang was careful and only initiated investigations into Chen's corrupt activities after the suicide of Beijing's vice-mayor, WANG Baosen, on April 4, 1995, but before being interviewed by the

338. Pin Ho and Wenguang Huang, *A Death in the Lucky Holiday Hotel: Murder, Money, and an Epic Power Struggle in China* (New York: Public Affairs, 2013), p. 4.

339. Ho and Huang, *A Death in the Lucky Holiday Hotel*, p. 143.

340. Hart, *China's Real Leadership Question*, p. 8.

341. Wily Wo-Lap Lam, *The Era of Jiang Zemin* (Singapore: Prentice-Hall, 1999), p. 132.

CCDI investigators. Since Chen was also the head of Beijing's Construction Program Commission, he and Wang diverted US\$4 million of public funds towards the construction and furnishing of luxury villas "for private use in assignments with their mistresses."³⁴² Wang invested US\$12 million of Beijing's municipal government funds in the Wuxi Xinxing Company in Jiangsu Province because it promised investors monthly returns of between five to ten percent. The company collapsed when its president stopped paying dividends and did not return the invested capital. The investors complained to the authorities, which then investigated the company's activities and Wang's investment.³⁴³

Since Chen was a Politburo member, the Central Committee approved the CCDI's formal investigation of Chen on July 7 and removed him from both committees in September 1995.³⁴⁴ A multi-departmental team of elite agents from the police, Ministry of State Security, SPP, MOS and CCDI was formed to investigate Chen's case.³⁴⁵ Chen became the highest ranking CCP member to be jailed for corruption when he was sentenced to 16 years imprisonment for graft involving the misappropriation of 22 gifts worth 555,000 yuan and dereliction of duty on July 31, 1998.³⁴⁶ Chen's sentence was lenient compared to more junior CCP cadres who were given life sentences or the death penalty for corruption involving smaller amounts exceeding 100,000 yuan. However, Chen's imprisonment on corruption charges was a successful attempt by his political opponents to undermine his power. His incarceration protected more than 170 corrupt senior CCP members from criminal punishment.³⁴⁷ Chen's prosecution was delayed for more than two years because the CCP was afraid that he would "expose in public the identity of other high-ranking corrupt officials" if he had to appear in court.³⁴⁸ Fewsmith viewed Chen's ouster and investigation by Jiang as a reflection of "old-style politics, as one powerful politician defeated another and in-

342. Manion, *Corruption by Design*, pp. 193-194.

343. *Ibid.*, p. 194.

344. *Ibid.*, pp. 194-196.

345. Lam, *The Era of Jiang Zemin*, p. 133.

346. "Web of deceit: Main characters in the Chen Xitong scandal," *Straits Times*, August 10, 1998, p. 18.

347. Zou Keyuan, "Why China's rampant corruption cannot be checked by laws alone," in Wang Gungwu and Zheng Yongnian (Eds.), *Damage Control: The Chinese Communist Party in the Jiang Zemin Era* (Singapore: Eastern Universities Press, 2003), p. 86.

348. Sonny S.H. Lo, "Public Maladministration and Bureaucratic Corruption," in David C.B. Teather and Herbert S. Yee (Eds.), *China in Transition: Issues and Policies* (Basingtoke: Macmillan Press, 1999), p. 59.

creased his hold on power.”³⁴⁹ This also enhanced Jiang’s reputation with the public.³⁵⁰

2. CHEN Liangyu

The second example was the sacking of CHEN Liangyu, Shanghai’s party chief, on September 25, 2006 by President HU Jintao for his alleged role in the misuse of 3.2 billion yuan from Shanghai’s 10 billion yuan pension fund. Chen was an ally of former president JIANG Zemin and was “a political thorn in the side” for Hu and was “often mentioned as a potential casualty of leadership battles.”³⁵¹ Apart from showing that he was more serious than his predecessor in combating graft, Hu was also “a past master at using the ‘anti-graft card’ as a potent weapon against rival CCP cliques.” As Jiang had used fighting graft as a pretext to remove CHEN Xitong and LI Ruihuan, a Politburo member, it seemed that Hu had taken “a leaf from Jiang’s book.”³⁵²

In July 2006, ZHU Junyi, Director of Shanghai’s Social Security Bureau, was accused of receiving bribes and misusing 3 billion yuan (US\$400 million) in funds. Chen’s former secretary, QIN Yu, was arrested in August, and Chen himself was removed from office on September 24, 2006 for his involvement in the pension fund scandal. As it is extremely rare for PSC members to be prosecuted, even if there is evidence of their corrupt activities, Joseph Kahn argues that HU Jintao approved Chen’s arrest because he viewed Chen as “an obstacle to his political control or his policy agenda.”³⁵³

Chen’s arrest “marked a significant diminution in the influence” of the Shanghai Faction.³⁵⁴ The arrests of Chen and two members of the CCP Political Bureau on corruption charges in September 2006, and the removal from office of the mayors of Shenzhen and Chongqing in 2009, indicate that “anti-corruption campaigns often have as much to do with settling intra-party rivalries as they do with reasserting public probity.”³⁵⁵

349. Joseph Fewsmith, *China since Tiananmen: From Deng Xiaoping to Hu Jintao* (Cambridge: Cambridge University Press, 2008), p. 173.

350. *Ibid.*, p. 173.

351. “Downfall swift for Shanghai’s party chief,” *Straits Times*, September 30, 2006, p. 35.

352. Willy Wo-Lap Lam, *Chinese Politics in the Hu Jintao Era: New Leaders, New Challenges* (Armonk, NY: M.E. Sharpe, 2006), p. 145.

353. Joseph Kahn, “Shanghai party boss held for corruption,” *New York Times*, September 25, 2006.

354. Fewsmith, *China since Tiananmen: From Deng Xiaoping to Hu Jintao*, pp. 270-271.

355. John Bryan Starr, *Understanding China: A Guide to China’s Economy, History, and Political Culture*, 3rd edition (New York: Hill and Wang, 2010), pp. 80-81.

Chen was sentenced to 18 years imprisonment for bribery and abuse of power on April 11, 2008 by the Tianjin No. 2 Intermediate People's Court.³⁵⁶

3. *BO Xilai*

The third example of the CCP's reliance on corruption as a political weapon was the sacking and detention of BO Xilai, Chongqing's party chief, on March 15, 2012 by XI Jinping. Bo was removed on April 10, 2012 from his Politburo and Central Committee positions for "serious" but unspecified violations of party discipline (meaning corruption).³⁵⁷ Garnaut contends that the BO Xilai scandal has exposed "a world of staggering brutality, corruption, hypocrisy, and fragility" and destroying Bo gave Xi "a weapon with which he could taint Bo's associates and accelerate the consolidation of his power."³⁵⁸

Similarly, Steve Tsang, Director of Nottingham University's China Policy Institute, describes the BO Xilai scandal as "a political rather than a legal case." Willy Lam emphasizes the fact that it is "easy to use the law to attack your opponents." Bo's downfall as a victim of the factional in-fighting within the CCP in the lead-up to the 18th Party Congress in November 2012 reminded Lam of the "old-style backstabbing under Mao Zedong."³⁵⁹

Bo was expelled from the CCP on September 28, 2012 and handed over to the SPP to face criminal charges of taking bribes, abuse of power, having improper sexual relationships with many women, and violating organizational and personnel discipline. On October 26, 2012, he lost his immunity against legal prosecution when he was removed from his position as a delegate to the NPC. He was charged with bribery, embezzlement and abuse of power on July 23, 2013.³⁶⁰ Bo pleaded not guilty to the three charges during his trial on August 22-26, 2013, but he was found guilty on all the charges and sentenced to life imprisonment on

356. "Former Shanghai party chief gets 18-year term for bribery," *China View*, April 11, 2008.

357. John Garnaut, *The Rise and Fall of the House of Bo* (Melbourne: Penguin Group [Australia], 2012), pp. 120-124.

358. *Ibid.*, pp. 18 and 129-130.

359. Michael Bristow, "China scandal: Is Bo Xilai victim of political dispute?" *BBC News China*, April 17, 2012.

360. "The downfall of Bo Xilai," *Straits Times*, September 23, 2013, p. A6.

September 22, 2013.³⁶¹ His appeal against life imprisonment was rejected by a judge of the Shandong Higher Court on October 25, 2013.³⁶²

4. ZHOU Yongkang

The most recent case of using corruption as a weapon against a political opponent was the investigation of ZHOU Yongkang in July 2014 and his subsequent expulsion from the CCP on December 5, 2014.³⁶³ Zhou was the Minister of Public Security from 2002-2007, a member of the PSC, and secretary of the Political and Legislative Affairs Committee of the CCP’s Central Committee from 2007-2012. When he retired from his official positions in November 2012, the CCDI began investigating him in July 2014.

The major reason for Zhou’s ouster was his close relationship with and support for BO Xilai. WANG Lijun, vice-mayor and police chief of Chongqing, was sacked by Bo on February 2, 2012, when he was investigated by the CCDI for corruption. Wang retaliated by sending a letter by express mail to the CCDI accusing Bo and his wife of bribery and transferring large amounts of money abroad.³⁶⁴ On February 6, 2012, Wang sought political asylum in the U.S. Consulate in Chengdu since he feared for his life. Since he was not granted asylum by the U.S., Wang left the U.S. Consulate on February 8 with the officials from the Ministry of State Security, sent by Zhou, to escort him to Beijing.³⁶⁵ Wang stood trial on charges of breaking the law for selfish ends, defection, abuse of power, and bribery and was sentenced on September 22, 2012 to 15 years’ imprisonment.³⁶⁶

Wang’s attempted defection to the U.S. Consulate in Chengdu and his revelations of the murder of British businessman Neil Heywood by GU Kailai, Bo’s wife, provided ample justification for the CCP leaders to remove Bo before the Party Congress. At its meeting on February 12, 2012, the PSC discussed Wang’s unsuccessful defection and his accusations against Bo. Eight of the nine PSC members at the meeting decided to detain Bo for investigation, with the only dissenting vote cast by Zhou because his son had received 4.2 billion yuan worth of government pro-

361. Kor Kian Beng, “Bo Xilai remains defiant as he gets life term,” *Straits Times*, September 23, 2013, p. A1.

362. Ho Ai Li, “Court rejects Bo Xilai’s appeal,” *Straits Times*, October 26, 2013, p. A12.

363. Chris Buckley, “China arrests ex-chief of domestic security in graft case,” *New York Times*, December 5, 2014.

364. Ho and Huang, *A Death in the Lucky Holiday Hotel*, pp. 4 and 9.

365. *Ibid.*, pp. 12-15 and 58-59.

366. *Ibid.*, pp. 66-67 and “Wang Lijun sentenced to 15 years in prison,” *Xinhua News*, September 24, 2012.

jects from Bo. Zhou had also recommended Bo to replace him when he retired from the PSC in November 2012.³⁶⁷ At the NPC meetings in March 2012, Zhou was the only senior leader who interacted with Bo and praised him for his achievements in developing Chongqing. However, Zhou was prevented from leaving China that week because the CCP leaders had discovered that he and Bo had met five times in 2011 to conspire to topple the heir apparent, XI Jinping, in 2014.³⁶⁸ Zhou was charged for leaking state secrets because he had warned Bo in early 2012 that he would be ousted.³⁶⁹

Box 1: US\$16.05 Billion of Assets of Zhou Yongkang Confiscated by the Procuratorates

The procuratorates in Beijing, Guandong, Liaoning, Shanghai, Jiangsu Province and Shandong Province searched Zhou Yongkang's residences in seven different provinces and confiscated the following assets:

1. 326 residences in Beijing, Shenyang, Dalian, Jinan, Yantai, Chengdu, Nanjing, Wuxi, Suzhou, Shanghai, Guangzhou and Shenzhen with a combined worth of up to 1.76 billion yuan (US\$282.55 million).
2. Cash in these currencies: 152.7 million yuan (US\$24.5 million), US\$275 million, 662 thousand euro, 10,000 British pounds, and 55,000 Swiss francs.
3. 42,850 grams of gold, silver, and gold coins.
4. 62 cars including military jeeps and a medium-sized tourist bus.
5. 55 paintings by famous painters with a total market value of up to 8 million to 1 billion yuan (US\$128.4 million to US\$160.5 million).
6. Five each of three different types of domestically manufactured guns, three each of guns from Germany, Russia, England and Belgium, and up to 11,000 bullets.
7. 647 accounts and 117 foreign currency accounts belonging to Zhou and his relatives in 12 financial institutions and 133 different branches were frozen; and 930 other accounts under pseudonyms, fake names, and company names had 37.7336 billion yuan. The total amount in these accounts is \$6.06 billion.
8. Petroleum, aviation, wine, and financial securities with a total market value of 51.3 billion yuan (US\$8.24 billion), as well as foreign securities and bonds worth up to 170 million yuan (US\$27.29 million) were also seized.

367. Ho and Huang, *A Death in the Lucky Holiday Hotel*, p. 211.

368. *Ibid.*, p. 212.

369. "China's ex-security czar 'warned Bo Xilai'," *Straits Times*, April 16, 2015, p. A12.

Based on this list, the assets confiscated from ZHOU Yongkang amounted to over 100 billion yuan or US\$16.05 billion in value.

Source: TANG Di, “Hong Kong magazine reveals crimes and wealth of China’s former security czar,” *Epoch Times*, December 26, 2014.

Box 1 provides details of the US\$16.05 billion worth of assets confiscated by the procuratorates from searching his residences in seven provinces in China after his investigation by the CCDI in July 2014. While the revelation of Zhou’s massive assets confirms his involvement in many corruption scandals, it should be emphasized that he was ousted by the CCP leaders not only because of his corruption scandals but more importantly for his conspiracy with Bo to challenge Xi’s leadership.

VII. CONCLUSION: BUSINESS AS USUAL WHEN THE CAMPAIGN ENDS

A. No-Win Situation for the CCP

The fight against corruption is a long term task and still a serious task . . . I have never said one hundred coffins, one for myself. I know of this widespread rumor. But one hundred coffins are not enough for all the corrupt officials!

Zhu Rongji, 2002³⁷⁰

Corruption among the elite [in China] is rampant . . . [and] is a time bomb ticking at the regime’s clay feet.

David M. Lampton, 2014³⁷¹

The CCP is caught in the horns of a dilemma: it is aware that corruption is a serious problem in China which it has to resolve to ensure its long term survival and legitimacy. The first quotation by XI Jinping cited at the beginning of this monograph identifies corruption as a threat to the CCP’s survival if it is not curbed. However, former premier ZHU Rongji’s observation above on the inadequacy of 100 coffins for corrupt officials reflects how widespread corruption is among Chinese officials and David Lampton’s 2014 quotation captures accurately the urgency of the corruption problem in China and explains why it can no longer be ignored by the CCP leaders.

370. Quoted in David M. Lampton, *The Three Faces of Chinese Power: Might, Money, and Minds* (Berkeley, CA: University of California Press, 2008), pp. 237-238.

371. Donald M. Lampton, *Following the Leader: Ruling China, from Deng Xiaoping to Xi Jinping* (Berkeley: University of California Press, 2014), p. 227.

The major casualty of Xi's anti-graft campaign is the CCP's reputation whose image is constantly "tarnished with each case lodged against a high-profile official."³⁷² In July 2009, a popular anonymous blog on the Internet described corrupt officials in China pejoratively as "the new black-collar class" because they concealed their wrongdoing in secrecy thusly:

They drive top-brand cars. They go to exclusive bars. They sleep on the softest beds in the best hotels. . . . They play golf, travel at the public expense, and enjoy a life of luxury. They are the newly arrived 'black-collar class.' Their cars are black. Their income is hidden. Their life is hidden. Their work is hidden. Everything about them is hidden, like a man wearing black, standing in the black of night.³⁷³

The recent exposure of the corruption scandals involving BO Xilai and ZHOU Yongkang has eroded public confidence in the CCP.³⁷⁴ Consequently, when corruption scandals emerge, the CCP leaders "go to great lengths today to convince Chinese citizens that corruption scandals are isolated incidents caused by a few bad eggs rather than a systemic problem with single-party rule."³⁷⁵ However, a recent study by BAI Ruoyon has concluded that "the discrepancy between the CCP's highly publicized anti-corruption struggles and the seemingly unstoppable escalation of corruption has engendered pessimism and cynicism among the general population."³⁷⁶

The CCP finds itself between a rock and a hard place: "if the Party does not get rid of corruption, it will lose the trust of the people, but if it does, it will have no members."³⁷⁷ At the same time, however, the CCP leaders also know that the Party will not survive if it succeeds in minimizing corruption by introducing such political reforms as the creation of an independent ACA and judiciary. Can the CCP curb corruption effectively without causing its own demise? The short answer is: No.

The overthrow of the Communist Party of the Soviet Union (CPSU) and the collapse of the Soviet Union in December 1991 "shook the CCP to its core" and led to extensive analyses of the lessons which China

372. Jaime A. FlorCruz, "China corruption charges no longer shock," *CNN.com*, July 31, 2014.

373. Quoted in Richard McGregor, *The Party: The Secret World of China's Communist Rulers*, rev. ed. (London: Penguin Books, 2012), pp. 140-141.

374. Jamil Anderlini, "China corruption trials risk erosion of party legitimacy," *Financial Times*, September 25, 2013.

375. Hart, *China's Real Leadership Question*, p. 7.

376. Bai, *Staging Corruption*, p. 211.

377. Fenby, *Tiger Head, Snake Tails*, p. 384.

could learn during the next 13 years.³⁷⁸ These lessons were published in the *Decision of the CCP Central Committee on Enhancing the Party's Ruling Capacity*, which was adopted at the Fourth Plenary Session of the 16th Congress of the CCP in September 2004. This important document identified the 52 economic, political and coercive, social and cultural, and international factors responsible for the Soviet Union's collapse.³⁷⁹

Among the 17 political and coercive factors, corruption was surprisingly not mentioned explicitly but only indirectly as the result of “poorly developed mechanisms to police party members for breach of discipline.”³⁸⁰ Few analysts have highlighted the sensitive problems of corruption and party privileges for obvious reasons. However, HUANG Weiding identified corruption as an important cause of the Soviet Union's collapse, which was overlooked by the CCP. To the CCP “the death of the CPSU was not caused by anti-communist forces, but rather by corrupted members within the Party.”³⁸¹ Huang warned that corruption could spread like a cancer within the CCP and threaten its survival by weakening its leadership and forming special interests within the party and state apparatus. Since corruption aggravates inequality and other social problems, and causes bureaucratic inefficiency and economic losses, he believes that corruption within the CCP is the critical issue threatening its survival because if it is not managed effectively, “the end of the party and state is likely.”³⁸²

In 1993, JIANG Changbin attributed corruption in the Soviet Union to the “progressive atrophy of the CPSU's vaunted *nomenklatura* personnel system.” In similar vein, HE Qiugang identified these six kinds of special personal privileges enjoyed by CPSU members: special housing, special supplies, special education, special benefits for family members and relatives, special guards, and special expense accounts. Money politics was rampant in the CPSU, and cronyism and nepotism were practised by its leaders.³⁸³ To curb corruption within the CCP, he recommended that regulations should be introduced to enhance the transparency of the personal assets of its leaders. The CCP's reliance on *guanxi* instead of merit to promote its members has also contributed to

378. Shambaugh, *China's Communist Party*, pp. 57 and 60.

379. Details of the 52 factors responsible for the Soviet Union's collapse are provided in *ibid.*, pp. 62-63, Table 4.1. The CCP identified 14 economic factors, 17 political and coercive factors, 15 social and cultural factors, and six international factors.

380. *Ibid.*, p. 63.

381. Quoted in *ibid.*, p. 72.

382. *Ibid.*, p. 80.

383. *Ibid.*, p. 72.

the development of factions and its “unscientific” process of leadership succession.³⁸⁴

As mentioned in Section II above, the CCP leaders are aware that corruption was responsible for the decline of the various dynasties and the KMT’s defeat in 1949. Hence, the important role played by corruption in contributing to the Soviet Union’s collapse has reminded the CCP leaders that what had happened in China in the past and in the former Soviet Union, can also occur in China today as corruption can lead to the CCP’s downfall in the future too if the problem is not resolved.

B. Addressing the Causes of Corruption

In view of the CCP’s entrenched position in China’s political system, it is unrealistic to expect the CCP leaders to initiate fundamental political reforms to undermine their power for the foreseeable future. In his May 2006 interview with a Chinese journalist, Mikhail Gorbachev warned his Chinese friends not to practice democratization as “it will not end well” because “if the party loses control over society and reform, there will be chaos, and that is very dangerous. Before we were prepared, we allowed Soviet society to greatly liberalize.”³⁸⁵ Learning from the Soviet Union’s collapse and reinforced by Gorbachev’s warning, it is unlikely that Xi and his colleagues will introduce the necessary political reforms to enhance the ACAs’ effectiveness in minimizing corruption in China. Bearing in mind this caveat, can anything be done by the CCP to curb corruption in China?

Even though Xi’s anti-corruption campaign is “both qualitatively and quantitatively more intense”³⁸⁶ than previous campaigns, it is unlikely to be effective for three reasons. The most important reason why Xi’s campaign is unlikely to succeed is because it has dealt only with the symptoms of corruption but not its causes. Among the five causes of corruption in China discussed in Section VI.C above, the campaign has only addressed the cultural practices of *guanxi* and gift-giving by curbing official extravagance on the three public expenses – cars, banquets, and overseas trips. This limitation of Xi’s anti-graft campaign was admitted by WANG Qishan, the CCDI’s secretary, in October 2014 when he indicated that “it’s necessary to address the symptoms of corruption before

384. Ibid., p. 80.

385. Quoted in *ibid.*, pp. 70-71.

386. Merridan Varrall, “Corruption in China: The Cultural Divide,” *The Interpreter*, September 23, 2014.

treating its root causes.”³⁸⁷ However, after two and a quarter years, the campaign is still dealing with the symptoms of corruption without addressing the other four causes.

Rukshana Nanayakkara, Transparency International’s Asia-Pacific Regional Outreach Manager, has appropriately compared China’s method of high-profile arrests and asset seizures to stripping a tree of leaves while leaving its roots and trunk untouched. He contends that “you cannot fight corruption by adopting a prosecutorial approach” because “if you want to kill a tree, you have to take it out from the roots.” In other words, corruption will prevail unless its fundamental causes are addressed.³⁸⁸

The second limitation of Xi’s anti-graft campaign is the selective enforcement of the anti-corruption laws by the ACAs in China. One of the four reasons responsible for the effectiveness of Singapore’s CPIB in curbing corruption is the impartial enforcement of the Prevention of Corruption Act. This means that anyone found guilty of corruption in Singapore is punished, regardless of the offender’s position, status, or political affiliation.³⁸⁹ By contrast, the ACAs in China do not enforce the anti-corruption laws impartially for two reasons.

First, as explained in Section IV.E above, the CCP enforces the anti-corruption laws in China selectively because it protects its corrupt members by handing them over to the CCDI to discipline them internally within the Party instead of transferring them to the SPP for criminal investigation and prosecution. However, and this is the second reason, not all the corrupt officials are protected by the CCP, especially those who are viewed to be political opponents by the CCP leaders. XUECUN Murong contends that Xi’s crackdown on corruption is selective and is “more of a Stalinist purge than a genuine attempt to clean up the government” because “investigations are run by K.G.B.-type cadres, not the regular judicial system.” More importantly, “the purge has mainly targeted specific party factions,” but those groups in Fujian and Zhejiang Provinces that support and are loyal to Xi appear untouched. When this question: “Why have no ‘big tigers’ been found in Fujian and Zhejiang?” was posted on the Internet, it was removed almost immediately.³⁹⁰

387. Quoted in Sun Xiaobo, “Institutionalizing anti-corruption a vital task,” *Global Times*, October 19, 2014.

388. Quoted in Nathan Vanderklippe, “Despite high-profile crackdown, China falls in global corruption ranks,” *The Globe and Mail*, December 2, 2014.

389. Jon S.T. Quah, “Singapore’s Corrupt Practices Investigation Bureau: Four Suggestions for Enhancing its Effectiveness,” *Asian Education and Development Studies*, 4 (1) (January 2015): 79-80.

390. Murong Xuecun, “Xi’s Selective Punishment,” *New York Times*, January 16, 2015.

Similarly, Broadhurst and Wang noted in December 2013 that “the ‘tigers’ being investigated or prosecuted thus far are also Xi’s political rivals, while other ‘tigers’ are so far untouched.” Since a “partial and incomplete anti-corruption drive” may weaken the CCP’s leadership and legitimacy, they recommended that “in order to win public support, it is important that Xi’s anti-corruption drive is universal and even those from his own ‘string’ or *guanxi* network cannot escape punishment.”³⁹¹

One month after the publication of Xuecun’s criticism that Xi’s anti-graft campaign had not investigated any “tiger” from Fujian and Zhejiang Provinces, the CCDI announced on February 17, 2015 that SI Xinliang, the Vice-President of the Zhejiang Provincial People’s Political Consultative Conference, became the first “tiger” hunted in Zhejiang Province.³⁹² On March 2, 2015, the PLA Daily reported that Major General GUO Zhenggang, Deputy Political Commissar of the Zhejiang Provincial Military Command, was being investigated for corruption in February.³⁹³ In March 2015, XU Gang, Deputy Governor of Fujian Province, became the first “tiger” from Fujian Province to be investigated for corruption.³⁹⁴ The investigation of these three “tigers” from Fujian and Zhejiang Provinces shows that the “tigers” in these two provinces are not immune from being investigated for corruption. However, since the number of these “tigers” is still very small – two among the 71 civilian “tigers” (or 2.8 percent) and one among the 30 military “tigers” (or 3.3 percent) – the number of “tigers” being hunted in both provinces should be increased substantially to dispel the public perception and criticism that the corrupt “tigers” in Fujian and Zhejiang Provinces are immune from investigation by the CCDI.

Thus, contrary to the official rhetoric that the anti-corruption laws are enforced impartially in China, the acid test of the impartiality of Xi’s anti-corruption campaign is the investigation and prosecution of all “tigers” and “flies,” regardless of their political affiliation or membership of factions within the CCP. However, it might be difficult for Xi to be impartial because in China “if an anti-graft campaign targets a campaign leader’s allies, this would damage the campaign leader’s reputation and make him or her lose face within the *guanxi* network.”³⁹⁵ The “litmus

391. Broadhurst and Wang, “After the Bo Xilai trial,” p. 12.

392. Mason Coltrane, “Another ‘big tiger’ caught in President Xi Jinping’s mission against corruption in China,” *Yibada*, February 18, 2015.

393. Catherine Wong Tsoi-lai, “Military probes 14 senior PLA officers for graft,” *Global Times*, March 3, 2015.

394. Laura Zhou and Minnie Chan, “China’s anti-graft drive spreads to President Xi Jinping’s Fujian power base,” *South China Morning Post*, March 21, 2015.

395. Broadhurst and Wang, “After the Bo Xilai trial,” p. 10.

test” for Xi’s anti-corruption campaign is whether it “encompasses the families of top leaders” including Xi’s relatives and those of former Premier WEN Jiabao, whose wealth was revealed in 2012 respectively by Bloomberg and the *New York Times*.³⁹⁶

The third limitation of Xi’s anti-corruption campaign, which is related to the previous weakness, is the reliance of the CCP leaders on corruption as a weapon against their political opponents, as shown in the persecution of CHEN Xitong, CHEN Liangyu, BO Xilai and ZHOU Yongkang from 1995 to 2014. As shown above, these four party leaders were prosecuted not only for their corruption offenses, but more importantly because they posed a threat to the consolidation of power of Presidents JIANG Zemin, HU Jintao and XI Jinping, respectively. China is not unique in relying on corruption as the weapon of choice against political enemies because other Asian countries use this method too.³⁹⁷ However, as long as the political leaders continue to use corruption as a weapon against their opponents, China will not be able to combat corruption effectively. Singapore’s effective anti-corruption strategy is reflected in its rejection of using corruption as a weapon against political opponents of the government. There, those who are found guilty of corruption offenses are punished according to the law, regardless of their background or political affiliation.³⁹⁸

In sum, XI Jinping’s anti-corruption campaign is ineffective for three reasons: it focuses on the symptoms of corruption instead of tackling its causes; the anti-corruption laws are enforced selectively; and corruption is the weapon of choice employed against the CCP’s political opponents. Thus, if President Xi wishes to enhance the effectiveness of his anti-corruption campaign, he has to initiate measures to address the first four causes of corruption in China, enforce the anti-corruption laws impartially and not selectively, and avoid using corruption as a weapon against his political opponents.

396. Fenby, *Tiger Head, Snake Tails*, p. 384; Michael Forsythe, Shai Oster, Natasha Khan and Dune Lawrence, “Xi Jinping millionaire relations reveal fortunes of elite,” *Bloomberg-Business*, June 29, 2012, available at <http://www.bloomberg.com/news/articles/2012-06-29/xi-jinping-millionaire-relations-reveal-fortunes-of-elite> (accessed 20 February 2015), and David Barboza, “Billions amassed in the shadows by the family of China’s premier,” *New York Times*, October 26, 2012, available at <http://www.pulitzer.org/files/2013/international-reporting/princelings10-26.pdf> (accessed 20 February 2015).

397. The “tendency to use corruption charges to settle political scores is widespread” in Cambodia, Indonesia, Malaysia and Vietnam. See Dini Djalal, “Southeast Asia,” in Robin Hodess (Ed.), *Global Corruption Report 2001* (Berlin: Transparency International, 2001), pp. 32-33.

398. Quah, *Curbing Corruption in Asian Countries*, pp. 230-232.

The five causes of corruption in China are analyzed in Section VI.C above. During its first two and a quarter years, Xi's anti-corruption campaign has so far only taken action to minimize the negative effects of *guanxi* and gift-giving by introducing the "Eight Directives" and "Six Injunctions" to curb official extravagance, while the other four causes have been ignored by the campaign.

Public sector salaries in China remain low even after the six salary increases from July 1997 to July 2006.³⁹⁹ According to Richard McGregor, "the paltry official pay rates add an extra incentive for graft" since "the formal cash salaries of even senior officials are miserable and invariably padded by illicit income."⁴⁰⁰ The latest increase in public sector salaries announced on January 20, 2015 reveals that XI Jinping's monthly salary has risen by 62 percent from 7,020 yuan (US\$1,124) to 11,385 yuan (US\$1,823). At the other extreme, the monthly salary of the most junior civil servant has increased to 1,320 yuan (US\$211).⁴⁰¹ President Xi's annual salary of US\$21,876 pales in comparison to U.S. President Obama's annual salary of US\$400,000 and Singapore Prime Minister LEE Hsien Loong's annual salary of S\$2.2 million (US\$1.76 million).⁴⁰²

In view of the low public sector salaries in China, a necessary but insufficient condition for curbing corruption is to increase these salaries to minimize the temptation for public officials to succumb to corruption and to discourage them from leaving for better paid jobs in the private sector. It is unrealistic to expect Chinese public officials to remain honest if they are paid low salaries, which are inadequate for meeting their daily needs. Accordingly, they should be paid decent salaries instead of "starvation wages" to insulate them from bribery and patronage.

However, since raising salaries is expensive, China should increase public sector wages more frequently as the most recent adjustment occurred more than eight years after the July 2006 pay increase. Furthermore, it should be noted that raising salaries minimizes petty corruption by reducing the incentive for corruption among junior officials but does not eliminate grand corruption among senior bureaucrats and politicians.

399. For details of these pay increases, see Alfred M. Wu, *Governing Civil Service Pay in China* (Copenhagen: NIAS Press, 2014), p. 161.

400. McGregor, *The Party*, p. 140.

401. "Xi, Politburo members receive 62% pay rise," *Straits Times*, January 21, 2015, p. A12.

402. The committee appointed by Prime Minister Lee Hsien Loong after the May 2011 general election in Singapore to review the salaries of ministers and senior civil servants recommended, *inter alia*, the reduction of the Prime Minister's annual salary by 28 percent from S\$3,072,200 in 2010 to S\$2.2 million. See *White Paper on Salaries for a Capable and Committed Government*, Command 1 of 2012 (Singapore: Government of Singapore, 10 January 2012), p. 7.

Finally, increasing salaries alone is ineffective in curbing corruption in China if the government lacks the political will to address the other causes of corruption.

In March 2013, ZHANG Tongxi, the Board Chairman of Datong Coal Group in Shanxi, complained to the NPC delegates in Beijing that he had to contact 33 government departments and submit 147 documents and 205 permits to open a new coal company.⁴⁰³ During the same month, Premier LI Keqiang promised to reduce at least a third of the 1,700 items requiring central government approval within the next five years.⁴⁰⁴ However, despite Li’s promise, red tape persists in China as confirmed by the World Bank’s *Doing Business 2015*. According to the World Bank, China requires 11 procedures and 31.4 days to start a business and 22 procedures and 244.3 days to obtain a license⁴⁰⁵ (see Table 12). China should enhance its efforts to minimize red tape by relying on e-governance in order to increase transparency and reduce corruption.

As local officials in China regard their position as “a license to steal,”⁴⁰⁶ their discretion can be minimized by making them more accountable for their actions. As mentioned above, the CCDI has dispatched 10 inspection teams across China in 2013 to investigate corruption complaints in government agencies, public organizations and provinces. A more cost-effective measure would be to establish an inspectorate in every capital city in the 22 provinces, four municipalities and five autonomous regions in China to ensure that local officials implement the laws and regulations enacted by the central government. These officials are unlikely to implement these laws and regulations unless they are punished for non-compliance.

However, the ACAs in China cannot implement the anti-corruption laws impartially unless the CCP relinquishes the protection of corrupt party members from investigation and criminal prosecution by the SPP and its reliance on corruption as a weapon against its political opponents. Since these two limitations on the ACAs’ effectiveness are unlikely to be removed by the CCP, it is unrealistic to expect any change in the selective implementation of the anti-corruption laws in the foreseeable future.

Writing in 2003, ZOU Keyuan lamented that “once the anti-corruption campaign ends, new corrupt activities will resurface, as

403. “Why China’s corruption is so hard to clean up,” *Asia Sentinel*, March 20, 2013.

404. Esther Teo, “China slowly unwinds red tape: Streamlining bureaucratic process part of reforms to spur business,” *Straits Times*, October 21, 2013, p. A8.

405. World Bank, *Doing Business 2015: Going Beyond Efficiency* (Washington, DC: World Bank, 2014), p. 178.

406. Magnier, “Bribery and graft taint every facet of life in China.”

shown in every previous anti-corruption campaign.”⁴⁰⁷ He has also astutely noted that “realistically, it is impossible for China to completely eliminate corruption.” Consequently, China can only curb an increase in corruption because “after 20 years of reform, corruption has become even more severe.”⁴⁰⁸ Six years later, Roderick MacFarquhar was also pessimistic in his assessment: “despite repeated official campaigns, regulations, and exhortations, corruption on a colossal scale has infected all levels of state and society.” He concluded that the status quo in China would remain the same because “so long as local leaders deliver taxes, promote development, and maintain law and order, the central leaders seem prepared to look the other way.”⁴⁰⁹

Following Zou and MacFarquhar, my assessment of Xi’s anti-corruption campaign is equally pessimistic because it fails to address the fundamental causes of corruption in China. Unlike the many previous anti-corruption campaigns initiated by the CCP during 1951 to 2011, Xi’s campaign has lasted for more than two years and has curbed official extravagance and made corrupt officials more cautious for fear of being caught. However, by failing to rectify the root causes of corruption, Xi’s campaign “acts like a dose of ‘antibiotics’ that maintains short-term solidarity but also leads to resistant strains of bacteria.”⁴¹⁰

The same argument is convincingly made by MENG Qingli, who describes corruption in China as “the flooding water from an overflowing tub on the floor in a room.” She contends that relying on the criminal justice system to detect, arrest, investigate, prosecute and convict offenders in China is “merely mopping up the over-flowing water” without tackling the root causes of corruption.⁴¹¹ She concludes that “an indispensable way to stop corruption, like stopping the water flow, is to attack the source” by turning off the faucet. Indeed, she believes that “until the etiology of the crimes is addressed, corruption will continue.”⁴¹²

In other words, the change in the corrupt officials’ behavior is only temporary as they will revert to their wayward ways again after the campaign or if they identify weaknesses or loopholes in the implementation of the campaign. It is unrealistic and unlikely for Xi’s anti-corruption campaign to make a significant impact in minimizing the systemic cor-

407. Zou, “Why China’s rampant corruption cannot be checked by laws alone,” p. 84.

408. *Ibid.*, p. 84.

409. Roderick MacFarquhar, “Keynote Address: The People’s Republic of China at Sixty,” in William C. Kirby (Ed.), *The People’s Republic of China at 60: An International Assessment* (Cambridge, MA: Harvard University Asia Center, 2011), p. 13.

410. Broadhurst and Wang, “After the Bo Xilai trial,” p. 17.

411. Meng, *Corruption in Transitional China*, p. 167.

412. *Ibid.*, p. 167.

ruption in China so long as the campaign focuses on the symptoms instead rather than the causes of corruption. Furthermore, corrupt party members are unlikely to change their ways if they are only disciplined internally by the CCDI for their corrupt offenses and if they do not oppose their leadership. As Kerry Brown has observed astutely: “The bottom line remains the same: to be a leader in China means to be available to temptation and demands that are most of the time irresistible, and there is little sign that anything is being done to address that question.”⁴¹³

While Xi’s anti-graft campaign has received public support, its weakness is that, unlike anti-corruption efforts in Singapore and Hong Kong, it does not rely on public support. An important reason for the success of Singapore and Hong Kong in combating corruption is the tremendous public support for the CPIB and the ICAC, respectively. The 2002 Public Perceptions Survey of the CPIB’s performance found that 70 percent of the respondents believed that the CPIB was impartial in its investigations, 65 percent of them said that the CPIB had not abused its investigation powers, and 66 percent of them thought that the CPIB would keep the corruption reports received confidential.⁴¹⁴ Similarly, the ICAC’s annual surveys from 2000 to 2009 confirmed that an average of 98.9 percent of the respondents said that the ICAC deserved to be supported, an average of 71.9 percent of the respondents trusted the ICAC and would reveal their identity when reporting to it, and an average of 75 percent of the respondents believed that the ICAC was an impartial law enforcement agency.⁴¹⁵

Since there are no surveys on the public perceptions of the ACAs in China, it is not possible to ascertain the extent of public support for these agencies. The ACAs in China rely on these sources of information: citizen reports, inspections, audits, and media exposure. CAI Yongshun indicates that citizen reports or tips in “the forms of letters, visits, online reports, e-mails, and phone calls” are the most important source of information and accounted for 60 percent to 80 percent of the corruption cases investigated by the legal department.⁴¹⁶ However, only a small proportion of the tips received by the ACAs result in pursuable cases. The DICs and supervision bureaus investigated only 7.3 percent of the 13.9 million reports received by them from 1996 to 2008.⁴¹⁷ The anonymous tips on corruption provided by citizens are not useful as they are often

413. Kerry Brown, “Shanghai, and the Fall of Chen Liangyu: Corruption, Politics or Both?” *Chatham House Briefings*, No. 1 (October 2006): 5.

414. Quah, *Curbing Corruption in Asian Countries*, p. 228.

415. *Ibid.*, p. 262.

416. Cai, *State and Agents in China*, p. 106.

417. *Ibid.*, p. 108, Table 5.2.

inaccurate, speculative, vague, or based on distorted information.⁴¹⁸ Some tips are not pursued for political reasons because the timing is inappropriate or other factors prevent the investigation of the reported problems.⁴¹⁹ Cai contends that the selective use of tips by the ACAs in China casts doubt on their credibility in combating corruption.⁴²⁰

The Internet has become an important site for exposing corruption scandals in China. BAI Ruoyun found out that more than 70 scandals involving local party and state officials were revealed on the Internet from 2008-2013.⁴²¹ These scandals were characterized by these four features: (1) citizens were responsible for exposing these scandals by sustaining and amplifying them and forcing the CCDI to take action; (2) focus on “sexual misdemeanours of officials involved in scandals [which] were exposed as a ‘by-product’ of investigation”; (3) political scandals involving officials were exposed by the media for making inappropriate remarks, “ill-calculated facial expressions, expensive wristwatches that they wear, and boorish manners that they put on” which were captured by professional, amateur, or surveillance cameras and circulated on the Internet; and (4) political scandals became “highly colorful and entertaining events” through the wide circulation on the Internet of “sex tapes, lewd photos, diaries filled with details of bribery, power brokering, and sexual adventures, pictures of luxurious accessories, copies of itemized receipts detailing overseas travel costs or expensive purchases.”⁴²²

However, the media’s role in investigating corruption cases in China is limited because it “cannot confront tigers that are still alive” and can only attack the carcasses of dead tigers. This means that the media only provides extensive details on the scandals after the arrest of the corrupt tigers.⁴²³ To prevent the political damage from corruption scandals involving their members from spreading, CCP leaders “decide how the scandal will be presented and how it ends” and “all media outlets must present that version of the facts.”⁴²⁴ As China’s major news outlets are also state-owned, foreign journalists have assumed the responsibility for exposing many corruption scandals in China.⁴²⁵ As mentioned above, the

418. Ibid., p. 109.

419. Ibid., p. 113.

420. Ibid., p. 118.

421. Bai, *Staging Corruption*, p. 219.

422. Ibid., p. 220.

423. Yiyi Lu, “China’s lurid tales of corruption hide a second story,” *Wall Street Journal*, October 30, 2014.

424. Hart, *China’s Real Leadership Question*, p. 8.

425. Michael Pillsbury, *The Hundred-Year Marathon: China’s Secret Strategy to Replace America as the Global Superpower* (New York: Henry Holt and Company, 2015), p. 223.

wealth of the relatives of President XI Jinping and former Premier WEN Jiabao was revealed by Bloomberg in June 2012 and the *New York Times* in October 2012 respectively.⁴²⁶

Thus, instead of relying on public support and the media, the CCDI relies on dispatching inspection teams throughout China to uncover corruption scandals. However, Leslie Holmes contends that Xi’s anti-corruption campaign would be more effective “if it were inclusive—not merely top down, but also unambiguously bottom-up.”⁴²⁷

At the 5th plenary session of the 18th CCP CCDI in Beijing on January 13, 2015, Xi declared that the fight against corruption was not over because there were still challenges ahead so the battle was not won yet.⁴²⁸ During the same meeting, he urged the CCDI officials to adopt a zero-tolerance approach against corruption and reiterated his commitment to the anti-corruption campaign thus:

Our determination to use strong remedies to cure [the] illness [of corruption] will not change. Our courage to rid our bones of poison will not diminish. We will also continue to hold the sharp sword of counter-corruption high.⁴²⁹

However, regardless of how long Xi sustains the anti-corruption campaign, the result will be the same. Corruption will persist so long as the campaign is enforced selectively and targets only those corrupt CCP members opposed to his leadership without addressing the factors responsible for the systemic corruption in China. While every country has corruption, “China’s was approaching a level of its own” because “for those at the top, the scale of temptation had reached a level unlike anything ever encountered in the West.”⁴³⁰ As the attractive rewards of public office in China significantly outweigh the probability of being caught and punished by Xi’s anti-graft campaign, the corrupt “tigers” and “flies” will not change their stripes or mend their ways. They are simply lying low to avoid being caught and will revert to type when the campaign ends.

By describing Xi’s anti-corruption campaign as “a fast, low-risk way to ease anxiety and earn goodwill among the Chinese people,” LI Junheng contends that its emphasis on “targeting the surface” reflects “a

426. See footnote 396 above.

427. Leslie Holmes, “Combating Corruption in China: The Role of the State and Other Agencies in Comparative Perspective,” *Economic and Political Studies*, 3 (1) (January 2015): 58.

428. “Xi says China’s anti-graft battle far from over,” *Xinhuanet.com*, January 13, 2015.

429. “Xi calls for ‘strong remedies’ to cure corruption,” *Xinhuanet.com*, January 13, 2015.

430. Osnos, *Age of Ambition*, p. 252.

lack of political will and power to fundamentally challenge the root cause of corruption: a system lacking checks and balances, which is not likely to change as it is the safeguard of the very interest of the Party.” Consequently, she concludes that “the most realistic scenario for this pseudo house cleaning is that, far from being expelled by the CCP’s moral superpowers, corruption will be simply forced underground.”⁴³¹

In short, corruption in China will persist as long as the rewards of corruption exceed the probability of being caught and punished for the corrupt “tigers” and “flies.” As new millionaires are minted every year in China, “the temptation to leverage official positions to make money is irresistible” and “many people seek administrative positions precisely because they can monetize them.”⁴³² In its editorial on the BO Xilai scandal, *Caixin* magazine observed that Bo’s downfall confirmed the “need to restrict government power” because “at this stage of its development, China offers too many temptations, and the collusion of money and power is commonplace.”⁴³³ Box 1 above provides the graphic details of the US\$16.05 billion in assets which ZHOU Yongkang had accumulated illegally during his 29 years in public office (1983-2012).⁴³⁴ While the anti-corruption system, which permits senior officials the right to “supervise themselves,” remains the same, the size of bribes has increased exponentially into millions of dollars, even for junior officials.⁴³⁵

Table 14: Governance Indicators for China, 1996-2013

Indicator	1996	2013	Difference
Voice and Accountability	12.02	5.21	- 6.81
Political Stability and Absence of Violence/Terrorism	41.35	27.01	- 14.34
Government Effectiveness	46.83	54.07	+ 7.24
Regulatory Quality	47.55	42.58	- 4.97

431. Junheng Li, “Does China’s anti-corruption campaign spell the end of the mistress economy?” *Forbes*, February 8, 2013.

432. McGregor, *The Party*, p. 140.

433. Quoted in Nicholas Kristof, “A body, a scandal and China,” *New York Times*, April 22, 2012, p. SR11.

434. Zhou Yongkang joined the CCP in 1964 and served as Mayor of Panjin city, Liaoning Province (1983-1985); Vice-Minister of Petroleum Industry (1985-1988); Party Secretary of Dongying, Shandong Province (1988-1996); General Manager, China National Petroleum Corporation (1996-1998); Minister of Land and Resources (1998-1999); Secretary of Sichuan Provincial Party Committee (1999-2002); Member of CCP Politburo and Minister of Public Security (2002-2007); and Member of Politburo Standing Committee (2007-2012). See Chen, “The ‘Tigers’ in Xi Jinping’s Anti-Corruption Campaign,” p. 17, Appendix 1, “Brief Biography of Zhou Yongkang.”

435. McGregor, *The Party*, p. 139.

Rule of Law	36.36	39.81	+ 3.45
Control of Corruption	43.90	46.89	+ 2.99
Total percentile rank	228.01	215.57	- 12.44

Source: Compiled from World Bank's "Worldwide Governance Indicators 2013" available at <http://info.worldbank.org/governance/wgi/index.aspx#reports> (accessed 11 March 2015).

Table 14 shows that China's level of governance according to the World Bank's six indicators has declined from a total percentile rank of 228.01 in 1996 to 215.57 in 2013. Political stability has decreased by 14.34 percentile rank during the same period, followed by 6.81 percentile rank for voice and accountability, and 4.97 percentile rank for regulatory quality. On the other hand, government effectiveness has risen by 7.24 percentile rank, rule of law improved by 3.45 percentile rank, and control of corruption rose by 2.99 percentile rank. Since China's level of governance is unlikely to improve during the foreseeable future, the prospects for implementing the required political and economic reforms for minimizing corruption are improbable.

In the final analysis, the widespread corruption in China can only be minimized if the political leaders have the courage and political will to initiate the necessary political and economic reforms to address its root causes. The three "systemic flaws" of China's political system, according to Shambaugh, are the CCP's policing itself through the CCDI, its refusal to allow other institutions or the media to expose corruption, and the judiciary's lack of independence. Thus, "unless and until the CCP recognizes and addresses these three systemic flaws, corruption will continue to flourish in China."⁴³⁶ However, such reforms will be difficult to implement because corruption is "part of the system's DNA"⁴³⁷ and cannot be eradicated without destroying the system. Consequently, corruption in China will "continue to breed like mosquitos in a swamp"⁴³⁸ regardless of the duration of Xi's anti-corruption campaign.

In 2008, Shambaugh cautiously indicated that it was difficult to predict whether the CCP could survive because of the multitude of variables and the complexity of China's political system.⁴³⁹ However, he has boldly predicted recently that "the endgame of Chinese communist rule

436. Shambaugh, *China's Communist Party*, p. 166.

437. Will Hutton, *The Writing on the Wall: China and the West in the 21st Century* (London: Little Brown, 2006), p. 129.

438. David Shambaugh, "Assessing China's New Leadership one year on," Paper presented at the Conference on "Cross-Strait Developments in 2013: New Trends and Prospects" organized by the Carnegie Endowment for International Peace in Washington DC, October 3-4, 2013, p. 6.

439. Shambaugh, *China's Communist Party*, p. 177.

has now begun” because of the “five telling indications of the regime’s vulnerability and the party’s systemic weaknesses.” One of these “five increasingly evident cracks in the regime’s control” is the systemic corruption, which “riddles the party-state and the military” and also “permeates Chinese society as a whole.” Even though Xi’s anti-corruption campaign is “more sustained and severe” than previous efforts, Shambaugh concludes that it cannot eliminate the problem of corruption which is “stubbornly rooted in the single-party system, patron-client networks, an economy utterly lacking in transparency, a state-controlled media and the absence of the rule of law.”⁴⁴⁰

Let me end my analysis with this prediction: even if President Xi continues his anti-corruption campaign until the end of his ten-year term of office in November 2022, the corrupt “tigers” and “flies” will resume business as usual the next day as though the campaign has not occurred at all simply because the incentives and opportunities for corruption persist in China and will prove to be irresistible to them once again. Indeed, without tackling the underlying causes of corruption, no anti-corruption campaign, no matter how long it lasts or how intensive it is, can minimize the systemic corruption in China.

440. David Shambaugh, “The Coming Chinese Crack-Up,” *Wall Street Journal*, March 6, 2015.

LIST OF ABBREVIATIONS

ACA	Anti-Corruption Agency
AIC	Austerity Inspection Commission
CCDI	Central Commission for Discipline Inspection
CCP	Chinese Communist Party
CMC	Central Military Commission
CPSU	Communist Party of the Soviet Union
CPI	Corruption Perceptions Index
CPIB	Corrupt Practices Investigation Bureau
DIC	Discipline Inspection Commission
DSC	Discipline Supervision Commission
ICAC	Independent Commission Against Corruption
KMT	Kuomintang
MOS	Ministry of Supervision
NCPB	National Corruption Prevention Bureau
NDMC	National Defense Mobilization Committee
NPC	National People’s Congress
PERC	Political and Economic Risk Consultancy
PLA	People’s Liberation Army
PRC	People’s Republic of China
PSC	Politburo Standing Committee
SOE	State-Owned Enterprise
SPP	Supreme People’s Procuratorate

GLOSSARY OF SELECTED CHINESE NAMES

BO Xilai 薄熙来	LI Keqiang 李克强
CHEN Liangyu 陈良宇	MAO Zedong 毛泽东
CHEN Xitong 陈希同	WANG Lijun 王立军
CHEN Yun 陈云	WANG Qishan 王岐山
CHIANG Kai-shek 蒋介石	WEN Jiabao 温家宝
DENG Xiaoping 邓小平	XI Jinping 习近平
GENG Biao 耿飚	XI Zhongxun 习仲勋
HU Jintao 胡锦涛	XU Caihou 徐才厚
JIANG Zemin 江泽民	ZHOU Enlai 周恩来
LEE Hsien Loong 李显龙	ZHOU Yongkang 周永康
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Jon S.T. Quah
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