

IS XI JINPING BECOMING THE JOE BIDEN OF CHINA?

<https://www.2thepointnews.com/is-xi-jinping-becoming-the-joe-biden-of-china/>

[Few scholars know Chicom

China better than Willy Wo-Lap Lam. There is a lot to think about here – please consider reading it attentively-JW.]

After emerging as China's "leader for life" and filling top party organs such as the Chinese Communist Party (CCP) Central Committee and the Politburo with members of his own faction, paramount leader Xi Jinping has been relentlessly buffeted by what he refers to as "high waves and dangerous winds" in his effort to keep the ship of state afloat (Radio Free Asia, May 30).

However, whether the supreme leader and his newly minted Politburo can acquit themselves of handling these challenges remains dubious.

Despite his lack of formal education and training in subjects such as public policy and political economy, Xi likes to lay down rules for efficient governance. In his 11 years in office, the paramount leader has published a few dozen books on different aspects of administration, economic development, and foreign policy. His most famous tome, *The Governance of China* (???????) was translated into a dozen-odd foreign languages and sold a few million copies (SCIO.Gov.cn, July 6).

In late July, the Water Resources Ministry published a book entitled *On Studying and Implementing the Important Discourses on the Management of Water Resources* by Xi Jinping (People's Daily, July 31; Gov.cn, July 18). This latest book by Xi proved particularly embarrassing, given widespread complaints that the paramount leader had totally mishandled the deluge in Beijing, Tianjin, and Hebei province.

Mismanagement of China's Flooding Disaster

The horrendous rain and flooding of Typhoon Doksuri (???) earlier this month (August 2023) that have hit Hebei Province and Beijing itself, which resulted in the displacement of some 1 million people and an undisclosed number of deaths, has again illustrated the questionable governance ability of the Xi Jinping administration.

Damages caused by the downpours —said to be the most severe in 140 years—were exacerbated by the unannounced lifting of the floodgates in reservoirs and spillways close to the capital Beijing, and the major industrialized city of Tianjin, so as to minimize the inundation in these megacities (BBC Chinese, August 12; Wenweipo.com [Hong Kong], August 3).

Party Secretary of Hebei, Ni Yuefeng (???) was heavily criticized on social media for saying that he would do everything to reduce “the pressure on Beijing’s flood control and [to] resolutely build a ‘moat’ for the capital.”

In other words, tens of millions of citizens living close to Beijing and Tianjin have to suffer damages in order to save the two political and economic centers (Voice of America, August 5; Singtao Daily [Hong Kong], August 3).

While rescue teams from official units were slow to come to the scene, relief expeditions formed by volunteers in neighboring cities and towns were prevented from entering worst-hit zones because they lacked the requisite documentation and approval from officials in Hebei, Beijing, and Tianjin.

And Xi—who is General Secretary of the CCP and commander-in-chief—has neither visited the sites of devastation nor spelled out measures to help flood victims re-establish their livelihoods. He has instead gone to the nearby seaside resort of Beidaihe to chair a series of informal policy-making sessions with other Politburo members and top advisors (Australian Broadcasting Corp Chinese, August 10; Radio Free Asia, August 4).

Sounds just like Joe Biden and the horrific fire in Maui, doesn't it?

The supreme leader's apparent lack of concern for the fate of ordinary Chinese—as well as the total lack of transparency of the government's measures in combatting the flooding—has been compared to the “party core's” much-criticized handling of the COVID-19 pandemic from 2020 to 2022.

There was no consultation with the public regarding the imposition of draconian lockdown measures; nor were there effective means to help residents left in locked-down cities secure food or medicine. The announcement of the lifting of all anti-pandemic measures on December 7 also caught the nation by surprise (Wall Street Journal Chinese, January 23; Deutsche Welle Chinese, December 26, 2022).

The Disappearance of Qin Gang and Dismissal of PLARF Commander

The flooding disaster came upon the heels of two international scandals: the mysterious “disappearance” of foreign minister Qin Gang, 59, and his sudden replacement by his predecessor Wang Yi, who had already been promoted to the position of Politburo member in charge of diplomacy.

Qin was a well-known Xi protégé who owed his meteoric rise to Xi's backing; his so-far-unexplained downfall

reflects poorly on Xi's judgment. Moreover, the Ministry of Foreign Affairs (MOFA) has in the past decade become famous for bureaucratic warfare among senior cadres.

Wang Yi and Xie Feng, the current ministerial-level ambassador to the US, did not see eye to eye with Qin (Radio Free Asia, August 2; Deutsche Welle Chinese, July 27). The Xi leadership has been unable to stop the internecine bickering among top MOFA officials, which has an adverse impact on China's diplomatic activities.

There was also speculation that Qin's girlfriend Fu Xiaotian, a news icon at Phoenix TV, is a double agent for both China and the US, and that due to their intimate relations, some of the secrets leaked to American intelligence units could have come from Qin.

Another theory is that Qin's disgrace had to do with his failure to prevent—or to report to Beijing immediately—the fact that the son of the now-dismissed Commander of the People's Liberation Army Rocket Forces (PLARF) Li Yuchao (???) had leaked secrets regarding the PLARF to American authorities (Asia Sentinel, July 30; Asiafinancial.com, July 18).

The thoroughgoing purge now transpiring within the PLARF—a military branch in charge of missiles and other sophisticated intercontinental weapons—was instigated by Xi in late 2015. And despite Xi's repeated emphasis on the party's "absolute leadership" over the army, quite a high proportion of PLA officers remain corrupt, disloyal to the party (and to Xi), and vulnerable to infiltration by foreign intelligence (Singtao Newspaper, August 10; RFI, August 10).

The PLARF commander General Li Yuchao and several of his deputies were removed in June. On July 31, Xi appointed two protégés, the deputy commander of the Navy General Wang Houbin (???) as PLARF Commander and Xu Xisheng (???), an Air Force veteran, was made Political Commissar of the force.

The trouble is that General Wang is a navy veteran whose knowledge about missiles—a very technical subject—is severely limited. The same could be said for Political Commissar Xu Xisheng, who spent the bulk of his career in the Air Force (RFI, August 3; Deutsche Welle Chinese, August 3).

It seems that when considering these two appointments, the topmost consideration for Xi was loyalty to himself rather than professional competence. Moreover, neither civilian nor military anti-corruption and anti-espionage units have divulged any information about the mistakes made by General Li Yuchao and his subordinates.

The scandals surrounding former foreign minister Qin Gang and almost the entire top echelon of the PLARF have prompted the CCP administration to come up with extraordinary countermeasures.

Firstly, based on the recent promulgation of the Anti-Espionage Law, the party and government have issued repeated appeals to all Chinese to uncover and report suspected cases of espionage, especially among Chinese scientists, journalists and other professionals who have regular contacts with foreigners.

Chinese anti-spy agencies, including the Ministry of State Security, are willing to pay 100,000 RMB for a good tip-off (ABC17news.com, August 2; Visiontimes.com, August 2).

Secondly, the Central Commission for Discipline Inspection and the Ministry of Public Security have issued a circular asking ordinary citizens to report cases of corruption, particularly regarding the manufacture and

procurement of military equipment.

For example, given the rapid pace of military modernization, the PLA and other R&D units are big buyers of equipment, ranging from whole machineries and operation systems to electronic and IT components (Linzi.gov.cn, August 1; Standard.com.hk, July 23). It is more than possible that cadres of the PLARF under investigation have benefited from kickbacks during the procurement of military equipment.

Reports of severe corruption within a PLA division created by Xi, combined with the unexplained disappearance of Qin, raises serious questions regarding Xi's administrative abilities.

Xi is often characterized as a Mao-like strongman surrounded by sycophantic minions. It is well-known among both international and Chinese observers that while Xi is famous for laying down grand schemes such as "the great rejuvenation of the Chinese nation" and the Belt and Road Initiative, he knows little about the nitty-gritty details of basic governance.

Administrative Dysfunction

There is also the question of serious administrative overlap and lack of clear-cut differentiation between the functions of party and government. For example, the authority of the State Council (China's cabinet) and Prime Minister Li Qiang—whose major responsibility is looking after the economy—is undercut by the CCP Central Finance and Economic Commission (????????) the Central Finance Work Commission (????????), and the CCP Central Commission for Comprehensively Deepening Reforms (????????) (Ta Kung Pao [Hong Kong] March 17; Deutsche Welle Chinese, February 27).

The same is true for the testy relationship between the CCP's Central Commission for Foreign Affairs (????????) which has topmost policy-decision powers and the Ministry of Foreign Affairs, a central Government unit that basically has policy-implementation function.

Since becoming foreign minister in March this year, Qin has failed to demonstrate his acumen, judgment, or policy-making abilities. Xi is said to be dissatisfied with Qin's failure to mend fences with major European countries or to drive a wedge between the US and the EU, which are among the most important PRC diplomatic goals.

Earlier this month, both the EU headquarters and the German government issued policy statements emphasizing the "systemic" differences between Europe and the PRC (Al Jazeera, July 13; European Council, June 30).

The announcements also heavily criticized China's policies in Xinjiang, Tibet, and Hong Kong as well as Beijing's unilateral efforts to change the status quo across the Taiwan Strait. Moreover, Italy suddenly indicated it wanted to withdraw from China's flagship Belt and Road Initiative (BRI). Previously, Rome's agreement with China regarding the BRI was one of the few success stories Qin had to his name (Foreign Policy, August 4).

Mismanagement of China's Faltering Economy

Xi's dubious policy-making skills have also affected the economy, which was recently described by President Joe Biden as a "ticking time bomb" (Al Jazeera, August 12). Ironical, of course, because this could describe Bidenomics!

Having been in office since 2012, Xi has not changed the basic structure of the economy, that is, it relies mainly on the "three vehicles" of exports, consumer spending, and government input (especially in infrastructure and real-estate).

In June this year, exports slumped 12.4 percent year on year. Consumption is also down due to the fact that average households are laden with debt; moreover, the unemployment rate among Chinese youth has exceeded 20 percent (Caixin, August 9; VOA Chinese.com, August 8).

According to non-official projections by PRC academics, the jobless rate among the critical 16 to 25 age range might be more than twice the reported government figures (Radio Free Asia, July 20; RFI, July 19).

Whereas real household consumption makes up 53 percent of Japan's GDP and 70 percent in the US, in China the figure in 2021 was just 40 percent (Asia.Nikkei.com, July 3). Even members of the country's middle class have cut down on spending so as to reserve money for paying mortgages as well as interests on loans they have borrowed from banks or from the black market.

In early 2023, China's household debt amounted to 63.3 percent of the GDP (IMF, accessed August 14; Tradingeconomics.com, accessed August 14).

The government has limited resources to embark on spending on infrastructure projects such as building high-speed railways and new airports. This is despite the fact that unlike in the US or Europe, the People's Bank of China has cut—not increased—the lending rate.

Most state-owned enterprises or private-sector conglomerates are overleveraged and whatever funds they can come by are only sufficient to pay interest (Cnstock.com, June 22; Cinda Securities, June 14).

Given unmistakable signs that China's economy had failed to return to normal growth rates in the wake of the lifting of pandemic-related lockdowns last December, doubts have also increased about the party-state's economic policymaking.

This was evidenced by the apparently self-contradictory policy of asking multinationals to boost their investments in China on the one hand, coupled with the promulgation of new regulations geared towards combatting alleged espionage workers in foreign firms specializing in auditing and due diligence on the other (The Diplomat, May 22; Al Jazeera, May 10).

There are signs that the Xi administration is trying to revive non-state sector firms to bolster economic expansion. Last month, the State Council unveiled 31 measures to help the non-state sector grow "bigger, better, and stronger." At about the same time, regulatory authorities indicated that investigations into quasi-private IT giants such as Alibaba, Ant, and Tencent had come to an end.

While details of the 31 favorable policies have yet to be announced, they are meant to enhance private firms' capacity in the areas of market entry, fair competition, financing support, payment defaults, intellectual property rights, and legal protection. Moreover, a "negative list of market-intervention behaviors" would be publicized in

an effort to prevent regulators from interfering in the workings of the marketplace (SCMP, August 9; Global Times, July 19).

Conclusion

While the about-turn in the Xi leadership's policy toward the non-state sector has won high praise from private-sector leaders such as Pony Ma and Wang Jianlin, private entrepreneurs are still waiting for practical and concrete measures such as concessionary interest rates from state banks, more leverage in handling foreign exchange, and official help in the restructuring of loans that many private enterprises, particularly those in the property sector, have racked up in the past three years (News.cnfol.com, August 11; Sohu.com, July 22).

Moreover, according to veteran China economist and advisor to the State Council Zheng Yongnian (???), a substantial portion of non-state companies have chosen to "lie flat" (??), that is, stop putting in funds for expansion plans. Other dissatisfied private firms have even moved abroad (Lianhe Zaobao, April 6).

Given unmistakable signs that China's economy had failed to return to normal growth rates in the wake of the lifting of pandemic-related lockdowns last December, misgivings have increased about the party-state's ability to run the economy.

As is often the case with Beijing's attitude toward foreign capital and foreign firms, much hinges on whether paramount leader Xi is willing to tamp down his ideological obsessions about socialist political correctness so as to give free-market elements—including private and foreign capital—more room to maneuver.

Couldn't the same question be asked of Joe Biden – and isn't this question for both of them rhetorical?

*Dr. Willy Wo-Lap Lam is an Adjunct Professor in the History Department and Master's Program in Global Political Economy at the Chinese University of Hong Kong. He is the author of six books on China, his latest being, *The Fight for China's Future*.*

Copyright ©2024 **2 The Point News** unless otherwise noted.