

## CSCC Podcast Ep. 18: “Chinese Governance Under Xi Jinping – Victor Shih”

### **Introduction:**

Welcome to the podcast of the University of Pennsylvania’s Center for the Study of Contemporary China. I’m your host, Neysun Mahboubi, and in today’s episode, you’ll hear my conversation with UC San Diego political scientist Victor Shih—a longtime student of Chinese elite politics, and the author of the leading book on the intersection of elite and financial politics in China—on the topic of “Chinese Governance Under Xi Jinping”.

Now, observers of Chinese politics may disagree about many things, but one point upon which you are likely to find general consensus is astonishment at the speed and degree to which Xi Jinping has cast aside established leadership norms, and amassed centralized power for himself, since assuming the post of general secretary of the Chinese Communist Party in 2012, and then of president of the People’s Republic of China in 2013. As Evan Osnos noted in a 2015 New Yorker profile, before assuming those top posts, Xi Jinping was mostly described, both in China and abroad, as an unremarkable provincial administrator, who had risen to the pinnacle of Chinese power simply as the least controversial option, amongst flashier competitors. Without peering too deeply into the “black box” of Chinese elite politics, at least we can say there was little foreshadowing of the weaponized anti-corruption drive, the accumulation of central commission titles, and the obsequious media coverage which are the hallmarks of Xi Jinping’s political dominance today, as perhaps the most powerful Chinese leader since Mao Zedong.

That characterization was particularly reinforced around this time last year, when China’s National People’s Congress voted to abolish presidential term limits, as had been stipulated under the 1982 Constitution, as a key element of the new political settlement after the Cultural Revolution. Although some Chinese commentators lauded the change, as necessary for pushing difficult reforms through a recalcitrant bureaucracy, there seems to have been more consternation within elite Chinese circles, not to mention amongst foreign observers, than was anticipated. As Tsinghua University law professor Xu Zhangrun wrote in a widely circulated essay, “Overnight it seemed ‘As though we were shocked awake after a four-decade-long dream.’ Suddenly, as if out of nowhere, we had a ‘Supreme Leader’ with no checks on his power; how could people not have all kinds of strange imaginings and new fears?”

Soon after this new and dramatic political development, I had the opportunity to speak with Victor Shih, when he visited the University of Pennsylvania to participate in our Center’s annual conference last April. Professor Shih may be best known for being the first analyst to document the risk of massive local government debt in China, now estimated around \$6 trillion US dollars. But he has paid keen attention to Chinese elite politics throughout his career, including as the PhD student of the late Rod MacFarquhar, and I caught him at a time when he was preoccupied with the implications of Xi Jinping’s longterm rule—for Chinese policymaking and bureaucratic incentives, for both domestic and foreign entrepreneurship in China, and for the durability of Chinese Communist Party rule. It was a real pleasure to discuss all these subjects with him, in detail, for the podcast. And I’m delighted to finally share our conversation with you now.

Since Victor and I spoke, Xi Jinping appears to have only further solidified his position, notwithstanding some reported hints of elite resistance over the summer, and despite an economic slowdown, accentuated by China's trade war with the United States, that by some measures has brought Chinese economic growth to its lowest level in thirty years. As we begin to hit some key, politically charged anniversaries over the next few months, it will certainly be interesting to try to divine the subtle tea leaves of Chinese elite politics, but the main narrative appears fixed for the near future—a point that was reinforced for many of us with ties to the Chinese academy by the suspension from his teaching duties last month of Professor Xu Zhangrun, whom I quoted earlier. So, we are mostly left just to consider the implications of Xi Jinping's rule for all the different facets of Chinese governance, which had seemed not long ago to have changed a great deal over the past forty years of "reform and opening". To that end, the analysis you're about to hear, from Victor Shih, offers much to reflect upon.

Just before proceeding to that, I did also want to say a brief word about this podcast, which seems to be gaining many new listeners, and has been a lot of fun for me personally to host and produce. As some of you will have noticed, in our first year of operation, "crossing the river by feeling the stones" in Deng Xiaoping's words, we did accumulate a backlog of older episodes, which as of today, is finally cleared. My thanks again to Kaiser Kuo for helping to jump start our process of getting these episodes out to you, and more lately to a new team of podcast editors who are going to help us stay on track going forward. This particular episode was meant to be the last episode of season one of the podcast, as it so nicely ties together many of the themes we've explored so far, and we're still going to label it as such ... even though season two will start just next week! Maybe the distinction matters more to me than it does to you, but in any case, I did want to take this moment to thank you all for joining us so far, and to promise you more great content to come.

And so with that, let's turn now to my conversation with Professor Victor Shih.