The Challenges before the CCP @ 90

    Gunjan Singh

July 1, 2011 marked an event when the Chinese Communist Party (CCP) celebrated the 90th anniversary of its founding. It has also had an uncontested reign of 62 years in Beijing, a feat which very rarely any political party has achieved in the known history. The CCP has witnessed and withstood a number of tumultuous situations and has stood the test of time and even today looks as powerful as ever. One of the primary factors behind this has been its ability to successfully adapt to the changing circumstances, primarily by keeping its eyes and ears open to the circumstances inside and outside China.

During this period People’s Republic of China has moved from being one of the most underdeveloped countries to become the second largest economy in the world in GDP terms overtaking Japan. It has also undertaken an ambitious military modernization programme and is investing heavily in qualitative and qualitative changes in the PLA. Even in the arena of science and technology, China is moving ahead and has achieved a great deal. This is especially true in the space arena where it has successfully completed ASAT test, Space Walk and is also working towards completing a space station. This has also put China in the league of the developed countries. These developments highlight the notion of ‘China rise’ under the rule of CCP.

This high tech and showcase success, however, is accompanied by severe problems affecting China’s socioeconomic sectors. The next section highlights some of the problem areas that need urgent and innovative approach. They are significant from the point of view of the party because how the future of CCP evolves will depend on the ways in which it manages to steer the country clear of these problems. Therefore, they will test the party’s leadership for its vision and for its ability to take tough decisions with a long term benefits.

Challenges before the CCP:

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Increasing income inequalities and social divide: The process of economic liberalization introduced by Deng Xiaoping has helped China to improve the standard of living of a large section of its population and has also lifted a large section of the Chinese people out of poverty. It has, however, also lead a huge income disparity within the society. In his famous speech Deng Xiaoping had fore-stated that some people will get richer before the others. This has proved to be true for China, as there are major income disparities between the urban and the rural areas and also between the coastal and the internal regions. These gaps are leading to discontent amongst the people. There are increasing level of demonstrations against some of the policy decisions. The increasing number of these demonstrations is a major hurdle for the party today. Economic liberalization has completely shifted the legitimacy of the party from ideology to economic development. If a large section of the population feels that the party is not doing enough for their welfare, it may end up challenging the Party. Thus there is an urgent need for the CCP to look at ways and method in order to develop the underdeveloped regions of the country. Even as there is a pressing need to focus on GDP growth despite the weakness in the US and Europe, CCP will need to do a fine balancing in ensuring just distribution of the fruits of economic growth in China.

Restive ethnic minorities: China has a large population of ethnic minorities and most prominent of them reside in the border regions; prominently Tibetans on the Indian border and the Uighur in the regions bordering the Central Asian Republics. These regions have always felt marginalized as they feel that the major policies have benefitted the Han populated regions. This problem becomes more problematic since it’s associated with income inequality. The last few years have witnessed an increasing number of uprisings in these regions. The Tibetan Uprising and the Xinjiang riots are two of the most prominent examples. Generally ethnic minorities trend to feel exploited for the mineral and energy resources since they don’t share the economic benefits of the development. This concern will have to be sorted by the CCP since its continuance can create territorial challenge to the legitimacy.

Media Transformations: The transformation in the Chinese media is a result of the combination of economic transformation and explosion of personal communications technologies. This unprecedented combination of swift flow of information and monetary power of the citizens creates a unique challenge for the party. From a propaganda organ the Chinese media today is working towards being a responsible stakeholder of the voice of the people. The CCP has placed a number of filtering processes and firewalls in order to prevent the inflow of

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4 As Deng Xiaoping had said that, “it does not matter whether a cat is black or white, till it catches mice”. Available at “Three Chinese Leaders: Mao Zedong, Zhou Enlai, and Deng Xiaoping” at http://afe.easia.columbia.edu/special/china_1950_leaders.htm#deng Accessed on August 31, 2011

5 “In the year 2010, according to the National Bureau of Statistics the urban per capita net income stood at 17,175 yuan ($2,525) last year, in contrast to 5,153 yuan in the countryside, with the urban-to-rural income ratio being 3.33:1”. Mentioned in “Urban-rural income gap widest since reform” By Fu Jing, China Daily, March 2, 2010 at http://www.chinadaily.com.cn/china/2010-03/02/content_9521611.htm Accessed on August 31, 2011.

6 According to the CRS Report to the Congress, “Social Unrest in China” May 8, 2006, “the report states that according to the official PRC sources there has been an increase in the, “public order disturbances”. These have increased by almost 50% between 2003 and 2005. The number mentioned is from 58,000 incidents in 2003 to 87,000 in 2005” pp. 1. The report is available at http://www.fas.org/sgp/crs/row/RL33416.pdf Accessed on August 30, 2011.

7 2208 (Tibet) and 2009 (Xinjiang) were two of the most violent protests in the ethnic minority regions. These have highlighted that the CCP needs to pay attention to the grievances of these people.
news and information to the people. In spite of this a number of communication technologies like mobile phones and internet are making it tougher for the CCP to control the flow of information. Consequently, the CCP is still worried that a free flow of information may prove to be detrimental stability and subsequently for the party. An experience during the Tiananmen Square incident when the media was given a free reign has definitely scared the CCP.8

**Rise of nationalism:** The CCP has instilled the feeling of nationalism with a new vigor amongst the youth. It has used the feeling of nationalism as and when it has required people’s support.9 However, increasingly nationalistic masses can limit the policy options available to the Party. If the people feel that the CCP is not working for the benefit of 'China' as a nation it may go against it. Therefore, there is dual pressure on the CCP to officiate Chinese nationalism on one hand and to regulate it on the other. This can create contradictions in its domestic policy of rise versus foreign policy of peaceful development. The CCP understands that this can prove to be problematic for its rule. This is very strongly visible in the foreign policy aspect of the party. Whenever there is a situation dealing with United States or Japan (with historical animosity) it becomes tough for the CCP to put forward a diplomatic posture. Therefore it resorts to ambiguous posturing while at the same time allowing hardliner views to be aired in the name of freedom of thought! The long term sustainability of this practice is suspect since there is global uncertainty in the trajectory of Chinese strategic thought and it can create friction between China and her neighbours.

**Conclusion**

The CCP has learnt and adapted to the changes which have come its way. The Soviet disintegration and the fall of other East European Communist countries have provided a learning platform for CCP.10 It has also been studying the policies and problems faced by other countries in their growth strategy. This shows its willingness to learn and adapt to the times. How this process unfolds in the future will be interesting to watch, especially since there will be a leadership transition within a year. How the next generation of leaders takes the party forward will be contingent upon their thinking on the critical issues highlighted above.

(Gunjan Singh is a research assistant at the IDSA, New Delhi. Her e-mail id is: gunjsingh@gmail.com).

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