**China and the Fights Within its Single Party**

**In Chongqing, celebrating the single party.**

By [Melinda Liu](http://search.newsweek.com/search?byline=melinda%20liu) | NEWSWEEK

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As China prepares to celebrate the 60th anniversary of communist rule this week, the one-party system looks more and more unlikely to last another 60. Questions about who will succeed Chinese President Hu Jintao in 2012 are increasing because two coalitions of almost equal power are jockeying for position. On one side are populists like Hu himself and Premier Wen Jiabao, who want to improve China's social safety net, introduce greener policies, and balance development between the wealthy east coast and the poor western hinterlands. On the other side are the elitists, including the princeling children of high-ranking Chinese officials, who favor an increase in coastal development and place a far greater emphasis on economic growth and free trade.

The rise of these coalitions represents new fissures in Chinese politics. While factions have always existed within the party, they were largely personality-based. These new groupings, by contrast, are divided by geography and by real political and economic issues, raising the intriguing possibility that they could be the seeds for the emergence of a two- or multiparty system in China within a couple of decades, says Cheng Li, a China expert at the Brookings Institution in Washington, D.C., who refers to the populists as the "red team" and the elitists as the "blue team." Until then, much is at stake. For the international community, the matter of who succeeds Hu, and why, could conceivably affect key issues such as the extent to which China continues to fund American debt, or how much carbon it emits. If the elitists take power, they are likely to focus on market and trade liberalization while letting environmental protection take a back seat. If the populists consolidate power, it could augur a more prickly economic relationship with the West and a more nationalistic China, but one that continues to show great interest in improving its environmental record. For ordinary Chinese, the populists promise increased social-welfare spending, while the elitists would likely continue to pursue China's export-driven economic model, which tends to favor the cities and its big factories at the expense of rural areas.

The jockeying for power reflects a marked increase in the amount of political competition within China's single party—something that Hu seems to have encouraged. At its recent Central Committee plenum, the party declared "intraparty democracy" to be its "lifeblood." Sinologist David Shambaugh of George Washington University says intraparty democracy "is one thing Hu Jintao wants to make his mark with," and already multiple candidates vie for slots in the party's Central Committee. Hundreds of urban neighborhoods have experimented with direct elections to determine grassroots party committees. In the party hierarchy, the powerful Organization Department has instituted a process through which people may submit confidential assessments of candidates for important posts. Some candidates are even dropped from the running if they get too many bad reviews. During the recent plenum, Hu held high-profile consultations with noncommunist officials and members of eight small "democratic" parties.

The most important front in this competition is the wrangling between the populists and the elitists, which is starting to burst out of the back room. This summer, Politburo up-and-comer Wang Yang, a populist party secretary in coastal Guangdong province, leveled a brutal critique of the growth-at-any-cost philosophy of the elitists. Without naming any names, he claimed in an unusually candid speech that economic figures had been "rigged" in the first half of 2009. Two of China's provinces had claimed a growth rate of 16 percent, he said, according to an account in the party mouthpiece *People's Daily*, in a period when the nation grew just 7 percent. More improbably, 24 of 31 provinces reported growth rates that were higher than the national average. "Some of our GDP data sure looks rosy," Wang told party leaders in a scathing broadside against provincial authorities obsessed with GDP growth: "They build an unnecessary bridge, adding to the provincial GDP. They tear it down, again adding to GDP growth. Then they build it again. This process is repeated a few times. It's just a huge waste." The economy is central to the factional struggle. One key debate is over how best to spend China's $600 billion stimulus package. The elitists are doing everything they can to keep money flowing into export-oriented coastal enclaves such as the Yangtze and Pearl river deltas. The populists are trying to increase Chinese purchasing power by devoting enormous sums to western regions, a bias driven in part by the fact that many members started their careers in the boondocks of western China. One quarter of the stimulus money was devoted to post-earthquake reconstruction, mostly in the badly affected western province of Sichuan. The western city of Chong-qing received $34 billion—more than double the amount it would have received had the money been divided up evenly among China's 1.3 billion people. "It *is* a bigger share," admitted Chongqing Mayor Wang Hongju, who attributed it to the fact that his city plays a major role in the government's "develop the west" campaign.

Another battleground lies in the ongoing investigations of corruption among officials in Chinese cities. In 2006 Shanghai's party secretary became the first Politburo member in years to be purged and imprisoned on such charges. He had been a stalwart of the so-called Shanghai faction, which dominated top national posts a decade ago, and his ouster helped Hu Jintao consolidate populist influence at the top. Now remnants of the Shanghai faction are influential within the elitist coalition, and some of its members are also pushing back against alleged corruption. This summer, Chongqing Party Secretary and rising Politburo star Bo Xilai—a princeling identified with the elitist bloc—declared war on the deeply entrenched Chinese crime syndicates in Chong-qing, a big river-port city of more than 30 million. For years underworld gangs protected by government patrons wielded considerable control of the city's transport, real-estate, and pork industries, and ran gambling, prostitution, and drug rings. Under Bo's leadership, 2,000 people have been detained since June, including the city's former deputy police chief, three billionaires, 50 government officials, six district police heads, two senior judges, and more than 20 triad bosses. One of those bosses is a local parliamentarian.

Bo's spectacular results represent a subtle dig at his predecessors, who had not tackled the mob as aggressively. Among them: Wang Yang, the populist Guangdong party boss who attacked "rigged" statistics and served as Chongqing party secretary between 2005 and 2007. What's more, the arrests put the spotlight on Bo, who is now known throughout the country as a Chinese version of Eliot Ness, the American G-man who brought down the mob in the 1930s. "Bo Xilai is a person who can really get things moving," boasts Zhao Zhengrong, an official in Chongqing. To some intellectuals, competition among rivals is good for the country "because it shows progress in the development of intraparty democracy," says Prof. Hu Xingdou of the Beijing Institute of Technology. "Having different power coalitions is good and normal for a country" because it increases the amount of bargaining and negotiating that goes on behind the scenes and helps avoid extreme rightist or leftist policies. "It enables team spirit in the top leadership," he says.

Yet both sides are frightened that if the sniping between the two camps becomes too open, it will lead to an ugly rupture. Hu and Wen are well aware that it was an increasingly open confrontation between conservatives and liberals that led to the Tiananmen bloodshed 20 years ago, and they are working to prevent this contest from getting out of hand. Personnel appointments are being arranged so that significant personalities all have a stake in the process. Notably, both Bo and Wang were appointed to positions based in the other faction's turf. Brookings' Li says Hu is doing this type of cross--posting deliberately so that he can blur the sharp geographic and social differences between the two coalitions. The ultimate beneficiary of this balancing act—for now, anyway—seems to be Xi Jinping, China's 56-year-old vice president. The son of a former vice premier, he has spent his career in classic elitist regions—coastal export powerhouses such as Fujian, Zhejiang, and Shanghai—and is identified with the policies of the erstwhile Shanghai faction. He favors freeing much of the economy from central--government shackles and allowing the coastal regions to get rich quick on the assumption that money, technology, and jobs will eventually trickle inland.

Despite his clear ties with the elitists, he has remained on very good terms with Hu by walking a narrow path between the two camps. He has emerged as the consensus candidate, whose 2007 promotion to the Politburo Standing Committee means he's most likely to become China's next party boss and president, tipping the nation toward the elitist camp. His main rival is Li Keqiang, who was once favored by Hu himself, and, like Hu, rose through the ranks of the Communist Youth League and cut his teeth in poorer, undeveloped provinces. China watchers say he is likely to become the next premier, a move that would suggest that the delicate behind-the-scenes equilibrium between the two factions is likely to continue for some time to come.

With Marije Vlaskamp in Beijing and Nick Mackie in ChongqingMarije Vlaskamp Nick Mackie

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