CONTENTIOUS POLITICS AND POLITICAL

STABILITY IN CONTEMPORARY CHINA:

AN INSTITUTIONALIST EXPLANATION

by

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ABSTRACT

The Communist regime in China survived the collapse of the Soviet Communist Bloc in the early 1990s. Since then, China has sustained rapid economic growth with an annual growth rate of 8%. However, in recent years, we have witnessed increasing social protests in Chinese cities and rural areas. The increasing contentious politics and a stable authoritarian regime puzzles theorists on authoritarian regime and political transition.

This dissertation seeks to answer the question, why or how China's authoritarian regime has remained politically stable with increasing social protest. It adopts an institutionalist approach to explore the interaction between contentious politics and political institutional arrangements. It argues that the multilevel reasonability structure is the key to understanding political stability in China. This structure not only can absorb exogenous shock, but also can prevent endogenous subversion and can avoid power disequilibrium.

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CHAPTER 1

INTRODUCTION

The communist regime in China survived the collapse of the Soviet communist bloc in the early 1990s. Since then, as the largest authoritarian polity in the world, China's fate and future has drawn both academic and news media's enthusiastic attention. China has sustained rapid economic growth with an annual growth rate of 8 percent for over 20 years and became the number one U.S. bondholder.

In recent years, we have witnessed increasing social protests in Chinese cities and rural areas. According to various sources and calculations, the collective protest incidents had increased from 8,700 in 1994, to 90,000 in 2006, and to an unconfirmed number of 127,000 in 2008.[1] This number would have fluctuated between 150,000 and 200,000 since 2009.[2]

The types of contentious politics range from tax riots to land and labor disputes, and from environmental protests to ethnic clashes. The modes vary from striking, demonstrating, collective petitioning, blocking public transportation, attacking state

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[1] The figure for 2008 was an "estimate" reported by Andrew Jacobs, "Dragons, Dancing Ones, Set-off a Riot in China," *New York Times* (February 10, 2009). In another news report, an estimate of 90,000 such incidents annually for 2007, 2008, and 2009 was quoted from a Chinese insider by John Garnaut, "China Insider Sees Revolution Brewing," *Sidney Morning Herald* (March 2, 2010).

[2] This is an unofficial estimation by a staff member from the Ministry of Public Security. Personal interview.

agencies, and burning of government buildings. The frictions between the ruler and the ruled have generated speculations about political instabilities in China.

<center>**The Puzzle**</center>

According to The Political Instability Index by the Economist Intelligence Unit (a research institution affiliated to *The Economist*),[3] China ranks number 124 of a total of 165 countries and political entities in 2007. It shows that, among 165 countries, there are 123 countries that are more vulnerable than China in 2007. China ranks in the top 50 stable countries. China's ranking and political instability score is lower than those of the United States and France (at number 110, the U.S and France are in the same ranking). It means that China is more stable than the U.S. and France. In the Political Stability Assessment Index,[4] China's score is 8. The U.S. is 9.5.[5] China ranks in the top stable countries.

"Trust in Institution" is one of the indicators for this Political Instability Index. One of the sources of this indictor is from the World Value Survey. Supporters and trust rate associates with political stability, although they are in different dimensions. For an authoritarian polity, the central government's supporting rate is more sensitive than a

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[3] The Political Instability Index shows the level of threat posed to governments by social protest. The index scores are derived by combining measures of economic distress and underlying vulnerability to unrest. The index covers the period 2009/10, and scores are compared with results for 2007. The overall index on a scale of 0 (no vulnerability) to 10 (highest vulnerability) has two component indexes—an index of underlying vulnerability and an economic distress index. The overall index is a simple average of the two component indexes. There are 15 indicators in all—12 for the underlying and 3 for the economic distress index. (http://viewswire.eiu.com/site_info.asp?info_name=social_unrest_table&page=noads)

[4] The Political Stability Assessment Index is made by CountryWatch, Inc, an American think tank. (http://www.countrywatch.com)

[5] This index measures the dynamic between the quality of a country's government and the threats that can compromise and undermine stability. Scores are assigned from 0-10 using the aforementioned criteria. A score of 0 marks the lowest level of political stability, while a score of 10 marks the highest level of political stability, according to this proprietary index.

democratic one. The supporting rate of the central government is an important indicator of political stability. Chinese people's higher supporting rate of the central government in an authoritarian regime means more legitimacy. Therefore, this regime is more stable.

According to World Value Survey, in response to the question "how much confidence do you have in the national government?" 97 percent Chinese respondents claimed that they had either "quite a lot of confidence" or "a great deal of confidence." Only 3.2 percent Chinese respondents claimed that they had either "Not very much confidence" or "no confidence at all."[6] In rural areas of China, according to Li Lianjiang's survey, 80.7 percent of the 1,259 respondents thought that the central government enjoyed a high level of trust, and only 3.5 percent respondents thought that the Center deserved a low level of trust.[7] The two independent survey results are roughly matched.

More interestingly, Wang Zhengxu found that "Chinese citizens hold high trust in the abstract government, but are less satisfied with the agencies that carry out the real functions of the state." Wang argues that this distinction can be explained in terms of national leaders constituting an "imagined state," while local government agencies represent the "real state," where citizens' perceptions are based on actual experiences.[8]

Chen Jie also had the same conclusion that "people in China seem to separate more or less their interest and assessment of local affairs from their diffuse feelings about the political system as a whole."[9] Similarly, Li Lianjiang noted that some Chinese villagers believe that there are substantial differences between the central and local governments.

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[6] http://www.worldvaluessurvey.org/wvs/articles/folder_published/publication_494
[7] Li Lianjiang, "Political Trust in Rural China," *Modern China*, Vol. 30, No. 2 (April, 2004), p. 234
[8] Wang Zhengxu, "Before the Emergence of Critical Citizens: Economic Development and Political Trust in China," *International Review of Sociology*, Vol. 15, No. 1, (March, 2005), pp. 155-171
[9] Chen Jie, *Popular Political Support in Urban China*, (CA: Stanford University Press, 2004), p. 113

Among those who perceive a divided state, most appear to have more trust in higher levels than at lower levels and have a clear distinction between the intent and the capacity of the central government. They trust that the Center's intent is benevolent but distrust its capacity to ensure faithful implementation of its policies.[10]

This apparent paradox—the high supporting rate of China's central government and dramatic increase in social unrest— has generated research interests from many students of comparative politics and international relations. In the context of tremendous economic development, China threat theory and China collapse theory come from two opposite voices that have sparked debates on the prediction of China's future. The increasing contentious politics and a stable authoritarian regime puzzles theorists on authoritarian regime and political transition.

In addition, in the Western democracies, like the U.S., people trust the local governments more than they trust the federal government.[11] However, China's story is the opposite, as people trust the central government more than they trust the local government. As Li Liangjiang's survey shows, the lower the level of government, the lower the trust among the people. The increasing contentious politics and widespread support for China's central government has puzzled theorists on authoritarian regimes and political transition.

The Research Questions and Definitions of Key Variables

This dissertation seeks to answer the question of why or how China's authoritarian regime has remained politically stable with increasing social protest. In order to do this,

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[10] Li Lianjiang, ibid, p. 228
[11] Zhou Li'an, *Local Government in Transformation*, (Shanghai: Shanghai People's Publisher, 2008), p. 72

this dissertation will consider not only contemporary contentious politics, but also political institutional arrangements. Furthermore, it will explore the interaction between contentious politics and political institutional arrangements. This dissertation aims to investigate how political institutional arrangement ensures political stability, that is, how this institutional arrangement absorbs the challenge from exogenous shocks and endogenous subversions.

This section will clarify the definitions of the key variables in this dissertation. First, The term "contentious politics" needs to be clearly defined, since terms in this academic circle are ambiguous and confuses readers. This section presents a simple review of the evolution of the term. Second, "political stability" is a key term in comparative politics. Since this dissertation will assert the condition of political stability in China, measurable indicators must be applied to the definition of political stability.

As a social, historical, and political phenomenon, contentious politics has been explored in comparative politics literature. This is because contentious politics has always triggered political and social instability. The field of contentious politics, however, faces terminological problems when addressing this phenomenon.

Contentious politics studies as an academic subject lack uniform terms. This phenomenon (contention) has variable names, for instance, social protest, social unrest, riot, resistance, collective petition, uprising, disturbance, revolt, rebellion, collective actions, social movement, and so on. In Chinese official documents, the Chinese government defines it as a "mass-incident" and it also artificially defined as a "large-scale mass incident," which means that a social protest has over 500 hundred

participants.[12] Scholars in this field use those terms interchangeably and they are randomly chosen either by personal preference or by the contentions' nature, size, and degree of violence for their own research convenience.

However, the lack of uniform terms in an academic subject will confuse some readers and will make this subject look disorganized. After the collapse of the Soviet communist bloc in the early 1990s, rebellion, revolt and revolution are hard to be found nowadays in world politics. Especially, mainstream scholars paid most of their attention to long-standing popular contentions in Western countries. Students in this field, therefore, adopted "social movement" to define this subject and it has dominated this field.

In recent years, political scientist rethought the term "social movement" in the study of popular contention and social conflict. They found that "social movement research has too often been cut off from the study of other forms of contention…many subjects in contentious politics do not reduce to classical social movement organization." Therefore, they argue to adopt the term "contentious politics" as a common framework which is broader than social movements but narrower than all of politics.[13] By the term "contentious politics," it means "episodic, public, collective interaction among makers of claims and their objects when (a) at least one government is a claimant, an object of claims, or a party to the claims and (b) the claims would, if realized, affect the interests of at least one of the claimants."[14]

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[12] Chen Jinsheng, *Report on Mass Incidents (internal edition)*, (Beijing: Mass Press, 2004), p. 32
[13] Sidney Tarrow, "Silence and Voice in the Study of Contentious Politics: Introduction," in Ronald Aminzade *et al*. Ed. *Silence and Voice in the Study of Contentious Politics*, (Cambridge University Press, 2001), pp. 6-7
[14] Doug McAdam, Sidney Tarrow, Charles Tilly, *Dynamics of Contention*, (Cambridge University Press 2004), p. 5

This term focuses on the fact that some interaction adopts noninstitutional forms and government serves as a mediator, target, or claimant. [15] This term has a more comprehensive assumption to emphasize "interaction" between makers of a claim and their opponents. It also underscores interests and benefits of the two sides. Especially, it takes government as a claimant. This is an important theoretical development that is heightened by the unspoken assumption that government can also use contentious politics as a tool to reach its goals. According to the definition, contentious politics falls into the area of political expression tolerated by the regime, and under specifiable circumstances adopts forms of action the regime forbids. Prescribed, tolerated, and forbidden identifies three modes of governmental connection with the various forms of contentious politics.

"Contentious politics" focuses on the more common mechanisms and processes that are nested within different environmental conditions.[16] The term brings non-Western politics back to this academic subject and explores a common mechanism of popular contentions in different regime types. Contentious politics in nonwestern countries is a neutral political phenomenon, as those in the West. This definition makes this subject more value-free in purposes of study.

This dissertation adopts Sidney Tarrow's definition of "contentious politics." Although cases in this dissertation rely mainly on what the Chinese government calls a "large-scale mass incident," or "small-scale mass incident," other definitions will be included in this study as well, such as individual petition, anger in the Internet, and other forms of contention. This dissertation takes contentious politics as exogenous challenges and examines the regime's political resilience and adaptability. Only by using specific

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[15] Tarrow, ibid, p. 7
[16] ibid, p. 7

cases to prove arguments in this dissertation, it will adopt terms like social protest, riot, or disturbance according to their nature and size.

Contentious politics is associated with political instability or is associated with political transformation. In the 1970s comparative politics circle, political stability was one of the main topics. Particularly, scholars in general argue that the role of political instability is the beginning of political transformation in a nondemocratic regime and contentious politics trigger the process. In his book, *Political Order in Changing Society*, Samuel Huntington uses "political order" rather than political (in)stability to argue that rapid socioeconomic revolution would undermine the 'traditional' political order which in turn would lead to the monarchy's fall.[17] However, "order" or "disorder" was originally a concept linked to the ancient regime. Scholars have preferred to think of the objective in terms of "stability" rather than "order."[18]

In the article "A Definition of Political Stability," Claude Ake defines political stability as "the regularity of the flow of political exchange. The more regular the flow of political exchange, the more stable."[19] Ake argues that there is political stability to the extent that members of society restrict themselves to the behavior patterns that fall within the limits imposed by political role expectations. Any act that deviates from these limits is an instance of political instability.[20]

Ake's definition is widely cited in articles but it is very pedantic, because a measurement and its indicators are ambiguous, if following this definition. More

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[17] Samuel Huntington, *Political Order in Changing Society*, (New Heaven: Yale University Press, 2006)
[18] Charles Maier, *In Search of Stability: Explorations in Historical Political Economy,* (Cambridge University Press 1987), p. 262
[19] Claude Ake, "A definition of political stability," *Comparative Politics*, Vol. 7, No. 2, (January, 1975), p. 273
[20] ibid. p. 273

scholars have made an effort to provide clearer measurable indicators to define political stability or instability in order to be applied by multivariate statistical analysis. David Sanders identifies two major dimensions of political instability: regime change and government change. Regime change is the changes in regime norms, changes in types of party system, and changes in military–civilian status, while government change is changes in the effective executive or cabinet.[21] Similarly, Alberto Alesina *et al*. define it as the propensity of a government collapse, that is the propensity of a change in the executive, either by "constitutional" or "unconstitutional" means.[22] Ben Shepherd provides a set of indicators: the rule of law, strong institutions rather than powerful individuals, a responsive and efficient bureaucracy, low corruption, and a business climate that is conducive to investment.[23]

Although these scholars offer unique definitions, measurable indicators of political stability are still ambiguous. Leon Hurwitz presents five approaches to define political stability: (a) the absence of violence; (b) governmental longevity/duration; (c) the existence of a legitimate constitutional regime; (d) the absence of structural change; and (e) a multifaceted societal attribute.[24] Compared with those academic definitions, some think tanks have provided a sort of political stability index: peaceful transitions of power, ability of a government to stay in office and carry out its policies vis-a-vis credible risks

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[21] David Sanders, *Patterns of Political Instability*, (New York: St Martin's Press, 1981)

[22] Alberto Alesina *et al*., "Political Instability and Economic Growth," *Journal of Economic Growth* Vol. 1, No. 2 (1996), pp. 189-211

[23] Ben Shepherd, "Political Stability Crucial for Growth"
http://www2.lse.ac.uk/IDEAS/publications/reports/pdf/SU004/shepherd.pdf

[24] Leon Hurwitz, "Contemporary Approaches to Political Stability," *Comparative Politics*, Vol. 5, No. 3, Special Issue on Revolution and Social Change (April., 1973), p. 449

of government collapse. Threats include coups, domestic violence and instability, terrorism, etc.[25]

According to the definitions, the common assumption is that the core of political stability is a stable central government. As Huntington argues, the most important political distinction among countries concerns not their form of government but their degree of government.[26] Therefore, on the basis of all definitions mentioned above, this dissertation defines political stability as: "a durable polity, whereby the central government in the polity has the capability to restrict or control endogenous subversions and to absorb exogenous challenges."

Political stability is defined this way because this dissertation asserts that the political institutional arrangement (the multilevel responsibility structure) ensures a stable authoritarian regime in China. Political stability is a state of equilibrium. This definition accepts continuous politics as a routinized political interaction between the state and society. It also accepts violence as an episodic political activity. A working definition of political stability needs to capture the essence of the capacity of the central government.

The impact of contentious politics to political stability does not depend on whether there is contentious politics or not, but depends on the ability of the regime's resilience and adaptability. It means that any polity can prevent contentious politics from occurring. The vital factor is this regime's or institution's absorption capacity in dealing with those exogenous challenges. Furthermore, this definition includes endogenous subversions such as the split of elites, corruption, and administrative incompliance which includes peaceful transitions of power, the ability of a government to stay in office, a responsive and

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[25] From CountryWatch, Inc. The same index is also applied by some other think tanks, for example, Economist Intelligence Unit (a research institution affiliated to *The Economist*)
[26] Huntington, ibid, p. 1

efficient bureaucracy, and political equilibrium between the Center and local/state authorities. Lastly, political stability also associates with a degree of social trust in the central government, which can be measured by support ratings.

This definition, therefore, captures the interplay of the state, society, and inter-government relations. Accordingly, four vital factors secure a regime's political stability: resilience, adaptability, interinstitutional monitoring and power equilibrium. This dissertation explores the relations between political institutional arrangements and contentious politics as reflected by these four factors.

Main Arguments

This dissertation adopts on institutionalist approach to answer the research question. This dissertation argues that the multilevel responsibility structure is the key to understand political stability in China. This dissertation is divided into two dimensions in discussing the multilevel responsibility structure and political stability. The first dimension is the multilevel responsibility structure and exogenous shock, while the second dimension is the multilevel responsibility structure and endogenous subversion. In the first dimension, the role of contentious politics is as an exogenous challenge. It illuminates the multilevel responsibility structure and exogenous shock.

On the one hand, this is the multilevel responsibility structure's capability of political resilience. Political resilience is a vital life-or-death factor for any regime type. The multilevel responsibility structure reduces the uncertainties and the hazard for the central government. The local authorities have become a buffer zone to protect the central government. In order to absorb the exogenous shock, the multilevel responsibility

structure entails three strategies: 1) establishing a responsibility system, 2) playing good cop and bad cop, and 3) passing the blame to lower levels.

The responsibility system consists of a comprehensive annual evaluation system with detailed criteria. This annual evaluation system determines local heads' personal political life and future, such as promotion, discipline, or dismissal. Through this evaluation system, it is local governments' responsibility to prevent large-scale popular contention. The upper level government would support the protesters if they had become politically popular and deflect responsibility by blaming lower level government.[27]

The multilevel responsibility structure is *per se* a blame-avoidance structure. It is the local governments' responsibility to use coercive force to repress popular contention. The central government could decide to ignore or to intervene. The upper level government can use the local governments as a scapegoat. Upper level governments can discipline the local officials, and issue huge compensation to the victims to alleviate social pressures. The multilevel responsibility structure provides an effective solution to the dilemma of an authoritarian regime repressing popular uprising by force and damaging its legitimacy.

Moreover, political adaptability can facilitate the institution's continual adjustment to absorb exogenous challenges. In the multilevel responsibility structure, an upper level government cannot pass blame to lower level governments indefinitely. When the lower level governments face ever-increasing social pressures, the upper level government has to find ways to alleviate such pressures. The multilevel responsibility structure's political adaptability is sustained by adopting "throwing good money after bad" strategies.

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[27] Kent Weaver, "The Politics of Blame Avoidance," *Journal of Public Policy*, Vol. 6 No. 4, (1986), p. 385

"Throwing good money after bad" has three methods: adjusting policy, making concessions, and jumping on the bandwagon.

First, the capacity for quick policy adjustment after large-scale popular contention is an important characteristic and advantage of the multilevel responsibility structure. The multilevel responsibility structure creates space for the central government to stay away from the whirlpool of popular contention, thereby giving the central government enough time to adjust policies. Second, if the popular contention is triggered by loss of interest, such as relocation for the construction of hydroelectric dam, the upper level government could throw more resources to eliminate the cause of popular contention, such as compensating protesters who suffer from state-owned enterprise reform. The Center would thereby gain credit and avoid blame. Third, the authoritarian regime excludes citizen's participation in public policy decision-making process; therefore, the public would not understand or support the policy. As a result, the public would blame the government. In order to settle the popular contention caused by a public policy, the government would switch from its original position to support the popular alternative. Usually, if this public policy were made by the central government, the policy would end up with nothing definite. If popular contentions occurred from a policy made by local governments, upper governments would either cease implementation of the policy or adopt a "good cop and bad cop" strategy to discipline some officials and calm down public outrage. The central government can either avoid further blame or gain credits.

In the second dimension, the role of contention politics is a fire alarm monitor to check and balance local governments. Meanwhile, lower level government can use contentious politics as leverage to strengthen its bargaining power with upper level

governments. This part addresses the multilevel responsibility structure and endogenous subversion. First, misconduct by local officials and collusion in organizations are forms of endogenous subversion that erode the institution from inside. They damage political stability in the long run. Routine surveillance by a formal institutional procedure is costly and inefficient. Sometimes, it does not work in less developed regions. However, government officials' misbehavior in those regions usually is rampant.

Citizens have better information about local governments and officials. Popular contention in those regions usually is triggered by government officials' misconduct and poor quality of governance. Once a popular contention occurs, local government can no longer cover it up. Local government officials are then disciplined. Contentious politics in the multilevel responsibility structure then serves as this informal oversight mechanism. Meanwhile, for fear of contentious politics and disciplining, local government officials have to restrain themselves from any misbehavior. Contentious politics serve as a tool for the institutional self-enforcing mechanism. With the self-restraint mechanism, the multilevel responsibility structure could prevent endogenous subversion.

Second, a robust institution is a self-enforcing equilibrium structure. The central government controls the overwhelming fiscal power and cadre appointment system. Without fiscal and personnel power, local governments are in an extreme asymmetric position to bargain with the upper government. Such a disequilibrated power structure would destroy local autonomy and subvert political stability in the long run. The multilevel responsibility structure has a "hidden contract," in which the central government "rewards" the local government to take blame for its policy error. Lower

level government can use contentious politics as leverage to strengthen its bargaining power with upper level governments. Those exogenous challenges and endogenous pressures will force the central government to transfer resources to local governments in order to avoid severe power disequilibrium. The structure may not achieve a perfect political equilibrium, but can avoid political disequilibrium. If there is no political disequilibrium, the political system is stable.

Organization of the Dissertation

This dissertation is divided into eight chapters which elaborate these arguments. Chapter 2 reviews the existing literature on China's authoritarian power structure, contentious politics in contemporary China, and the relationship between contentious politics and political stability. Chapter 3 presents causal arguments for the relationship between the multilevel responsibility structure and political stability. Chapter 4 describes the evolution of the multilevel responsibility structure.

Chapter 5 and chapter 6 discuss the multilevel responsibility structure and exogenous challenges. Chapter 5 argues that the multilevel responsibility structure creates space for the central government to distance itself from local contentious politics and allows local governments to absorb the shock. Chapter 6 argues that the multilevel responsibility structure provides a mechanism for the political adaptability. Through this mechanism, the structure can facilitate continual adjustment to absorb exogenous challenges.

Chapter 7 and chapter 8 discuss the multilevel responsibility structure and endogenous subversion. Chapter 7 argues that the multilevel responsibility structure provides an informal mechanism for the central government to monitor local

governments. Contentious politics plays the role of a fire alarm. It triggers a society's check and balance mechanism. Chapter 8 argues that the multilevel responsibility structure can avoid power disequilibrium. Lower level governments can use contentious politics as leverage to strengthen their bargaining power with upper level governments. Chapter 9 concludes this dissertation and provides suggestions for future studies.

This dissertation argues that contentious politics in the multilevel responsibility structure provides a way to absorb exogenous shocks and an informal mechanism to restrict endogenous subversion. This dissertation mainly adopts qualitative methods to test the hypothesis through making use of small and medium-N approaches. For cases studies, this dissertation relies on a first-hand database, personal interviews, and observations. It will mainly consider contemporary popular contention cases and my personal interviews and field observations. Most of the cases are what the Chinese government defines as "large-scale social protest," that is a collective action involving more than 500 participants.

This dissertation also adopts game theory to discuss political equilibrium. Those methods may illuminate characteristics that show how the multilevel responsibility structure ensures political stability. Linking these cases back to the relationship between the Center and localities will illustrate how the multilevel power structure ensures the stability of China's authoritarian regime.

CHAPTER 2

LITERATURE REVIEW

The 1989 Tiananmen Incident and the collapse of the Soviet communist bloc in the early 1990s was the most important milestone in world politics at the end of the 20th Century. It was not only the end of the Cold War, but also "the end of history": capitalism triumphed over communism and the destiny of nondemocracies would be democracy.[28] According to this assertion, although the Chinese communist regime survived this wave of regime collapse, it would soon crumble.

The Chinese communist party has abandoned communist dogmas and has established a market-orientation economy. However, China's authoritarian regime has not transformed. As the largest authoritarian polity in the world, China's fate and future has drawn both academic and news media's enthusiastic attention. In recent years, we have witnessed increasing popular contention in China. The frictions between the ruler and the ruled have generated speculation about political instability.

Students in the field of China studies have produced a rich body of literature on China's authoritarian regime and contentious politics. This chapter aims to review the literature to understand relations between China's authoritarian regime and contentious

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[28] Francis Fukuyama, *The End of History and the Last Man*, (Reprint edition), (NY: Free Press, 2006)

politics. It reviews literature on power structure, the relations between contentious politics and political stability.

This chapter divides existing literature on contentious politics and China's authoritarian regime into two broad camps. The first camp is the study of China's regime and political stability. The second camp is contentious politics in China and its salient political transformation goals. Based on reviewing this body of literature, this chapter outlines three existing explanatory approaches on the relationship between contentious politics and the stability of China's authoritarian regime. It discusses their strengths and limits, and then it explains why the institutionalist approach is appropriate to study China's authoritarian regime, contentious politics, and political stability.

China's Political Structure and the Stability
of an Authoritarian Regime

Literature on China's authoritarian regime can be divided into two categories: the authoritarian regime power structure and political stability. First, much attention has been paid to the power structure. Most notably, there is a wide body of literature on the Center and local relations. There are also works that consider the role of contentious politics in the political transformation. These works are important for understanding contentious politics and China's authoritarian regime relations. The economic reforms have profoundly changed the relationship between the central and local governments. For example, one of the most important reforms is the 1994 fiscal and tax-sharing system reform. The Center has gained more revenue and locals have more autonomy after the reform. In order to study the particular power structure in China, there are three

categories: 1) general authoritarian regime; 2) economic, state, and society structure; 3) fragmented authoritarianism, and 4) decentralized authoritarianism.

The first category is general authoritarian regime and China's power structure. "Authoritarianism" is a popular term to label the communist regime in China. Authoritarianism is a system of a closely knitted relationship between state and society and between political and societal sources of power. It is based on a type of domination which is dependent on centralized executive control and coercion.[29] When China's authoritarian regime survived the Tiananmen Incident in 1989 and the collapse of Soviet communist bloc in the early 1990s, "Is China stable?" is probably a pertinent question which attracts analysts from academic, political and business areas. Even some Chinese Communist Party (CCP) members themselves doubted again "how long can the red flag fly?"[30] Some scholars argue that the survival of China's authoritarian regime in 1989 was only "luckily winning" and the "transition postponed."[31]

In recent years, we have witnessed increasing popular contention in Chinese cities and rural areas. Contentious politics, therefore, became an important indicator for predicting China's potential transition. However, just as all indicators that have been identified by a volcanologist or seismologist, analysts can never predict when and where the quake of political transition or instability exactly takes place in China. The regime type does matter for contentious politics. According to statistics, strikes, demonstrations,

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[29] Amos Perlmutter, *Modern Authoritarianism: A Comparative Institutional Analysis,* (New Heaven: Yale University Press, 1981); Juan Linz, *Totalitarian and Authoritarian Regimes*, (Co: Boulder: Lynne Rienner Publisher), 2000.

[30] CCP has three fatal crises in its history: KMT's surrounding and attacking at the beginning of the 1930s, the end of Cultural Revolution, and the 1989 Tiananmen Incident. Therefore, this question was asked three times at those crises. Lin Biao was the first person who asked the question in 1930. Mao Zedong responded to him by the article "A Single Spark Can Ignite a Prairie Fire."

[31] Vivienne Shue, "China: Transition Postponed?" *Problems of Communist*, Vol. 41, (1992), pp. 157-168

riots, and other social unrests are several times as frequent in Western democracies as they are in authoritarian regimes,[32] yet Western democracies somehow live with amounts of "social unrest" without any crisis of regime transition. The myth of China's stable authoritarian regime can be explained by exploring its political and social structure.

The collapse of East European communism encouraged scholars to further the research of the role of contentious politics in communist countries. Although not all of the communist countries experienced large-scale protest, protest destabilized the regime and forced the collapse of the communist system. The major purpose of modern authoritarian regimes is to establish the domination of political elite over society by arresting, subverting, or destroying autonomous individual, collective, and institutional behavior and thus to enhance the power of authorities at the expense of individual autonomy.[33] From this perspective, authoritarian regimes cannot tolerate competing procedures, institutions, and structures that secure political legitimacy in a more open society.

Juan Linz defined authoritarianism as a style of rule characterized by limited political pluralism, little political mobilization, and few safeguards for individual rights. An authoritarian regime, sometimes called a dictatorship, is often contrasted with a democratic form of government.[34] This definition is a general picture about authoritarianism and describes a middle ground between democratic regimes and totalitarian regimes. Linz and Perlmutter explored a general concept and characteristics of authoritarianism. Their theories, however, do not explain contemporary China's

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[32] Adam Przeworski *et al.*, *Democracy and Development: Political Institutions and Well-Being in the World, 1950–1990*, (Cambridge University Press, 2000)
[33] Perlmutter, ibid
[34] Linz, ibid, 2000

authoritarianism well. China's economic reforms have led to a relaxation of party control over the economy, society, and ultimately over public discourse[35] and the reforms successfully realized the transition from planned economy to a market-oriented system.

Economic reforms accelerate Chinese economic development and consolidate the authoritarian regime. However, they triggered economic crisis and social instability in East European communist countries, because those regimes were born of "subversive institutions." The subversive institutions have three characteristics: an ideological commitment to rapid transformation, a fusion of politics and economics, and domination by a single and highly penetrative party. These systems featured an extraordinarily powerful party-state and a weak and dependent society. This institutional structure can undermine growth and deregulate the party's monopoly, because power was redistributed along with economic resources and the societies became more autonomous and powerful to bargain with the party state.[36]

The second category is economic, state, and society structure in China. China has the same subversive characteristics as the collapsed East European communist countries. However, unlike the Soviet Union's unitary hierarchical structure based on functional or specialization principles (the U-form), China's hierarchical economy has been the multi-layer-multiregional one mainly based on territorial principles (the M-form). Reforms have further decentralized the M-form economy along regional lines, which provided flexibility and opportunities for carrying out regional experiments, for the rise of nonstate

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[35] Tony Saich, *Governance and Politics of China,* (Palgrave MacMillan, 2001)
[36] Valerie Bunce, *Subversive Institutions: The Design and the Destruction of Socialism and the State*, (Cambridge University Press, 1999), pp. 130-131

enterprises, and for the emergence of markets.[37] China is an authoritarian regime, but it is also decentralized. China's central control over economic life was never as extensive or effective as it was in the USSR. China's local governments played a much stronger economic role than did their counterparts in the Soviet Union.[38]

Although some scholars would like to characterize China under Mao as a "Totalitarian system," "Mass Line" (or Mass Campaign) was the strong social power used to balance the subnational authorities. Totalitarianism came to refer not only to absolute power, but to the attempt to mobilize entire populations in the service of an "ideology."[39] Ironically, mass movement can even physically destroy Police Bureaus, Procuratorates, and Courts (*za lan gong jian fa*) in the Cultural Revolution. China is not a system of the Center in the vertical integration of interests within society as a whole.

Vivien Shue argues that the policy process approach contributes little to the study of Chinese politics and the power of the state vis-à-vis society. She shows that Chinese local society is a highly localized, highly segmented, cell-like pattern structure under Mao. The social life was by no means fully penetrated or effectively dominated by the revolutionary communist values of the party. In the honeycomb pattern of polity, local officials and cadres devised an array of ploys and strategies that served in part to protect their localities against intrusive central demands while also enhancing their own administrative power and their own room to maneuver within the system. China under

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[37] Qian Yingyi and Xu Cheng-Gang, "The M-form hierarchy and China's economic reform." *European Economic Review*, Vol. 37, (1993), pp. 541-548

[38] Susan Shirk, *The Political Logic of Economic Reform in China,* (CA:University of California Press, 1993); Pierre Landry, *Decentralized Authoritarianism in China*, (Cambridge: Cambridge University Press, 2008)

[39] Hannah Arendt, *The Origins of Totalitarianism*, (Boston: Houghton Mifflin Harcourt Publisher, 2004)

Mao contained numerous shifting, cross-cutting, competitive (even hostile) centers of power. The state almost never spoke to the people with one voice.

Like Qian Yingyi and Xu Chenggang's M-form structure, local societies from the provincial down to the county level are a self-sufficiency system. Chinese central bureaucracy controlled and allocated fewer than 600 productions, whereas the Soviets had central control over as many as 5500 productions.[40] Most of the manufacturing planning and the allocation of production decision-making authorities belong to Chinese subnational governments. Most provinces have their own independent agricultural, industrial, and social service system, such as food productions, light manufacturing, pharmaceutical factories, vehicle manufacturing, and even film and entertainment industries.[41] The industrial systems at the provincial level are more complete and the decision-making authorities are more independent in China than in the U.S. Before the 1990s, every province in China was an independent-like realm. For example, I grew up in Shaanxi province, most of my family living materials, such as flour, soy bean oil, pork, washing powder, garments, towels, bathroom tissues, bicycles and so on, was made by local Shaanxi manufactories. Even when I was in middle school (beginning of the 1990s), I did not often see productions from outside of Shaanxi province. Intersubnational governments or cross-territorial industrial cooperation was rare.

Shue's cellular model focused on the Chinese countryside. It can be extended to the entire provincial level. The local officials and cadres of any level obey their higher authorities' orders for their political survival on the one hand, and on the other hand, they

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[40] Shirk, ibid, 1993, p.13
[41] Except Guizhou, Hainan, and Tibet, every province has its own film and entertainment factory that is often labeled by the province or capital city's name, such as Beijing Film Company, Shanghai Film Company, and Xi'an Film Company.

also protect any interests within their domains. This is what Shue called the defensive strategy. Lower level officials also compete for more allocation from state resource for their own localities versus their neighboring ones. According to Shue's argument, the lower the officials are, the more freedom and incentive they have. The cadre at the very bottom often enjoyed a freedom to speak out and bargain openly with the higher level.[42] As a Chinese proverb says, "the man who has nothing fears nobody." Therefore, it is not strange that China's reform was a bottom-up process which initiated from a village in Anhui Province.[43]

Shue's honeycomb pattern structure of Chinese local polity refuses the argument that Chinese polity is a monolith. This argument focuses on the local autonomy, but here is a question: if local leaders had enjoyed considerable autonomy and authority in their domains, why does not Chinese local's autonomy threaten to weaken the political authority of the Center? Or, on the contrary to some media commentaries,[44] why did not the state dismemberment, as in the Soviet Union, take place in China? Although the literature on comparative (post)-communism has been built largely on the theoretical premise that Leninist systems are inherently unreformable, a single-minded focus on regime failure does not explain why some Leninist systems endure.[45]

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[42] Vivienne Shue, *The Reach of the State: Sketches of the Chinese Body Politic*. (CA: Stanford University Press, 1988). p. 140

[43] One night in November 1978, the village chief and 17 other peasants of Xiaogang Village broke the law by signing a secret agreement to divide the land of the local People's Commune into family plots. They agreed to continue to deliver existing quotas of grain to the government and the commune, and keep any surplus for themselves. This is viewed as the starting point of China's reform.

[44] Gordon Chang, *The Coming Collapse of China*, (NY: Random House, 2000)

[45] Landry, ibid

The third category is fragmented authoritarianism in China. Some China studies scholars construct a rational model to explore policy analysis in China.[46] These scholars posit that policy outcomes are the result of an evaluation of choices by a coherent group with shared perceptions of the values to be maximized in response to a perceived problem.[47] Harry Harding argues that because of the complexity of administrative problems, the effects of policy changes on the distribution of power and status, and the philosophical dilemma of whether the efficiency of modern bureaucracy, outweighs its social and political costs.[48] Kenneth Lieberthal and Michel Oksenberg point out that due to the limited information about Chinese national leaders, this rational model cannot probe the real motivation of the decision makers.[49] The two authors argue that the rationality model has insufficient explanatory power to understand China's policy-making process. Therefore, they explore the policy process from a structural perspective, rather than evaluating the decision-making group's choice. These scholars develop a fragmented authoritarianism approach.

The fragmented authoritarianism approach defines China's authoritarianism as the "fragmented, segmented, and stratified structure of the state promotes a system of negotiations, bargaining, and the seeking of consensus among affected bureaucracies." The policy process in this sphere is "disjointed, protracted and incremental."[50] Lieberthal

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[46] Doak Barentt, Uncertain Passage, (Washington: Brookings, 1974); Harry Harding, *Organizing China: The Problem of Bureaucracy, 1949-1976*, (CA: Stanford University Press, 1981); Dorothy Solinger, Chinese Business Under Socialism, (Berkeley: The University of California Press, 1984)

[47] Kenneth Lieberthal and Michel Oksenberg, *Policy Making in China: Leaders, Structures, and Processes*, (NJ: Princeton University Press, 1988), p. 11

[48] Harry Harding, ibid

[49] Lieberthal and Oksenberg, ibid, pp. 13-14

[50] David, Lampton ed, Policy Implementation in Post-Mao China, (Berkeley: University of California Press, 1987); Kenneth Lieberthal and Michel Oksenberg, ibid; David Lampton, "China's Foreign and National Security Policy-making Process." In *The Making of Chinese Foreign and Security Policy in the Era of Reform, 1978-2000*, David Lampton Ed., (CA: Stanford University Press, 2001); Michel Oksenberg,

and Oksenberg have contended that China's central-provincial relations are neither central dominance nor provincial autonomy. Instead, they are characterized by intense bargaining, with neither capable of totally disregarding the interests and needs of the other. The changes in Center -provincial relations usually are marginal adjustments which typically affect the overall balance less dramatically than the publicity announcing the change suggests. Moreover, the national government differs greatly in the degree of control it exerts over different provinces, and provinces differ among themselves in their bargaining leverage over the Center, depending upon such factors as their wealth, strategic significance, and the personal connections, ambition, and acumen of their leaders.

The fourth category is China's decentralized authoritarianism. Decentralization became a hot topic in the study of politics and economy. The decentralized authoritarianism approach explains the vertical power structure of China. Decentralized authoritarianism is an alternative perspective to explain the durability of the Chinese communist regime. Decentralization means the transfer of resources and responsibilities for public services, or decision-making power over those items away from the central government to either lower levels of government, dispersed central state agencies, or the private sector.[51]

According to *World Development Report 2000*, countries in North America and Western Europe began to decentralize in the late 1970s, after nearly two decades of

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"China's Political System: Challenges of the Twenty-First Century," *The China Journal*, No. 45, (January, 2001), pp. 21-35

[51] David Leonard and Marshall Dale, "Institutions of Rural Development for the Poor: Decentralization and Organizational Linkages." (Berkeley: University of California Press, 1982); Richard Baum, " China's Road to Soft Authoritarian Reform," US–China Relations and China's Integration with the World, Aspen Institute, 19 (2004), No. 1, pp. 15-20

governments' consolidating power and responsibility. The World Bank reports that by the early 1990s, all but twelve of the seventy-five countries with populations of more than five million had undertaken some form of decentralization, and by the end of the 1990s, about 95 percent of the countries with democratic political systems had created subnational units of administration or government.[52]

Decentralization is regarded as an essential element of democratic governance and is linked to democratization, with an emphasis on more voices of citizens, meeting basic human needs, growth with equity, and more local political accountability. In democratic governance, decentralization devolves power from the Center, involves the people more directly in the governance of their public affairs, increases the visibility of government operations, and quite likely reduces the return from rent-seeking behavior, because decentralization provides a channel for constituents to participate in local government, and it also provides local governments with the resources to provide goods and services to their constituents.[53]

"Decentralization," however, has prominently emerged as one of the key terms in describing political change in developing countries since the last decade.[54] More and more developing countries make efforts on decentralization to reform their governance, in order to alleviate the risks of fiscal problems and the pressure of increasing demands

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[52] World Bank: *World Development Report 2000*

[53] Marine-Vazquez and McNab, "China's Long March to Decentralization," Smoke, Paul, *Decentralization in Asia and Latin America : Towards a Comparative Interdisciplinary Perspective*, (MA : Edward Elgar, 2006)

[54] William Ascher, and Dennis Rondinelli. "Restructuring the Administration of Service Delivery in Vietnam: Decentralization as Institution-Building." in Jennie Litvack and Dennis Rondinelli, ed *Market Reform in Vietnam*, Westport, (CT: Quorum Books, 1999), pp. 132–152; Diana Conyers, "Decentralization in Zimbabwe: A Local Perspective." Public Administration and Development Vol. 23, (2003), pp. 115–124; Paul Frances and James Robert, "Balancing Rural Poverty Reduction and Citizen Participation: The Contradictions of Uganda's Decentralization Program." *World Development* Vol. 31 (2003), pp. 325–338; Max Turner, "Whatever Happened to Deconcentration? Recent Initiatives in Cambodia." *Public Administration and Development* Vol. 22, (2002), pp. 353–364; Landry, ibid, 2003; Smoke, *et al*., ibid.

on political rights and social equity. Recent empirical evidence has proved that decentralization is not an essential element of democratic governance, because China's successful fiscal decentralization provides a counterexample to show that decentralization and authoritarianism are compatible.

Landry found that "China's observed level of decentralization is consistent with the behavior of a federal democracy."[55] Some scholars even have argued that China is a "de facto federalism."[56] Zheng Yongnian argues that with deepening reform and openness, China's political system in terms of central–local relations is functioning more and more like federalism. China's "de facto federalism" can resolve interest conflicts between governments at different levels. Federalism is widely regarded as a means for resolving conflict in a fragmented society and for reducing the burden of the central government.[57]

The political consequences of decentralization, however, could corrode an authoritarian regime. Although China's experience with decentralization in the reform era is different from Soviet communist bloc, there are two political hazards which will undermine China's authoritarian regime. The first is that decentralization corrodes authoritarianism by creating loci of power that can gradually develop into a source of political opposition. Decentralization is risky, because it breeds contestation as well as local demands for further decentralization. The second is that decentralization may stimulate economic development, but development, in turn, corrodes authoritarianism.[58]

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[55] Landry, ibid, p. 9
[56] Gabriella Montinola, Qian Yingyi, and Barry Weingast, "Federalism, Chinese Style: The Political Basis for Economic Success," *World Politics*, Vol. 48, No.1, (1996), pp. 50-81; Qian Yingyi, and Barry Weingast, "Federalism as a Commitment to Preserving Market Incentives," *Journal of Economic Perspectives,* Vol. 11, No. 4, (Fall 1997), pp. 83-92; Zheng Yongnian, "Explaining the Sources of de facto Federalism in Reform China: Intergovernmental Decentralization, Globalization, and Central–Local Relations," *Japanese Journal of Political Science* Vol. 7, No.2 (2006), pp. 101–126
[57] Zheng, ibid
[58] Landry, ibid

In addition, China's increasing unrest results from "imperfect political structures" that provide inadequate avenues for voicing, aggregating, and balancing this surge in popular demands. Lacking proper channels to voice their demands, citizens often express them through "improper channels such as illegal assemblies, marches, and demonstrations."[59]

Zheng Yongnian suggests that with no effective institutional constraints, localism or regionalism often became uncontrollable and posed a serious challenge to central power.[60] Decentralization could even be fatal to a communist regime. Similarly, Martinez-Vasquez and McNab show that fiscal decentralization would be captured by local interest groups. Capture occurs when local interests group seize the benefits of local public goods and, in turn, ultimately control local government politics. Capture creates a series of problems, including overstatement of the cost of provision of local public goods, corruption, and diversion of local public goods to unintended groups.[61]

Therefore, as Kenneth Lieberthal argues, the Chinese system can be seen as a nested system of territorial administrations, with substantial policy initiative at each territorial level: the township, county, city, province, and the Center. At each level, there is much attention to garnering resources and striking deals that will benefit the locality governed by the level of state administration.[62] Moreover, the national government differs greatly in the degree of control it exerts over different provinces, and provinces differ among themselves in their bargaining leverage over the Center, depending upon such factors as

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[59] Tanner, 2004, ibid
[60] Zheng, ibid
[61] Martinez-Vasquez and McNab, ibid
[62] Kenneth Lieberthal, *Governing China: From Revolution Through Reform*, (NY:W.W.Norton &Company, Inc, 1995)

their wealth, strategic significance, and the personal connections, ambition, and acumen of their leaders.[63]

Consequently, some provincial governments achieved a high capacity to lead local development and improve local residents' living standards, while others did not. Due to local diversity, the national government often failed to implement unified policies to lead and constrain local governments, and local officials could easily nullify central policies. The national government was thus unable to bring local governments in line with the national interest.[64] However, we can see policies like "targeted assistance" (*dui kou zhi yuan*) are effective in balancing the unequal development. For example, wealthy provinces are expected to help poor ones. Under the Center's arrangement, a wealthy province must help its poor partner province with finance, experts, and other resources.

China's decentralized authoritarianism can make the balance between central dominance and local autonomy. Indeed, the contradiction of the compatibility between decentralization and authoritarianism *per se* is the Center -local relationship. Lieberthal and Oksenberg contend that China's central-provincial relations are neither central dominance nor provincial autonomy. Instead, they are characterized by intense bargaining, with neither capable of totally disregarding the interests and needs of the other. The changes in the Center -provincial relations usually are marginal adjustments which typically affect the overall balance less dramatically than the publicity announcing the change suggests. The national government differs greatly in the degree of control it exerts over different provinces, and provinces differ among themselves in their bargaining leverage over the Center, depending upon such factors as their wealth,

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[63] Lieberthal and Oksenberg, ibid
[64] Zheng, ibid

strategic significance, and the personal connections, ambition, and acumen of their leaders.[65]

This bargaining structure negatively impacts the relationship among the Center and subordinates. Lieberthal summarizes that the Chinese political system faces four potentially severe problems: *overload* at the top, as lower level officials avoid responsibility by pushing decision "up" the system; *gridlock* from the fragmentation of power into different functional bureaucracies and territorial fiefdoms; *lack of accurate information* because of the distortions created by multiple layers of bureaucracy and because the CCP has not allowed any truly independent sources of information, such as a free press, to develop; and *corruption* and *dictatorship* as officials at each level have the opportunities and incentives to violate rules and cover up their transgressions.[66]

Although those severe problems obsess the Chinese political system and increasing social unrest, the Chinese political system keeps stability. In order to explain the relationship between the endurance of authoritarian regime and decentralization in China, Pierre Landry argues that the Chinese Communist Party (CCP)'s personnel management system is a key factor in explaining China's enduring authoritarianism and proves convincingly that decentralization and authoritarianism can work hand in hand.[67] Landry contends that economic decentralization took place in conjunction with institutional and political reforms. Political reform, however, does not imply democratization or radical

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[65] Lieberthal and Oksenberg, ibid
[66] Lieberthal, ibid
[67] Doak Barnett, *Cadres, Bureaucracy, and. Political Power in Communist China*. (New. York: Columbia University Press, 1987); Kjeld Erik Brodsgaard and Zheng Yongnian, ed., *Bringing the Party Back in: How China is Governed,* (Singapore: Marshall Cavendish Academic Publisher, 2004); John Burns: "Strengthening Central CCP Control of. Leadership Selection," *The China Quarterly,* (1994), p. 138; pp. 458-491. Lee Hong Yun, *From Revolutionary Cadres to Party Technocrats in Socialist China*, (Berkeley: University of California Press, 1990); Landry, ibid

regime transformation, but entails devising institutional mechanisms that minimize the odds that the Party will lose control over local elites. Chinese leaders must balance the need to ensure economic efficiency through a decentralized "socialist market economy" with the goal of the preservation of Party rule, including the all-important monopoly over cadre affairs.[68] White also argues that local officials are being forced by administrative fiat to pursue growth to meet central-level targets.[69]

These theoretical approaches and arguments are helpful in understanding China's authoritarian power structure. Landry gives a convincing argument about the enduring authoritarianism in China. His argument is based on the top-down domination, that is, the appointment personnel system can control localities by rewarding and punishing local cadres. Landry's argument supposes that the local cadres have an incentive to be promoted. Not all the local cadres, however, want to get promotion, because carders in rich places can gain more personal benefits from the local booming economy, and then Landry overlooked the local autonomy with which local officials depart dramatically from different patterns of behaviors. Not all the local-level officials have spearheaded to meet the higher governments with enthusiasm. Compliance with central directives in China's authoritarian regime cannot be assumed. As a part of the "state," local governments act as part of the administrative apparatus, but they are distinct entities apart from the central state and society, with their own agendas, and increasingly with their own resources.[70]

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[68] Landry, ibid
[69] Tyrene White, "Political Reform and Rural Government," In Deborah Davis and Ezra Vogel, eds., *Chinese Society on the Eva of Tiananmen, The Impact of Reform*. (Cambridge, Mass: Harvard University Press, 1990)
[70] Jean Oi, *Rural China Takes Off, Institutional Foundations of Economic Reform*, (Berkeley: University of California Press, 1999)

Lieberthal, Oksenberg, and Landry focus on the state bureaucratic power structure but do not study the role of social force. Although the general concept about authoritarianism argues that the state dominates society, and the Chinese state plays a central role in controlling the growth and development of societal actors,[71] the economic changes have redefined the social structure and are changing the distribution of power between state and society, which have altered the principles on which society is organized and the ways in which it interacts with the state apparatus.[72]

Decentralization not only changes power distribution within the bureaucratic system, but also provided local governments with greater economic incentives to promote economic growth and improve people's living standards changes.[73] As a result, the process will influence social behaviors, available resources, and ideology. Contentious politics, for example, is becoming an important social power to compete benefits from the state in China.

Contentious Politics in Contemporary China

In recent years, contentious politics has challenged state power in China, which ranges from prodemocracy movements to labor disputes and ethnic clashes, from tax riots to land dispute. McAdam *et al*. define that "the study of contentious politics includes all situations in which actors make collective claims on other actors, claims which, if realized would affect the actors' interests, when some government is somehow party to

[71] Gallagher, Mary, "China: the Limits of Civil Society in a Late Leninist State," in Muthiah Alagappa, eds. *Civil Society and Political Change in Asia*, (CA, Stanford University Press, 2004), pp. 419-443
[72] Saich, ibid, 2001
[73] Zheng, ibid, 2006

the claims.[74] Existing scholarship on contentious politics in contemporary China can be grouped into four categories: 1) the causes of contentious politics; 2) the rise of the consciousnesses of individual rights; 3) the repertoire of contentious politics; and 4) governmental responses to the contentious politics.

The first group focuses on causes of protests, which mainly attributed them to the excessive exploitation by local governments or private corporations. Generally, the most important reason that leads to the contentions in China is the dramatic socioeconomic reform. The state-led reform caused political crisis which triggered the 1989 Tiananmen democratic movement.[75] Diverse conflicts and protests are directly attributable to the reforms.[76] The failure to meet the livelihood, pension, and severance payment demands of state-sector workers in the Northeast spawned radical reactions and in the process economic grievances were transformed into political ones. [77] For example, in cities, the reform of state-owned enterprises directly threatens the workers income, security, and prestige. In rural areas, it is taxation and land disputes that posed great economic and moral pressure for villagers.

In recent years, Chinese political scholars find that not only class, but also gender, ethnicity, generation, and regional location constitute powerful sources of conflict and

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[74] Doug McAdam, Sidney Tarrow, Charles Tilly, "Towards an Integrated Perspective on Social Movements and Revolution," Mark Lichbach and Alan Zuckerman, ed., *Comparative Politics: Rationality, Culture, and Structure*, (Cambridge, UK: Cambridge University Press, 1997)

[75] Zhao Dingxin, *The Power of Tiananmen: State-society Relations and the 1989 Beijing Student Movement*, (Chicago: University of Chicago Press, 2001)

[76] Elizabeth Perry and Mark Selden, ed., *Chinese Society: Change, Conflict and Resistance*, (London : Routledge, 2000)

[77] Ching Kwan Lee, "Pathways of Labor Insurgency," in *Chinese Society: Change, Conflict and Resistance*, Perry and Selden, ed., (2000), p. 80; William Hurst, "Understanding Contentious Collective Action by Chinese Laid-Off Workers: The Importance of Regional Political Economy*," Studies in Comparative International Development*, Vol. 39, No. 2, (Summer 2004), pp. 94-120; Dorothy Solinger, "Labor Market Reform and the Plight of the Laid-off Proletariat," *The China Quarterly,* Vol. 170, (2002), pp. 304-326; Chen Feng, "Subsistence Crises, Managerial Corruption and Labor Protests in China." *The China Journal*, Vol. 44, (2000), pp. 41–63

spurs to resistance in the reform era.[78] There is a significant correlation between Falun Gong membership and elderly and laid-off workers.[79] A young generation of migrant workers leads China in the volume of arbitrated labor disputes. The relationship between reform and contentious politics is due to heightened labor antagonism towards state officials, managers, and capitalist.[80]

In rural areas, long-standing village and lineage loyalties continue to shape insurgent identities in rural China as social movements draw on themes and images sanctified by tradition and the consequences of reform.[81] Violent law enforcement on the one-child policy led to farmers' resistance. Resistance to the one-child policy are popular in rural China, because children were the only guarantee of old-age support and the traditional emphasis on bearing sons to carry on the ancestral line remained deeply entrenched in the rural areas.[82]

With the development of economy, the demand for land use and environment issues trigger contentions. Local governments have frequently sought to deny the land ownership rights of the natural village altogether. Land disputes have replaced tax protests as the primary trigger of collective action.[83] In environmental protest, organizers

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[78] Perry and Selden, ibid
[79] Patrick Thornton, "The New Cybersects: Resistance and Repress in the Reform Era", in *Chinese Society: Change, Conflict and Resistance*, Perry and Selden, ed., (2000), p. 247; Chung, Jae Ho, Hongyi Lai, and Ming Xia. "Mounting Challenges to Governance in China; Surveying Collective Protestors, Religious Sects and Criminal Organizations." *The China Journal*, No. 56 (2006), pp. 1-32.
[80] Ching Kwan Lee, *Against the Law: Labor Protests in China's Rustbelt and Sunbelt*, (University of California Press, 2007)
[81] Jing Jun, "Environmental Protests in Rural China"; Peter Ho, "Contesting Rural Spaces: Land Dispute, Customary Tenure and the State"; David Zweig, "To the Courts or to the Barricades: Can New Political Institutions Manage Rural Conlfict?" in Perry and Selden, ed., ibid.
[82] Tyrene White, "Domination, Resistance and Accommodation in China's One-Child Campaign," in Perry and Selden, ed, ibid
[83] Peter Ho, "Who Owns China's Land," *The China Quarterly*, No. 166, (June, 2001), pp. 394-442; Guo Xiaolin, "Land Expropriation and Rural Conflict in China," *The China Quarterly*, No. 166, (June 2001), pp. 422-439. Lucien Bianco, *Peasants without the Party: Grass-roots Movements in Twentieth-Century China*, (Armonk, NY: M.E.Sharpe, 2001)

not only appear highly aware of the country's environmental laws, they also know the importance of taking advantage of fissures within the government to find allies or at least sympathizers among the leadership. Villagers in rural China are capable of launching well-organized and forceful protests against environmental abuses.[84]

The second group emphasizes the relationship between the emerging consciousness of individual rights and contentious politics. This group focuses on how people use the weapon of contentious politics to obtain their political rights and economic interests and the relationship between contentious politics and political liberalization in China.

"Rightful" has been a popular term to combine with political contentions. The notion of being a citizen is seeping into popular discourse and urges that people should not underestimate the implications of rising rights consciousness. China's current political and social dilemma confront between an emerging 'rights conscious peasantry' and rapacious or entrepreneurial bureaucrats. They have held that rightful resistance is a hardy perennial that can sprout wherever leaders make commitments they cannot keep. So long as a gap exists between rights promised and rights delivered, there is always room for rightful resistance to emerge.[85]

Many scholars pay attention to the relationship between the emerging consciousness of individual rights and political change. They contend that the growing rights consciousness in China may contribute to significant political changes. Particularly, one of the major changes in the last two decades of the twentieth century was a growing sense

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[84] Jun Jing, ibid; Yanqi Tong, "Environmental Movements in Transitional Societies: A Comparative Study of Taiwan and Mainland China," *Comparative Politics*, (January 2005), pp. 167-188; "China's Growing Concern over Its Environmental Problems," in Wang Guangwu and Zheng Yongnian, eds., *Reform, Legitimacy, and Dilemmas: China's Politics and Society* (London and Singapore: World Scientific and Singapore University Press, 2000), pp. 251-276.

[85] O'Brien, Kevin, Li Lianjiang, *Rightful Resistance in Rural China*, (NY: Cambridge University Press, 2006); Zweig, ibid

of rights consciousness on political rights among the Chinese population at large. They even argue "the popular discourse of 'rights' observable in recent protests indicates a newfound claim to citizenship that poses a fundamental challenge to state authority to produce in China changes as profound as those that occurred earlier in Eastern Europe."[86]

The emerging consciousness of individual rights is based on Western political tradition. Therefore, some scholars doubt whether these Western concepts can be applied to China's politics. Chinese conceptions of "rights," as reflected in the ethical discourses of philosophers, political leaders, and protesters, provides the basis for questioning prevailing assumptions about the fragility of the Chinese political order. Viewed in historical context, China's contemporary "rights" protests seem less politically threatening. As a result, widespread popular protest in China points neither to an indigenous moral vacuum nor toward an epochal clash with state authority."[87]

The third group studies the repertoire of contentious politics in China. This body of literature focuses on strategies and tactics protesters used. Contentious politics associates with disruption, such as blocking roads, burning buildings, attacking governmental agencies. Those are very typical tactics in China's contentious politics, and it is widely regarded as an important source of protest efficacy. [88]

In order to draw more attention, petitioners in China sometimes exert pressure on government officials via symbolic tactics such as kneeling down, self-mutilation, and

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[86] Maria Heimer and Stiġ Thøgersen, *Doing Fieldwork in China*, (University of Hawaii Press, 2006); Pei Minxin, ibid; Merle Goldman, *China's Intellectuals: Advise and Dissent*, (*Harvard University Press*, 1981) Goldman, Merle Goldman. *Political Rights in Post-Mao China*, (Ann Arbor: Association for Asian Studies, 2007)

[87] Elizabeth Perry, "Chinese Conceptions of "Rights": From Mencius to Mao-and Now," *Perspective on Politics* 6, (2008), pp. 37-50

[88] Chen Xi, "Between Defiance and Obedience: Protest Opportunism in China", in *Grassroots Political Reform in Contemporary China*, Elizabeth Perry and Merle Goldman Ed., (Mass: Harvard University Press 2007), pp. 253-281

self-immolation, displaying symbols of grief, singing revolutionary songs, and displaying honorary symbols such as military medals. Those symbolic tactics could stir elites and general public sympathies, which can put pressures on the government.[89]

Tactics of mobilization can employ both traditional lineage and modern technology. In rural areas, popular religion and folk ideologies play pivotal roles in the mobilization process, with the beliefs and rituals surrounding local temples, churches, deities, spiritual masters, ancestral halls, and festivals often providing inspiration for collective mobilization.[90] The rapid development of the Internet in China has become an important communication method to mobilize some protests. Mobile phones, text messages, instant messaging, and public forums in the Internet play a vital role to mobilize collective actions. For example, Falun Gong protests used cyber technology. Students' anti-Japanese protests used the Internet and text messages to mobilize.[91]

The fourth group focuses on how the government deals with contentious politics. Generally, as long as protesters' actions are not political-oriented but self-limiting to purely economic and livelihood demands limited to a single factory, the state tends towards tolerance and limited concessions. However, arrest and imprisonment of labor activists have continued to send a powerful message concerning what the state designates as a most forbidden path of resistance –organized political dissent.[92]

Although the Chinese authoritarian regime survived the Tiananmen Incident, many analysts argue that it signified a "transition postponed" and the Chinese communist

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[89] ibid
[90] Thornton, Madsen and Jing, ibid
[91] Thornton, ibid; Susan Shirk, *China: Fragile Superpower*, (Oxford University Press, 2007)
[92] Ching Kwan Lee, "Is Labor a Political Force in China?" Perry and Goldman, ibid

regime would still be in transition someday.[93] In those scholars' viewpoints, increasing large-scale social unrest in China is the serious domestic threat to a "fragile superpower."[94] Chinese officials are recognizing that the old strategy of deterring and demonizing protest movements is failing. Preventing large-scale organized opposition or violence is essential to the regime's survival.[95] The anticipated regime transition, however, has not taken place. Despite a plethora of strikes, protest, and everyday resistance, no large-scale political movements have challenged party rule.[96] Although the protests in China could result in social instability, even regime change, adept state leaders could also manage them. The state is able to regulate social conflicts, including political challenges mounted by social movements. Contemporary China's political order reality, however, is neither as vulnerable nor in a mess as those scholars have predicated.

China's Authoritarian Regime and Contentious Politics

No government likes contentious politics. Even before the 1970s, scholars took social protest as irrational social threat.[97] Traditionally, the central problem in the field had been explaining individual participation in social movements, such as mass society theory, relative deprivation, and collective behavior theory. With the emergence of resource mobilization theory and the political process model after the 1970s, students of contentious politics see those political phenomena as a rational process. The timing and

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[93] Vivienne Shue, "Legitimacy Crisis in China?" in Peter Hays Gries and Stanley Rosen, eds. *State and Society in 21st-Century China*. (London, Routledge Curzon, 2004), pp. 24-49

[94] Shirk, ibid

[95] Murray Tanner, 2004, "China Rethinks Unrest," *The Washington Quarterly*, (Summer 2004), pp. 137-155

[96] Perry, 2000, ibid

[97] Neil Smelser, *Theory of collective behavior*, (NY: Free Press, 1965); Davis Graham and Ted Gurr, *Violence in America: Historical & Comparative Perspectives*, (University of California Press, 1979); Gustave Le Bon, *The Crowd: A Study of the Popular Mind*, (re-print), (Macmillan, 1979)

fate of movements largely dependent upon the opportunity afforded insurgents by the shifting institutional structure and ideological disposition of those in power.[98]

The regime type does matter for contentious politics. According to statistics, strikes, demonstrations, riots, and other social unrest are several times as frequent in Western democracies as they are in authoritarian regimes,[99] yet Western democracies somehow live with those "political contentions" without any crisis of regime transition. Przeworski *et al*. argues that political upheavals are endogenous to the two political regimes and affect them differently. The type of political regime could also shape political leaders calculations on contentious politics. Political leaders in authoritarian regimes, although there is no pressure of elections, are more sensitive to popular resistances,[100] because the economic crisis and social unrest usually trigger regime transitions.[101]

The collapse of East European communists encourages scholars to further the research of the relationship between contentious politics in communist states. Although not all of the communist states experienced large-scale protest, protest destabilized the regime and forced the collapse of the communist system.[102] Compared with the regime transitions in Eastern European communists, the reality of the relatively stable communist

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[98] McAdam, Doug, Tarrow, Sidney, Tilly, Charles, "Toward an Integrated Perspective on Social Movements and Revolution", in *Comparative politics: rationality, culture, and structure*, edited by Mark Irving Lichbach, Alan S. Zuckerman. (NY: Cambridge University Press, 1997); Marco Giugni, Doug McAdam, and Charles Tilly, *How Social Movements Matter*, (Minneapolis: University of Minnesota Press, 1999)

[99] Przeworski *et al*., (2000), ibid,

[100] Jack Goldstone and Charles Tilly, 'Threat (and Opportunity): Popular Action and State Response in the Dynamics of Contentious Action', in Ronald R. Aminzade, Jack A. Goldstone, Doug McAdam, Elizabeth J. Perry, William H. Sewell Jr, Sidney Tarrow and Charles Tilley, eds, *Silence and Voice in the Study of Contentious Politics*, (New York: Cambridge University Press, 2001)

[101] Guillermo O'Donnell and Philippe Schmitter, *Transitions from Authoritarian Rule: Tentative Conclusions about Uncertain Democracies*, (Baltimore: Johns Hopkins University Press, 1986), Przeworski, (2000), ibid

[102] Misztal, Bronislaw and Jenkins Craig, "Starting From Scratch is Not Always the Same", *in The Politics of Social Protest*, (Minnesota University Press, 1997)

regime in China attracts scholars to develop more explanation to understand China's authoritarianism.

China's reform is the most important political and socioeconomic trend within China today. This reform was a process that overlaps "state-rebuilding" which means, first, the efforts of recentralization, especially fiscal recentralization, by the central government to strengthen central power, and, second, the efforts to transform China's enterprise system from a socialist-oriented to a capitalist-oriented one. [103] Contentious politics in contemporary China, therefore, can be seen as political consequence of state-rebuilding. As Tocqueville pointes out, differences in patterns of state building produced differences in the opportunity structure of social movements. Centralized states aggrandized themselves by destroying intermediate bodies and reducing local autonomy. This discouraged institutional participation and meant that when confrontations did break out, they were violent and likely to lead to despotism. [104]

The Tiananmen democratic movement in 1989 was the most important political contention after 1978, the year of China's reform beginning. Market-oriented economic reform leads to inflation, corruption, and the consciousness of political rights. This state-rebuilding process and an ally from inside state authority provided political opportunity for the formation of a social movement. However, without support from peasants and the working class, this movement was crushed by strong state power. Although the state power was recentralized and political reform was suspended after 1989, the state-rebuilding process did stop. The suspension of political reform prohibits any opportunity of the pursuit of political rights. The contentious politics therefore was channeled to the

[103] Zheng, (2002), ibid
[104] Tarrow, Sidney, *Power in Movement*. 2nd ed. (Cambridge: Cambridge University Press, 1998), p. 58

pursuit of interest-based claims. The 1994 taxation reform and the deep reform of state-owned enterprises created new opportunity structures in China.

Although existing literature is of various causes of contentious politics which this dissertation has reviewed, all these causes can be attributed to state rebuilding. Zheng argues that contentious politics in an era of capitalistic development in China can be explained in the context of state rebuilding.[105]All fuses of contentious politics, such as income disparities, social grievance, corruption, political distrust, taxation reforms, rural burdens, capitalism, and unemployment are the side effects of state rebuilding. As this dissertation has discussed, the process of market-oriented economic reform overlaps decentralization in China. China's decentralized power structure, on the one hand, provides an opportunity structure for emerging movements. Perry even found that so long as these protests remain localized and do not challenge central authority, the government has even endorsed and encouraged some single-issue protests.[106] Therefore, except when Falun Gong members surrounded Zhongnanhai in 1999, there is no one political contentions point at the Center directly after 1989. Although popular contentions constantly occur in Beijing, Beijing local governments or headquarters of enterprise are targets instead of the central government.

China's administrative institutional design provides new kinds of opportunity for contentious politics. In the Chinese administrative system, there is a unique department called the "Office of Petition" (or the Office of Letters and Visiting, *xinfang*). All administrative layers from the Center down to provinces and counties have the agencies.

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[105] Zheng, 2002, ibid

[106] Perry, 2000, ibid; Peter Hayes, and Stanley Rosen,"Introduction: Popular Protest and State Legitimation in 21st-Century China." in Peter Hayes Gries and Stanley Rosen ed., *State and Society in 21st-Century China: Crisis, Contention, and Legitimation* (London: Routledge, 2004). pp. 1–23

This system was originally designed as a mechanism of ordinary people's political participation. Ordinary people can propose any policy suggestion or appeal personal grievances to the offices through letter or visit. As a mechanism for controlled participation, after the mid-1990s, however, this system began to create strong incentives for collective action, to exert tremendous pressure on local officials to promptly deal with protest, and to increase the costs of repression. Although disruptive actions do not take place everyday, petitions have become a routine contentious politics in China. Therefore, the petition institutions fall into a dilemma: designed to serve the party-state, it can come to be used for popular mobilization.[107]

Most conventional political science theories on the relationship between regime type and contentious politics have adopted an assumption that contentious politics and an authoritarian regime is incompatible. Juan Linz argues that low and limited political mobilization is a common characteristic of authoritarian regimes.[108] Samuel Huntington argues that social force is indefinitely excluded from political roles in a one-party authoritarian polity.[109] Adam Przeworski points out that in order to maintain political stability, authoritarian regimes' major strategy tends to prevent collective challenges.[110]

This explanation framework has developed a cluster of literature on the "dilemmas" of authoritarian regime and contentious politics. The political opportunity structure in China is defined as a "fear of repression" structure. Nondemocratic governments tend to

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[107] Chen Xi, *Social Protest and Contentious Authoritarianism in China*, (Cambridge: Cambridge University Press, 2011)

[108] Juan Linz, *Totalitarian and Authoritarian Regimes* (Boulder, Co: Lynn Rienner, 2000), p. 269.

[109] Samuel Huntington, Authoritarian Politics in Modern Society, (NY: Basic Books Inc. 1970), p. 17

[110] Adam Przeworski, *Democracy and the Market: Political and Economic Reforms in Eastern Europe and Latin America* (Cambridge: Cambridge university Press, 1991), pp. 58–59

use force to repress social protests.[111] Jack Goldstone and Charles Tilly propose a "concession-repression" dilemma for authoritarian government that "making concessions tends to trigger more resistance or even the collapse of the regime, but reliance on repression damages the regime's legitimacy when they face social protests.[112]

Authoritarian regimes are therefore likely to swing between token concessions and repression. Such regimes also run the risk of becoming habituated to repression as a preferred response to protest; if their repressive capacity should ever fall, they are then vulnerable to a massive eruption of protest. Stemmed from this incompatibility logic, political transition theories are trapped in a dichotomous system category (communism or capitalism, authoritarianism or democracy, federalism or unitary). Most scholars are optimistic that the contentious politics will trigger transition of authoritarian polity.[113]

However, China stands as a "Black Swan" challenge to social scientists.[114] Contrary to these incompatibility assumptions, this research finds that the Chinese communist regime did not apply force in the majority of the cases and most social protests organizers and participants were not arrested, despite the fact that all the social protests would be deemed illegal by law.[115] Instead of suppressing the social protests, the Chinese government seems more willing to ignore, accommodate, negotiate, or pay off most of the protesters. The reality of contemporary China's political order is not as vulnerable as

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[111] Kurt Schock: *Unarmed Insurrections: People Power Movements In Nondemocracies* (MN: University of Minnesota Press,2005); Teresa Wright, *Accepting Authoritarianism: State-Society Relations in China's Reform Era*, (CA: Stanford University Press, 2010)

[112] Goldstone and Tilly, (2001), ibid

[113] Guillermo O'Donnell and Philippe Schmitter, (1986), ibid; Przeworski, *et al.,* (2002), ibid, Tanner, (2004), ibid

[114] Sebastian Heilmann and Elizabeth Perry, *Mao's Invisible Hand: The Political Foundations of Adaptive Governance in China*, (Harvard University Asia Center, 2011), p. 4

[115] *Law of the People's Republic of China on Assembles Processions and Demonstrations*, cited from Yang Dehe, *The Research on Collective Actions*, (Beijing: Chinese People's Public Security University Press, 2002), pp. 275-281

those scholars have predicted.

In a nutshell, the study of contentious politics and political stability has been a hot topic in the field of China politics and has generated plenty of literature on it. Most available studies confine themselves to the assumption that the authoritarian regime is incompatible with contentious politics. Some studies focus on possible conditions that may trigger political transition by contentious politics.[116] This growing literature covers how the contentious politics undermines regime legitimacy,[117] how rights consciousness breaks through state-society relations,[118] and how people use the weapon of contentious politics to oppose the government and fight for their political rights and economic interests.[119] Those researchers took China's authoritarian regime as a passive target, in which either the state exhaustedly struggles to tackle contentious politics or participants fight for and obtain their rights and benefit. Those studies, in essence, aim to explain contentious politics and political instability rather than stability.

In attempting to answer how the Chinese government tackles this "repression-concession paradox," China political observers study it through examining how Chinese governments make policy choice. For example, Cai Yongshun contends that in China, decentralization helps to protect the legitimacy of the central government and the regime in two ways. First, the decentralized power structure allows the central government to distance itself from blame-generating situations when local governments use repression, which is a basic method of avoiding blame or protecting legitimacy.

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[116] Elizabeth Perry and Mark Selden,ed., (2000), ibid; David Shambaugh Ed. *Is China Unstable?* (Armonk, NY: M.E. Sharpe, 2000)

[117] Zhao, 1994, ibid; Zweig, 2003, ibid

[118] Pei, 2000, ibid; O'Brien& Li, 2006, ibid

[119] O'Brien& Li, ibid, 2006; Cai Yongshun, *Collective Resistance in China*, (CA: Stanford University Press, 2010)

Second, given that local governments assume considerable power and autonomy, there can be variation in their treatment towards ways of policy implementation. Such variation may reduce citizens' blame of the political system, and citizens' perceptions of the regime's legitimacy may vary across the country.[120] Therefore, according to Bernstein and Lü Xiaobo, popular resistance in China has not only helped to force the central government to strengthen the implementation of policies favoring citizens but has also contributed to the adjustment of national policies disfavoring citizens.[121]

Undoubtedly, China remains an authoritarian system. No matter how much autonomy the local governments have obtained, they have never gained crucial control over personnel appointment which is retained by the Center. In addition, after the tax-sharing reform in 1994, the central government seized most of the revenue and then recontrolled budgetary power. Therefore, the concept of "decentralization power structure" or "multilevel power structure" is too vague to reflect the nature of the local autonomy.

Although those scholars contribute much knowledge on regime type and contentious politics and possible political transition in China, the role of contentious politics and political stability has not been adequately examined. Fortunately, there is a cluster of literature that addresses this topic. This dissertation categorizes this literature into three explanations: political tradition, political process, and institutionalist explanations.

The political tradition explanation tends to apply Chinese conceptions of "rights" and Chinese benevolent governance tradition to understand contentious politics and political

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[120] Cai Yongshun, ibid

[121] Bernstein,Thomas and Lü Xiaobo, *Taxation without representation in rural China*, (Cambridge: Cambridge University Press, 2003); Ray Yep, "Can 'tax-for-free' reform reduce rural tension in China?" *The China Quarterly,* Vol. 177, (2004), pp. 42-70

stability. Perry argues that Chinese conceptions of "rights" are different from that of the West's. According to Perry, China's contemporary "rights" protests seem less politically threatening. The Chinese polity appears neither as vacuous nor as vulnerable as it is sometimes assumed to be.[122] It is a political philosophy explanation and is hard to test by empirical study.

Yanqi Tong and Shaohua Lei conducted research on the relationship between legitimacy and Chinese benevolent governance. They argue that regime legitimacy in China is not based solely on economic performance or physical coercion. It is a moral bonding between the state and society.[123] The stability of the regime depends to a large extent on the moral function of the state and the moral quality of its officials. Social protests may be related to regime stability, but do not strengthen the factors that would contribute to democratization—elite division, international influence, and civil society.[124] Chinese government gains credits rather than being blamed if social protests were handled through benevolent governance tradition.

The political process explanation focuses on political opportunities structure and how the state facilitates contentious politics in the structure. Chen Xi's research explores why there has been a dramatic rise in social protests in China since the early 1990s.[125] It is the "Letter and Visiting system"[126] that encourages citizens to band together to present petitions. This explanation argues that it is the Chinese party-state that facilitates popular contention. It underscores the contradictions, conflicts, and ambiguities within the state

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[122] Elizabeth Perry, "Chinese Conceptions of 'Rights'". *Perspective on Politics* 6 (2008), p. 37
[123] Yanqi Tong and Shaohua Lei, *Social Protests in Contemporary China: Transitional Pains and legitimacy*, (London: Routledge, 2013), chapter 1
[124] ibid, chapter 8
[125] Chen Xi, 2012, ibid, p. 5
[126] Or called the Xinfang System in Chinese. It is a system in which the state welcomes and invites citizens to bring their complaints and grievances to governments to be helped.

rather than the decline of its capacity. This approach proposes an empirical study on the political stability and contentious politics. It breaks out of the stereotype that an authoritarian regime is incompatible with contentious politics. However, the Letter and Visiting System is a mechanism to link the state and society. It is not a political opportunities structure, and collective petition is only one type of China's contentions. Compared to the large number of other types of contentions, Chen's research has not provided a strong causal relationship between political stability and contentious politics.

The institutionalist explanation focuses on political resilience and adaptability of the institution. This explanation framework examines 1) the capacity of China's authoritarian regime to absorb shocks from contentious politics, 2) the capacity to facilitate contentious politics to future resilience by formal institutions or informal norms. The main body of literature of this approach is on the study of 1) public administrative organizations and institutions, such as people's congress, administrative interaction;[127] 2) Chinese Communist Party;[128] 3) Personnel system;[129] 4) The Center -local relationship;[130] and 5) informal institutions and norms, such as the recurrence of lineage.[131]

However, this cluster of literature provides grand pictures about the political resilience of China's authoritarianism. Contentious politics is only a minor variable to test their arguments. In recent literature, Cai Yongshun conducts research on the complex relations between political resilience and contentious politics. Cai categorizes government responses to show the outcome of each type of popular protests and under

[127] Andrew Nathan, "Authoritarian Resilience," *Journal of Democracy*, Vol. 14, No. 3, (2003), pp. 13-15
[128] Zheng Yongnian, *The Chinese Communist Party as Organizational Emperor*, (London: Routledge, 2010)
[129] Landary, 2008
[130] Wang Zhengxu, ibid
[131] Lily Tsai, *Accountability Without Democracy: Solidary Groups and Public Goods Provision in Rural China*, (Cambridge: Cambridge University Press, 2007)

what circumstance government makes concession or repression. Cai's research differentiates benefit and loss between the central government and local authorities as well as citizens' perceptions on those state authorities. A closer examination of Cai's study, however, shows that this study has not adequately examined the institutional change and political stability.

The institutional explanation approach initiates a new phase on the study of regime type and contentious politics, which does not confine itself to the stereotype of the incompatibility of authoritarian regime and contentious politics, and the dichotomous system of political transition. The institutional explanation focuses on more detailed institutional changes rather than a revolutionary grand regime transition, which will understand China's authoritarian regime more appropriately.

Conclusion

This chapter presented three critical points to the study of contentious politics and China's authoritarianism political stability. First, the definition of contentious politics needs to be taken seriously as a uniform term that can organize the field of political contentions. The aim of this dissertation, therefore, is to present theories on the conditions under which contentious politics become involved political transformation. Second, in order to construct theories, this dissertation defined the concept of political stability as "A durable polity, the central government in the polity has capability to challenge endogenous subversions and exogenous shocks."

This chapter reviewed existing literature on China's authoritarian power structure, contentious politics in contemporary China, and the relationship between contentious

politics and political stability. Despite this rich literature on the topic of contentious politics and China's authoritarian regime, few theories can explain contentious politics and China's political stability. Most of these studies aim to explore contentious politics and political instability rather than stability.

On the basis of available explanations to the relationship between contentious politics and political stability, this dissertation will apply the theory of historical institutionalism. Historical institutionalists analyze organizational and institutional configurations where others look at particular settings in isolation; they also pay attention to critical junctures and long-term processes where others look only at slices of time or short-term maneuvers. Researching important issues in this way, historical institutionalists make visible and understandable the overarching contexts and interacting processes that shape and reshape states, politics, and public policymaking.[132] The institutional explanation focuses on more detailed institutional changes rather than a revolutionary grand regime transition, which will understand China's authoritarian regime more accurately. In the next chapter, this dissertation will present causal arguments for the relationship between the multilevel responsibility structure and political stability in China.

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[132] Paul Pierson and Theda Skocpol, "Historical Institutionalism in Contemporary Political Science," Ira Katznelson and H. Milner, eds., *Political Science: The State of the Discipline*(New York: W. W. Norton & Company, 2002), p. 693

CHAPTER 3

POLITICAL STABILITY

Contentious politics has been correlated to a wide variety of political transformations and instability. However, the contradiction of increasing popular contentions and a stable authoritarian regime puzzles theorists on authoritarian regime and political transition. Scholars have offered few theories that explain how and under what conditions an authoritarian regime keeps stability under the circumstance of increasing popular contention. In particular, it is necessary to construct more systematic theories aimed at explaining the relationship between political institutional arrangement and political stability.

This chapter proposes an assumption: the Chinese government sustains political stability through the multilevel responsibility structure. In particular, it will consider four factors that sustain the regime's political stability: political resilience, adaptability, surveillance and monitoring mechanism, and political equilibrium. These four factors will be discussed through case studies to determine if they can explain the multilevel responsibility structure undergirding the regime.

This chapter is divided into four sections. The first section introduces the conceptual framework of multilevel responsibility structure. The second section presents four

hypotheses (causal arguments) for multilevel responsibility structure and political stability and the mechanism of how the multilevel responsibility structure maintains political stability. The third section explains data and research in this dissertation. The fourth section ends with the conclusion.

The Conceptual Framework of the Multilevel

Responsibility Structure

A New Conceptual Framework: the Multilevel Responsibility Structure

As Chapter 1 argues, if popular contention is the trigger of political transformation, or as Bunce argues that the communist power structure is a subversive institution, then we can anticipate that political instability would occur in China under the increasing popular contention circumstance. However, no literature provides an explanation for the research question in this dissertation. Decentralization literature shows a new institutional change in China; however, the China central government has more and more ultimate power to dominate local/state authorities, a matter which will be discussed in Chapter 6.

This variation between contentious politics and political stability suggests that there are factors other than decentralized power structure or political opportunities structure that sustain the regime's stability. The previous main body of literature also assumes that contentious politics is incompatible with China's authoritarian regime. Therefore, in order to understand the relationship between contentious politics and political stability, it is necessary to explore a new framework.

In his article "Power Structure and Regime Resilience," Cai Yongshun points out that the state's response to contentious politics is shaped by political arrangements. Unlike the

situation where there is only a single authority, Cai argues that the existence of multiple authorities implies that the state's policies toward protesters are inconsistent when the interests of those state authorities differ.[133] It is true that local governments have gained more autonomy during the reform era and developed different interests. Even Zheng Yongnian argues that China is *de-facto* federalism.[134]

I would like to propose a different perspective—the multilevel responsibility structure—to analyze the contentious politics, state response, and political stability. Following the institutional approach, this dissertation focuses on the institutional arrangement. This dissertation analyzes China's political institutional arrangement through the lens of responsibility, not power.

In contemporary public administration, Kent Weaver argues, successful government policies always strike a balance between "credit claiming" and "blame avoiding."[135]According to Weaver, authoritarian states are less able to avoid blame because of the concentration of power in the hands of the government, which also means the concentration of responsibility and blame.[136] In general, the multilevel governance system tends to blur the lines of responsibility and blame. If policy responsibility is shared between different levels of authorities, individuals may not know which government is more responsible for a particular outcome.[137] Complexity allows

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[133] Cai Yongshun, "Power Structure and Regime Resilience," *British Journal of Political Science*, 34, (2008), p. 414

[134] Zheng Yongnian, "Explaining the Sources of de facto Federalism in Reform China: Intergovernmental Decentralization, Globalization, and Central–Local Relations," *Japanese Journal of Political Science* Vol. 7, No. 2 (2006), pp. 101–126

[135] Kent Weaver, "The Politics of Blame Avoidance," *Journal of Public Policy*, Vol. 6, No. 4, (1986), pp. 317-398

[136] ibid, p. 373

[137] Kevin Arceneaux and Robert Stein, "Who is Held Responsible When Disaster Strikes? The Attribution of Responsibility for a Natural Disaster in an Urban Election." *Journal of Urban Affairs*, Vol. 28, No.1 (2006), pp. 43-53

governments to claim credit for successful policies and shirk blame for undesirable outcomes.

According to the classification by Herbert Hart, there are two types of responsibility. One is the functional responsibility which refers to the role and tasks for which the government is responsible, i.e. the areas over which it has policy-making duties. The other is the causal responsibility which refers to the influence an actor had on bringing about a specific outcome. Perceptions of causal responsibility can lead to attributions of credit for positive outcomes and blame for negative results.[138] In the context of my analysis, the concept of responsibility refers to what Hart has defined as causal responsibility, i.e. credit/blame for certain outcomes.

With the deepening of the reform and rapid economic growth, alongside the rising living standard of the people, came the inequality between different regions and different social groups. Various social grievances emerged. People blamed government much more than they praised the government. In a transitional society, individuals are more sensitive to their losses than their gains. While individual gains usually do not automatically translate into government credits, individual losses would immediately become a governmental responsibility. As the Chinese government is going after credit claiming, people are continuously blaming the government based on their own calculation of personal losses. Within such a context, there emerged the demands for democracy, and reverse racism (i.e., whatever China does is bad).[139] The 1989 Tiananmen Incident，therefore, was the result of this social blame.

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[138] L.A. Hart, *Punishment and Responsibility: Essays in the Philosophy of Law*, (Oxford University Press, 1968), p. 214.

[139] The concept of "reverse racism" was originally raised in opposition to the Affirmative Action in the United States. Chinese scholar Wang Xiaodong introduced the concept to China and argued that some

The 1994 tax-sharing reform changed the Chinese political arrangements. The central government delegated more power to the local government for economic development, and tied the economic performance to the promotion of local leaders. While the local governments obtained more autonomy, they also have to shoulder more responsibility for maintaining local political and social stability. This is a salient institutional change. As a result, this dissertation argues that a structure of multilevel responsibility has developed. While the shifting of responsibility and blame to local governments may not be the intention of the taxation reform, it nonetheless strengthened the layer of local government in the political structure. Consequently, the reform made local government an ideal entity to take responsibility for the Center.

The multilevel responsibility structure subsequently leads to the changes in the state-society relations in China. Local governments emerged as distinctive layers in the structure, which replaced work units and collectives as the buffer zone between society and the central government. Local governments became the targets of all the interest conflict because of their economic responsibility. During social protests, lower level governments have to serve as the cushion for the upper level government (see Figure 3.1).

Even when some of the social instability was caused by the central government policy, it was local governments that had to take the blame. For example, the 1998 SOE reform has led to large-scale workers' protest. That was the central policy. Yet the local governments in Northeast China had to face the brunt of the workers' protests. As Figure 3.1 shows, the Center can pass blame to provincial government, and provincial

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Chinese have suffered a "reverse racism" syndrome that is these people believe that whatever is related to China is inferior. See Wong Xiaodong, *China is Unhappy*, (Nanjing: Jiangsu People's Press, 2009)

government can pass blame to county/city government. Higher-level governments pass blame to lower level governments level-by-level. Township, county/city, and provincial government then become the central government's cushions to absorb waves of contentious politics and blame. Thus, it is a multilevel responsibility structure, not a simple divided power structure or multilevel power structure.

Prior to the multilevel responsibility structure was a structure of chain-ganging.[140] In other words, the central government and local government were chained together, sharing both glories and failures. The multilevel responsibility structure is a structure of blame-avoidance *per se*. It localizes and stratifies any contentious politics. The central government would stay away from those contentious politics. The shock waves of political contentions would be absorbed by levels of local governments, therefore reducing the shock to the Center. Except for the Falun Gong protest in 1999, there has been no large-scale social protest targeted at the central government since 1989. All the social protests were under the jurisdiction of the provincial government or individual functional ministries.

The multilevel responsibility structure also fits well with the Chinese political tradition. In the US, people trust local governments more than they trust federal

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[140] In the paper, I borrow the concept "chain-ganging and buck-passing" to describe the Chinese authoritarianism power structure. Chain-ganging and buck-passing are important concepts in the field of international relations. Kenneth Waltz argued that a state will either feel so dependent on its allies for security that it allows itself to be drawn into ("chain-ganged") wars in which it has no interest, or be so complacent as to avoid conflict ("pass the buck") even when a new hegemon is rising and threatening its alliance (Waltz, 1979). In short, as one member of the chain gang stumbles off the precipice, the other must follow. In the face of a rising threat, balancing alignments fail to form in a timely fashion because some states try to ride free on other states' balancing efforts. They may do this because they wish to avoid bearing unnecessary costs or because they expect their relative position to be strengthened by standing aloof from the mutual bloodletting of the other powers. (Thomas J. Christensen and Jack Snyder Chain Gangs and Passed Bucks, International Organization, Vol. 44, No. 2 (Spring, 1990), pp. 137-168)

government.[141] In China, it is the opposite. People trust the central government more then they trust local governments.[142] One of the political legacies is that people only oppose the corrupt officials but never the emperor. This is the core of the large-scale social protest, including peasant riots. In contemporary contentious politics, paying a visit to the upper level government has been one of the major means for redressing grievances. In the eyes of the ordinary people, only the central government could solve their problems. There are crowds of such visitors every day in front of all the major institutions in the central government, such as the Supreme Court, Ministry of Justice, and State Council.

During my interviews with local officials, from provincial level down to village level, without exception, all of them were unhappy about the active blame avoidance by the central government. For instance, a vice provincial level official put it bluntly, "the central government gets all the benefits and leaves all the blame to the local government."[143] Another city mayor complained, "maintaining stability generates a lot of stress in daily work, yet in the end, we have to be the bad guys."[144]

Complaints from the local government do not necessarily indicate divisions inside the power structure. With the central government controlling the personnel power, the promotion mechanisms for local cadres have allowed the CCP to reward officials for the development of their localities without weakening political control.[145] Within the multilevel responsibility structure, the central and local governments in fact play the roles

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[141] Zhou Li'an, ibid, p. 72

[142] Wang Zhengxu, ibid

[143] The 1993 reforms allowed the central government to reclaim some of the lost ground in revenue collection. Today, while localities allocate 70 percent of expenditures, they collect only 51 percent of revenues, 60.2 percent if we take extra-budgetary inlays into account. (Pierre Landry, *Decentralized Authoritarianism in China*, (Cambridge: Cambridge Press, 2008), p. 14)

[144] Personal interview

[145] Pierre Landry, (2008), ibid, "Introduction"

of good cop and bad cop.[146] In essence, both are cops. The good cop/bad cop method provides institutional flexibility for the government in dealing with large-scale social protests.

The multilevel responsibility structure is the central framework to explain the relationship between contentious politics and political stability in China. This dissertation argues that the multilevel responsibility structure provides an institutional arrangement, in which contentious politics undergird rather than undermine China's authoritarian regime. The core of political stability is a solidary central government. The multilevel responsibility structure ensures the central government gains credits while passing blame to lower level authorities. This dissertation posits that the higher the government is, the less those governments will be blamed. As a resultant effect, the multilevel responsibility structure is the "hard core" of this research project. In the next section, I will discuss how the multilevel responsibility structure works, that is, the hard core's auxiliary hypothesis in this dissertation.

A robust institution needs to tackle two challenges: exogenous shock and endogenous subversion. Accordingly, this dissertation will discuss the two challenges of the multilevel responsibility structure in two parts. Part one is the multilevel responsibility structure's capability of political resilience and adaptability. Part two is the multilevel

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[146] Good cop/bad cop, also called joint questioning and friend and foe, is a psychological tactic used for interrogation. "Good cop/bad cop" tactics involves a team of two interrogators who take apparently opposing approaches to the subject. The interrogators may interview the subject alternately or may confront the subject at the same time. The "bad cop" takes an aggressive, negative stance towards the subject, making blatant accusations, derogatory comments, threats, and in general creating antipathy between the subject and himself. This sets the stage for the "good cop" to act sympathetically: appearing supportive, understanding, in general showing sympathy for the subject. The good cop will also defend the subject from the bad cop. The subject may feel he can cooperate with the good cop out of trust or fear of the bad cop. He may then seek protection by and trust the good cop and provide the information the interrogators are seeking. CIA: *CIA Human Resource Exploitation Training Manual* (1983), pp. 26-27

responsibility structure's capability of an intersupervision system and avoidance of disequilibrium.

The Multilevel Responsibility Structure and Challenges

In the previous section, the dissertation proposed the multilevel responsibility structure as the central framework to analyze contentious politics and political stability. The multilevel responsibility structure is a blame-avoidance structure *per se*. Kent Weaver, in his *Politics of Blame Avoidance*, summarized eight blame-avoiding strategies in Western democratic systems.[147] Borrowing from his scheme, this dissertation has developed five strategies of blame avoidance in China's multilevel responsibility structure: 1) establishing a responsibility system, 2) playing good cop and bad cop, 3) passing the blame to the lower levels, 4) throwing good money after bad, 5) fire alarm monitor, 6) political equilibrium. This section will categorize those strategies into two dimensions: exogenous shock and endogenous subversion.

First, I discuss the multilevel responsibility structure and exogenous shock: the absorption of exogenous shock is a vital capacity for a robust institution. This is the multilevel responsibility structure's capability of political resilience and adaptability. It emphasizes the interaction between the institution and exogenous challengers. Political resilience is a vital live-or-death factor for any regime type. The essence of political resilience is how to ensure a stable and strong central government. The multilevel responsibility structure adopts three strategies to absorb external shock:

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[147] These are: 1) Agenda limitation, 2) Redefine the issue, 3) Throw good money after bad, 4) Pass the buck, 5) Find a scapegoat, 6) Jump on the bandwagon, 7) Circle the wagons, and 8) Stop me before I kill again. See Kent Weaver, ibid, p. 385

Strategy One: Establishing a Responsibility System

The institutionalization of the contentious politics process is a dynamic interaction between the state and society. The state and society tested each other's bottom line through playing a game. After the 1989 Tiananmen Incident, the Chinese government had eventually recognized the fact that contentious politics is a normal political behavior. The state and society all got lessons from the Tiananmen Incident. For the state, the central government should not be a target and must stay far away from any contentious politics. For society, contentious politics should have a clear nonpolitical purpose in order to get support from the central government.

After 20 years of development, the Chinese government eventually established the responsibility system. The same as a pressurized system,[148] it consists of a set of comprehensive annual evaluation systems with detailed criteria. This annual evaluation determines local heads' personal political life and future, such as promotion, discipline, or dismissal. Through this evaluation system, it is local governments' responsibility to prevent large-scale popular contention.

In other words, lower level governments must limit contentious politics locally. Local governments, from provincial level down to county/city and township levels, are multiple layer cushions that prevent the central government from contentious politics and absorb shock waves. This system is based on the merit system and appointment system. As long as the central government remains the power of controlling its cadres in the hierarchy bureaucracy, the responsibility system can protect the central government to avoid shock by contentious politics.

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[148] Rong Jingben and Cui Zhiyuan, *Transformation from Pressurized System to a Democratic System of Cooperation,* (Beijing: The Central Compilation and Translation Press, 1988)

Strategy Two: Playing Good Cop and Bad Cop

In China's multilevel responsibility structure, the government's strategy also includes a scapegoating tactic. After the eruption of a mass incident, the upper level government would support the protesters if they had become politically popular and deflect responsibility by blaming lower level government.[149] Lower level government officials would receive disciplinary measures and take the responsibility for the upper level government. When the public anger calms down for a period of time, the upper level government re-instates those disciplined officials. In addition, the central government would also compensate the local government by allocating more financial funds after some incidents. Carrot and stick are the most effective means to ensure the local government continues to play the role of bad cop. This is the advantageous position for the central government in the multilevel responsibility structure.

Strategy Three: Passing the Blame to Lower Levels

Goldstone and Tilly argue that authoritarian governments may face serious uncertainties in dealing with popular protest. Making concessions tends to trigger more protests or even the collapse of the regime, but reliance on repression damages the regime's legitimacy and makes it less sensitive to popular demands.[150] For an authoritarian regime, the core of Goldstone and Tilly's paradox is how to deal with repression. It is common practice to use the police force to maintain social order and to repress unauthorized protests in Western democracies. Yet different political traditions lead to different law enforcement environments. Police violence and repression of

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[149] Kent Weaver, ibid, p. 385
[150] Goldstone and Tilly, ibid

popular contentions is considered a violation of the principles of Chinese tradition. The most criticized government handling of the Tiananmen Incident was its use of force. This is considered a loss of government virtue.

If the local government decides not to repress with force, it has to take the responsibility for all the consequences when the incident endures and expands. If the local government decides to use force, then it has to shoulder the accusation of losing virtue. The central government could later come in and use the local government as the scapegoat, discipline the local officials, and issue huge compensation to the victims to alleviate social pressures. In either case, the local government is the responsibility bearer.

The multilevel responsibility structure effectively solved Goldstone and Tilly's dilemma that argues if an authoritarian regime represses social protest with force, it will damage the regime legitimacy and makes it less sensitive to popular demands. In such an arrangement, repression would stop the spread of popular contentions, local government would take the responsibility of repression, and the central government would take credit for solving the crisis, hence increasing legitimacy.

The Multilevel Responsibility Structure and Political Adaptability

According to historical institutionalism, institutional development relies on political adaptability. In the multilevel responsibility structure, the central government would have to respond quickly to contentious politics and make policy adjustments. Because an authoritarian regime excludes citizen's participation from public policy decision-making process, the capacity of policy adjustment therefore plays an important role in

maintaining political stability. Political adaptability is sustained by adopting "throwing good money after bad" strategies.

Throwing good money after bad refers to the provision of resources to help out constituencies to prevent or delay blame after a bad policy.[151] In the multilevel responsibility structure, the upper level government cannot pass blame to lower level governments indefinitely. When the lower level governments face the ever increasing social pressures, the upper level government has to find ways to alleviate such pressures. Since the local governments do not have any regime legitimacy responsibilities, they will not undertake such types of political risk. The social pressures are primarily from the redistribution of material wealth and administrative misconduct. In order to alleviate the pressure from contentious politics, governments usually adopt two approaches. One is to improve the style of administration, especially the law enforcement. The other is the compensation for interest losses. Violent law enforcement often triggers social protest. Upper level government could use the responsibility system to prevent such outbursts.

"Throwing good money after bad" has three methods: adjusting policy, concession, and jumping on the bandwagon. First, quick policy adjustments after large-scale contentious politics are an important characteristic and advantage of the multilevel responsibility structure. It is a capacity of self-correction, that is, institutional adaptability. Since China is still an authoritarian regime, authoritarian polity usually excludes citizens' participation in the process of public policy decision-making, so the capacity of policy adjustment then becomes more important. Otherwise, a stubborn polity

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[151] Weaver, ibid, p. 385

that excludes both citizen' participation and policy adjustment cannot sustain. China's reform is a political trial and error process.

Contentious politics, as one of the results of policy "error," is exogenous pressure to force government to adjust policy. The multilevel responsibility structure creates space for the central government to stay away from the whirlpool of contentious politics. The central government then has enough time to adjust policies. Either by transferring more resources to compensate locals, or by correcting its policy deviation, the Center can not only avoid blame but also gain credits.

Second, for contentious politics triggered by loss of interest, the upper level government could throw more resources to eliminate the cause of contentious politics. The Center would also gain credit and avoid blame. After 1994 tax-sharing reform, the central government has collected increasing revenue income. It is able to make compensations to those who were affected by the reform.[152] As long as protesters' actions are not political-oriented but self-limited to purely economic and livelihood demands limited to a single factory, the state tends to be tolerant and makes limited concessions.[153] Usually, contentions in the state sector receive the most government compensation. Many private sector workers' protests were compensated by the enterprises under the pressure from the government. Even in some special circumstance, local governments would compensate nonstate sector workers' protest.

Third, jumping on the bandwagon refers to deflecting blame by supporting politically popular alternatives.[154] The absence of citizens' participation in the process of public policy decision-making in an authoritarian regime often has a negative result: the public

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[152] The tax-sharing reform will be discussed in Chapter 6
[153] Lee Ching Kwan "Pathways of Labor Insurgency," Perry, (2000), ibid, p. 58
[154] Weaver, ibid, p. 385

would not understand or support the policy. As a result, the public would blame the government. Several popular contentions were caused by this. In the multilevel responsibility structure, citizens' decision-making participation is at a low level, but the government is sensitive if a public policy stirs public outrage. The government would adopt the "jumping on the bandwagon" tactic to settle popular contentions caused by a public policy. The government will not continue to implement this policy to calm down public outrage. Usually, if this public policy were made by the central government, the policy would end up with nothing definite. If popular contentions occurred because of a policy made by local governments, upper governments would either cease implementation of the policy or adopt a "good cop and bad cop" strategy to discipline some officials to calm down public outrage. The central government can either avoid further blame or gain credits.

The Multilevel Responsibility Structure and Endogenous Subversion

Political resilience and adaptability explain the institutional capacity of absorbing exogenous shock. This is the structure-centric approach, which focuses on a static institution. In this dissertation, contentious politics as a role of an exogenous challenger tests the multilevel responsibility structure's resilience and adaptability. Furthermore, a robust institution also needs capacity to restrict endogenous subversion and to avoid power disequilibrium. This dissertation posits that the multilevel responsibility structure adopts contentious politics as an informal mechanism to fulfill a monitoring function and to avoid power disequilibrium. Contentious politics in the multilevel responsibility structure can be adopted as positive tools to restrict endogenous subversion. This is an

actor-centric approach, which focuses on the relationship between an institution and its actors. Therefore, in order to understand the interplay between institution and its agents, it is necessary to identify the role of contentious politics.

The Multilevel Responsibility Structure and Fire Alarm Monitor

Society's check and balance is what Mathew McCubbins and Thomas Schwartz called "fire alarm monitoring." McCubbins and Schwarz argue that there are two mechanisms of oversight. The first is "police patrols oversight," i.e., routine surveillance by a formal institutional procedure. The second is "fire alarm oversight." It is an informal practice of involving individual citizens and organized interest group to examine administrative decision. A "fire alarm" mechanism is less costly than it is to conduct regular police patrols, because citizens have better information about the occurrence.[155]

Local officials' misconduct and collusion in organizations exists in any regime type. James Mahoney and Kathleen Thelen argue that there are four types of change agents in an institution: insurrectionaries, symbionts, subversives, and opportunities. In the symbionts type, local corrupt officials exploit an institution for private gain even as they depend on the existence and broad efficacy of the institution to achieve this gain. Symbionts with collusion behavior thrive on and derive benefit from rules they did not write or design, using these rules in novel ways to advance their interests.[156] Although symbionts seek to preserve the institution, they do not follow the rules of institution.[157] They will undermine the institution in the long run. In a principle-agent structure, inter-

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[155] Mathew McCubbins and Thomas Schwartz, "Congressional Oversight Overlooked: Police Patrols versus Fire Alarms," *American Journal of Political Science*, Vol. 28, No. 1 (February, 1984), pp. 165-167

[156] James Mahoney and Kathleen Thelen, Explaining Institutional Change *Ambiguity, Agency, and Power*, (Cambridge: Cambridge University Press, 2010), pp. 23-25

[157] ibid, p. 23

organizational surveillance and monitoring is a formal system to prevent agents'
misconduct and collusion from eroding and subverting the institution. Routine
surveillance through a formal institutional procedure is costly, due to China's huge
population and vast territory. In some cases, even supervisors were involved in
organizational collusion. Therefore, a formal intersupervisory system is not only costly,
but also inefficient. In this circumstance, the fire alarm monitoring mechanism plays an
important role in the multilevel responsibility structure.

Citizens have better information about local governments and officials. Perry has
proposed an assumption: in an authoritarian polity, where elections do not provide an
effective check on the misbehavior of state authorities, protests can help to serve that
function—thereby undergirding rather than undermining the political system.[158] Once a
contention occurs, local government struggles to cover it up and their misbehavior is
likely exposed, especially now that the Internet is popular in China. Any eye-catching
incident will be widely circulated. Upper level governments cannot ignore it. The Internet
protest has shown its powerful function of the fire alarm oversight.[159] Contentious
politics in the multilevel responsibility structure serves as this informal oversight
mechanism.

Meanwhile, for fear of contentious politics, local government officials have to
restrain themselves from any misbehavior. Through the self-restraint mechanism, the

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[158] Elizabeth Perry, "Chinese Conceptions of 'Rights': From Mencius to Mao and Now," *Perspective on Politics* Vol. 6, No. 1, (March 2008), p. 45. The first time Perry proposed this assumption is in the book: *Chinese Society, Change, Conflict and Resistance* (Elizabeth Perry and Mark Selden, ed., (2000), ibid) p. 19

[159] This dissertation mainly focuses on physical contentious politics and will not discuss the Internet protest. In the article "War of Position and Microblogging in China," Yanqi Tong and Shaohua Lei had conducted a research on the topic. (Yanqi Tong and Shaohua Lei, "War of Position and Microblogging in China," *Journal of Contemporary China,* Vol. 22, No. 80, (2013), pp. 292–311

multilevel responsibility structure could prevent endogenous subversion, especially by preventing this type of symbionts from eroding the institution. Contentious politics, then, serves as a tool for the institutional self-enforcing mechanism.

The Multilevel Responsibility Structure and Political Equilibrium

Rational choice institutionalism argues that a robust institution is a self-enforcing equilibrium structure. [160] This dissertation will not discuss how the multilevel responsibility structure achieves political equilibrium, but will argue that it is an institutional arrangement to avoid disequilibrium. Maier argues that stability implies a cybernetic capacity for self-correction, a homeostatic tendency to return to equilibrium that strategies for stability all sought some underlying automatic authority that would impose itself.

From 1949-1980, China's fiscal system was highly centralized. As a result, local governments had no motivation to promote local economy. China's central government launched a fiscal reform during the 1980s. It was fiscal decentralization reform. In the long run, the central government lost budgetary power after this fiscal reform and it faced severe deficit. In this circumstance, the central government had to launch taxation reform again. Through 1994 tax-sharing reform, the central government decentralized administrative power to locals, but it recentralized fiscal power. By controlling the overwhelming fiscal power and cadre appointment system, China's central government reasserted its ultimate authority, which effectively dominates locals.

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[160] Kenneth Shepsle, "Rational Choice Institutionalism," *The Oxford Handbook of Political Institution*. (Oxford: Oxford University Press, 2006), p. 23-39

Although the central government must have such ultimate power to maintain its authority in the hierarchical bureaucratic system, an overwhelming power would be a side effect of power disequilibrium. Such a disequilibrium power structure would destroy local autonomy and would damage local officials' motivation of promoting local economy. Because of this prevailing circumstance, disequilibrium will induce endogenous subversion to destroy political stability, as Bunce argues.

In a federal system like the U.S., power is divided by the Constitution. Political equilibrium is a self-enforcing process. The federal government cannot intervene in a state's affairs, such as official appointments and state fiscal arrangements; in return, states are compliant with the federal governments' authority. A state government has constitutional power to bargain with the federal government. In principle, the independent Supreme Court acts as an impartial arbitrator, which can have authority to serve as an arbitrator to mediate disputes between the federal and state government.

Such a mechanism does not exist in an authoritarian system. Without fiscal and personnel power and an independent impartial arbitrator, local governments are in an extreme asymmetric position to bargain with the upper government. The multilevel responsibility structure has a "hidden contract," i.e., the central government has to "reward" the local government for undertaking blame for its policy error. Through the "hidden contract," the local governments have to serve as cushions to absorb contentious politics shock waves. In return, the central government compensates such blaming cost by transferring more resources to local governments. Transferring resources like "throwing good money after bad" to people is to appease public outrage. Transferring resources to local governments is to avoid power disequilibrium.

Therefore, lower level government can use contentious politics as leverage to strengthen its bargaining power with upper level governments. Those exogenous challenges and endogenous pressures will force an over-dominance power imbalance back to a second-best equilibrium. Through this process, the multilevel responsibility structure can avoid institutional disequilibrium. The structure may not achieve a perfect political equilibrium, but can avoid political disequilibrium. If there is no severe political disequilibrium, the political system is stable.

Causal Argument and Hypotheses

This dissertation argues that the multilevel responsibility structure ensures political stability. First, this structure has the capacity of absorbing exogenous shock. Second, this structure can prevent and restrict endogenous subversion. From this causal argument, this dissertation has four hypotheses:

- Hypothesis 1: the multilevel responsibility structure creates space for the central government to distance itself from local contentious politics and allows local governments to absorb the shock.

- Hypothesis 2: the multilevel responsibility structure provides a mechanism for political adaptability. Through this mechanism, the structure can facilitate continual adjustment to absorb exogenous challenges.

- Hypothesis 3: the multilevel responsibility structure provides an informal mechanism for the central government to monitor local governments.

- Hypothesis 4: the multilevel responsibility structure can help avoid power disequilibrium.

Data, Method, and Research Design

Data

Contentious politics in this dissertation is a role of exogenous shock and a fire alarm mechanism. This dissertation will mainly focus on contemporary large-scale social protest, which occurred in China from 2003-2010. According to the Ministry of Public Security of China, a collective action involving more than 500 participants is defined as a large-scale incident.[161] Altogether, I have recorded 548 large-scale social protests from 2003 to 2010. This dissertation will also include some cases outside this time frame and scale range. Also, this dissertation will incorporate my personal interviews and field observations.

Because this dissertation is a study of government structure rather than contentious politics, cases, interviews, and field observations will be mixed together to test those hypotheses. In addition, those cases, interviews, and field observations were chosen for their association with policy adjustment and informal monitoring mechanism.

Method and Research Design

As mentioned at the first section of the chapter, the research questions this dissertation will answer are: why and how has China's authoritarian regime remained stable with increasing contentious politics. This dissertation will apply an institutionalist explanation to answer those questions. Since there are several schools in the institutionalist approach, such as historical institutionalism, rational choice institutionalism, constructivism institutionalism, and network institutionalism, and so on,

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[161] Chen Jinsheng, *Report on Mass Incidents (internal edition)*, (Beijing: Mass Press, 2004), p. 32

in order to avoid academic dispute within these approaches, this dissertation will adopt different approaches to discuss structure arrangement and political stability. The multilevel responsibility structure is the conceptual framework of this dissertation. This dissertation will unpack the conceptual framework from three approaches: the structure-centric approach, the actor-centric approach, and rational choice institutionalism.

First, the structure-centric approach focuses on a static institution. This dissertation adopts the structure-centric approach to discuss the multilevel responsibility structure's resilience and adaptability. This dissertation will analyze how the multilevel responsibility structure absorbs and facilitates the policy adjustment to adapt to exogenous challenges. In doing so, this dissertation will test proposed hypotheses for contentious politics as a role of exogenous challenges to determine if the multilevel responsibility structure has the capacity to ensure political stability.

Second, the actor-centric approach focuses on the relationship between an institution and its actors. This dissertation will apply the actor-centric approach to explore how the multilevel responsibility structure proactively adopts contentious politics as an informal monitoring mechanism to restrict local officials misbehavior and local organizational collusion. Contention politics is a proactive tool to test the hypothesis that the multilevel responsibility structure has capacity to restrict endogenous subversion.

Third, rational choice institutionalism focuses on institutional equilibrium. This dissertation will adopt this approach to explore how the multilevel responsibility structure avoids political disequilibrium. Contentious politics continues to be a proactive tool to be discussed in the process of political equilibrium to determine if the multilevel responsibility structure can avoid disequilibrium.

This dissertation mainly adopts qualitative methods to test the hypothesis through making use of small and medium-N approaches. It will also employs game theory to discuss political equilibrium. Those methods may illuminate characteristics that highlight how the multilevel responsibility structure ensures political stability. For cases studies, this dissertation relies on the first-hand database, personal interviews, and observations. The case studies, interviews, and field observations will elaborate how the central and local governments respond and take advantage of contentious politics. Linking these cases back to the relationship between the Center and localities will illustrate how the multilevel power structure ensures the stability of China's authoritarian regime.

Conclusion

This chapter presented causal arguments for the multilevel responsibility structure and political stability, building on the definition of "political stability" outlined in Chapter 1. This chapter argued that two dimensions are important for understanding when contentious politics engages in the multilevel responsibility structure and political stability: contentious politics as exogenous challenges and as a proactive informal mechanism to restrict endogenous subversion. Furthermore, this chapter proposed that the multilevel responsibility structure has capacity to avoid political disequilibrium. In the following chapters, this dissertation will discuss and test these arguments and hypotheses for their explanatory power by using qualitative methods and game theory.
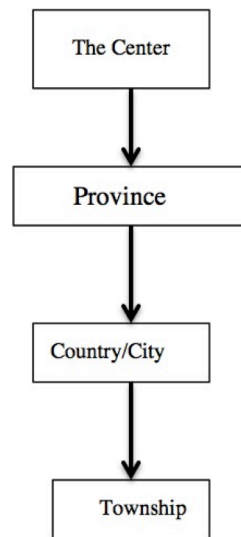
Figure 3.1 Blame Avoidance Structure

CHAPTER 4

THE EVOLUTION OF THE MULTILEVEL

RESPONSIBILITY STRUCTURE

In her article "Historical Institutionalism," Elizabeth Sanders argues that the central

questions in political institutions are "who designs the institution, and when institutions

change, or collapse, what are the exogenous social forces or internal group dynamics that

are responsible."[162] In order to understand how the multilevel responsibility structure

provides political stability, this chapter seeks to provide an overview of the process of the

evolution of the multilevel responsibility structure.

In historical institutionalism, path dependence plays an important role in the

formation and change of institution. This chapter will adopt path dependence theory to

look back in Chinese history. This chapter argues that Chinese political legacies are

embedded in contemporary political institutions, and the evolution of the multilevel

responsibility structure follows the history trajectory.

This chapter will focuses on the legacies of Chinese power structure and the state-

society relations. It is divided into three sections: the first section provides an overview

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[162] Elizabeth Sanders, "Historical Institutionalism," R. Rhodes, *et al*. Ed., *The Oxford Handbook of Political Institutions*, (Oxford: Oxford University Press, 2006), p. 43

of the power structure and the state-society relations in Chinese history. The second section discusses the changing of contemporary state-social relations in China, and the third section shows the formation of the multilevel responsibility structure.

The Legacies of Power Structure and State-Society

Relations in China

The Legacies of Power Structure in China

The Qin Shihuangdi (221-210 B.C) ended the Warring State period and unified China. From then on, the Chinese empire established a centralized bureaucratic structure in its entire territory. The Qin created the prefecture-county system throughout its empire. Despite the short duration of the Qin dynasty, the basic characteristic of this imperial system maintained until the end of Qing dynasty (1911 A.D).

Kenneth Lieberthal observes that the bureaucratic system initiated by the Qin dynasty took on characteristics that are associated with modern bureaucracy in the West: "Highly defined offices, merit-based appointments, clearly articulated reward structures, considerable specialization in function, highly developed formal systems of communications, detailed rules concerning proper lines of authority, regularized reporting obligations, formalized structures for monitoring compliance and deviance, and so on."[163]

This hierarchical structure has three levels of power: the Center, prefecture, and county. In Chinese history, the evolution of administration mainly was on the Center level. For example, the Tang dynasty established a checks and balances system in the

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[163] Kenneth Lieberthal, *Governing China: From Revolution Through Reform,* NY:W.W.Norton &Company, Inc, 1993, p. 11

Center level horizontally, which divided the central powers of decision-making, decision-approval, and decision-implementation into three independent departments. The Ming dynasty improved this administrative arrangement and established the Cabinet system. The Center and local government structure, however, continued to keep the vertical prefecture-county system from the Qin. There was no official state organization under the county level. Townships and villages enjoyed a high degree of autonomy. They were self-governing communities. Historians of Chinese described it as "the emperor's power only reached to the county."[164] China has created the Center-prefecture-county multilevel power structure since the Qin dynasty. This basic power structure continues to shape today's power arrangement. It is embedded in the Center-province-county/city-township structure in contemporary China.

From an institutional perspective, the prefecture-county system was a principal-agent structure. It is a multilevel power structure. In this structure, the relationship between the Center (principal) and its local authorities (prefectures and counties---agents) was: 1) Monitoring or surveillance: that is, the principal has the dominant power to monitor its agents through formal routine surveillance. It is costly and runs the risk of collusion between intermediate monitors and agents. 2) Risk-sharing contracts: this refers to how the principal invites the agent to become a partner in sharing the final output, which is sometimes feasible, and 3) Retaliation: this means that the principal gets rid of the agent and may even tries to spoil his/her reputation, if agent failure depends on his/her negligence.[165] Contemporary China continues this principal-agent structure.

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[164] Yue Quan, "2007 Ming and Qing Dynasty Economy History Review," *China Economy History Research*, Vol. 2, (2008), p. 34

[165] Jan-Erik Lane, *Comparative politics: The Principal-agent Perspective*, (London: Routledge, 2008), p. 6

Mao's China continued to keep the centralized power structure, but it has more levels and is more complex. Below the central government, the provincial administrative level consisted of the provinces, provincial-level autonomous regions, and the municipalities of Beijing, Shanghai, and Tianjin. Under the provincial level, there were over two thousand counties and cities. The communist party organization paralleled this administrative subdivision, and often, party and government positions were occupied by the same persons.[166] The party structures always exercise ultimate authority over their government counterparts.[167] Mao also broke the tradition of "the emperor's power only reaches to the county." Government administration and party organization were established at townships. The Communist Party even has branches at the village level. The state extended its power and formal organizations to the rural areas.

During Mao's era, the central government controlled all the possible resources through the centralized and unitary power structure. Local governments, from provincial level down to the township level, were weak layers in this structure. The Center controls the provincial level officials appointment system. For example, the provincial (vice) party secretary and (lieutenant) governor are appointed by the central government. During the beginning of Mao's era, China copied the Soviet Union model and established a highly centralized planning economy system. However, the Soviet model was too rigid to fit China's situation and political tradition. The Center's power was too overwhelming and locals were over-dominated.

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[166] Zhao Suisheng, "China's Central-Local Relationship: A Historical Perspective," in Jia Hao and Lin Zhimin, ed. *Changing Central-Local Relations in China: Reform and State Capacity* (Colorado, Boulder: Westview Press, 1994), p. 25
[167] Kenneth Lieberthal, ibid, p. 159

Under this circumstance, in "On the Ten Relationships," Mao pointed out, "the need to bring initiative of the localities more into play so that, under the unified planning of the Center, the localities can do more things…We probably would expand power of the localities somewhat. It would be harmful to [the cause of] building socialism if the powers of localities were too limited…. Proper initiative and proper independence ought to exist, and every province, municipalities, special district, county, district and town should have them."[168] This is the first time of decentralization in China after 1949. The central-local relations continued the traditional of the vertical "principal-agent" structure.

<div align="center">The Legacies of State-Society Relations in China</div>

Strong state and weak society has been a general feature of the state-society relation in China for thousand years. Prasenjit Duara argues that the origins of this strong state tradition were not only based on the Qin-Han emergence of centralized bureaucracy to replace the indirect rule of nobles and military warlords of the late Zhou period, but included the final disappearance of the "great family " by the end of Tang dynasty in the tenth century C.E.[169]

Although strong state and weak society can be characterized as the state-society relations in China, the state did not dominate the society directly. Philip Kuhn and Susan Mann have observed that the first generation of Western historians, impressed by the immensity of the imperial Chinese state, viewed the forms of local society and local elites largely as outgrowths of this overwhelming state structure. The authority structures of

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[168] John Leung and Michael Kau ed., *The Writings of Mao Zedong (1949-1976)*, (Vol. 2), (NY: M.E. Shape, 1992), pp. 52-53

[169] Prasenjit Duara, *Culture, Power, and The State: Rural North China, 1900-1942*, (CA: Stanford University Press, 1988), p. 31

local communities seemed to be entirely controlled by the imperial state through the examination system, the bureaucracy, and official ideology.[170]

The Chinese society kept a high degree of autonomy. There was no official state organization in the township or village level. There was a clear boundary between the state and society. In peacetime, the state and the society were in their own realms. Rural areas were high self-governing communities. The state controlled rural areas through informal institutions. In South China, the linkage between the state and society was lineages. In the north, the state controlled the society through gentry. The gentry and lineages were mediators between state and society. This kind of self-governing community in traditional China was defined as "gentry society."

Due to the high cost of surveillance in the Chinese power structure, the internal formal monitoring mechanism was inefficient. Contentious politics provided an external monitor to deliver the local information to higher level governments, such as local officials' misbehavior, unfair court judgment, deterioration of local public security, famine, and so on. This outside informal monitoring system provides in-time information for the central government. Because it is hard to cover popular contention and harsh punishment, the local officials had to exercise self-restriction on their behavior. Contentious politics, therefore, not only provides an external monitoring mechanism, but also provides a self-restriction mechanism for local officials.

During Mao's era, although local authorities had some degree of autonomy, the state continued to dominate society. Society submerged into the unitary system and did not have a distinctive role in the state-society structure. The local authorities (provincial level and below) were the intermediate layers between the Center and society. For the Center,

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[170] ibid, p. 38

the local governments are the agents, and they fulfill state power within their territories on behalf of the Center. For society, the central government and local authorities were the state. The boundaries between the state and the society were blurred.

Before the 1990s, work units in the cities and grass roots collectives in the rural areas played an important role in implementing the state power. If we take the Center and local authorities as a whole, the state-society relationship before the 1990s was "the state-work unit/collective-individual." The work unit and collective served as the joints between the state and the society. The relationship between the state and the work unit/collective was also a principal-agent structure. Since 1949, the work unit (danwei) has become a fifth core level of the system.[171] During this time, the work unit and collective were agents to fulfill the state power over the society.

China's huge bureaucracy links up with the Chinese citizen at the level of the work unit. For most, this refers to the place of work—factory, research institute, ministry, and so forth. For students, it is the school where they study. For unemployed urbanites, it is the neighborhood "residents' committee." When agriculture was communized, the peasant's unit was the commune.[172] The work unit was a kind of self-governing community. It was a tradition of "gentry society" in modern China.

On the one hand, the work unit was a mobilization structure in Maoist China. Popular contentions in Maoist China occurred by state-sponsored mobilization movements and socially generated unrest. The state's attitude to large-scale socially generated popular protest was based on the purpose of a protest. The state showed its sympathy to protesters' economic loss and grievance but would not tolerate political

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[171] Lieberthal, ibid, p. 159
[172] ibid, pp. 167-168

claims. The strike wave in 1956-1957 was the first socially generated movement after 1949. This wave was a response to the overwhelming socioeconomic changes. In urban areas, private industries were nationalized. In rural areas, peasants were forced to join collective economic organizations. This was a fundamental social structure change process under the name of socialization and collectivization. The earlier strike wave was launched by workers who felt especially threatened by the process of socialization: laborers at small joint-ownership firms, temporary, and the like.[173] Peasants in several provinces claimed to quit their membership from peasant associations.

In March 1957, the Chinese Communist Party issued a directive that acknowledged that labor strikes, student boycotts, and mass petitions and demonstrations had increased dramatically in the previous six months. Party Central estimated that more than ten thousand labor strikes and erupted across the country during this half-year period.[174] At first, the central government took this personal interest-based strike as "contradictions among the people." In his speech "On the Correction Handling of Contradictions Among the People," Mao said, "A more important cause of the disturbances was the leadership's bureaucratism. In some cases, the organs at higher levels should be held responsible for the mistakes of bureaucratism; we cannot put the blame entirely on the lower levels."[175]

Mao believed that this strike wave was aimed at struggling against injustice and bureaucratism. Therefore, "to eradicate the cause of disturbances, we must resolutely overcome bureaucratism, effectively strengthen ideological and political education, and properly resolve all contradictions. If it is because we have not done our work well that

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[173] Elizabeth Perry, *Challenging the Mandate of Heaven: Social Protest and State Power in China*. (NY:M.E. Sharp, 2002), p. 225

[174] Elizabeth Perry, "Popular Protest," in Joseph Fewsmith ed., *China Today, China Tomorrow: Domestic Politics, Economy, and Society*, (MD: Rowman & Littlefield Publishers, 2010), p. 14.

[175] John Leung and Michael Kau ed., ibid, p. 335

disturbances occur, then we should get the masses involved in creating the disturbances onto the right track and use the disturbances as a special device for improving our work and educating the cadres and the masses in order to resolve problems that were previously left unresolved. "[176]

At first, the strike wave was still in the boundary that the state could tolerate. Consequently, under the influence of the 1956 Hungarian Incident, some college students and intellectuals participated in the protest wave later. Political rights, as well as economic compensations, were claimed in those protests, such as demanding freedom of press, election, and other democracy rights. Even a popular slogan "Let's create another Hungarian Incident!" appeared in the protest.[177] The 1956 Hungarian Incident also shocked Mao. Mao was suspicious that some international connections may copy Hungarian revolt and may support counter-revolution groups to overthrow the CCP. When some protest participants claimed, "Let's create another Hungarian Incident!," Mao over-estimated the influence of the Hungarian Incident to China and firmly believed that those participants who claimed political demands used social protest as a yardstick to challenge the Party's authority.

The 1956-1957 protest wave had two dimensions: who caused the protest and who used it. From Mao's perspective, the increasing bureaucratism/corrupted officials caused the protest wave. He stated that "the forces inside the party pursuing the capitalist road"(*zou zi pai*) allied with rightist intellectuals who used it to restore capitalism, and counterrevolutionaries used it to overthrow the CCP as well. Mao also believed that the growing urban-rural gap and increasing bureaucratism led to greater increases in

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[176] ibid, p. 336
[177] Elizabeth Perry, (2010), ibid, p. 16

inequality and elite privileges. The corrupted officials, privileged stratum, and the forces inside the party pursuing the capitalist road had been a new bourgeoisie class which would undermine the CCP. Therefore, Mao partially rejected the principle that was put forward by the Eighth National Congress of the CPC. The principle was that the class struggle was not the chief task of the entire country any more. As a matter of fact, Mao brought "class struggle" back to China's contentious politics.

The 1956-1957 protest wave was a salient state response to socially generated protest in China. We can see the trajectory of state-sponsored mobilization protest in Mao's China was antirightist first in the late 1950s and then antibureaucratism from the 1960s to the end of Cultural Revolution. The state-sponsored mobilization protest pattern was the implementation of Mao's theory of "Continuing Revolution," and his theory of "mass line."[178] Perry argues that whereas Stalin looked to the secret police to enforce top-down order, Mao repeatedly called upon the Chinese masses to engage in class struggle from below. Mao's mass line encourages and empowers protesters to rise up from the ranks of society to challenge state leaders.[179] The Chairman in the Hundred Flower Campaign and in the Cultural Revolution proved willing to bring in nonparty people as part of his effort to curb officiousness by cadres.[180]

This state-sponsored mobilization pattern highly relied on the work unit/collective. It was through the work unit that the state mobilized the population for political participation. With the notable exception of the Cultural Revolution, urban political

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[178] Mass Line: seek to gather information from the populace but reserved to the leaders the right to make decisions. Mao believed that actively involving the population in implementation of his decisions increased popular support for those policies. (Kenneth Lieberthal, ibid, p. 181)

[179] Elizabeth Perry, *Challenging the Mandate of Heaven: Social Protest and State Power in China*. (NY: M.E. Sharp, 2002), pp. x-xxi

[180] Lieberthal, ibid, p. 180

campaigns have generally been organized and carried out at the unit level.[181] Mao's China provided a legal political opportunity structure. As an agent of the state and a closed hierarchy community, the work unit/collective can be easy to mobilize and frame (such as anti-America, antibureaucratism) its member to participate in a demonstration or a protest. The repertoire of contention was both peaceful demonstration and violence such as armed conflict. Most of the state-sponsored contentions were highly organized by the work unit or collective.

Mao, like a conductor of a symphony orchestra, controlled and directed those contentions' size and repertoire through the work unit and collective system. For example, the Cultural Revolution in 1968 developed an extremely chaotic situation. Violent struggle, even bloody armed conflict, took place in many big cities. On July 24, the central government announced and forbade the armed struggle, and then the armed Red Guard and other factions were dismantled entirely. The violent struggle was ceased immediately.

Protests in China during the Maoist period were mainly what David Strand has termed "cellular protests," because of the limited contact across unit boundaries. "Cellular protests" demonstrated the key role of the work unit system in structuring and restraining mass mobilization.[182] The work units' role of gentry in society continues till the 1989 Tiananmen Incident. Strand argues that the work unit mobilized the 1989 Tiananmen prodemocracy movement. Workers, citizens, and students organized by their job sites crowded into the streets. "State-controlled-institutions like universities,

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[181] Xiaobo Lu and Elizabeth Perry, Danwei: the Changing Chinese Workplace in historical and Comparative Perspective, (NY: M.E. Sharpe, 1997), p. 8
[182] ibid, p. 9

newspapers and factories have developed an independent social identity." The work unit's "implicit" support of the movement was a structural feature.[183]

Those widespread mass movements during Mao's era were anti-elitism and were supported by the state. In fact, if we review Mao's attitude on the two dimensions of the 1956-1957 protest wave, that is, who caused the protest and who used it, we can see that Mao, in fact, established the principle of how the state should respond to popular contention: the state makes concession to social unrest based on personal loss and grievance (economic interest-orientation protest) but represses demanding of political rights protest (political interest-orientation protest). Yet the demarcation between the two types (political or economic) is not crystal clear. The two types of demanding often mixed together, since a protest always needs a framing structure to mobilize potential participants. Due to the principal-agent structure and contentious politics characteristics, the agents would make a correct judgment on a socially generated protest. This problem became a serious deadlock during Deng's reform era.

On the other hand, of special importance in this structure is the function of the work units and grass-roots collectives. They were the agents of the state. The state controlled the society through monitoring and controlling these agents. States and its agents shared the responsibility of social stability. The work unit allowed the Maoist state to monitor the political loyalty of its citizens, particularly party members. Each unit was responsible for its members; the activities of members when outside their units were also reported back to the unit.[184] If there were any problems, the state punished the head of the work unit first. The work unit became an important buffer zone between the state and the

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[183] David Strand, "Protest in Beijing: Civil society and public sphere in China," *Problems of Communism*, Vol. 3, (May-June, 1990), p. 19
[184] Xiaobo Lu and Elizabeth Perry, ibid, p. 8

people in urban areas. Unless suspected of a crime, the state and the people did not have direct contact.

The state even empowered work units and collectives for maintaining public security. For example, in cities, each work unit had its security department. In the countryside, the collective organized militia to maintain the rural public order. Even until the 1990s, the Public Security Bureau did not have a formal police station at the township level. Usually, a crime suspect was arrested by militia and was sent to the county Public Security Bureau. Public Security Bureaus and their branches mainly dealt with those who did not belong to any work unit.

The work units and collectives provided a sense of identity and functioned as a community. These agents assumed major public welfare responsibilities. These welfare provisions of the work unit have become so comprehensive over the years that work units operate as self-sufficient and multifunctional social communities. Each work unit came to constitute a "small society" with little need for interunit exchanges.[185] When people had problems, they went to their work unit for solution, even though individual freedom was limited and the standard of living was low. The work units, representing the state, provided the basic public welfare and security to people, who did not have to worry about housing, medical care, pension, and education.

In Maoist China, work units in cities and collectives in rural areas played an indispensable role between the state and society. They were both state agents to control the society and an important cushion to absorb the social shock wave. Vivienne Shue argues that this was a honeycomb cell structure, in which the individual social life was

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[185] ibid, p. 9

wrapped by the work units and collectives.[186] She believes that the work units and collectives provided some insulation for individuals from the penetration of the party state. While this observation of the compartmentalization of the social structure is very insightful, Shue is right that the structure can isolate individuals from the penetration of the party state through the honeycomb cell structure.

However, Shue overlooked the dual nature of the work units and collectives. The work units and collectives were not a neutral buffer zone between the state and individuals. They disintegrated the society into independent units. The state controlled society through those agents. They were more active agents that not only distributed state goods to the individuals but also kept the potential instability in control. Work units and collectives, as well as the strict household registration system, firmly restricted individuals within their affiliations. Peasants even had no right to be out of town for begging in a famine without his or her collective's improvement. Due to the cellular structure, social power was disintegrated and a cross-work unit collective action mobilization channel did not exist. It was hard for the society to mobilize and organize itself to challenge the state authority.

The State-Society Relations and Contentious Politics after Mao

Since 1978, China has stepped into a reform era. Lieberthal argues "the reformer sought to permit a nonpolitical sphere of activity for individuals, drop class labels, use inegalitarian distribution systems and conspicuous consumption as incentives for more

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[186] Vivienne Shue, *The Reach of the State: Sketches of the Chinese Body Politic*, (CA: Stanford University Press, 1988), p. 140

work and creativity."[187] The state has abandoned the principle of "class struggle" and state-sponsored mobilization movements. However, as Emile Durkheim argues that a process of social change would cause social movement,[188] political contention did not stop and China has witnessed three socially generated political contentious movements through the late 1970s to 1989: the Democracy Wall Movement in 1978-1979, the student demonstrations in 1986-1987, and the Tiananmen Incident in 1989. These three social movements were prodemocracy movements launched by urban intellectuals. These movements occurred prior to the democratic movement in the Soviet Union and Eastern European communist countries.

Although China experienced an overwhelming reform after 1978, the state-society relations had not been fundamentally changed until the 1990s. In rural areas, the household responsibility system replaced the collective economy, but the state power continued to control the grass-root organization in those places. For example, township authorities appointed the heads of villages. In cities, the reform has not touched state-owned enterprise (SOE) entirely. The work unit system kept its function as the intermediate organization between the state and society. Therefore, the Tiananmen uprising in 1989 was the CCP's most serious political crisis after 1949, yet the state was able to dominate the society through those intermediate organizations.

After the 1990s, China accelerated its process of reform. China's state-society relations have been fundamentally changed. Work units and collectives, as a linkage between the state and society, has been eventually dismantled. In cities, the reform of state-owned enterprises led to large-scale unemployment. Tens of millions of workers

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[187] Lieberthal, ibid, p. 297

[188] Emile Durkheim, *The Division of Labor in Society*, (New York: Free Press, 1933)

lost their job as well as various medical insurance and retirement benefits provided by work units. In rural areas, peasant households, like the basic taxpayer unit, struggled with local authorities for the heavy taxes and surcharges. Due to the disappearing of those formal middle level organizations between the state and society, workers and farmers had to confront themselves with the state. Workers and farmers are the two major groups of social protest in the reform era.

Because work units and collectives disintegrated, the state capacity of controlling society has been decreasing. Society enlarged its own space at the same time. However, the function of work units and collectives, on behalf of the state, to allocate social welfare has also collapsed. The new social security system, however, has not been adequately established. Consequently, this led to a huge power vacuum between the state and society. The social power then grew rapidly and developed the capacity to balance the state power. Due to the absence of independent social associations and organization, individuals were in an atomized society. If an individual has a problem, he or she needs to "talk to the government" instead of "talk to the work unit/collective" like in the past. The state exposes itself to society and individuals confronted with the state power directly.

In his book *The Politics of Mass Society*, Kornhauser argues that large-scale social or political movements are more likely to occur in societies with weak intermediate organizations.[189] Contemporary popular contention occurs at the intersection between the state and society. The further and deeper the transformations proceed, the more social protests break out. The types of social protest range from tax riots to land and labor

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[189] William Kornhauser, *The Politics of Mass Society*, (Illinois: The Free Press, 1959)

disputes and from environmental protests to ethnic clashes. The breadth of the type of social protest reflects the extensiveness of the transformation.[190]

The Evolution of the Multilevel Responsibility Structure

Chain-Ganging Structure and Political Instability

The 1989 Tiananmen Incident was the first political crisis for the CCP after 1949. In an authoritarian polity, how to maximize the regime's prospects for survival, development, and staying in power is the primary task of the central government.[191] No matter the type of polity, decision-makers will take actions for which they can maximize credit and minimize blame.[192]

Before the 1989 Tiananmen Incident, in order to pursue its orthodox legitimacy, the Chinese Communist Party (CCP) had been pursuing credit claiming, and putting blame avoidance as a secondary consideration since 1949. Zheng Yongnian defines the CCP as an "organizational emperorship structure."[193] The Party consolidated loyalty from society through communist ideology and good icons, such as "socialism achievement" propaganda, clean government, model soldiers, workers, and so on. The CCP established and maintained its orthodox legitimacy based on those credits. It has hierarchy and principal-agent relation within the power structure, but for society, the center and locals were monolithic. The CCP itself deemed that the Center and local authorities had shared

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[190] This is an unofficial estimation by a staff member from the Ministry of Public Security. Personal interview.

[191] Ken Weaver, p. 373

[192] ibid

[193] Zheng Yongnian, *The Chinese Communist Party as Organizational Emperor: Culture, reproduction, and transformation*, (London: Routledge, 2010)

responsibility to regime legitimacy. The Chinese authoritarianism power structure before 1989 in fact was a structure of chain-ganging.

Essentially, the structure of chain-ganging is a risk-sharing system, and the boundary between the Center and local governments' responsibility was not clear. Some minor problems would be infinitely exaggerated and this would lead to a stereotype of "all social problems are political problems." Socially generated protest was easily labeled as "class struggle, anti-Party and antisocialism." If popular contention occurs, the local authorities and officials would be disciplined. They cannot take the political risk. As a result, local officials tried their best to cover any social problems and popular contention. However, in chain-ganging structure, once the social volcano erupts, the central government would be the target of protest and the whole society would be in turmoil.

Formation of the Multilevel Responsibly Structure

The multilevel responsibility structure provides cushion to lessen the shock of social protest to the authoritarian regime. At the same time, it also provides time and space for Chinese government to learn how to deal with popular contention. The society is also learning the use of popular contention to better its interests. This is a process through which the contentious politics reaches a dynamic equilibrium. In other words, this is the institutionalization of popular contention. The formation process of the multilevel responsibility structure is the process of cognitive and structural changes. There are two stages in the changing of cognitive process: repression/noncompromise stage and tolerance/compromise stage.

The Process of Cognitive Change

The primary stage is repression and noncompromise. Popular contention during Mao's era was usually solved through the work units and collectives. The news media was strictly in the hands of the Party. Therefore, the contentions were limited to the smallest possible spaces. After the reform, with the layer of work units and collectives wearing thin, contentious politics posed new challenges to the central government and its approaches to society management. Governments at all levels were inexperienced and lacked preparedness. For individuals or social groups, protest is an extreme expression of political and economic interest, and it is the ultimate way to protect personal faith and interest by the groups that are lacking resources. Popular contentions in the beginning of the reform era continued to hold on to the Maoist teaching, "it is innocent to join the revolution and it is right to rebel." Together with the anticorruption tradition in Ming and Mao's China as part of the political legacy, the society firmly believed that the central government would support mass movement and social protest.

For the state, it is inclined to hold that social protest was part of the class struggle and counterrevolutionary activities were therefore intolerable. The consequence of these misperceptions was the final outcome of the Tiananmen Incident. The central government designated it a student "counterrevolutionary" riot, and the protesters believed that the people's army would not open fire on people. The regime underestimated the cost of repression, while the protesters overestimated the benefit of prolonged protest. Without enough information and communication, the protest became a "game of chicken," and ended with bloodshed.

After the Tiananmen Incident in 1989, the state and society has developed new perceptions for contentious politics. The regime understands that the cost of repression is too high, especially to put the PLA field troops to the frontline of repression which destroyed the army's long established reputation of "people's army for the people." The central government reclarified that the function of the military is to defend the country from outside threat. The regime quickly established the armed policy forces to be used in maintaining domestic order and suppressing social movement. It was not until the 1998 flood disaster during which the PLA served as the main force to battle the natural disaster, and the disaster relief efforts by the benevolent government, was the reputation of the PLA restored.

Individuals and social groups started to realize that a noncompromising political protest movement would lead to regime violence. The hot heads cooled down. The entire society was going after material betterment. The going abroad fever and money worship have become the mainstream life styles among the youth. The chaotic social and economic situation in Russia and other East European countries had also made Chinese realize that they need to learn to compromise with the regime in their negotiation with the state.

The secondary stage is tolerance and compromise. In the 1990s, after the success of price reform and taxation reform, China entered into a stage of comprehensive reform. Work units and grass-roots collectives totally collapsed. Local governments assumed the function of the intermediate layer organizations and became the frontline facing the society. Yet it lacked the inclusive characteristics of the work units and collectives and would never provide a sense of identity. In other words, it lacked the soft power to handle

the protests. At the same time, reform had empowered the society with more freedom and resources. The conflict hardened. Unorganized contentions are unable to form a broad alliance and therefore cannot challenge the regime effectively. Due to the lack of organization and communication, the protest consequently turned into violence.

The nature of contemporary Chinese contentious politics revolves around the pursuit of material interest. These interests include salaries, pensions, land use compensations, as well as the desire for a more equal distribution of wealth and the idea that the state should not bully the people. The dilemma in Chinese contentious politics is that those contentions demand the state protection. In comparison with contentious politics in Western societies, such as gay rights and anti-abortion movements, the reason is that the state has interfered into private spheres and should stay out of it.

The state has adopted a tolerant position toward popular contention that is not asking for political rights, not across regions, and nonviolent. Perry argues that "instead of beating and arresting protesters as might have happened some years ago, officials seem more willing these days to accommodate, negotiate or simply pay them off. As long as demonstrators don't make personal attacks against top leaders or demand political change, they are often free to vent their anger. "[194]

The society also learned to compromise, to avoid attacking the central government and leaders and raising political demands. Technically, the protest organizers also learned to use the Internet and media to produce public opinion pressure, and to seek broad social support. In this interactive process of tolerance and compromise, the state and society learned each other's bottom lines. The state's attitudes toward social protests are

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[194] Elizabeth Perry and Mark Selden, Ed, *Chinese Society: Change, conflict and resistance* 2nd edition, (London: Routledge, 2000), p. 19

dependent on the measures taken by the social protests. The state would tolerate regional nonpolitical and peaceful protest and use limited repression on violent protest. At the same time, in order to pacify public opinion pressure, it would discipline some officials.

Some individual government officials have gone out of the shadow of fearing contentious politics, and directly faced the social protest and held dialogues with the protesters, which has enhanced the government's ability of crisis management in contentious conditions. For example, there was a taxi drivers' strike in Chongqing in 2008. The former Party Secretary of Chongqing, Bo Xilai, invited the representatives of the striking taxi drivers and listened to their complaints. The entire process was broadcast live on TV. Bo promised to meet the demands of the taxi drivers, and the strike ended peacefully.

The protesters also adapted to the government positions toward contentious politics, and learned to use approaches that could be tolerated by the government, because nobody wants to be in jail. What they want is to have their demands met through contentious politics. They use peaceful means and have clearly defined targets that are nonpolitical. They would also choose the location of protest carefully to avoid politically sensitive spots, and also get more organized. Finally, they learned to use the Internet and media to search for social support and government sympathy. In 2010, there were waves of strikes in Yangzi River Delta and Pearl River Delta. The locations of most of the protests were inside the factory walls, not on the street. The target of the strike was clearly defined— increase salary and improve working conditions. The strikers used the Internet to report the new developments of the strike. These measures had gained social support and

government attention. With the coordination of the local labor department, workers had most of their demands met.

In July 2010, workers at a foreign investment enterprise factory held a strike for a salary raise. Following the instructions of their organizer, the workers would check in to the factory every morning but refused to work. Then they would check out when the shift was supposed to be over. They would clean up all the garbage and left the chairs tidy. The process was peaceful and orderly, which was praised by public opinion and the government. With the coordination of the government, the workers had most of their demands met.

In 2006, citizens in Beijing protested against the order to kill dogs. Protesters chose the place of Beijing Zoo to protest rather than government buildings or sensitive political symbols. The protest was peaceful and purposes clearly framed. In 2010, staff members of state-owned banks who were bought-out gathered in Beijing to protest. They chose to protest in front of the All China Trade Unions. The location is close to Tiananmen Square. However, the protestors initiated fund raising for the earthquake victims in front of the ACTU. Such flexible measures prevented the government from repressing the protest.

Organized protest guarantees the control of the protest. Unorganized contentious politics tends to evolve into riot. The government has learned to institutionalize social protest. In 2010, some students in Beijing applied to protest in front of the Japanese Embassy. The Beijing Bureau of Public Security approved this application, with the condition that the protestors had to come in limited groups and different time slots. The organizers accepted the condition. Therefore, protestors were organized into smaller

groups and went to the Japanese Embassy at different times. In this way, the Beijing government could fulfill the demand of the protestors and reduce the damage an order-less protest could result in.

The Process of Institutional Change

The cognitive changing process is a process whereby the state and society mutually learn how to deal with the increasing occurrence of contentious politics and how to use it to better its interests. Since 1992, the Chinese Social Science Academy has been publishing the annual bluebook series on the state of Chinese society. One of the most notable changes was that since 2003, the bluebook has included summaries and predictions of mass incidents. The fact that mass incidents became a regular item in the reports of the largest think-tank in China indicates that the Chinese government has accepted contentious politics as one of the normal ways of social life. The state and society all got lessons from the 1989 Tiananmen Incident. For the state, the central government should not be target and must stay far away from any popular contention. For the society, contentious politics should have clear nonpolitical purpose in order to get support from the central government.

One of lessons the central government learned from the 1989 Tiananmen Incident is the popular contention should be limited locally, and the central government should not be the target of contentious politics. Through 20 years of development, Chinese government eventually established a responsibility system. The central government defined that it is local governments' responsibility to restrict, to handle, and to use coercive force to repress popular contention. After the Shishou Incident in July 2009, the

central government enacted a "responsibility system" for officials above the county level government, including the central government. It consists of a set of comprehensive annual evaluation systems with detailed criteria. This annual evaluation determines local leaders' personal political life and future, such as promotion, discipline, or dismissal. This is the first effort to link the handling of contentious politics with the evaluation of official performance.

Before 2009, the evaluation of county level officials was primarily based on their ability to attract foreign investment and the GDP growth. After 2009, the "social security comprehensive index" became the primary measurement in the country. For example, from descending order, in Jiangxi Province, the standards for the township governance evaluation are: 1) zero petition visits to Beijing; 2) zero mass incidents; 3) family planning; 4) environmental protection; and 5) solicitation of outside investment. [195] The meeting of the first two measurements is crucial, as the failure of which will cancel out or negate any achievement in other categories.

Other provinces have also set comparable criteria. [196] Shaanxi Province even enacted a more strict evaluation system. Within each prefecture, if one county is listed the last in the evaluations for two consecutive years, the mayor would be dismissed. Among the measurements, "social security comprehensive index" is vital. That is, if there were large-scale mass incidents, major leading officials would fail the evaluation. [197] This system is based on the merit system and appointment system. As long as the central government retains the power of controlling its cadres in the hierarchy bureaucracy, the responsibility system can protect the central government to avoid shock by social protest.

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[195] Personal fieldwork.
[196] ibid
[197] ibid

Although the formation of the multilevel responsibility structure is an outcome of pressures of popular contention, the legacies of Chinese political tradition were embedded in the institution. First, with the collapse of work units and collectives, the state-society relations were back to its traditional structure. Those intermediate organizations disappeared. As a result, popular contention occurs in the conjunctions of the state and society. Second, China's power structure has not changed. It continues the multilevel power structure, but this power structure has produced a new rule to redefine responsibility for different level of government since the 1989 Tiananmen Incident. Third, Chinese history is embedded in the new institutional norms. This new institution has incorporated popular contention.

Conclusion

Conclusively, path dependence theory is the central conception in historical institution formation and changing. Path dependence processes are outcomes that at a critical juncture trigger feedback mechanisms that reinforce the recurrence of a particular pattern into the future. Once actors have ventured far down a particular path, they are likely to find it very difficult to reverse course. Political alternatives that were once quite plausible may become irretrievably lost. Thus, events or processes occurring during and immediately following critical junctures emerge as crucial.[198]

The multilevel responsibility structure is a blame-avoidance structure, which is changed from previous chain-ganging structure. The formation of the multilevel responsibility structure is a top-down structure reform. Although popular contention was

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[198] Paul Pierson and Theda Skocpol, "Historical Institutionalism in Contemporary Political Science," Ira Katznelson and H. Milner, eds., *Political Science: The State of the Discipline*(New York: W. W. Norton & Company, 2002). p. 693

excluded from the chain-ganging structure, Chinese historical tradition of the "Mandate of Heaven" and Maoist teaching of "it is innocent to join the revolution and it is right to rebel" are embedded in Chinese state-society relations. Over time, it is impossible that the chain-ganging system excluded popular contention under the change of socioeconomic development. Eventually, popular contention forced the chain-ganging structure to be changed into a blame-avoidance structure. This institutional change process thus begins with cognitive changing and then structural changes. The multilevel responsibility structure has incorporated popular contention. This change is the dynamic of a self-reinforced process in the existing power structure. The formation of the multilevel responsibility structure is the process of institutionalizing contentious politics in China's authoritarian regime.

CHAPTER 5

POLITICAL RESILIENCE

This chapter will discuss the multilevel responsibility structure and political resilience. It revolves around Hypothesis 1 in this dissertation: the multilevel responsibility structure creates space for the central government to distance itself from local contentious politics and allows local governments to absorb the shock. This chapter is divided into two sections. The first section will elaborate on how Chinese government breaks the "repression-concession paradox," and why China's central government gains credits from contentious politics instead of being blamed.

The chapter will use empirical cases to elaborate on how the government responds to contentious politics. Through these cases, this chapter will conclude that the multilevel responsibility structure undergirds strong political resilience to China's authoritarian polity.

The Strategies of Blaming-Avoidance

In the multilevel responsibility structure, China's central government skillfully uses three strategies to create distance from local contentious politics and also allow local

governments to absorb the shock: 1) the responsibility system, 2) playing good cop and bad cop, and 3) passing the blame to the lower levels.

The Responsibility System

The responsibility system is a comprehensive annual evaluation system with detailed criteria. This annual evaluation determines local leaders' professional political life and future, such as promotion, discipline, or dismissal. It stipulates that if the misconduct of the officials leads to the outburst of a mass incident or the officials mishandled the mass incident, they would be held accountable. Depending on the seriousness of the incident, the officials will have to either make public apologies, or resign, or be dismissed.[199]

This kind of responsibility and evaluation system provides direct incentives to the local government to eliminate potential social protest, as their political career is closely tied to local stability. The lower the level of governments, the more blame they would take. The responsibility system guaranteed the authority of the central government to stay far away from the trap of blaming. The lower the administrative level, the more responsibility it bears. Officials at the township level shoulder the most burden of maintaining stability. While on paper, central and provincial government officials would be subjected to the same responsibility system, in reality, it only applied to county level cities and below. So far, we have not seen any provincial level officials being held responsible for mass protests. For example, Guangdong has the most mass incidents in China, but none of its provincial officials were held responsible.

Whenever there is a crucial date, be it June 4th, the National Day, or some important

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[199] Central Committee of the CCP and the State Council, "Provisional Procedures on the Responsibility System of Leading Party and Government Officials," July 12, 2009.

state ceremony (such as the Olympics), township officials are on duty 24 hours, to be on the alert for any potential mass incident or petition visit to the upper level government. During my fieldwork in Jiangxi Province in the summer of 2008, Yongxiu County government ordered township governments to suspend all the daily work and go all in to ensure social stability during the Beijing Olympics. If any petition visit to Beijing occurs, the head of the township government would be dismissed. In order to prevent such an event from happening, township officials had to invite those visitation regulars to dinner all the time. During the day, the wives of the officials had to sit at these households and chat. The bus companies were warned not to sell tickets to these regulars. One visitation regular escaped the prevention net and managed to go to Beijing. Outside the Beijing train station, the township officials met him. The officials begged him to return home and promised to meet all his demands. Finally, he agreed to return home on the condition that the township government paid to fly him back.[200]

Through this evaluation system, it is the local governments' responsibility to prevent large-scale social unrest. In other words, local government must limit contentious politics locally. Local governments, from provincial level down to county/city and township levels, as multiple layer cushions prevent the central government from contentious politics and absorb shock waves.

Playing Good Cop and Bad Cop

Good cop and bad cop is a psychological tactic used for interrogation by law enforcement officers. In China's multilevel responsibility structure, the government strategy also includes a mixture of scapegoating or jumping on the bandwagon. After the

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[200] Personal interview with a township head in Yongxiu.

eruption of a social protest, the upper level government would support the protestors if they had become politically popular and deflect responsibility by blaming lower level government.[201] Lower level government officials would receive disciplinary measures and take the responsibility for the upper level government. This is the advantageous position for the central government in the multilevel responsibility structure.

After the 1994 taxation reform, less developed provinces often found themselves in budgetary difficulties. The central government would turn a blind eye when local governments engaged in all kinds of money grabbing measures, such as selling land, developing mines without environmental evaluations, and setting up sweat shops, to compensate for their budgetary shortage. These extra policy activities would lead to more local conflict over resources distribution, and trigger social protest.

Reforms inevitably incur redistribution of resources among individuals and social groups. The losses are not necessarily the results of the local policies. For example, the state-owned enterprise (SOE) reforms are macro policies designed by the central government. However, the local government had to implement these policies. For example, the SOE reform that started in 1998 affected the traditional industrial base—northeast China—the most. The period of 1999 to 2002 was the hardest for workers. Some laid-off female workers had to engage in prostitution to maintain a minimum living standard.[202] Because of the multilevel responsibility structure, the central government played the role of good cop, while the local government played the bad cop. The central leaders would pay visits to the workers and show their people-friendly attitudes by

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[201] ibid, p. 385
[202] Pan Suiming, *Misses: The Right to Work*, (Hong Kong: Dadao Press, 2005)

listening to their complaints. The workers thus kept their expectation for the central government high and would not engage in more desperate protests.

Once there is a vicious riot, the central government tends to dispatch a "central work group" to the location. The work group most of the times would jump on the bandwagon with the protestors and discipline the local officials. This strategy would pacify the social anxiety and gain more credits for the central government. The dismissed local officials, after a period of "freezing," would be quietly transferred to another place at the same level. This practice is what is the most criticized element in Chinese political norms—"officials protect officials."

In 2003, the SARS outburst was covered up by the official news media. However, the situation developed in an enormous way and could not be concealed. The central government had to face overwhelming blame from society. Meng Xuenong, the then Mayor of Beijing, was accused of covering up the truth and cheating both the central government and people. Meng was dismissed immediately. After half a year of "freezing," Meng was reappointed to another equal-level position. In order to settle down the Shishou Incident in 2009, the city CCP secretary and police chief were removed from their office. One year later, the two officials were re-instated.

In addition to the re-instatement of local officials, the central government would also compensate the local government by allocating more financial resources after some incidents. Carrot and stick are the most effective means to ensure that the local government continues to play the role of bad cop.

Passing the Blame to Lower Levels

Goldstone and Tilly argue that an authoritarian government may face serious uncertainties in dealing with popular protest. Making concessions tends to trigger more protests that would eventually lead to the collapse of the regime, but reliance on repression damages the regime's legitimacy and makes it less sensitive to popular demands.[203] For an authoritarian regime, the core of Goldstone and Tilly's paradox is how to deal with repression.

It is common practice to use police forces to maintain social order and to repress unauthorized protests in Western societies. However, different political traditions lead to different law enforcement environment. Police violence and repression of social protest is considered a violation of the principles of Chinese tradition. The most criticized government handling of the Tiananmen Incident was its use of force, which is considered a loss of government virtue. Having learnt the lessons that the military should not be employed to repress social protest, the central government has strengthened the armed police forces since 1989 to deal with social protest and activities that would lead to social instability. The central government conditionally endowed local governments with limited power to deploy armed police forces to repress local social unrest or riots.

The central government is learning how to stop violent social protest and at the same time not to be blamed for losing virtue. In June 2008, the Minister of Public Security, Meng Jianzhu, promoted three principles to deal with emergency incidents— "use police forces with caution, use weapons with caution, and use coercive measures with

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[203] Goldstone and Tilly, ibid

caution."[204] The phrase "with caution" does not mean that you cannot use this principle. Therefore, the decision to use force is delegated to the local government. The pre-conditions for using force are: police are attacked when maintaining social order; there are violent activities such as killing, looting, and arson; and social protest with political agendas.[205]

If the local government decides not to repress with force, it has to take the responsibility for all the consequences when the incident endures and expands. If the local government decides to use force, then it has to shoulder the accusation of losing virtue. The central government could later come in and use the local government as the scapegoat, discipline the local officials, and issue huge compensation to the victims to alleviate social pressures. In either case, the local government is the responsibility bearer.

For example, a vicious mass killing incident occurred on July 5, 2009, in Ulumuqi, the capital city of the Xinjiang Uyghur Autonomous Region. There were 197 deaths and more than 1,600 injuries. This was the most deadly ethnic conflict in Xinjiang since 1949. The origin of this incident was the June 26 Shaoguan incident in Guangdong. A severe conflict burst out between Uyghur workers and Chinese Han workers in a local toy factory. There were 120 injuries, 81 were Uyghur workers. Two Uyghur workers died in the incident.[206]

On July 5, 2009, several hundred Uyghur's gathered on a square in Urumqi and held a protest about the Shaoguan incident. Some protesters held out slogans for an "East Turkestan." When the police tried to disperse the crowd on the square, another thousand

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[204] Meng Jianzhu, "Study the Concept of Scientific Development, Be the Loyal Guards of the Party and Close Friends of the People," *Qiushi*, No. 21, (2008)
[205] Personal interview with a county vice mayor in Jiangxi.
[206] http://news.xinhuanet.com/politics/2009-07/06/content_11662783.htm

Uyghurs started to slaughter Han and Hui residents in a highly populated downtown area, using military knifes, bricks, and bayonets. They also burned buses and some public facilities.

When the authorities realized that the protest on the square was only a guise to divert police attention while the real purpose was to slaughter innocent citizens, they redirected police forces to round up murderers. However, by then, more than 100 innocent citizens had been slaughtered, and 1,000 injured. Later, the Chief of Provincial Public Security Bureau and the Mayor of Urumqi were dismissed because of the misinformation and the mistakes made in dispatching police forces late. Many police officers were upset about the dismissal. An unidentified senior police officer commented, "without the order from the central government, who dares to repress the minority group?"[207] Because of the complexity of the minority issues, local government usually dares not to repress minority protest. This is the consequence of the rigid minority policy-making system and the central government should take the responsibility. However, the responsibility was transferred to local government through the multilevel responsibility structure.

In the Shishou Incident, the local government deployed police forces excessively. Shishou is a city in Hubei Province. On June 17, 2009, a worker was found dead in front of the hotel where he had been working. The police concluded that it was a case of suicide. However, the relatives and the public were not convinced. There was a similar case ten years earlier in which a waitress was also found dead in front of the hotel. There was deep public suspicion and speculation about the background of the hotel. On June 18, the hotel issued a small amount of compensation and asked the family to accept the suicide conclusion. The hotel also threatened that it would cremate the dead body. The

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[207] Personal interview with an on-site reporter from CCTV.

victim's family refused. The same day the police tried to send the body to the cremation site by force. Sympathetic crowds blocked police effort to remove the dead body, which led to a large-scale riot.

The government then dispatched a large number of police force to the hotel, with armed police, antiriot, and firefighting vehicles. Some protesting citizens were arrested. Contrary to the government expectation, the riot did not quell down, but the enraged crowd escalated the riot. More and more people flooded to the street and confronted the police. Rumors about more bodies being found in the hotel were rife, fanning the imagination of the crowd. Rioters burned the hotel and police vehicles and injured some police officers. The incident lasted for more than 80 hours with several tens of thousands of participants. This was the social disturbance with the most participants since 1989. At the end, because the scale of the riot was so large, both the central and provincial governments dispatched envoys to the scene, promised to investigate the incident and let the public know the truth. The crowd gradually dispersed. The central government was under tremendous pressure to discipline the officials responsible for making the decision to use excessive force. The party secretary and mayor of the Shishou City were consequently disciplined.

The consequences of the "7·5 incident" and Shishou incident have illustrated that the central government decentralized the power of using force to repress social protest to local governments. Meanwhile, the central government also passed blame to local authorities. The central government can maneuver the result of using force to repress social unrest by local authorities.

The multilevel responsibility structure effectively solved the Goldstone and Tilly's

dilemma that argues if an authoritarian regime represses social protest with force, it will damage the regime's legitimacy and make it less sensitive to popular demands. In such an arrangement, repression would stop the spread of social protest, local government would take the responsibility of repression, and the central government would take credit for solving the crisis, hence legitimacy would be on the increase.

Contentious Politics and Political Resilience

An Overview of Contentious Politics in China (2003-2010)

The absorption of exogenous shock is a vital capacity for a robust institution. This dissertation uses contentious politics as exogenous challenges to test resilience of the multilevel responsibility structure. It will focus on the interaction between the multilevel responsibility structure and contentious politics. This section will take a quick glance at 2003-2010 contentious politics in China.[208] It should be noted here that only some ethnic conflicts were related to political issues; the rest of the cases are not. It means that from 2003-2010, there was no large-scale politically related contentious politics, except those ethnic group conflicts in China.

According to my data, there were 548 large-scale social protests from 2003-2010. Figure 5.1 shows the frequencies of large-scale social protest by years (2003-2010). From Figure 5.1 we can see that the numbers are steadily on the rise. From 2003 to 2005, the number of large-scale social protests were relatively limited. Then there was a considerable upsurge of large-scale social protests in the years 2007 and 2008, jumping from 39 cases in 2005 to 55 in 2006, 101 in 2007, and to 97 in 2008. After a slight downturn in 2009, large-scale social protests reached its new height in 2010, which

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[208] All data in this section are author's data

recorded 117 occurrences.

In order to clearly identify those social protests, they are categorized in types by nature. Figure 5.2 shows frequencies of those social protests by type. It shows that only 2 percent of ethnic conflicts were political-issue based. State sector, nonstate sector, land disputes, and pollution were 73 percent of the total. In 548 cases, 73 percent of the total cases were interest-based, which means the government can settle down this type of contentions by the "throwing good after bad" strategy, this is, to concede by compensation. Disturbances are 11 percent of 548 cases. Most of those cases were caused by misconduct of local officials, such as corruption, brutal law enforcement, and so on.

From the geographical distribution, Guangdong Province (Pearl River Delta) highly concentrates with all types of contentions. However, no one could conclude that Guangdong Province is the most unstable place. Concentrated with contentions, it has no significant correlation with stability, from which can be concluded this institution's resilience to absorb exogenous challenges. The next section will discuss how the multilevel responsibility structure responds with those exogenous challenges.

Political Resilience and Contentious Politics

In *Mao's Invisible Hand*, Sebastian Heilmann and Elizabeth Perry argue that "the political resilience of the Communist party-state…represents a significant deviation and unpredictable case with a huge potential impact…on the global debate about models of development."[209] Despite increasing social power challenges, the resilience of China's authoritarian polity defies the media's prediction of "the coming collapse of China."[210]

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[209] Heilmann and Perry, ibid, p. 4
[210] Gordon Chang, *The Coming Collapse of China*, (NY: Random House, 2000)

According to Heilmann and Perry, resilience can be defined as the capacity of a system to experience and absorb shocks and disturbances while retaining essentially the same function, structure, feedback, and therefore identity.[211] China's political resilience attributes the maneuvering of different strategies and tactics in the multilevel responsibility structure.

Accordingly, different political systems respond to social protests differently. In Western democracies, especially in the United States, contentious politics has been institutionalized. Social protests are restricted within the confines of existing legal frameworks. Demonstration organizers need to file an application for permission from the police. Local authorities usually approve such applications on the grounds of the freedom of speech. However, there would be restrictions on the place, time, and size of the demonstration. Most of the social protests proceed peacefully within this legal framework. Any protest that exceeds the boundary of peaceful protests or protests that are not approved would receive ruthless repression. There is wide public consensus on these legal parameters. Legally endorsed repression does little damage to the political system. Therefore, the institutional arrangement transforms repression into legal issues and minimizes the linkage between social protests and regime legitimacy.

In China, adherence to strict legal procedures has never received any weight in the political tradition. Social protests were perceived as a demand for government to fulfill its moral responsibility. Therefore, the government is extremely sensitive to contentious politics. The government cannot turn contentious politics into legal issues as democratic governments do. Once the government uses repression, it would seriously damage the legitimacy of the regime. The regime has to seek a balanced point between concession

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[211] Heilmann and Perry ibid, p. 6

and repression, calculating rationally the cost and benefit of concession and repression. Since the cost of repression is very high, unless the protests intend to overthrow the central government or involve violence, the regime rarely uses repression.

"Maintaining stability" is the foundation policy of the Chinese government. In order to avoid the central government being the target of protests, the strategy of the central government is to limit the social protest to local levels. The multilevel responsibility structure serves this purpose well. In reality, there has not been any large-scale social protest that challenged the central government since the 1989 Tiananmen Incident and 1999 Falun Gong movement. The responsibility of dealing with social protests is delegated to local governments and the central government has stayed away from the focus of the public opinion over the protests.

The government's response is not a dichotomy of either concession or repression. Instead, it is a graded or mixed response depending on the nature of the particular protest. Based on the 2003–2010 data, this dissertation has summarized four types of government responses to social protests. Local government primarily used a mixture of three types of response to contentions: 1) tolerance, 2) concession, and 3) repression.[212] Because concession belongs to the category of "throwing good money after bad" strategy, it will be discussed in the next chapter.

When the central government intervened, it added another approach—disciplinary measures against the local officials responsible for the outburst of the protest. Table 5.1 shows the distribution of various types of government responses.

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[212] This typology has borrowed heavily from Cai Yongshun's "Power Structure and Regime Resilience," ibid.

The government tolerated the majority of the protests (65.7 percent) and made concessions or compensation to the protesters for 29 percent of the cases. Repression is minimal. Twenty-nine percent of the compensation rate plus minimal repression are two of the reasons that social protests are on the rise. This partially confirms Goldstone and Tilly's argument that concessions would encourage more social protests. In the following sections, we will discuss these types of responses in more details. Table 5.2 shows the government's responses to different types of social protests.

Tolerance

This is the most popular response the government uses. By tolerance, it means that the government would monitor the development of the protest closely, but refrain from using force. The government would tolerate slight confrontation and property damages. The police may detain a couple of activists, but would release them after the protest is over and would not file legal charges against them. Occasionally, the police would arrest the organizers afterward and give them prison terms in order to intimidate future protesters and curb their excesses.

The protests that were tolerated mostly have the following features: no political appeals, short-term material requests, not targeting the central government, and the protests are not held in front of government buildings, peaceful and with no or only slight damage to properties. The typical cases are the labor protests in the nonstate sector, anti-Japanese demonstrations, and student protests against school administration. Local government usually takes a neutral stand on capital–labor disputes in the nonstate sector. Sometimes it only involves arbitration and letting the enterprise settle the disputes itself.

Figure 5.3 shows that all the types of protests are more or less evenly distributed by this approach, especially the labor protest in the nonstate sector.

Some protests are against particular local policies. These types of policies only affect limited interests, be it material interest or cultural interest. The government may continue, or quietly cease, or change its policies, but would not take any punitive actions against protesters. The central government would stay away from these protests and would not punish local officials for such protests.

Repression

Repression is the government's reaction to serious violent conflicts. Only 3.5 percent of the total cases belong to this type. Repression here refers to the fact that government uses the police force during the process of the protest to arrest protesters and formally presses charges. It does not include the arrest of some organizers after the protest is over or the arrest of some protesters, but they are released later without prosecution. Since the ongoing social protest attracts the most public attention, the government would have to shoulder great pressure if it uses force. After the protest is over, when the reasons and causes of the protest are revealed, public opinion would calm down, and the government repressive activities would not catch too much blame (see Figure 5.4).

Nineteen out of all 548 large-scale social protests met with repression. Most cases involved violent attacks on the police force who were maintaining public order, vicious ethnic conflicts and killings, and clan feuds. Riot is by nature violent, as it often involves burning, looting, and beating. It is understandable that it is more likely to be suppressed by force. Land-related protests tend to be violent as well and repressive measures were

adopted. The reason that the "others" category has a higher percentage of repression is because I put ethnic conflicts into this group. Four out of a total of five cases of repression in this group are ethnic conflicts. As ethnic conflicts also tend to be violent, they are often suppressed with force. There was no repression of labor protests in the state sector.

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The Multilevel Responsibility Structure and

"Concession-repression" Dilemma

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From government responses discussed above, the multilevel responsibility structure's capacity of absorbing exogenous challenge and securing political stability through creating space for the Center to stay way from whirlpool of contentions. It is the local authorities' responsibility of responding contentions. First, based on those cases, this dissertation argues that all contentions were localized, and the local authorities were targets. State sectors' contentions were the result of economic reform. Since the work unit system collapsed, there is no intermediate layer between the state and society. The state has to face pressures from social force. By the multilevel responsibility structure, the central government shifts responsibility to local authorities, thereby passing blame to lower level government. It is local authorities responsibility to choose tolerance or repression to respond to contentions.

Second, according to the data, generally, government tends to use tolerance rather than repression to respond to contentions. As Table 5.1 shows, in 360 of a total of 548 cases, local governments responded with tolerance. It is 65.7 percent. Local governments repressed only 19 cases of contentions. It is 3.5 percent. Local governments' responses

toward contentions are depending on the measures taken by the contentions and their nature. The government would tolerate regional nonpolitical and peaceful protest and protests tasked on economic grievance, such as salaries and pensions.

In the 548 cases, state and nonstate sector's contentions were associated with pension, salary, and labor disputes that people suffered. Particularly, for protesters from SOE, their grievance emanated from the economic reform. The state has a moral responsibility to relieve them. Therefore, the use of coercive methods to repress this type of contention will hurt state legitimacy. As a result, government tends to tolerate rather than to repress. We can see from Table 4.2, government did not repress one protest of the state sector.

However, the government also tends to use coercive methods to repress on violent contentions. The land-related disputes and riot usually engage with violence. As a result, local government used coercive force to respond to violent contentions. Table 4.2 shows that the percentage of using repression is higher than using tolerance to respond to and issue contentions and riot. According to my data, there were 88 large-scale land-related protests during 2003-2010. Guangdong has 24 cases of the total of 88. This type of contention in Guangdong province often engages in violence, such as the Dongzhou Incident in 2005 and Wukan Incident in 2011. Those land-related contentions became riotous later. In addition, land-related contentions in contemporary China do not fit James Scott's moral economy argument. Usually, protesters in this contention type aim to demand more compensation rather than to protect their land. Thus, with this kind contention it is hard to obtain public sympathy, especially when they used violence to confront police.

Third, the central government has never prohibited local governments to use coercive force. It delegates this power as well as passes the cost of using force to local governments. As mentioned before, the Ministry of Public Security's three promoted principles to deal with emergency by using force do not mean that local governments cannot use it. However, the local government must undertake the cost and blame of using it. Goldstone and Tilly's "concession-repression paradox" proposes that an authoritarian regime would hardly break out of the dilemma. However, China's central government solves the dilemma by passing the dilemma to the local governments through the multilevel responsibility structure.

When opening fire under the circumstance when the life of the policeman was in danger, public opinion was not enraged by the shooting. In such cases, no governments, either the central or the local, were blamed. Even though the Dongzhou Incident in 2006 is the first case of opening fire to protesters after 1989,[213] the multilevel responsibility structure was able to limit the political pressure on opening fire to the barest minimum and absorbed the shock waves. The central government stayed away from the whirlpool of blaming. The Dongzhou Incident sent out a clear signal that under the multilevel responsibility structure, the state could suppress uncompromising social protest with force. It also demonstrated that the use of force would not necessarily affect the authority of the central government and have limited challenges to the legitimacy of the regime.

Fourth, disciplining government officials is one of the solutions for contentions, especially riots. As Table 4.1 shows, disciplining government officials consists of 6.8 percent of the total cases. Because the central government stays away from the

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[213] Dongzhou Incident was a land dispute in 2006. Armed police were under villager's attack when they tried to maintain social order. In order to protect themselves, armed police had to fire.

contentions, it could either ignore or use the good cop and bad cop strategy. The handling of the incident was strictly following the multilevel responsibility structure from bottom up. Upper level governments could adjust their policies depending on the evolution of the event. That the central government decides to come in or not during those incidents depends solely on the incident's nature and public opinions. The upper government, especially for the central government, chooses the proper time and manner to intervene as the mediator and arbitrator. The upper government plays good cop and lower government plays bad cop. In some cases, in order to pacify public opinion pressure, it would discipline some officials. This is a measure that can only be administered by the central government.

The disciplinary measures include dismissal or forced resignation. This is to release the public anger and warn other officials. In general, this contentious politics was triggered by the misconduct of the government officials, and there were neither material demands nor political appeals. There was no party to negotiate with. Usually, with the discipline of the government officials and short-term social disorder, such events would die down and be forgotten.

As Figure 5.5 suggests, government officials are often held responsible for social disturbances. This is because such incidents tend to incur most damages to properties and lives. Officials are much less responsible for labor protests in nonstate sectors. Mishandling of violent land-related protests might also lead to disciplinary measures against officials. Corruption accusations that are common in labor protests in the state sector seem not to produce much consequence.

Changing Government Responses

Under the multilevel responsibility structure, the government response is much more nuanced with a mixture of different methods. In general, there are three phases of reaction when facing a particular large-scale social protest. In the initial phase, the local public security agency will decide how to maintain public order depending on the method the protesters use. In the second stage, depending on the nature of the protest, the local government will decide how to react to the demands of the protest. It will either tolerate or persuade the protesters to give up or promise compensation. The third phase is the aftermath of the protest; depending on the political implications and public attention, the government will take remedial measures, such as disciplining officials or making compensations or arresting protest organizers.

The public attention is focused on the initial phase, which is the response of the public security agency. However, Chinese political tradition puts moral constraints on state violence against protests, while the nature of the police force is the instrument of coercive deterrence. Under the multilevel responsibility structure, local governments shoulder the consequences of police action.

According to an analysis by the public security agencies in 2003, only about 3 percent of the social protests adopted radical approaches, such as blocking traffic, attacking government buildings, burning, looting, and so on.[214] The data set from 2003 to 2010 shows that the social protests with radical tactics have significantly increased. However, the government reactions have changed from repression to more accommodation. The moderate government reaction is the result of the development of

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[214] "Eleven Years of Workers Collective Action: Analysis of 553 cases," *China Labor Newsletters* (Hong Kong), (December 2011)

the Internet and the new Hu-Wen administration.

From the mid-1990s to the early twenty-first century, the main bodies of the large-scale social protests were peasants' antitaxation protests and state workers' resistance to SOE reforms. Most of the scholarship on social protests focused on this period. Before the Internet reached to every nook and cranny of the society, the public had to rely on newspapers and TVs to obtain information. Since the government has firm control over the traditional media, the public was unable to learn much about social protests and form public opinion pressure on the government. For example, a 2004 book *An Investigation of Chinese Farmers* that described the rural protests was soon censored by the government.[215] One has to purchase the book from Hong Kong bookstores or obtain an illegal pirated copy.

Consequent upon this, since the local government could control the news media and cover up the local protests, protests usually would not generate effective pressure on the government. Local government was also free to use excessive coercive force, which often led to vicious incidents. For example, in Fengcheng county of Jiangxi Province, the peasants protested against excessive taxation in 1999. The government used force to repress the protest, which led to a large-scale uprising. Several tens of thousands of peasants smashed a township government and buried two top leaders of the township government alive.[216] There has never been any report of this incident on any official media. There is even no detailed report on the Internet.

In 2003, the new Hu-Wen government promoted the "people-oriented" governing principle. It was also the year of Severe Acute Respiratory Syndrome (SARS) and the

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[215] Chun Tao and Chen Guidi, *Investigation of Rural China* (Beijing: Renmin Wenxue Press, 2004)
[216] Personal fieldwork in Fengcheng, 2008.

first Internet protest over the "Sun Zhigang" incident. The Internet has released unprecedented political energy in China's political life. It has created tremendous public opinion pressure on all levels of governments. Chinese government may be the most sensitive to Internet pressure, and Chinese netizens may be the most active in utilizing the Internet to supervise the government. The Internet has broken through the official censorship. Even a minor incident may trigger a public uproar on the Internet. The emergence of microblogging also enables ordinary citizens to broadcast some incidents live.

As a result, because of the multilevel responsibility structure, Internet public opinion created great pressure on local government leaders. It forces the government to be extremely cautious when reacting to the social protest in the first phase, especially in dispatching police forces. Any further incident triggered by the use of coercive power would generate greater Internet opinion pressure and the local government leaders would be disciplined or even end their political career.

Elizabeth Perry once argued that as long as protests are localized and do not challenge central authority, the state is more willing to tolerate them. Only when such protests spill over state-sanctioned boundaries are they certain to draw swift and strong state suppression.[217] However, it is up to the local government to determine where the state-sanctioned boundaries are. In general, the government would not tolerate large-scale protests that are cross-regional. For example, in the spring of 2002, when more than a dozen factories in Liaoyang went out on strike simultaneously, the protest was suppressed swiftly.[218]

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[217] Perry, 2000, ibid, p. 20
[218] ibid.

Now the government becomes more sympathetic toward SOE workers' protests. It usually tolerates or compensates these protests. For labor protests in the nonstate sector, the regime will take an active role in mediating and push for a settlement acceptable to both sides. For example, during the strike waves in Guangdong and Liaoning in 2010, when the local government was hesitant over whether or not to deploy the police force, many government agencies advised that the timing was not right and the government needed to "be cautious."[219] There are also several cross-regional large-scale protests by bank employees and veterans. In the past, the cross-regional protests would not be tolerated by the regime. However, these protests were never suppressed or investigated. In contrast, the governments showed a great deal of sympathy toward the protesters and accommodated their demands. All these changes come from the learning process of the government to adapt to social protests, the development of Internet with the multilevel responsibility structure, and the increased financial resources of the central government.

Conclusion

Political resilience is vitally a live-or-die factor for any regime type. The essence of political resilience is how to secure a stable and strong central government. As Samuel Huntington argues, the most important political distinction among countries concerns not their form of government but their degree of government.[220] Therefore, institutional change from a chain-ganging structure to blame-avoidance system is a salient change for China's authoritarian regime. Through the responsibility system, China's central government can maneuver strategies of "playing good cop and bad cop" and "passing the

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[219] "New Opportunities for the Trade Unions," *China News Weekly*, No. 23, (2010)

[220] Samuel Huntington, *Political Order in Changing Society*, New Heaven: Yale University Press, 1968, p. 1

blame to the lower levels," it can then stay far away from the whirlpool of local contentious politics and allow local governments to absorb the shock.

Since the 1989 Tiananmen Incident, "social stability overrides everything" has become a basic principle of CCP's statecraft. In order to avoid being a target of protest, the central government's strategy is to localize any protest. On the one hand, so long as contentious politics remains localized and does not challenge central authority, the government has even endorsed and encouraged some single-issue protests.[221] Social protests over back wages, lost investments, the deprivation of pensions, and so forth usually gain sympathy from the central government. On the other hand, when some radical protests spill over state-sanctioned boundaries, local governments have the responsibility to suppress. Since 1989, armed police and local police, rather than PLA, have been the main instruments to repress this type of protest.

Therefore, local governments, as the main targets of protests, can absorb the social shockwave. The multilevel responsibility structure reduces the uncertainties and the hazard for the central government. The local authorities became a buffer zone to protect the central government. In the multilevel responsibility structure, each level of local government becomes the cushion for the uppers. Participants of a social protest usually target at the different level government based on nature of their grievances. With most social unrests limiting at the county and township level, the central and provincial government then can distance themselves from local contentious politics.

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[221] Perry, 2000, ibid

Table 5.1 Government Responses to Large-scale Social Protests
(Source: Author's data)

Government Response Type	Total	Percent
Tolerance	360	65.7%
Concession	159	29%
Repression	19	3.5%
Discipline	37	6.8%

Table 5.2 Government Responses to Social Protests
(Source: Author's data)

	State	Private	Land	Riot	Others	Total
Tolerance	23% (83)	27% (98)	14% (52)	11% (40)	24% (87)	100% (360)
Concession	62% (99)	8% (12)	19% (30)	6% (9)	6% (9)	100% (159)
Repression	0%	11% (2)	32% (6)	26% (5)	32% (6)	100% (19)
Discipline	5% (2)	3% (1)	32% (12)	43% (16)	16% (6)	100% (37)

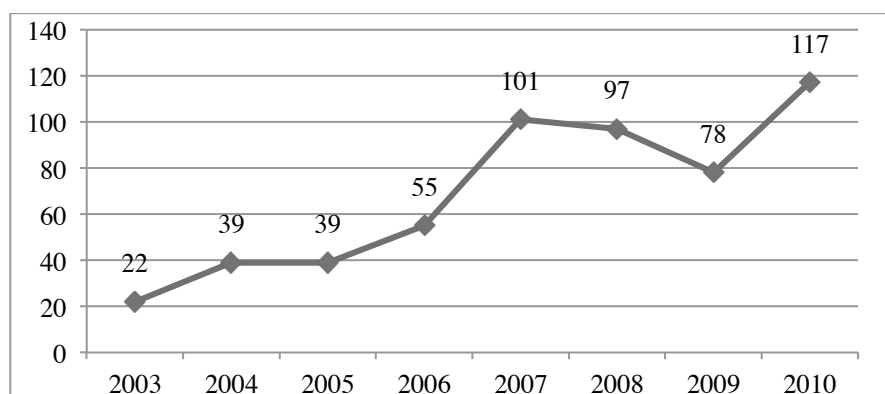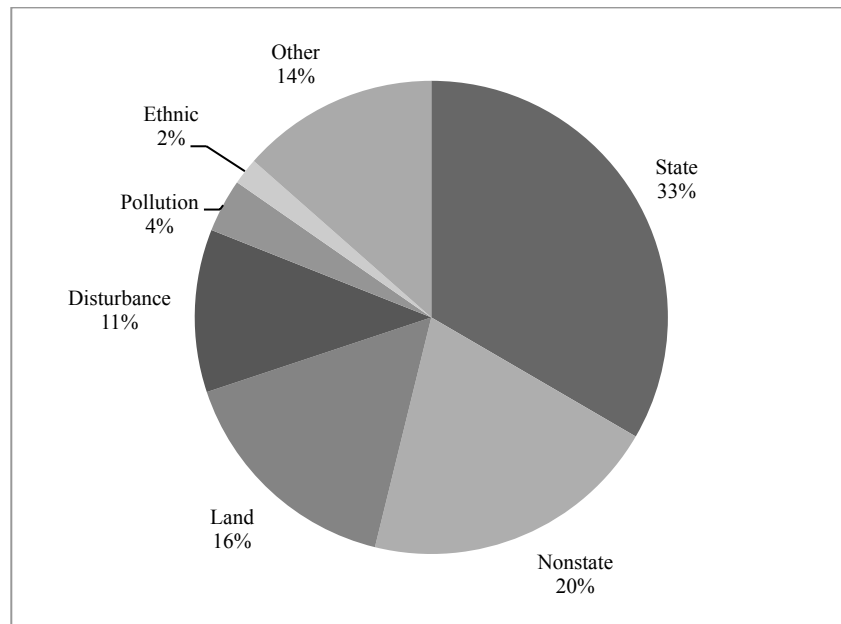Figure 5.1 Frequencies of Large-scale Social Protest by Year (2003–2010)

Figure 5.2 Frequencies of Large-scale Social Protests by Type (2003–2010)
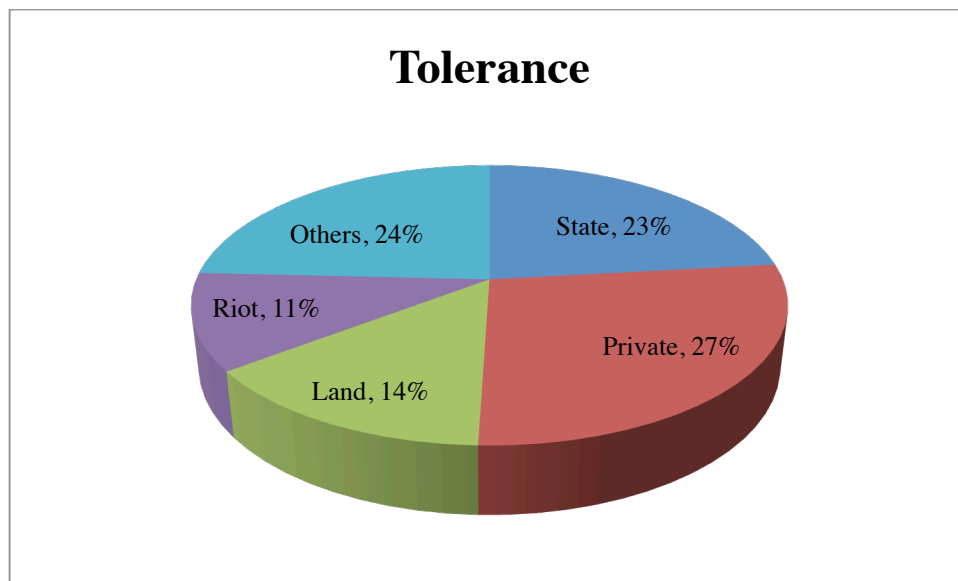

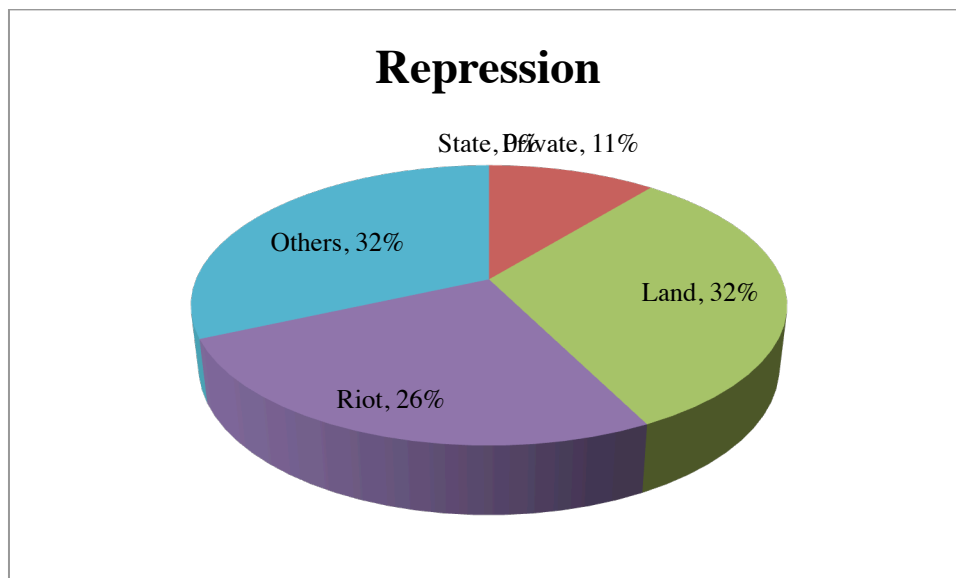Figure 5.3 Distributions of Types of Social Protest Tolerated by the Government

Figure 5.4. Distributions of the Types of Social Protests Suppressed by the Government
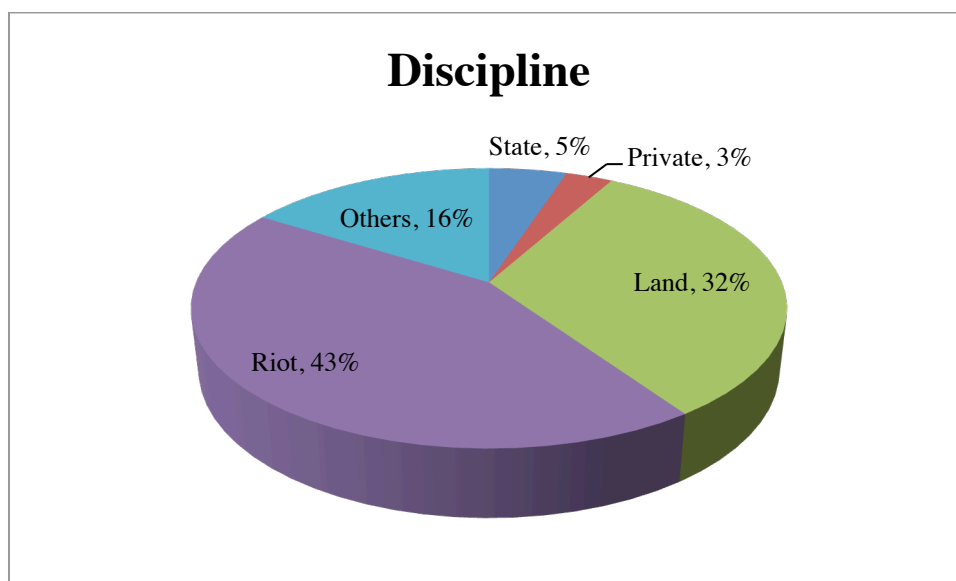
Figure 5.5. Distribution of the Types of Social Protests Ended with Disciplinary Measures against Officials

CHAPTER 6

POLITICAL ADAPTABILITY

This chapter aims to provide insights into the relationship between the multilevel responsibility structure and political adaptability. Historical institutionalism theories argue that institutional development relies on political adaptability. In the multilevel responsibility structure, the central government would have capacity to quickly adjust policy under pressure from exogenous challenges. This chapter will test the *Hypothesis 2: the multilevel responsibility structure provides a mechanism for political adaptability. Through this mechanism, the structure can facilitate continual adjustment to absorb exogenous challenges*.

This chapter argues that the multilevel responsibility structure's political adaptability is sustained by adopting "throwing good money after bad" strategies. Specifically, "throwing good money after bad" has four tactics: adjusting policy, making concessions, jumping on the bandwagon, and learning capability. The first section of this chapter discusses political adaptability and policy adjustment. The second section elaborates the "throwing good money after bad" strategy and case studies. The third section offers concluding remarks.

Political Adaptability and Policy Adjustment

Chapter 4 discussed that the multilevel responsibility structure provides political resilience for China's authoritarian regime. The multilevel responsibility structure, as a blame-avoidance system, essentially creates space for the central government to distance itself from local contentious politics and to allow local governments to absorb shocks. The central government, however, cannot pass the blame to lower level governments indefinitely. When lower level governments face ever-increasing social pressures, the upper level government has to find ways to alleviate such pressures.

Political resilience is the institution's capacity of absorbing exogenous shocks. Political adaptability is the institution's capacity of adjusting itself to get used to unfamiliar environments. Huntington argues that adaptability is essential for an institution to survive in the long term.[222] Heilmann and Perry argue that adaptability can be defined as "the capacity of actors in a system to further resilience" through their actions and interactions, intentionally and unintentionally. The foundation of adaptability in this sense is response diversity: a variety of reactive, digestive, pre-emptive, and proactive operations and procedures that facilitate continual adjustment to and absorption of endogenous and exogenous challengers.[223]

The multilevel responsibility structure creates space for the central government to distance itself from local contentious politics. This mechanism provides time and opportunity for the central government to adjust its policies. "Throwing good money after bad" is a salient strategy for the multilevel responsibility structure to maintain political stability. It refers to the provision of resources to help out constituencies to prevent or

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[222] Huntington, 1968, ibid
[223] Heilmann and Perry, ibid, p. 8

delay blame after a bad policy.[224] In addition, "throwing good money after bad" is a political trial and error process. This process is by repeated, varied attempts which are continued until success.[225] This error correction mechanism not only can alleviate local governments' pressures and to calm down society's anger, but also can correct deviation of its policies. Deng Xiaoping said that China's reform is "crossing a river by touching riverbed rocks." This metaphor describes the political trial and error process.

Usually, contentious politics is a signal of defects in government policies. As with exogenous challenges, contentious politics would force government to adjust is policy. During the period of a large-scale contention, public opinions, media, and the contention's disruptive power will force the government to adjust its agenda. The government has to firstly consider appeasing the contention, and then it will adjust policy to eliminate the occurrence of more potential contentions. Cai Yongshun argues that, in China, the degree of government dependence on resisting groups depends in part on the groups' disruptive power and the strength of their challenge to regime legitimacy. Forceful resistance highlights the problems regarding a policy, and it also provides information to upper level governments about the local situation. Moreover, forceful resistance prevents the central government from pretending that it does not know the problem because it makes the problem common knowledge to both the central government and the public.[226]

In the book *Authoritarian Politics in Modern Society*, Samuel Huntington and Clement Moore argue that democracy exists where the principal leaders of a political system are selected by competitive elections in which the bulk of the population have the

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[224] Weaver, ibid,

[225] Oxford Dictionary, (Oxford: Oxford University Press, 1998)

[226] Cai Yongshun, *Collective Resistance in China*, (CA: Stanford University Press, 2010), p. 156

opportunity to participate. In the Western democracies, public policy decision-making is an open process, such as media reporting and exposure, citizen's participation, the debating among stakeholders, and so on. The decision-making process is usually a time-consuming and slow process. As the poor's weapon, contentious politics plays an important role in the decision-making process. Usually, society uses contentious politics to make pressure on government to take care of their interests. When a democratic government makes public polices, it has comprehensive information to estimate consequences of enacting a public policy through different channels, including contentious politics.

Compared to democratic systems, nonelection, lack of accountability, and less participation are an authoritarian regime's characteristics. As a result, Chinese government's public policy decision-making process is a black box. It is a flaw in an authoritarian system that outsiders do not have any resources or channels to learn what and how a policy will be made. In China's chain-ganging structure, on the one hand, society's complaints on the central government policy often were easily labeled by "anti-party, antisocialism." Local governments had to always conceal or restrict any contentious politics. In this structure, it was work units and collectives, as the state's agents, to solve societal grievance and absorb shocks.

On the other hand, collusion behavior in the local authorities distorts the central government's policy. As a popular slang says, "the central government's policy never comes out of Zhongnanhai."[227] In order to get personal promotions or more local interests, local governments and officials tended to report achievement while concealing something

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[227] Zhongnanhai is the CCP's headquarter.

unpleasant. It was very costly that the central government obtained comprehensive and accurate feedback about its policies' implementation. Social complaints were concealed, which would eventually develop into large-scale social protests and turmoils.

With the formation of a multilevel responsibility structure, Chinese central government has recognized and accepted contentious politics as a normal political behavior. Although it is those exogenous challenges that force the government to adopt the strategy of "throwing good money after bad," the strategy objectively corrects its policy error and ensures political stability. The multilevel responsibility structure provides space and time for the central government to consider correcting its policy deviation, and moving protesters issues onto the government agenda.

Local contentious politics pressure forces policy adjustment. This dissertation found that Chinese government adjusted some policies very quickly after the occurrence of severe contentions. Chinese government is even more sensitive to the mass opinion in the Internet. For example, Chinese central government declared new traffic laws which would be enacted from the new year of 2013. One of the new regulations prohibits vehicles to go across an intersection when the amber light is flashing. The new rule stirred public debate. When the new regulation was enacted at the first week, complaints and criticisms poured on the Internet. Under the pressure of on-line public outrage, the Ministry of Public Security had to declare that this regulation was suspended and drivers will not be punished any more by violation of this new rule.

This trial and error process is highly costly in China. On the one hand, arbitrary policy may hurt a huge amount of the population's interests, such as with the reform of SOE, thousand of millions workers were laid-off. On the other hand, policy adjustment

always is forced by large-scale social protest even by violent chaos. Contentious politics forces the government to adjust policy, but governments also have to compensate participants and then bear the cost of policy adjustment. Accordingly, "throwing the good money after bad" includes two types of costs: policy adjustment and compensation for some social protesters.

Compared with slow decision-making and policy adjustment in democracies, this process in China is quick. This quick policy adjustment is an advantage of the multilevel responsibility structure. Despite the cost, it can also escape developmental blockages, tackle emerging challenges, and grasp new opportunities.[228] China's rapid economic development and overwhelming social change are benefited from this trial and error mechanism. Chinese government cannot afford to ignore contentious politics and it is forced to improve its capability of public administration. Through the multilevel responsibility structure, local governments undertake blame, but the central government gain credits, which maintains political stability.

In the article "Chinese Conceptions of 'Rights'," Perry proposes this assumption: Chinese popular unrest can help to undergird rather than undermine the political system.[229] However, Perry has not elaborated how contentious politics undergirds the politics system. In fact, it is the multilevel responsibility structure that undergirds the political system rather than contentious politics itself. Contentious politics is only a role of exogenous challenge to force government to correct its policy deviation. It is the multilevel responsibility structure's political adaptability that ensures the stability of the political system. In the next section, I will discuss the relationship between the multilevel

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[228] Samuel Huntington and Clement Moore, *Authoritarian Politics in Modern Society,* (NY: Basic Book Publisher, 1970), p. 517
[229] Elizabeth Perry, (2008), ibid, p. 37

responsibility structure's adaptability and contentious politics.

"Throwing Good Money After Bad" and Policy Adjustment

"Throwing good money after bad," as being adopted in China's multilevel responsibility structure, has four tactics: adjusting policy, making concessions, jumping on the bandwagon, and learning capability. This section will discuss this strategy in the light of those four tactics. First, the case study on policy adjustment considers taxation reform in rural China. Second, case studies on concession elaborate that Falun Gong protest and the social welfare system in northeast China. The third section will use two cases to elaborate how to use the tactic of jumping on the bandwagon, and fourth, it will discuss the learning ability of the structure.

The Multilevel Responsibility Structure and Policy Adjustment

There were two overwhelming reforms in the 1990s: the taxation reform and SOE reform.[230] From 1949-1980, China had a highly centralized fiscal system. In order to promote local economy and adapt to the reform and opening strategy, China staged a fiscal reform in the beginning of the 1980s. It was a fiscal decentralization reform. Local governments obtained more autonomy on the fiscal power. The local government collected tax first and then remitted to the central government by a fixed ratio. Because of this taxation system, China's central government lost independent revenue resources, and then China was in a "weak Center, strong local" situation. Under this circumstance, China launched a taxation reform again, which was 1994 tax-sharing reform.

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[230] Chapter 8 will elaborate the taxation reform. This chapter only overviews this reform.

China's central government has its own stable and independent revenue resource after the 1994 tax-sharing reform. Since the central government took over most stable taxation resources, such as the value-added tax, local governments, especially those undeveloped inland provinces, faced serious deficit. Provincial government passed those deficits to county government, and county governments had to pass the problem to township governments. As a result, township governments had to impose higher taxes and surcharges to the peasants, in order to compensate for the lack of revenue that followed in the wake of decollectivization.

During this period, the central government focused on the reform of SOE and left rural issues to local governments. Local governments were plunged into financial crisis without supporting sufficient funds from the central government. It was the local governments' responsibility to tackle the shortage of local revenues and fiscal expenditure. The central government appeared to care about peasants' overdue taxes and surcharge burden, but it did not transfer enough money to alleviate local governments' fiscal problem.[231]

Grass roots contentions were generated by those financial burdens, especially by local cadres' collecting taxes and fees through coercion. In Anhui Province and Jiangxi Province, in order to force peasants to pay taxes and surcharges, some township cadres seized peasants' property, such as furniture, bicycles, and livestock. A popular way of forcing peasants was to prohibit those children to go to public school whose parents had not paid taxes and fees. Some of the cadres even demolished peasants' houses to punish those who refused to pay tax.[232]

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[231] Personal interviewed with a county major in Jiangxi Province
[232] Personal Interview

Peasants at first expressed their grievances and demands through legal procedures, such as sending letters to upper level government agencies and media. For example, *Peasant's Daily*, a newspaper in Beijing, reported that it received more than a thousand letters a day in 1998, mostly complaints against "village tyrants."[233] The central government passed those letters and complains back to local governments. The central government only promulgated some nonrestraint administrative orders to "prohibit" local government from exploiting peasants rather than concrete financial support. It ordered local government officials to take care of peasants' interests and to improve their working style.

As a result, peasants launched protests by holding the central government's official documents of reducing peasants' burden to prove that they had "legal right" to protest. O'Brien and Li defined it as "rightful resistance." Peasants rushed into Beijing to petition. Some of them keeled down on Tiananmen Square to draw attention from the central government to relieve their grievances. However, this peaceful petition could not force the central government to adjust its policy. Peasants continued to suffer from those taxes and fees.

Thus, peasants' antitaxation contentions eventually escalated into tax riots. Tax riots in rural areas erupted across the entire county and blazed across the countryside in opposition to what farmers referred to as unfair and excessive "peasant burdens." By the 1990s, tax resistance had reached alarming proportions, with frequent reports of beatings, property destruction, arson, and other violence targeting local cadres.[234] This type of

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[233] Thomas Bernstein, "Farmer Discontent and Regime Responses," in Merle Goldman and Roderick Macfarquhar, Ed., *The Paradox of China's Post-Mao Reforms*, (Mass: Harvard University Press, 1999), p. 199
[234] Perry, (2010), ibid, pp. 19-20

peasants' rightful resistances and antitax campaigns had lasted about 10 years until the 1999 Fengcheng Incident occurred.

Fengcheng County is located in the undeveloped inland Jiangxi Province. In 1999, a local peasant collected all central and provincial official documents on reducing peasant's financial burden. He then printed them as a self-financed handbook. Those handbooks were widely distributed and shocked the local government. In July 29th, 1999, the township government detained him and sent him to a study "class." Two days later, this peasant died abnormally. About 50 of his relatives went to the township government to ask for the truth of his abnormal death. The township government then used force to disperse those protesters.

The township government's insolence triggered a large-scale disturbance. More than twenty thousand peasants from four nearby villages surrounded and then destroyed the township government building. Angry protesters threw the head of township and another cadre from the roof of the building down to the ground. Some protesters dug a pit and buried the township head and the cadre alive. Protesters also killed the township police chief and one police officer, and then hung their bodies on a tree. Only the township CCP secretary escaped with the help of a town schoolteacher. Rural areas in Jiangxi Province have a rebellious tradition in history. For example, the Chinese Communist Party's first soviet government was established in Jiangxi Province in 1920s. Therefore, this brutal riot shocked the central government. On July 31st, the State Council held an emergency nation-wide teleconference. It was the first time that township level authorities had participated in the State Council teleconference. The then Premier and Deputy Premier

who was in charge of agriculture made important speeches. The meeting implored the country to stop collecting taxes by compulsory means.

Shocked by the Fengcheng tax-riot, the central government was forced to adjust its rural taxation policy. In 2000, Jiangxi Province was the first province to implement a tax-free reform. In 2004, the central government declared that agricultural tax was abolished in the entire country. The central government has established a special fund and transfers more financial resources to subsidize local government expenditures annually. Peasants would not pay agricultural tax any more. It was an important reform and policy adjustment. Peasants were emancipated from financial burdens. China maybe the only country where peasants do not need to pay agricultural tax in the world.

More importantly, tax riots in rural areas have disappeared since 2004. According to data in this dissertation, there were only four taxation riot cases in all 548 large-scale social protest. Those four antitax riots all occurred in 2004. In that time, the tax-free policy just began to be enacted. We can see there was no single antitax contention case after 2005. My 2012 field trip to villages in south Shaanxi Province also observed that peasants strongly support the central government. My survey and interview show that the tax-exemption and new rural medical care system obtained a 100 percent satisfaction rate.[235]

A number of studies on rural protest in China show that peasant resistance contributes to policy adjustment. O'Brien and Li argue that contentious politics draws attention of the Center to insubordination by local leaders and prompts them to take corrective steps.[236] Cai Yongshun's research shows a significant correlation between rural protest and policy

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[235] Personal field trip
[236] Kevin O'Brien and Li Liangjiang, (2006), ibid, p. 100

implementation. According to Cai, before 2000, the central government's rural area policy adjustment and implementation depended on the level and numbers of rural protest.[237]

From the Fengcheng Incident, we can see that the "peasant financial burden" was a result of the Center taking over most of the annual revenue but not subsidizing local expenditure enough. Through the multilevel responsibility, the Center passed blame to the local governments. Peasants' targets were local governments rather the Center. Local governments undertook the cost of defective taxation policy. When the policy's error leads to contentions, the central government stays away from the whirlpool, and then has time to adjust its policy.

Peasants cannot participate in the taxation policy decision-making, but peasant used contentious politics to push the government to adjust it policy. The multilevel responsibility structure's adaptability enables the government to adjust policy quickly. The central government did not pass the responsibility to the local governments infinitely. It transfers more resources to locals and corrects its policy deviation. Therefore, the Center avoids blame, but gains credits as well.

<div align="center">The Multilevel Responsibility Structure and Concession</div>

Chapter 4 has summarized that there are four types of government responses to contentions. The types of tolerance, repression, and discipline are characteristics of the political resilience. Concession is the characteristic of the political adaptability. The concession strategy has two dimensions: 1) the settlement of contentions with substantive

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[237] Cai Yongshun, 2010, ibid, pp. 171-172

government compensation. It is a temporary tactic to appease public outrage as soon as possible. 2) policy-related reform. It is a long-term strategy by policy adjustment, which aims to eliminate potential contentions and adapt to new circumstances.

In first dimension, as Table 6.1 shows, according to 2003-2010 large-scale social protests data, the governments conceded in 159 cases, which is 29 percent of the total 548 cases. Therefore, it is a relatively high percentage in all cases. In the four government response types, concession is the second most common strategy.

According to the data, most of the concession cases are the protests caused by 1) unemployment, delayed pension, health-care issues caused by the SOE reforms; 2) housing demolition, relocation, land requisition, and environmental pollution caused by local government development policies; 3) poor welfare packages in SOEs; and 4) private enterprise owners owed back-salaries and the government picked up the bill to pacify the restless workers.

Figure 6.1 shows that protests in the state sector receive the most government concessions. This may be explained by the state's moral responsibility to its employees. The cases of government compensations to labor protests in the nonstate sector are small. However, it is amazing that there is even 8 percent (12 cases) that the government paid of its own money to compensate the workers in the private sector when the government was not at fault. In fact, there were several cases in which the government exerted pressures on the private owners to compensate workers' demands.

If there were no violent protests, the central government would stay away. Some of the protesters were compensated, while some of them were not. The amount of the compensation varies and is subject to negotiations or bargaining strength. The local

government would rarely meet the workers demands fully. Even for those protesters that did not receive compensation, they were not repressed either. Local governments also tried all means to raise funds and create job opportunities to ease the pain for the laid-off workers. This is a long-term effort and will not produce immediate returns.

The most sensitive issue is the protest by the ex-servicemen. The local government has been very prompt in solving this kind of protest. All eight veteran protests received compensation, and the quick settlement is because the welfare issue for ex-servicemen is sensitive to the regime. It relates to the stability of the current military forces in service and the success of future conscription. Since it relates to state security, settlement for ex-servicemen as well as taking good care of the military families is an important indicator for governance evaluation. It would directly affect the political career of the top leaders in the future. The local government, therefore, is willing to make compromises and give compensations.

During the rapid economic growth, the need for land increased dramatically. Land requisition also generates other social grievances related to demolition and relocation. Together they have become one of the major causes of social protests from 2003 to 2010. Some of the land related protests led to bloody conflicts. The core issue in the land related protests is compensation. In most land-related protests, local governments would raise the compensation package to appease the peasants, and this amount is subject to negotiation. As long as the demand for more compensation is satisfied, such protests would be settled. Through the strategy of throwing good money after bad, the government could quickly appease public outrage and meet protesters' demands.

Government at any level can gain credits, and the multilevel responsibility structure ensures political stability.

The second dimension is policy-related reform. The SOE reforms of the 1990s have affected the traditional industrial base. State-own enterprise (SOE) reform changed state-society relations profoundly. In cities, it led to large-scale unemployment. Tens of millions of workers lost their job as well as various medical insurance and retirement benefits provided by work units. The reform separated the hospitals, schools, kindergartens, shops from the enterprises and shifted the welfare responsibility for the workers to the local government. Sometimes, the enterprise would go bankrupt, the work unit would collapse, and gone are all their welfare responsibilities. The market schemes for education, medical care, and housing have created huge dislocation pains for the SOE workers, especially those who lost their jobs. Local governments had to take on the reform cost more than the central government.

According to Cai, there were 10-13 million laid-off workers between 1997-2000. In 1997, half of the 12.7 million laid-off workers did not find new jobs, and half of the unemployed did not receive living allowance.[238] The SOE reform affected the traditional industrial base—northeast China—the most. The period of 1999 to 2002 was the hardest for workers. The failure to meet survival needs transformed grievances into contentious politics. According to Ching Kwan Lee, the number of nationwide worker's collective actions went from a total of 8,700 in 1993 to 32,000 in 1999.[239]

In the field trip between October and December in 2000, my fieldwork team visited Liaoning Province and Heilongjiang Province (two provinces of heavy-industrial base in

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[238] Cai Yongshun, 2010, p. 159
[239] Ching Kwan Lee, "Pathways of Labor Insurgency," in Perry, (2000), ibid, p. 80

northeast China). When we arrived in Benxi City Train Station, all passengers were stuck at the platform and could not get out of the train station. Later, we learned that around two hundred laid-off workers from Benxi Steel Factory protested outside of the train station. Because they had no money to pay utility bills, the heating supply company stopped providing heating services to their apartments. It was a very popular tactic of protest to block a train station and to force the government to resolve their grievances. We have witnessed workers' collective actions in every city we visited. Lee argues that grievances that sparked these public protests reflected the predicaments of debt-ridden state enterprises under reform. [240]

Although a worker protest wave spread across the country, it seemed that as long as workers' actions are not politically-oriented but self-limiting to purely economic and livelihood demands limited to a single factory, the state tends to use tolerance and limited concessions.[241] The central government often transferred emergency funds to local government to relieve them, when a large-scale workers' unrest burst out. A huge amount emergency funds can only relieve workers' suffering temporarily, but workers' non-political collective actions had not forced the central government to establish a comprehensive social security, medical insurance, and other social welfare system. Therefore, local governments still needed to undertake the cost of contentious politics.

This situation changed in 1999. In April 25th, 1999, thousands of Falun Gong practitioners came from different provinces and congregated toward Zhongnanhai. Those Falun Gong practitioners expressed their demand that the central government should support their physical excise of health improvement and asked for official recognition.

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[240] ibid, p. 80
[241] ibid, p. 71

This gathering shocked the national leader. The Politburo named this collective action as "the most serious political incident since June 4th." [242] Falun Gong is not a simple Qigong or heterodoxy as Chinese government officially named it. It began and spread under the collapse of the work unit context. The most popular region of Falun Gong is northeast China (the founder of Falun Gong is a worker from this region), which is not in coincidence with the large-scale unemployment in the same place. Workers lost medical insurance provided by the former work unit and could not pay for expensive medical bills. As a result, they had to worship this mysterious power to cure their diseases. Falun Gong then pervaded in laid-off workers in urban and peasants in the countryside.

Stimulated by the protest of Falun Gong, the central government had to deal with those social grievance problems in northeast China and accelerated the establishment of a social security and medical care system.[243] The national leaders paid more attention to the region than before. Records show that in 1999 the top national leader inspected this region and held five meetings regarding the SOE reform. The premier inspected the northeast region yearly.[244] After nearly three years' preparing, the central government released "The Northeast Area Revitalization Plan" in 2003, and the State Council established a special Leading Group in charge of the implementation of this plan. The Premier is chairman of the Leading Group. The core of this program is to revitalize traditional heavy industry and improve local living standards.

In northeast China, the central government put in a large amount of money to improve the standard of living of workers. The most typical case was the renovation of

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[242] James Tong, *Revenge of the Forbidden City, the Suppression of the Falungong in China, 1999-2005*, (Oxford: Oxford University Press, 2009), p. 6
[243] Personal interview of an official from National Development and Reform Commission
[244] Cai Yongshun, pp. 160-161

shelter districts in 2005. The central government picked up the largest portion of the renovation cost, with local government and individuals sharing the smaller portion. Within three years, the program solved the housing problem for middle and low-income families. According to 2009 China National Bureau of Statistics, by the end of 2009, the national medical care system covers 1.28 billion of China's 1.32 billion people.[245]

The Falun Gong protest was the first and only one case after 1989 in which the central government is targeted. The central government cannot ignore and stay away from the whirlpool of this contention. The Falun Gong protest reminded the central government that the working class is the main force determining social stability in China.[246] Therefore, as the official I interviewed revealed, by the lessons of Falun Gong, the central government cannot pass the cost of SOE reform to local governments infinitely, although the central government engages itself in activities that are more important than workers' grievances. The official said that although the establishment of a social security and medical care system was in the reform agenda, it was not the primary task in the agenda list. Under the pressure of Falun Gong protest, the central government was forced to move this issue into the primary task.

In addition, since the Falun Gong protest was aimed at the central government directly, it broke the multilevel responsibility structure's bottom line, that is, the local governments serve as cushions to absorb exogenous shock for the central government. The central government disciplined several higher officials in central government departments and local official for the negligence that they failed to collect and deliver information about this political contention. Meanwhile, the central government staged an

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[245] 2009 China National Bureau of Statistics
[246] Cai Yongshun, p. 160

anti-Falun Gong movement, and the local government played the role of bad cop to arrest and repress Falun Gong practitioners and their protests. The central government played the role of good cop to throw good money after bad, and also transferred emergency funds to relieve those workers who lost their pension and medical insurance. By playing "good cop and bad cop" and "throwing good after bad," the central government successfully separated the close relationship between the emerging of Falun Gong and its policy error on SOE reform. Therefore, it deterred any potential social groups from allying with Falun Gong. This dissertation therefore concludes that even though the central government fails to keep itself way from the whirlpool of political contentions, the multilevel responsibility structure ensures political stability by its capacity for political adaptability.

According to Cai Yongshun, the three northeast provinces saw more resistance than other provinces at the end of the 1990s and at the beginning of the 2000s. However, the data show that only a couple of large-scale social protest occurred in this region. This is a salient change. In Northeast region (three provinces), there was 27 cases occurred during 2003-2010, which is 4.9 percent of total 548 cases. Among those cases, 17 cases are in the SOE category, which is 1.83 percent of the total of 183 cases. This dissertation therefore concludes that the peak of SOE contentions in Northeast China had passed.

<center>Jumping on the Bandwagon</center>

Jumping on the bandwagon refers to deflecting blame by supporting politically popular alternatives.[247] Since China is an authoritarian regime, citizens' decision-making participation is low. As a result, the public would not understand or support a public

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[247] Weaver, p. 385

policy which leads to the public blaming the government. In the multilevel responsibility structure, the government would adopt the "jumping on the bandwagon" tactic to settle down public outrage caused by a public policy. The government will suspend or discontinue this policy. Usually, if this public policy were made by the central government, the policy would end up with nothing definite. If popular contentions were provoked by a policy made by local governments, upper governments would either cease implementation of the policy or adopt a "good cop and bad cop" strategy to discipline some officials to calm down public outrage. The central government can either avoid further blame or gain credits.

The multilevel responsibility system helps in the creation of space for the central government to distance itself from local contentious politics, thereby allowing local governments to absorb the shock. As China's capital city, Beijing is more sensitive to any protest than other places. Due to the geographic convenience, the central government is easy to be protesters' target, if any protest happens in Beijing and does not settle well. The government will use much more resources and law enforcement to monitor and control collective actions than in other cities. Despite this strict monitoring, contentious politics happens in Beijing. According to the data, there were 12 large-scale social protest cases in Beijing from 2003-2010. Contentious politics in Beijing can draw more attention from media and public opinion and then have more pressures on the central government. Therefore, contentious politics in Beijing will be more powerful to force policy adjustment.

Raising pets is a controversial issue in China. Because of no strict regulations on pets' license and immunization in recent years, dogs' barking noise and biting people are a

problem for city management. In November 2006, Beijing city government enacted a new regulation on pets' management. According to the new regulation, all dogs in the city should have a license and immunization records. A dog taller than 14 inches will be prohibited. Some other cities implemented the same regulation. Police and city management agents then in many cities have caught unregistered dogs. Some police officers used brutal ways of beating a dog to death. This regulation sparked huge complaints from dog owners. On November 11, 2006, about 500 Beijing local dog owners congregated toward the front of Beijing Zoo's main gate to protest the dog-killing regulation. It was an ingeniously designed protest. In order to avoid being labeled as a political issue, protesters selected Beijing Zoo as the protest location. They had a clear nonpolitical demand and protested peacefully. The police detained some protesters in a nearby police van and released them after questioned. The protest lasted about two hours. At night, China Central TV Station stopped all dog-killing regulation propaganda programs. This new dog regulation was suspended.

Another case occurred in Jiahe Country, Hunan Province. The Jiahe Incident had been the first case in which local officials were disciplined by demolition and relocation since 2000. In 2003, in order to promote local economy, Jiahe County government decided to build a new shopping center in downtown. The project planed to relocate 1100 residents from downtown area. However, those residents did not accept the price and compensation for relocation. The project was suspended as a result of the slow relocation.

In order to restart the project, the county government launched a propaganda campaign. In Jiahe County Main Street, red banners printed with slogans were hanged on streetlight poles and buildings. Those slogans said, "He who dares to disregard the face of

Jiahe will be dismissed." "He who cannot do his duty will be transferred to another post"; "He who dares to delay the development of Jiahe for a short while will be affected for his whole life."[248] The government also demanded that government employees had the responsibility to relocate or to persuade their relatives to relocate. Those employees would be dismissed or lose salary for their refusal of relocation. The police arrested some residents who physically fought the demolition.

This inappropriate policy caused local conflict with government. Thousands of petition letters were sent to the central and Hunan Provincial Government. After being exposed by China Central TV Station, Jiahe Incident drew public attention, and blame poured into the Jiahe County government. Under this circumstance, the State Council ordered the National Ministry of Construction and Hunan Provincial government to investigate this incident. Later, the county Party Secretary was dismissed. Upper level government adopted a "jumping on the bandwagon" tactic and claim to stop this project.

The same incident occurred in Yihuang County, Jiangxi Province in 2010. A family in Yihuang County refused to relocate when a new bus station project would take over their house. On September 10, 2010, the house owner died by preventing his house from demolishing. A TV station invited two sisters of this family to go Beijing for interviewing. However, the local government would stop this interview, and prohibited the two sisters to go to Beijing. Helped by a news reporter, the two sisters used Weibo (China's twitter-like microblogging) to protest against the local government. Hundreds of thousands of netizens gathered online and blamed the local government. It became breaking news on the headline of news media. Jiangxi Province dispatched a investigate

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[248] Feng Yujun, "Power, Right and Interests," in Xiaoming Huang Ed, *The Institutional Dynamics of China's Great Transformation,* (London: Routledge, 2011), p. 80

team to Yihuang County. In order to appease public anger, the provincial government jumped on the bandwagon. The Party Secretary and Mayor of Yihuang County and the Deputy Mayor, who was in charge of relocation, were disciplined one month later. This family was compensated and the bus station project was suspended.

These three cases illustrated that jumping on bandwagon is a tactic for appeasing contentions and public outrage. Usually, governments adopt this tactic to quickly appease those contentions caused by inappropriate public policy. These contentions have clear nonpolitical purposes and have drawn attention from media and social sympathy. Although upper level governments' original position may understand or even support those policies, under pressure from contentions, the upper level governments claim to support popular alternative to gain credits. It is the essence of the jumping on the bandwagon tactic of turning blame into credit.

Learning Capability

The multilevel responsibility structure has a strong learning capability. Institutionalism theories argue that adaptiveness depends on an institution's readiness to venture forth into unfamiliar environments to act, experiment, and learn from changing circumstances.[249] In recent years, Chinese government has continued to learn how to live with increasing contentious politics. Every year, Chinese government sends a big amount of government officials to study in the U.S, Europe, Japan, and Singapore. They learn about modern Western public administration, including crisis management, in universities and governments.

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[249] Heilmann and Perry, p. 8

In addition, after any vicious riots, all government officials were required to discuss lessons from these incidents in order to avoid them from happening in the future.[250] After the 2008 Weng'an Incident, since contentious politics had become a major component in political life of the country, the central government organized a study session for all the county level party secretaries (more than two thousand) nationwide to learn to deal with emergency incident.[251] Then each county would also organize the same workshops for lower level government officials. This also sends out a signal that it is the responsibility of the county government to deal with contentious politics, not the central government. In February 2009, the Ministry of Public security also called more than three thousand county police chief to Beijing to study. This training program and study sessions trained local police how to prevent and control contentions from happening and spreading.

Learning capability is a characteristic of the structure's adaptability. More importantly, it is a signal that the Center clearly passes the responsibility to local governments. Through such a structure, the central government is able to push the blame level-by-level down to the local governments. The central government can stay away from contentions and blame, and can have enough time and opportunities to decide its responses to contentions. The structure is able to ensure political stability and reduce the shock of contentious politics.

Conclusion

This chapter has discussed four tactics of political adaptability in the multilevel responsibility structure by adopting the "throwing good money after bad" strategy. This

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[250] For example, "Deliver and study the conclusions of the Central Committee, unify thoughts, and further our ability to handle mass incident," Study document of a county government in Shaanxi Province.
[251] *China News Weekly*, Vol 339, no. 45, December 8th 2008

chapter argues that the multilevel responsibility structure provides a mechanism for political adaptability. Through this mechanism, the structure can facilitate continual adjustment to absorb exogenous challenges.

First, this chapter argues that the multilevel responsibility structure has a policy self-correction mechanism by the pressure of exogenous challenges. In China's authoritarian regime, the low level of citizen's participation into public policy decision-making leads to policy defects. Contentious politics is not only a signal of defects in government policies, but also an exogenous pressure for policy adjustment.

Second, the multilevel responsibility structure creates space for the central government to distance itself from local contentious politics. This mechanism provides time and opportunities for the central government to correct its policy deviation.

Third, "throwing good money after bad" is a strategy for the multilevel responsibility structure to maintain political stability. "Throwing good money after bad" has four tactics: adjusting policy, concessions, jumping on the bandwagon, and learning capability. Quick policy adjustment after large-scale contentious politics capacity is institutional adaptability. The concession strategy has two dimensions: compensating to protesters and rewarding local governments with resources and policy adjustment. The central government plays the role of good cop to throw good money after bad. Meanwhile, governments adopt the jumping on the bandwagon tactic to quickly appease contentions caused by inappropriate public policy. Local governments undertake blame and the central government gain credits. In addition, Chinese government has a strong leaning capability to get lessons from vicious riots and learn new knowledge to get familiar with new circumstance. With the political adaptability, Chinese government then

can continue to keep a stable authoritarian regime.

This chapter concludes that political resilience keeps short-term political stability, and political adaptability ensures long-term stability by continual adjustment. Compared with contentious politics in the decision-making process in democracies, policy adjustment of the multilevel responsibility structure invokes a high cost. Through the pains, this adaptability transforms disruption of contentious politics into a policy adjustment process. Consequently, the central government can avoid blame and gain credits. The multilevel responsibility structure then undergirds the authoritarian regime and ensures political stability.

Table 6.1 Government Responses to Large-scale Social Protests

Government Response Type	Total	Percent
Tolerance	360	65.7%
Concession	159	29%
Repression	19	3.5%
Discipline	37	6.8%

Concession

Others, 6%
Riot, 6%
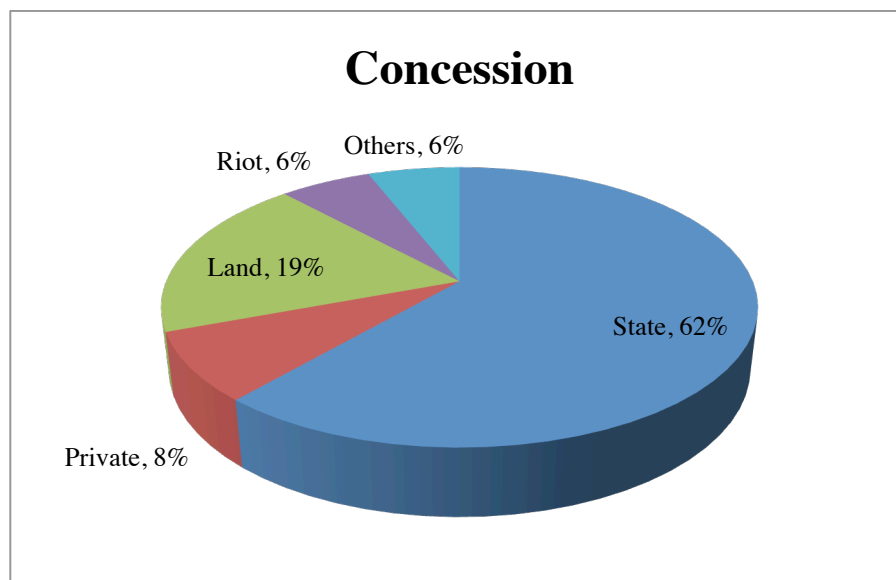Land, 19%
State, 62%
Private, 8%

Figure 6.1 Distribution of the Types of Social Protests Where the Government
Makes Concessions

CHAPTER 7

FIRE ALARM MONITOR

In the earlier chapters, this dissertation studies the multilevel responsibility structure and exogenous challenges. A robust institution also has capacity of restricting endogenous subversion and avoiding power disequilibrium. Officials' misbehaviors and collusion in organizations are two main endogenous factors to subvert an institution. These two endogenous subversions exist in any regime type. In a hierarchical bureaucratic structure, there are two monitoring mechanisms. The first one is routine surveillance by a formal institutional procedure, and the second one is individuals and outside groups' surveillance. This is an informal mechanism of monitoring. Contentious politics, including protest and petition, is a proactive force to expose misconducts of officials. It is hard to cover up contentious politics. Upper level bureaucracy cannot ignore those contentions and protect its subordinates blindly.

Contentious politics in the multilevel responsibility structure can be used as positive tools to restrict endogenous subversion. This chapter will test *Hypothesis 3: the multilevel responsibility structure provides an informal mechanism for the central government to monitor local governments.* This chapter argues that in the multilevel responsibility structure, contentious politics will serve the role of fire alarm monitor,

which is the society's check and balance mechanism.

The first section of this chapter discusses the problem of oversight in traditional China's authoritarian regime. It argues that officials' misbehavior and collusion in organizations are endogenous factors to subvert an institution. However, formal routine surveillance in traditional China's authoritarian regime was not efficient. The second section argues that society's check and balance is a political tradition in China, and the multilevel responsibility structure inherits this tradition, and contentious politics serves the role of fire alarm monitor. The third section uses cases to analyze contemporary contentious politics on the role of fire alarm monitor. The fourth section offers concluding remarks.

The Problem of Oversight in Traditional China's
Authoritarian Regime

One of the defects in traditional China's regime is the malfunction of institutional routine surveillance. Due to the vast territory, it is necessary that the Center decentralizes its power to local authorities. Local authorities and their officials implemented administrative and judiciary power on behalf of the Center (emperor). Political orientations of the local authorities and officials, however, could "serve the major strata with goals of self-aggrandizement and attainment of political power, while maintaining goals of serving the polity and the rulers."[252] Therefore, this structure put the Center in a decentralization-centralization dilemma: in order to carry out public administration power, decentralization is necessary; local officials' abuse of power requires centralization of

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[252] S.N. Eisenstadt, *The Political System of Empires*, (NY: the Free Press of Glencoe, 1963), p. 276

state power. This contradiction between central dominance and local autonomy has existed throughout the entire Chinese history.

The key point of breaking the dilemma is how to monitor and supervise the local authorities and officials. In a principal-agent structure, surveillance is more difficult than incentive, because information collection is costly. Gathering information about the behavior and preferences of low level government and citizens is a major challenge for all governments, but is particularly acute in authoritarian regimes, as they lack the many informational mechanisms of functioning democracies.[253] In Chinese history, in order to better understand local situations, it was a tradition that an emperor conducted frequent personal inspection trips. Those trips were conducted either openly or secretly. For example, Qin Shihuangdi, the first emperor of unified China, died on his personal inspection trip after he united China. Emperor Qianlong in the Qing dynasty went to south China six times during his reign to learn local situations and wrote *"South China Trips"* as an official report to record his observations and understandings about locals. More often, an emperor sent his trusted officials as envoys to locals to inspect policy implementation or to investigate local officials' misconduct, even to supervise a capital execution of a higher official, on behalf of the emperor.

China has extraordinary size and a huge population. As an old Chinese proverb says: "the mountain is so high and the emperor's far away." Even nowadays with the advancement in information technology and convenient transportation, the surveillance of the Center to locals is still not easy in China. Local officials' abuse of power, corruptions, or self-aggrandizement and attainment of power undermined the regime. In Chinese

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[253] Peter Lorentzen, "Regularized Rioting: Informational Mechanisms in an Authoritarian State," 2005 Political Economics Student Conference, preliminary draft, p. 1

history, the higher authorities cannot learn the local situations or punish misbehaved officials in time. Sometimes even peasants' rebellion armies almost fought close to the capital city, then the Center (emperor) finally knew rebellions occurred. In addition, citizens' political participation was low or was excluded from the political structure. Therefore, surveillance by the masses was nonexistent.

Slow message delivery, imperfect and asymmetric information are causes of the ineffectiveness of intersupervisory organizations in the Chinese traditional central-local structure. It was very difficult to monitor lower levels of government. In addition, collusion in organizations undermined the political structure, which also leads to the growing distrust of Chinese bureaucrats and its leadership. For example, in the Ming dynasty, the growing distrust prompted emperors to ignore the formal intersupervisory organizations. Emperors had to respond to perceived corruption and conspiracy and extend the apparatus of control through spies and personal imperial agents.[254] Even Zhu Yuanzhang, the first emperor of Ming, sometimes conducted investigations himself, and to heighten the deterrence effect, he would let his officials know that they were being spied upon.[255]

The principal-agent structure and the chain-ganging system are incompatible. According to path-dependence theory, contemporary China's power structure and the state-society relations can be traced back to its political tradition. China after 1949 established a complex communist party and government administrative dual-power structure. However, the intersupervisory organization continues to be an institutional

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[254] Antia Andrew and John Rapp, *Autocracy and China's Rebel Founding Emperors*, (New York, Rowman& Littlefield Publishers, Inc, 2000), p. 57
[255] James Tong, *Disorder Under Heaven: Collective Violence in the Ming Dynasty*, (CA: Stanford University Press, 1991), p. 103

flaw in this structure. Further, this structure indulges collusion in organizations, which deteriorates trust in bureaucracy and undermines the system. Lord Acton (1834-1902) said, "Power tends to corrupt, but absolute power corrupts absolutely." This is well-known wisdom that has been quoted for centuries. Power should be supervised, but supervision may also lead to corruption. This phenomenon is called "collusion in organizations." Jean Tirole argues that in a vertical principal-agent structure, the principal is the owner of the structure; the agent is a party picking a productive action affecting the principal; and the supervisor as a party collecting information to help the principal control the agent. The organization, however, is a network of coalitions and contracts that interplay.[256]

In a multilevel power structure, agents at the middle level may have dual identifications. They are both agents and supervisors. Middle level agents then have common interest with their subagents (subordinates). The dual-identification makes it so that the middle level agent cannot be risk-neutral, and it may tend to form a coalition between itself and its subagents. Middle level agents will collude with subagents for shared interests. Subagents may bribe middles agents for personal ends, such as to get promotions or to escape from punishment. Middle level agents may manipulate information to cheat the principle, such as concealing or distorting existing evidence, even creating false information with those subagents.

Collusion is a critical flaw of China's multilevel power structure, although it exists in all types of institutions and polities. In the Western democracies, because of the independent judiciary, checks and balances, transparency, the freedom of press, those

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[256] Jean Tirole, "Hierarchy and bureaucracy, Collusion in Organizations," *Journal of Law, Economics, & Organization*, Vol. 2, No. 2, (Autumn, 1986), p. 182

external montiors play an important risk-neutral role to monitor the government. In the United States, the federal-state structure is not a principal-agent model. A state government in the U.S. enjoys more autonomy than a province in China. A state government has no responsibility to the federal government for any state affairs, such as contentious politics or local scandals. Due to federalism, the federal government has no power to appoint or punish a state official.

These are different from China's unitary power structure. During Mao's era, external supervision did not exist. Provincial governments, as middle-level agents, are not a risk-neutral agent. Due to the fragmental state structure, an intersupervisory system is not efficient. The communist party dominates the whole state apparatus. External supervision, such as a free press or independent social associations, are too weak to fulfill the monitoring function. The central government cannot get accurate information, and this is a result of lack of knowledge about the local political and social situation leading to the eruption of corruption and distrust. For instance, even Mao did not trust official information delivered by the local authorities. He sometimes let his secretaries collect local information secretly.

As Chapter 2 has discussed, there are four types of change agents in an institution: insurrectionaries, symbionts, subversives, and opportunists.[257] In the type of symbionts, officials that exhibit misconduct exploit an institution for private gains. Symbionts with collusion behavior thrive on and derive benefits from rules they did not write or design, using these rules in novel ways to advance their interests.[258] In the long run, Symbionts

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[257] James Mahoney and Kathleen Thelen, Explaining Institutional Change *Ambiguity, Agency, and Power*, (Cambridge: Cambridge University Press, 2010), pp. 23-25
[258] ibid.

will undermine the institution. Routine surveillance by a formal institutional procedure is costly, due to China's huge population and vast territory.

Citizens have better information about local governments and officials. Once a contention occurs for local government, it is hard to cover it up, and their misbehavior would be exposed. Through the Internet, eye-catching incidents will be widely spread in China, which cannot be ignored by the upper level government. The Internet protest has shown its powerful function of the fire alarm oversight. Contentious politics in the multilevel responsibility structure serves as this informal oversight mechanism.

Meanwhile, for fear of contentious politics, local government officials have to restrain themselves from any misbehavior. By the self-restraint mechanism, the multilevel responsibility structure could prevent endogenous subversion, especially it could prevent the type of symbionts from eroding the institution. Contentious politics therefore serves as a tool for the institutional self-enforcing mechanism.

The Legacies of Society's Check and Balance

Chapter 4 has analyzed that the multilevel responsibility creates space for the central government to distance itself from local contentious politics and to allow local governments to absorb the shock. This blame-avoidance structure provides political opportunities for contentious politics. It is the sufficient and necessary conditions that contentious politics can play the role of fire alarm for the Center to oversee local governments' behaviors. The Center, localities, and society formed a three-level state-society structure. This structure is similar to a principal, an agent, and a consumer three-level model. This structure formed a triangle checks and balances model. Peter Lorentzen

elaborates that, in this model, the agent is delegated to investigate whether the consumer should be allocated some good, such as a welfare check. The consumer, upon learning the outcome, can complain to the principal, potentially triggering an investigation.[259]

Society's check and balance is what Mathew McCubbins and Thomas Schwartz called "fire alarm monitoring." McCubbins and Schwarz argue that there are two mechanisms of oversight. The first is "police patrols oversight," i.e., routine surveillance by a formal institutional procedure. The second is "fire alarm oversight." It is an informal practice by involving individual citizens and organized interest groups to examine administrative decision. A "fire alarm" mechanism is less costly than it is to conduct regular police patrols, because citizens have better information about the occurrence.[260] Citizens have better information about the local governments and officials. The Internet protest has shown its powerful function of the fire alarm oversight. Contentious politics in the multilevel responsibility structure serves as this informal oversight mechanism.

In Chinese history, every dynasty had harsh punishment on corrupt officials. Those punishments were extremely brutal, for example, bloody capital sentence; humiliating dead bodies in the public; executing a corrupt official's entire family, even including all his relatives. Corruption and abuse of power, however, was pervasive. Rampant corruption and abuse of power, especially in the field of taxation and disaster relief, have driven many peasants to join rebellions. One of the important reasons is the malfunction of institutional routine surveillance.

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[259] Peter Lorentzen, ibid, p. 4
[260] Mathew McCubbins and Thomas Schwartz, "Congressional Oversight Overlooked: Police Patrols versus Fire Alarms," *American Journal of Political Science*, Vol. 28, No. 1 (Feb., 1984), pp. 165-167

Elizabeth Perry argues that the central elements in Chinese political culture have directly encouraged protest. [261] Chinese political theory—from Confucian notions of the Mandate of Heaven to Mao's theory that "it is right to rebel"—recognizes popular revolt as an expected expression of social grievances.[262] In addition, James Tong argues that under certain structural conditions, more people would choose to be outlaws and that in an agrarian economy and premodern polity, such behavior is a rational choice and consistent with the goal of survival.[263] Because society has better information about the local officials' behaviors and bureaucracy deviations than an inspector from an intersupervisory organization, public contentions often are caused by local state authorities misconduct. Contentious politics, therefore, is an effective social check and monitoring mechanism in the Chinese power structure.

Although Chinese political culture encourages contentions, it does not mean that the central government encourages social protest (except Emperor Zhu Yuanzhang and Chairman Mao). In fact, the autocracy and tyranny of premodern Chinese government cannot tolerate any social instability. In Chinese history, the government brutally repressed most social unrest. Before the Ming dynasty, social protest was prohibited. The Center-localities-society triangle checks and balances relation did not exist. Premodern Chinese government in most times did not provide a political opportunity structure for contentious politics, except during periods of the regime capacity decay and dynastic decline.

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[261] Elizabeth Perry, *Challenging the Mandate of Heaven: Social Protest and State Power in China*, (NY: M.E. Sharp, 2002), p. ix
[262] Elizabeth Perry, (2010), ibid, p. 27
[263] James Tong, p. 95

Until the Ming Dynasty, the state had recognized and legitimized contentious politics. The recognition of contentious politics and legalization has become a political tradition continued to today. Allowing a certain degree of social protest became an important political legacy, which continues to shape China's politics today. Zhu Yuanzhang, founder of the Ming dynasty, was born and grew up at the bottom. He established the Ming dynasty by peasant uprising. His personal life and revolutionary experience made him realize that self-discipline and bureaucratic internal supervision were unable to restrain officials' misconduct and to maintain the regime's stability. In order to establish a special system of supervision under his personal control, he was the first emperor in Chinese history that incorporated public supervision and contentious politics into the political system. From Zhu Yuanzhang's view, three social groups caused social unrest: officials, the rich, and vagrants. Emperor Zhu believed that government officials' misconduct and the rich's illegal business would undermine the imperial system. Rebellion was not people's first choice, but they felt so desperate that they had to.

In order to harshly punish corrupt officials, Zhu Yuanzhang compiled the *Great Warnings*, which had been the most rigorous code especially for government officials since the Qin Dynasty. The *Great Warnings* was the first government official document which legalized popular protest of the misconduct of local state authorities. It was perhaps the most politically significant form of empowerment offered in the *Great Warnings,* since it armed commoners with imperially sanctioned authority to report on the officials of their locale and to perform a unique form of "citizen's arrest" in which they brought local oppressors directly to the central authorities for prosecution. The founder also offered the promise of unimpeded travel to the capital for all those

commoners who served the state in this capacity.[264] Zhu Yuanzhang ordered that if anyone tries to stop "citizen's arrest." his entire family would be sentenced. Even the ordinary people would be punished, if he did not report or arrest local corrupt officials. Therefore, in a certain period, the way to the capital city was full of ordinary people who arrested and escorted misconducting local officials to the central authorities for prosecution. Zhu Yuanzhang also called upon the citizens of rural society, particularly the villages to take charge of reforming their own communities from the inside out, and he empowered the village elders and other local "worthies" to bypass the traditional bureaucratic apparatus as a safeguard against further official abuse.[265]

Although the *Great Warnings* was too harsh to be implemented after the death of Zhu Yuanzhang and it was terminated thereafter, this sort of controlled small-scale contentions, as a political legacy, continued to today. Only if the target is kept locally, the central government will tolerate this kind of peaceful collective petition. This political legacy, for example, to bypass the bureaucratic apparatus to express grievances, is the original of erupted petition events in Beijing today.

Although the Ming dynasty provided a political opportunity structure and legalized this kind of social power, popular contentions were limited locally and at a small-scale degree. The Imperial autocracy system cannot tolerate any large-scale social unrest. However, the political legacy of contentions from the Ming dynasty influences modern China's politics and state-society relations.

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[264] Antia Andrew and John Rapp, ibid, pp. 66-67
[265] ibid, p. 62

Fire Alarm Monitoring

As I mention above, imperfect information and bureaucratic collusion would lead to the ineffectiveness of intersupervisory organizations in an institution. In democracies, freedom of press and election could remedy this institutional defect. In China's authoritarian polity, the media enjoy more freedom than in Mao's period, but it continued to be controlled by government. In some cases, even supervisors have been involved in organizational collusion. Therefore, a formal intersupervisory system is not only costly, but also inefficient. Under this circumstance, the fire alarm monitoring mechanism plays an important role in the multilevel responsibility structure. The multilevel responsibility structure provides political opportunities for citizens' political participation, from individual petitions to large-scale contentious politics.

For the central government, not only can they stay away from contentious politics, but also can pass blame to local governments. Contentious politics exposes the misbehavior of local authorities and officials. The central government can obtain more accurate information about local situations in time, since it is hard to cover up a large-scale contention. Through maneuvering "good cop and bad cop" and "throwing good money after bad" strategies, the central government can either punish those misconduct officials or adjust policy. No matter what strategy the central government uses, the Center gains credits and local governments undertake blame. As a result, contentious politics in the multilevel responsibility structure does not hurt the political stability; instead, it helps to undergird the regime.

Lured by promotion and threatened by disciplinary measures, middle-level governments are unwilling to cover up their subordinates' misconducts, nor is that

necessary. Therefore, on the one hand, contentious politics, as a fire alarm oversight mechanism, can check and expose misbehavior of local authorities and officials. Cai points out that protesters can highlight the multiple acts of misconduct of local officials, their serious misconduct, or even their crimes. As a result, "if local officials fail to address citizens' grievances or try to repress their demands, the citizens can reveal or threaten to reveal local officials' other types of malfeasance to upper level authorities."[266]

On the other hand, the pressure of contentious politics and threat of disciplinary measures forced the local governments to improve their public administration and to self-restrict their personal behavior. If the protests were triggered by official corruption or misbehavior, the government would dismiss or discipline those officials. As Chapter 5 has mentioned, after any vicious riots, all government officials were required to discuss lessons from these incidents in order to avoid them from happening in the future. It is CCP's tradition of "alerting education."

The responsibility system partially solves the problem of collusion, which is a critical flaw of the chain-ganging system. Contentious politics is a mechanism through which the Center can monitor and check local governments' behaviors. Contentions in China are usually triggered by officials' misbehaviors or scandals. Once a contention occurs, it brings hidden corruptions to be exposed. Media exposure of the contention can generate huge pressure on governments, especially some protests with casualties and a large number of participants. Fearing the hazards of social protest, the upper level authorities would pay more attention to deal with a protest and to appease the angry protestors immediately. Whether or not a protest can be handled appropriately, to a large extent, determines the future careers of local officials.

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[266] Cai, 2010, p. 10

This section elaborates how contentious politics functions as fire alarm monitor from contention cases of land dispute, corruption, and poor quality of local governance. First, in Chapter 4, Table 4.1 shows that from 2003-2010, there were 37 cases in which government officials were disciplined, which consists of 6.8 percent of the total 548 cases. From Figure 4.4, we can see that the percentage of disciplining officials in this type of disturbance and land-related contentions are higher than other types of contentions. Among those types, disciplining officials in land-related contentions is of the highest percentage (32 percent), and disturbance is of the second highest percentage (26 percent). It means in the field of land use and police law enforcement exist serious official misbehavior, even corruption and crime. According to Cai, an official of the Ministry of Land and Resources acknowledged in 2006 that "almost all serious law violation in land use involve local government or the leaders." Local governments were responsible for 80 percent of the land illegally taken.[267]

Lured by huge interests, land use cases usually involve many officials. Scandals in land use usually are associated with group corruption. Therefore, collusion in organizations makes it difficult to discipline an official, especially punishing a higher official. Cai points out that from 2000 to 2004, 616,360 cases of law- or regulation-violating cases were investigated, but only 4,705 people were disciplined by the party or the government, and just 521 people were tried in court for their corruption in land use.[268] In some cases, local government officials, police, even local court judges are all involved in. Group corruption and collusion in organizations will not only hurt local people's

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[267] ibid p. 58
[268] ibid

interest, but also will destroy political trust and will subvert political stability within the institution in the long run.

However, once a corruption of land use has triggered a large-scale contention, the collusion in organizations will be broken. This is because it is hard to cover up and conceal a large-scale protest, thereby exposing scandals. Under the pressure of public opinion, upper level governments cannot pretend they do not know. Contention politics, as a role of fire alarm monitor, forces the local government to have to respect local people's interest. For example, the Jiahe incident, which was discussed in last chapter, shows that with the intervention of central government, the local government had to compensate those relocated residents and release those residents who were arrested for fighting against demolishing. Similarly, the case of the Dongzhou Incident, Shengyou Incident, and Zhuanghe Incident can illustrate how contentious politics functions as the role of fire alarm monitor.

The Dongzhou Incident was the first time since 1989 that the government opened fire during a contention. The bloodiest land protest during 2003–2010 occurred in Dongzhou village, Shanwei County of Guangdong Province. The electricity plant built in 2002 occupied a large land area in Dongzhou village. The villagers believed that they were not properly compensated and protested. They built sheds outside the factory and attempted to stop the construction. The police arrested three villagers during the effort to demolish the sheds, which escalated the protest and the rank of protestors soared to several thousand. Armed police was dispatched. Tear gas was used to dispel the crowd and the riot became violent in December 2006. Villagers blew away the power station's equipment and threw fire bombs to the police. The police first opened fire into the air.

However, because of the chaos at the scene, nobody heard the shots fired and they continued to attack the police. In order to defend themselves, armed police fired at the protestors and resulted in several deaths and injuries.[269] Several major leaders of the Shanwei City received disciplinary measures.[270]

The Shengyou Incident was another violent contention of land dispute. Shenyou village in Dingzhou County is located close to a newly built electricity plant and 63 acres of land was designated to be the coal ash storage plot in 2003. However, the villagers had not reached an agreement with the electricity plant on the price of the land, and kept interrupting the operation of the project. The villagers built 300 temporary sheds on the spot and determined to have a long-term confrontation with the plant. In 2005, with the support from the local government officials, the developer organized more than 300 gangsters and attacked the villagers. Six villagers were killed. Then villagers started to fight back. The scene was very violent.[271] The government arrested the core members of the gangsters and decided to find other slots for ash storage.[272]

The Zhuanghe Incident occurred in Dalian City. On April 13, 2010, thousands of villagers protested in front of the Zhuanghe City government in Liaoning Province, demanding the investigation of corruption in the local land requisition. Villagers asked the mayor to come out and receive their petitions. The mayor did not come out. Then most of the villagers knelt down in front of the government building, claiming that they would not stand up if the mayor did not come out. However, the mayor continued to be absent. The photos of villagers kneeling down were circulated on the Internet and caught

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[269] http://www.asianews.it/news-zh/91-4846.html
[270] Personal interview.
[271] http://news.sina.com.cn/c/2005-06-13/02146151628s.shtml
[272] http://news.sohu.com/20050720/n226385274.shtml

the public attention nationwide. Kneeling down is the political tradition when people beg the government for help. If the major local leaders remained absent from the scene, this would seriously damage the legitimacy of the regime. The mayor of Zhuanghe City was forced to resign because he was considered having violated moral conduct.

These three cases suggest that land dispute usually involved rent seeking. Local governments usually have close ties with these companies; they tended to turn a blind eye during the disputes and even acquiesced violent solutions. At the beginning of the land dispute, peasants sent letters to government agencies about their grievances but no response came. In the absence of a representation system like in democracies, the peasants had to protect their interests by the use of contentious politics. The media love those eye-catching violent contentions with casualties, especially exposed by international media. The Chinese government under huge pressure has to investigate and appease those incidents as soon as possible. Scandals then were exposed and officials were disciplined. When those incidents ended, the central government would educate all government officials to get lessons from these incidents to avoid them from happening in future. Punishing government official gains credits.

Second, disturbance probably is the most eye-catching of contentions. Disturbance engages violence, property, and facility damages, sometimes with casualties. Once a disturbance occurs, it will be nationwide news. Scandal, corruption, and poor quality of local governance usually trigger disturbance. According to 2003-2010 data in this dissertation (Table 6.1), there are a total of 61 disturbance cases. Less developed local economy regions tend to have disturbances. Table 6.1 shows that 37 out of 61 incidents

(60 percent) erupted in less developed areas. Their per capita GDP was both below the provincial and national levels in the year the incidents occurred.

Those regions are usually in undeveloped inland provinces and transportation is not convenient. They are undeveloped because of low educational levels and less resources in hand. Because of the absence of other recourses and opportunities, local officials tend to engage in commercial activities for personal profit. Generally, official corruption is rampant in this region. Corruption and poor quality of local governance not only subvert the institution, but also destroy political trust and damage legitimacy. However, routine surveillance by a formal institutional procedure for those regions is much costlier than developed areas. As a proverb says, "the mountain is so high and the emperor is far away." For example, the Sichuan Dazhu Incident, Hubei Shishou Incident, and Hainan Ganchen Incident are all caused by this reason.

Dazhu is a county in Sichuan Province. In the early morning of December 30, 2006, the police station in Dazhu County received a report from a luxury hotel, saying that one of their female employees had died of unknown causes. On January 15, unhappy about the clueless investigation, family and friends of the dead started to appeal to the public to put pressure on the government. Rumors online had this story: Three high ranking officials from the provincial government, who were good friends of the hotel owner, came to the hotel to drink. They forced the female employee to drink with them. Then they raped her to death. All these criminal acts were covered up by the local government. Enraged by the rumors, crowds sieged the hotel and broke the windows, then set the hotel on fire. Tens of thousands of Dazhu citizens stood by and watched. The fire was finally put out by firefighters after two hours.

On January 22, the Mayer of Dazhu County promised to publicize the investigation result. According to the investigation, the waitress fainted in the hotel because of a combination of chronic pancreatitis and acute bleeding. Three male employees took her home and one stayed to care for her. The one who stayed then raped her. He then found that her face was pale and lips turned purple. The waitress was sent to the hospital and died there. The male employee was arrested for rape. As a piece of background information, the director of the local police station owned this luxury hotel. In a less developed county, that a director of a police station could own a luxury hotel worth one million dollars is outrageous. This is why the local population was so angered by government and police corruption.

Another disturbance case occurred in Weng'an County in Guizhou Province. On June 22, 2008, a teenage girl drowned in a river while she was hanging around with three other teenagers. The girl was from a poor peasant family and her parents refused to accept the police conclusion that their daughter committed suicide for no apparent reason. Several biopsies were performed by different agencies and the conclusion remained that the girl was drowned. Then a rumor started to circulate that she was raped. This soon turned into a riot with tens of thousands involved. The participants believed that the government was trying to cover up the rape case for the probable reason that some government officials were involved in the rape. The burning and looting lasted for about seven hours; county government headquarters were destroyed and the police station was smashed. About 150 people were injured during the incident. The incident caught the attention of General Secretary Hu Jintao who made several instructions for the resolution of the riot. The Minister of Public Security, Meng Jianzhu, led the entire operation to quell the riot on the

phone.

During the entire riot, various rumors circulated like crazy. One rumor said that during the college entrance examination, a student sitting behind the girl demanded a tip for the questions and the girl refused. Then that student asked the girl out on June 21 and raped and killed her. Another rumor said that the deputy mayor's son and another teenager who also had a strong family background raped and killed the girl. The third rumor said that the victim's uncle went to the police station to report the case, but was badly beaten by the police and then the police used the mafia to beat her uncle to death.

The truth is that the girl was a 16-year-old middle school student. She did not take the college entrance examination. The teenagers she hung out with were her friends and none of their families have any official connections. The girl's uncle was beaten by some unidentifiable people but he was sent to the hospital by the police and he was released by the hospital later.

This incident became a nationwide sensation thanks to the Internet. The development of the Internet has provided a strong platform for the dissemination of information. The Internet and cell phone messaging has become the channel for the rumors. Only one hour after the incident broke out, photos and videos were circulated online. Rumors, therefore, snowballed to all corners of society.

The Shishou Incident was similar with the Dazhu Incident. In Hubei Province. On June 17, 2009, a worker was found dead in front of the hotel where he had been working. The police determined that it was a case of suicide. However, the relatives and the public were not convinced. There was a similar case ten years ago in which a waitress was also dead in front of the hotel. There was deep public suspicion about the background of the

hotel. On June 18, the hotel issued a small amount of compensation and asked the family to accept the suicide conclusion. The hotel also threatened that it would cremate the dead body, but the victim's family refused. The same day the police tried to send the body to the cremation site by force. Sympathetic crowds blocked police effort to remove the dead body, which led to a large-scale riot.

The government then dispatched a large amount of police forces to the hotel, with armed police, antiriot, and firefighting vehicles. Some protesting citizens were arrested. Contrary to the government expectation, the riot did not quell down, but the enraged crowd escalated the riot. More and more people flooded to the street and confronted the police. Rumors about more bodies being found in the hotel were rife, fanning the imagination of the crowd. Rioters burned the hotel and police vehicles and injured some police officers. The incident lasted for more than 80 hours with several tens of thousands of participants. This is the social disturbance with the most participants since 1989. In the end, because the scale of the riot was so large, both the central and provincial governments dispatched envoys to the scene, promising to investigate the incident and let the public know the truth. The crowd gradually dispersed.

A more brutal riot occurred in Gancheng town in Hainan Province. It was a vicious riot caused by the improper handling of a dispute by the local police. On March 23, 2009, two middle school students had a physical fight. One student was from Gancheng Village. The other was from Baoshang Village. The relatives of the student from Gancheng Village went to the Township government demanding the punishment of the student from Baoshang. Failing to get what they were demanding, the angry villagers smashed the township government, burning the vehicles and buildings. Then the mob

turned to the border patrol police station located just opposite to the government building, throwing gas bombs to the buildings, police cars, and some of the confiscated smuggled goods. After that, the mobs went to Baoshang village, smashing a hotel in the village. The villagers from Baoshang then started to launch a counterattack. Several thousands of villagers had a large-scale rumble, resulting in one death and six injuries.

The next day, Dongfang City dismissed the director of the local police station for mishandling the incident. Later, Dongfang city government found that in Gancheng Town, small gambling casinos were everywhere. The director of the police station had owned the biggest casino in this town. However, the dismissal did not calm down the situation. Gancheng villagers launched an attack on Baoshang village again. This time, a Gancheng villager was beaten seriously after being caught throwing a gas bomb. The third day, Baoshang villagers intercepted a truck owned by a Gancheng villager and burned it. This triggered a second round of large-scale rumbles. Thousands of villagers threw bricks, rocks, and gas bombs at each other. Routine life was disrupted. Shops and schools were all closed. The police finally stopped the fight. The riot police were stationed in Gancheng Township for more than a month to ensure the peaceful resolution. This incident was not caused by unnatural death of any sort. It was triggered by a seemingly innocent fight among teenagers. However, the mishandling of the incident led to the most vicious incident.

From the four cases, this dissertation finds that the four regions are in a low level of economic development. Table 7.1 shows the four region's economic situations. According to Table 7.1, GDP per capita in the four regions were lower than their provincial GDP per capita respectively. Furthermore, GDP per capita in the four

provinces was lower than national GDP per capita.

Government officials in less developed regions tend to engage with commercial activities for personal profit. Especially, formal routine surveillance is inefficient, which indulges those government officials unscrupulously in illegal business. All the four cases engaged with officials' commercial activities with violating government rules. For example, the director of the police station in the Dazhu owned the luxury hotel. In the Shishou case, some government officials had invested the restaurant. Even the police director engaged in the illegal gambling business in the Gancheng case.

The Weng'an case was associated with the government–business under the table deals. Corruption in the form of government-business collusion, such as secret deals and bribes, are more harmful to political stability than those government officials' involved in small private business. In fact, in the Weng'an incident, the death of the girl was only a blasting fuse to trigger the disturbance. The truth was that Weng'an government invited a mining company to invest in a local copper mine. Residents in the mine area were forced to relocate. A lot of small conflicts between the mining company and local residents occurred. However, the government supported the company. Rumors said local officials got a lot of bribes from the company. Local people sent letters and staged petitions to the upper government but no response. Local complaints and blame were growing and the girl's death, as an independent accident, sparked public outrage, and then disturbance occurred.

With the central government's intervention, the Weng'an Incident ended with disciplining local officials and compensating local residents who were forced to relocate. Even the Provincial Party Secretary apologized to the public. Under the circumstance of

the malfunction of institutional routine surveillance, contentious politics, in the role of fire alarm monitoring, delivered local information to upper government. In the multilevel responsibility structure, although disturbance led to property damages, contentious politics functioned its society's check and balance to local government. The central government can restrict those endogenous subversions to destroy political stability, but also gain credits.

Third, for formal routine surveillance, it is hard to monitor the quality of local governance. Although citizens can appeal by formal procedure, it is a slow process. Supervisors usually close eyes on their subordinates' minor mistakes. However, citizens cannot bear poor quality of local governance for the long run. In recent years, city management officers' use of coercive force caused public complaints. Several disturbances were triggered by this poor quality of city management and other local governance.

The Zhengzhou Incident is a disturbance triggered by city management officials' inappropriate use of coercive force. On June 6, 2007, the city management of Zhengzhou City was cleaning up the illegal stalls on a major street and had a confrontation with a stall owner. Dongfeng road is located at the intersection of several universities in Zhengzhou. It was always crowded with stalls that did not have valid licenses. Some college students from a humble family background liked to set up temporary stalls to sell petty crafts to subsidize their studies. When the city management was trying to clean up the illegal stalls, they had a dispute with a female student, which turned into physical pushes and shoves. The city management staff hit the student and broke her teeth. Other male students then called the ambulance and escalated the fight. One student used a brick

to attack the city management staff, and soon attracted a huge crowd of onlookers.

The police came in and took both the city management staff and involved students into the police car. The crowd thought that the police should punish the city management staff on the spot, but saw them being taken into the car instead. The weather was hot. So the crowd shouted "don't let them sit in an air conditioned car, get them out!" The normal police procedure enraged the onlookers and turned the incident into a riot. Students overturned the vehicles of the city management. The police tried to separate the crowd from the police cars but failed. Then the police arrested the students who tried to overturn the police car. For this reason, the crowd surrounded the police car and chanted "release the students, release the students." In the end, the police released the students on-site under pressure. The gathering crowd stayed on until midnight.

Another two cases were triggered by brutal enforcement of regulations on the one-child policy. In the 2003-2010 data, there were two incidents protesting against the brutal measures to enforce the family planning policy by local governments of Bobai County and Rong County in Guangxi Province. China had adopted a one-family-one-child policy since 1979 in order to control the fast growing population. Successful implementation of this policy has become one of the evaluation measures for local government performance. Bobai county government was under great pressure to control its population growth, as the county population had grown from 490,000 in 1949 to 1.6 million in 2002. The local governments used very harsh measures to enforce family planning, imposing huge amount of fines on violators. If the farmers were unable to pay the fines, the authorities would confiscate their property. On May 17, 2007, the township government officials had a conflict with a household who failed to pay the fines and got into a physical fight. The

villagers went to the township government to protest. Farmers from other townships also followed suit and a large-scale riot broke out.

In the following days, six other townships had mass sieges of local government buildings. There were about three thousands participants at its peak. They started to destroy government building, gates, office equipment, and official files. A few participants also burned government vehicles. The demonstration effect of the Bobai incident caused a chain reaction in its neighboring Rong County. Tens of thousands of farmers gathered and started to attack local governments and their buildings. In the end, the upper level government had to send a work team of 2,000 officials to explain the family planning policy and to calm down the popular rage against harsh implementation of the family planning policy.

As mentioned earlier, in the government bureaucracy under China's authoritarian regime, government officials usually ignore individuals' complaints or appeals. Formal routine surveillance has malfunctioned in monitoring the quality of governance. Because citizens live in this environment every day, citizens suffer from poor quality of governance, and then they will blame government. In the long run, it is a strong exogenous force to challenge political stability. Contentious politics triggered by this reason will be sympathized by public opinion. Although poor quality of governance is not like Mahoney and Thelen's argument on symbionts, which using rules in novel ways to advance their interests, it is an endogenous subversion to erode political stability within the institution.

In the Zhengzhou Incident and the two anti-one-child police cases, those people who suffered from coercive force were the low class poor. In fact, in 2003-2010, there were 9

cases triggered by city management officers' inappropriate use of coercive force. Public sympathy and participants in those disturbances were a strong signal that it is necessary to improve the quality of governance. The multilevel responsibility structure has a set of comprehensive annual evaluation systems with detailed criterion. If the misconduct of the officials leads to the outburst of mass incident or the officials mishandled the mass incident, they would be held accountable. Under the pressures of discipline, contention politics forces the local government to improve its quality of governance.

Conclusion

This chapter has argued that the multilevel responsibility structure provides an informal mechanism for the central government to monitor local governments. Contentious politics will play the role of fire alarm monitor. Grass-roots contentious politics forces the multilevel responsibility structure to function as a self-sustaining institution. Contentious politics in the multilevel responsibility structure can be used as positive tools to restrict endogenous subversion.

China has established market economy frameworks after three decades of reform. Monitoring local officials remains a critical task. China has a vast geographical territory and a huge bureaucratic system. Therefore, formal routine surveillance procedure is costly. Contentious politics thus serves as an effective fire alarm system to monitor and check the local officials' misbehavior. It is also an officials' self-restraint mechanism.

Contentious politics in China are usually triggered by official corruptions or poor quality of local governance. Once a protest erupts, it brings the hidden corruption into the open. Media exposure of the protest can generate serious pressure on governments,

especially some protests with casualties and a large number of participants. For fear of the hazards of social protest, the upper level authorities would pay more attention to deal with a protest and to appease the angry protestors immediately. Whether or not a protest can be handled appropriately, to a large extent, determines the future careers of local officials.

As a fire alarm monitoring mechanism, contentious politics is not only a mechanism through which the Center can monitor and check local governments' behaviors, but also a policy error fire alarm and a sort of officials' self-restraint mechanism. Through this mechanism, China's authoritarian regime then can facilitate measures to eliminate endogenous subversion and absorb exogenous challenges. For example, the Shishou Incident in 2009 pushed the final establishment of the multilevel responsibility system.[273]

Formal routine surveillance procedure usually malfunctions in less developed regions. Therefore, contentious politics in those regions plays an important role as fire alarm. The multilevel responsibility structure provides political opportunities to society. It is rational that people uses contentious politics to vent their resentment. It delivers a strong signal that upper level government should take care of local people's interest and punish corrupt officials. Local governments should improve quality of governance. Otherwise, rampant corruption would destroy political stability. Disturbance usually ends up with disciplining government officials. On the one hand, society and public opinion support this disciplinary measurement. On the other hand, those disciplinary measures will warn government officials in other regions that they should respect local people's interest. The

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[273] Central Committee of the CCP and the State Council, "Provisional Procedures on the Responsibility System of Leading Party and Government Officials," (July 12, 2009)

pressure of contentious politics pushes local governments to improve the quality of governance, which would facilitate the political stability in the long run.

Table 7.1 Disturbances in Dazhu Weng'an, Dongfang, and Shishou. Differences in GDP Per capita
Note: The per capita GDP (county, provincial, and national) is the figure of the year when the protest occurred. (Source: *China Statistical Yearbook*, various years)

Location	Year	Per capita GDP	Provincial Per capita GDP	National Per capita GDP	+/- Provincial	+/- National
Dazhu	2007	9154	12997	20169	-3843	-11015
Weng'an	2008	6000	9904	23708	-3904	-17708
Dongfang	2009	15625	19150	25608	-3525	-9983
Shishou	2009	10591	22659	25608	-12068	-15017

CHAPTER 8

POLITICAL   EQUILIBRIUM

Rational choice institutionalism theories argue that a robust institution is a self-enforcing equilibrium structure. [274] This chapter discusses how the multilevel responsibility structure avoids disequilibrium. After the 1994 tax-sharing reform, the central government decentralized administrative power to locals, but it recentralized fiscal power back to the Center. Through controlling the overwhelming fiscal power and cadre appointment system, China's central government reasserted its ultimate authority, which can over-dominate locals. Such disequilibrium will evolve into endogenous subversion to undermine China's authoritarian regime in the long run.

The multilevel responsibility structure has a "hidden contract," which is that the central government "rewards" the local government to undertake blame on its policy error. Therefore, lower level governments can use contentious politics as leverage to strengthen their bargaining power with upper level governments. Those exogenous challenges and endogenous pressures will force over-dominant power back to a second-best equilibrium. Transferring resources to local governments then can avoid power

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[274] Kenneth Shepsle, "Rational Choice Institutionalism," *The Oxford Handbook of Political Institution*. Oxford University Press, 2006, pp. 23-39

disequilibrium. This chapter discusses *Hypothesis 4: the multilevel responsibility structure can avoid power disequilibrium*.

This chapter has three sections. The first section illuminates the relationship between administrative compliance and guerrilla government. Although guerrilla government exists in a long term, the 1994 tax-sharing reform pushed the lower level government to use this tactic for protecting local interests. The second section adopts game theory to discuss how, in the multilevel responsibility structure, lower level governments adopt contentious politics as leverage to bargain with upper level governments. The third section offers concluding remarks.

Administrative Compliance and Guerrilla Government

Guerrilla Government: The Rationale

Administrative compliance plays a primary role in an institution. Reward and punishment are two ways of ensuring administrative compliance. Lower level authorities should have a certain degree of autonomy; otherwise they will lose incentives to perform. However, too much autonomy for the lower level government will undermine the upper level authorities' power. The balance between dominance and autonomy will influence the stability of an institution.

Because of the fear of punishment, the lower level governments would have to comply with upper level governments' over-dominance. However, lower level governments could defy the upper level government through informal methods. Guerrilla governance is then a rational choice for the lower level governments to disobey their supervisors. Guerrilla government refers to "a form of dissent typically carried out by

those who are dissatisfied with the actions of public organizations, programs or people but who typically, for strategic reasons, choose not to go public with their concerns in whole or in part."[275] More simply, it is ostensible obedience. Guerrillas run the spectrum from democratic to authoritarian, including members of a totalitarian polity. It is a normal and persistent bureaucratic and organizational behavior in any hierarchical institution.

Rosemary O' Leary argues that most guerillas' work outside their agencies provides them a latitude that is not available in formal settings. Guerrilla activity is a form of expressive behavior that allows them leverage on issues about which they feel deeply. For others, guerrilla activity is a way of carrying out extreme views about pressing public policy problems… Guerrillas run the risk of being unregulated themselves. Sometime they fail to see the big picture, promoting polices that may not be compatible with the system as a whole.[276]

Guerrilla governance is a strategy that employs tactics to challenge administration compliance. Lower level governments may manipulate counteragency agendas to protect local interests. In federalism like the U.S, the relationship between the federal government and state governments is shaped and restricted by the Constitution. Theoretically they have no affiliating relationship. The federal government cannot intervene in state public affairs with administrative power. In contrast, in China's authoritarian unitary polity, the provincial party chief and governor are appointed by the central government. The central government dominates local governments by controlling the cadres system. Lower level authorities must obey the rule of administrative compliance even to the extent of sacrificing some local interest. Local governments are

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[275] Rosemary O'Leary, *The Ethics of Dissent, Managing Guerrilla Government*, (Washington DC: CQ Press. 2006). p. xi
[276] ibid, p. 6

in a weak position to bargain with upper level authorities for more local gains. Open defiance will be impossible and will not be an option.

The Tax-Sharing System and Guerilla Governance in China
The Tax-sharing System Reform and the Changing
of Center-local Relations

Generally, China's fiscal system is a typical one like most other countries: the central government takes over most of the taxes and then transfers some back to locals according to expenditure needs. From 1949-1980, China's fiscal system was highly centralized. Since the absence of fiscal autonomy, local governments had no motivation to promote local economy. For example, while Shanghai gave up 80-90 percent of its collected revenues, Guizhou was able to finance more than two-thirds of its expenditures from central subsidies.[277] In this circumstance, China' central government launched a fiscal reform in the 1980s. It was fiscal decentralization reform and then it established the tax-contracting system. Through this system, the central government contracted a fix yearly revenue remittance ratio to provincial governments. Local governments can keep the rest of the revenue after remitting the central government's portion.

This fiscal reform adjusted revenue-collection and expenditure relations between the central government and local governments. After the establishment of a tax-contracting system, local governments enthusiastically began to protect and maximize local interests. In this system, provincial governments, as agents, collected revenue firstly and then

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[277] Christine P.W. Wong, "Central-local Relations Revisited: the 1994 Tax Sharing Reform and Public Expenditure Management in China," Conference paper for "Central-Periphery Relations in China: Integration, Disintegration or Reshaping of an Empire?" Chinese University of Hong Kong, (March 24-25, 2000).

remitted to the central government by a fixed ratio. This system stimulated local governments' motivation to develop local economy, which accelerated the transformation from a planned economy to a market one.

National GDP increased after the reform, but this fiscal system caused serious problems and tensions between the Center and locals. First, provincial government used various ways to hide the real total revenue, such as misappropriation of funds or accounting fraud, because the less the total revenue was, the less money was remitted to the Center. Second, poor provinces used the same way to show its deficit and asked for more transfer funds. Third, because the central government did not have its own independent tax collection agencies (like the IRS in the U.S.), it had to rely on local tax bureaus to collect tax. Rich provinces controlled the biggest portion of annual revenue, which would be a huge challenge to the Center's authority.

In the period of 1980-1993, the Center was in a huge fiscal deficit situation, while on the one hand, rich provinces were not willing to transfer revenue to the Center. On the other hand, poor provinces were in serious deficit and needed the Center to bail them out. The Center was trapped by the contracting system, leading to the central governmental revenues to the ratio of total revenue or GDP continually declining. According to statistics, the central revenue as a percentage of total revenue had fallen from 34.8 percent in 1985 to 22 percent in 1992.[278] The year 1988 was the most difficult time for the central government. National Treasury even had not enough funds for the military. The central government had to allow the military to raise money itself by engaging in commercial business, such as mining, running department stores, even engaging in illegal

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[278] Su Ming and Zhao Quanhou, "China's fiscal decentralization reform," research report for The Research Institute for Fiscal Science, China National Ministry of Treasury.

smuggling.[279] Later, that military involved in business began to subvert political stability. Jae Ho Chung argues that the highly profitable "military-run businesses" that spread to every province considerably strengthened the military's financial ability. Subsequently, it was feared that Beijing's loss of control over local military forces would lead to their collusion with regional authorities to obtain more autonomy from Beijing.[280]

Under this circumstance, China was in a "weak Center, strong local" imbalance of power situation. Vertically, at the beginning of every fiscal year, the central government had to bargain with those rich provinces about the ratio of revenue remittance. Shanghai and Guangdong had strong bargaining power with the central government. The central government had to "borrow" money from rich provinces. Wang Shaoguang argues that China was in a weak state capacity during this time.[281] Horizontally, provinces were in the "Matthew Effect" where rich provinces became more and more rich, but poor provinces became more and more poor. The gap between rich and poor provinces was widened sharply. It was another imbalance among regional development. This political disequilibrium threatened China's political stability.

In order to recover the central government's ultimate authority, China launched the tax-sharing system reform in 1994. The new fiscal system includes the following: 1) tax is categorized into national tax, local tax, and shared tax. The boundary among the three categories is clear. For example, as the largest part of the entire tax, the enterprise value added tax (VAT) is distributed to the Center (75 percent) and local government (25 percent). By this distribution, the central government extricated itself from the revenue

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[279] Zhang Zhen, *Zhang Zhen Memoir*, The PLA Press, 2003, p. 410 (General Zhang Zhen was former Vice-Chair of China Central Military Commission)

[280] Jae Ho Chung, "Central-Local Dynamics," in Heilmann and Perry, ibid, pp. 309-310

[281] Wang Shaoguang, *The Bottom Line of Decentralization*, (Beijing: China Planning Press, 1997)

deficit and provincial governments' strong bargaining position. 2) The organization of tax bureaus was divided into the State Tax Bureau system and the Local Tax Bureau system. The central government has its own tax-collection organizations and independent accounting system. It does not need to rely on local organizations to collect tax and remit any more. Local authorities cannot and did not need to use accounting fraud to hide its real revenue. 3) Establish a clear responsibility for fiscal expenditure. For example, local public security expenditure is supported by local revenue. The central government is responsible for the armed police's daily expenditure. Except when the central government orders it, if the local government needs to deploy armed police to maintain local protests or disturbances, all costs lead to local governments' expense, even including meal and lodging fees during this period. The central government will not pay it.

The 1994 tax-sharing reform is a recentralization reform essentially. The reforms allowed the central government to reclaim some of the lost ground in revenue collection. Through the tax-sharing system, the central government dominates most tax money and revenue. Inland provinces' financial expenditures have to be subsidized by Transfer Funds from the National Treasury. Today, while localities allocate 70 percent of expenditures, they collect only 51 percent of revenues, 60.2 percent if we take extra-budgetary inlays into account.[282]

From 1978-1995, the central government revenue continued to decline. The Inflexion Point was in 1996.[283] It means the national revenue-decline reversed from 1996. In only one year, the central government extricated itself from an embarrassing situation through the tax-sharing reform.

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[282] Su Ming and Zhao Quanhou, ibid, p. 14
[283] Christine P.W. Wong, ibid

Although this reform reverses the bargaining position between the central government and provinces, it did cause another problem of political disequilibrium. The expansion of revenue for the central government means the reducing of local revenue. With socioeconomic development, local expenditure also expands. The central government seizes most of the total revenue. Local governments' fiscal situation deteriorated. As In the first year of tax-sharing reform, the increasing of local expenditure exceeded the increasing of revenue. And the deficit was more and more serious.[284] The tax-sharing reform only adjusted the taxation relation between the Center and provincial governments, but this reform and system did not apply to provincial and lower level governments. That is, in a province, province government revenue relies on the remittance from lower level governments.

In order to make up the deficit, local governments have to squeeze lower level authorities level by level. For example, province governments squeeze county/city governments. County/city governments squeeze townships and townships switched the financial burden to peasants. Those financial burdens caused the wave of tax-riots in the end of the 1990s, which finally caused the bloody Fengcheng Incident that I mentioned in Chapter 6. Some types of contentious politics also originate from this situation. For instance, in today's China, local government over-relies on land sales to make up their expenditure, which leads to over-expansion of commercial real estate. Compensation disputes of land use and relocation became one of the important reasons to cause popular contentions. According to my data, from 2003-2010, in 548 large-scale social protests, land-related protests are 88 cases. The percentage of land related protest is 16 percent

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[284] Su Ming and Zhao Quanhou, ibid

(Figure 5.2), and from 2009-2010, this type is increasing sharply (Figure 8.1).

The taxation reform increased the uneven development among regions, which has become a major issue on China's political agenda.[285] Coastal areas like the Yangtze River Delta region, Pearl River Delta region, and Circum-Bohai economic zone have developed a very efficient and booming industrial system, but inland provinces still have to struggle with the fiscal difficulty due to the geographic disadvantage and the lack of investment and skilled personnel. This uneven development forced inland provinces to ask for more transfer fund from the central government. The central government then dominates provincial governments by this funds transfer mechanism.

Tax-Sharing Reform and Guerrilla Governance

The tax-sharing reform fundamentally changed the Center -local relations. After the taxation reform in 1994, the central government decentralized more administrative power to local authorities. Local governments only have public administrative power. The central government had recentralized and dominates fiscal and personnel power. In order to make up the huge deficit, the local governments have to rely on the Center's funds transfer. For example, the amount of the Center's funds transferred to local governments was $38.5 billion in 1993, but in 2002, this number was $122.5 billion. It was increasing with 15 percent yearly.[286] Although the gap between revenue and expenditure is increasing yearly in country/township level governments, the amount of funds transferring from the central government is increasing too. From 2000-2002, the amount

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[285] Zheng Yongnian, "Explaining the Sources of de facto Federalism in Reform China: Intergovernmental Decentralization, Globalization, and Central–Local Relations," *Japanese Journal of Political Science* Vol. 7, No. 2 (2006)

[286] Zhou Feizhou, "Tax-Sharing System in 10 Years," *Journal of China* Social *Science*, Vol. 6, (2006), p. 105

of these funds increased sharply. [287] Local level governments, especially inland-undeveloped governments, could not survive without these funds from the Center.

In a democratic polity, decentralization provides local governments with the resources to provide goods and services to their constituents. The most widely accepted measures of decentralization focus on the power of the purse, more precisely the subnational share of total government expenditures (or revenue). [288] Theories of democracy argue that authoritarian government has no accountability because of the absence of elections. This dissertation will not explore the issue of accountability without democracy. Lily Tsai has conducted interesting research on the topic. This dissertation just briefly summarizes Lily Tsai that China's local solidary groups and informal institutions, such as temple associations and lineages, generate the value of informal accountability for the provision of public goods in rural China. [289]

According to Grahame Allison, one of the arguments in the bureaucratic politics model decision-making process is "where you stand depends on where you sit." [290] Therefore, from the bureaucratic politics model's perspective, China's local authorities have motivation and responsibility to maximize and protect their interests. The multilevel responsibility structure defaults to local leaders the power to pursue local interests and benefits. In addition, according to my field trip and interviews with 52 different levels local officials (from a Lieutenant-Governor and a provincial deputy police chief down to county majors and township leaders, in various provinces), this

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[287] ibid

[288] Pierre Landry, *Decentralized Authoritarianism in China*, (Cambridge: Cambridge University Press, 2008), p. 3

[289] Lily Tsai, *Accountability Without Democracy: Solidary Groups and Public Goods Provision in Rural China*, (Cambridge: Cambridge University Press, 2007)

[290] Grahame Allison and Philip Zelikow, *Essence of Decision: Explaining the Cuban Missile Crisis*, (NY: Longman, 1999)

dissertation finds only 14 officials had motivation and willingness to be promoted. The other 38 wanted to stay in their position until retirement. They were either in a super-wealthy place or their ages were over 50 years old.[291]

Under this circumstance, local authorities have to either bargain with upper level governments or apply guerrilla governance strategies to maximize local profits. There is a saying that "the upper level authorities have policies and the localities have their counter-measures." Heilmann and Perry point out that "guerilla-style policy-making" is CCP's political legacy and tradition, because of China's long revolutionary experience. According to the two authors, the guerilla policy style of the PRC leadership includes a shared understanding about political agency and a distinctive methodology of policy generation that enabled success in the unpredictable military-combat settings of revolutionary times, and that bequeathed a dynamic means of navigating the treacherous rapids of transformative governance.[292]

Guerilla Governance, Contentious Politics, and Audience Costs

Guerilla Governance and Contentious Politics

Although China has established a market economy, the central government controls huge financial resources and has the power to decide on how to distribute them. Richer provinces have more capacity to bargain with the Center to promote local interests. Although rich provinces also adopt guerilla governance to protect local interests, the poor provinces tend to use it to call for the central government to pay more attention to their regions. As the weapon of the poor, lower level authorities force upper level governments

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[291] Author's personal field trip and interview
[292] Heilmann and Perry, p. 12

for more financial investments or to meet other requirements by the threat of potential contentions, even mobilizing real protest.

After the 1994 tax-sharing reform, less developed provinces often found themselves in budgetary difficulties. The central government would turn a blind eye when local governments engaged in all kinds of money grabbing measures, such as selling land, developing mines without environmental evaluations, and setting up sweat shops, to compensate for their budgetary shortage. These extra policy activities would lead to more local conflict over interest distribution, and trigger social protest. Reforms inevitably incur redistribution of interests among individuals and social groups. The losses are not necessarily the results of the local policies. For example, the SOE reforms are macro policies designed by the central government. However, the local government had to implement these policies.

In the multilevel responsibility structure, upper level governments cannot pass blame to lower level governments indefinitely. When the lower level governments face ever increasing social pressures, the upper level government had to find ways to alleviate such pressures. Therefore, the central government would transfer resources to help out constituencies to prevent or delay blame after a bad policy, i.e., the throwing good money after bad strategy. It is an informal compromise between the central and local governments: the Center should reward the local government to accept blame from society. Usually, the central government will not discipline local officials for a popular contention caused by the central government's policy, unless local governments mishandled the protest and it escalates it into large-scale conflict with casualties.

The strategy of throwing good money after bad provides a political opportunity for guerilla governance. Local governments may bargain with upper level authorities. Here is a case that illustrates this assumption.[293] In recent years, the city of Beijing sprawls with astonishing speed. Until the end of 2012, total population in Beijing is over 24 million.[294] The total population in the city of Tianjin, another metropolitan city only 75 miles nearby Beijing, is about 14 million at the end of 2011.[295] The approximate total population of the two metropolitans is 39 million. Local water resource is almost exhausted by the tremendous number of population. The central government had to make a grand project called the South-North Water Diversion. Since south China is rich in water resources, this project diverts water from the south to Beijing metropolitans.

South Shaanxi Province area is the watershed of a river in the project. In order to preserve the area to guarantee water quality, the project planned to relocate villagers out of the forest reservation zone. It was a highly costly project. Both Shaanxi Provincial government and lower level authorities were not willing to accept the limited compensation which is only for relocation. One director from Shaanxi Provincial government said that Shaanxi could not sacrifice its resources to improve Beijing people's living at Shaanxi local villagers' expense anymore. Shaanxi Provincial government proposed a more comprehensive compensation program, which did not only cover relocation, but also covered a project of constructing new roads, lodging, schools, hospitals, and so on. The program even requested funds for training villagers for future jobs. This proposal went far beyond the budget. The central government thought it asked too much and rejected this proposal.

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[293] This story is from my personal field work in 2012
[294] http://www.morningpost.com.cn/ttxw/2012-01-20/278654.shtml
[295] http://www.gov.cn/gzdt/2012-05/09/content_2132977.htm

In order to fight for more local interests, Shaanxi Provincial government continued to bargain with the Center by formal institutional procedures, and local authorities maneuvered guerilla governance to sabotage this relocation, for example, slowing down the relocation, delaying some constructions intentionally, and even turning blind eyes on villagers' small-scale petition and protest. The director denied the fact that local government manipulated those small-scale petitions and protests, but he acknowledged that local leaders blinded their eyes and were glad to see those grass-root pressures at the Center. Through those guerilla strategies, especially those handful of annoying peasant petitioners, the Center finally reached a compromise with local government on the proposal that Shaanxi submitted.

Contentious Politics and Audience Costs

The audience cost is an international relations proposition that gives democratic states certain bargaining advantages in international crisis. James Fearon argues that for reasons linked to this public aspect of crises, state leaders often worry about the danger that they or their adversary might become locked into their position and so be unable to back down, make concessions, or otherwise avoid armed conflict.[296] Audience costs thus figure in a domestic system of incentives that encourages leaders to have a realist's concern with their state's "honor" and reputation.[297]

The audience costs commitment mechanism is a blame dynamic that public opinion would punish national leaders for the more aggressive decision-making in an international crisis. For fear of domestic electoral punishment, democratic leaders then

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[296] James Fearon, "Domestic Political Audiences and the Escalation of International," *The American Political Science Review*, Vol. 88, No. 3 (September, 1994), p. 578
[297] ibid, p. 581

grab more bargaining advantage with its adversary. Therefore, audience costs enable leaders to learn an adversary's true preferences concerning settlement versus war and thus whether and when attack is rational.[298] In a bargaining process, two parts can either gain credits or undertake blame for audience costs. On the contrary, a savvy negotiator can maneuver audience costs as leverage to force an adversary to accept his price.

This dissertation borrows the term "audience costs" from James Fearon. Again, this dissertation will not explore issues of political accountability. It only focuses on audience costs as a blame dynamics mechanism in the bargaining process of lower level authorities and their upper level supervisors. As this dissertation argued in earlier chapters, the relationship between state and society has been the Center-localities-society triangle relations. On the one hand, society's check and balance has been served to balance the state power at different levels. Through the multilevel responsibility structure, the central government can stay far away from contentious politics and pass blame to local authorities. Meanwhile, the multilevel responsibility structure is also a hidden contract that the central government must reward local government, that is, the central government should throw good money after bad to compensate local government to undertake blame.

According to this logic, China's central government would be more sensitive to contentious politics than local authorities since the central government has the responsibility of maintaining the legitimacy of authoritarian regime. Suppose an extreme case: if social protest escalates into a revolution, national leaders would lose more than

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[298] ibid, p. 578

local officials. We can see this case from the death of Nicolae Ceauşescu and his wife in the 1989 Romanian revolution.

On the other hand, without a constitutional-based decentralized power structure and federalism, China's local authorities are in a very weak position when they bargain with the central government. Local governments are lacking leverage and advantage in a bargain with an upper level government by formal institution procedure. Guerilla governance then is a rational choice for local authorities for the pursuit of their own interests. Theoretically, no supervisor likes guerillas. Upper level supervisors only can prohibit guerrilla governance by formal provisions, but they cannot truly exterminate this behavior, since it origins from human nature. It is lower level authorities' rational choice to reach a second best equilibrium when they are in a disadvantageous position.

However, guerilla governance is only strategic leverage to protect self-interests. The lower level authorities would be in jeopardy when they take those guerilla strategies as an aggressive weapon to fight with upper level government for interests blatantly. Therefore, when lower level governments play the guerilla game to bargain with upper level governments, the disagreement point is vital. Audience costs here are not the real factor which can affect local government, since there is no electoral punishment on those unelection officials. It is only an excuse to enhance their bargaining leverage because of social pressure to the regime.

Contentious Politics as Bargaining Leverage: An Asymmetric Game

The use of contentious politics as leverage to bargain with upper level government should be a very simple game of chicken. A game of chicken is a symmetric game.

Symmetric games should have equilibria where players receive equal payoffs.[299] In this game, however, the conflict is between a lower level authority and its supervisor. The upper level authority will dominate strategy. Therefore, it is an asymmetric game. I will conduct a simplified two-by-two game of chicken to illustrate under what circumstance and how lower level authorities play this guerilla strategy and how upper level governments respond. As Figure 8.2 shows, in this game, a lower level authority (L) chooses the row while an upper level authority (U) selects the column. Each of the possible strategy pairs results in an outcome that shows L's payoff is followed by U's payoff.

For L, S_1 stands for the use of contentious politics as leverage while S_2 stands for not using it. For U, s_1 represents no compromise while s_2 represents comprise. Therefore, there are four outcomes: (S_1, s_1), (S_2, s_1), (S_1, s_2) and (S_2, s_2). L faces a payoff ordering of $S_2 s_2 > S_1 s_2 > S_2 s_1 > S_1 s_1$, while U's preference ordering for payoffs is $s_1 S_2 > s_1 S_1 > s_2 S_2 > s_2 S_1$. Under this circumstance, the lower level authority will hurt itself by implementing contentious politics, but the upper level government will not compromise $\{(S_1, s_1)\}$. The upper level authority unconditionally prefers not to compromise regardless of what the lower level government does $\{(s_1, S_2), (s_1, S_1)\}$. Through these preferences, (s_1, S_2) (the upper level government does not compromise, the lower level government does not use contentious politics) is the expected result. Figure 8.3 shows this asymmetric game.

In the environment of these two players simultaneous choice games, we can expect that the upper level authority will not compromise or tolerate the lower level authority to bargain through the leverage of contentious politics. In return, it is irrational that a lower

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[299] James Morrow, *Game Theory for Political Scientists*, (New Jersey, Princeton University Press, 1994), p. 97

level authority bargain with its upper level supervisors through the use of contentious politics (S_1, s_1). The 2003-2010 data in this dissertation support this result. According to my database, there are only two cases in which lower level governments pursue local interests by using contentious politics. Actually, from the upper level authorities', especially the central government's perspective, the use of contentious politics as leverage to protect and pursue local interests is fighting a "war of interinstitution," rather than bargaining anymore.

<div align="center">Contentious Politics as Bargaining Leverage: Cases[300]</div>

Case 1: The Hanyuan disturbance was a land-related dispute which occurred in Hanyuan County of Sichuan Province. Hundreds of thousands of local villagers were forced to surrender their land and relocate to other places to make way for the building of a hydroelectric plant. This construction was one of the national comprehensive hydroelectric projects, which are part of the central government's development planning. Also, the central government is the owner of the hydroelectric plant. The National Treasury Department appropriated special funds to those projects. CEOs of those central government-owned enterprises are appointed by the CCP Central Organization Department and they are only responsible to the China State-owned Assets Supervision and Administration Commission. Therefore, local governments should cooperate with those enterprises to implement national projects obligatorily.

In Hanyuan County, many relocated farmers did not receive proper compensation and the newly allocated land was of lower quality. After futile petitions, a mass protest involving more than several tens of thousands of people eventually broke out in October

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[300] These cases are from the author's field trip and personal interview.

2004. The angry peasants started to attack the electricity plant and government buildings. The crowd also detained the governor of Sichuan Province, who went to the scene in an attempt to reconcile the dispute, for more than 10 hours. The local government dispatched police forces to dispel the crowd. The peasants then faked a dead body (someone who died in a car accident) claiming that he was killed by the police. The peasants carried the dead body to the government buildings and forced some government officials to kneel down and pay obeisance to the dead body to show remorse. The event startled the central government and an investigation group was dispatched. The investigation group announced that the electricity plant would be temporarily closed until the relocation disputes are settled.

The State Council dispatched a work group to investigate the incident. It found out that the Party Secretary of Hanyuan City was the one behind the protest. He believed that the city did not receive enough compensation in this project; therefore, he attempted to fan the villagers to oppose the building of the power station, so that he could force the power company to pay more compensation. However, once the anger of the villagers was ignited, it went out of his control. The Party Secretary was immediately dismissed.[301]

Case 2: In August 2005, Hubei Huangshi had a protest that was organized by the local government officials. Daye city was an independent county and became a county-level city under the jurisdiction of Huangshi City. Daye has abundant mining resources and, therefore, has sizable revenue. Daye never identified with the jurisdiction of Huangshi. In

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[301] The Hanyuan incident was frequently cited by the social protest scholars. However, all the research was based on secondhand information and inaccurate facts. My personal interview is the first to disclose the fact that the Party Secretary of Hanyuan was the instigator of this protest. This is based on our fieldwork in Hanyuan and the interviews with the members of the investigation group.

order to unify the finance and control the mining resources, Huangshi City declared that Daye would cease to be a county-level city but a district of Huangshi instead. Since the decision cost a tremendous loss of political power and economic interests, the vice party secretary and deputy mayor of Daye opposed the decision. The People's congress of Daye also drafted an opinion paper, collected signatures, and sent it to the provincial and central government. They also organized retired officials to visit Wuhan (the capital city of Hubei Province) and Beijing to lodge complaints.

On August 1st, many retired officials organized a signature movement. On August 4, when nearly a hundred retired officials went to the Huangshi City government, they were attacked by police dogs. Then, the owner of the copper mines organized several hundreds of workers to support the retired officials. On August 6, tens of thousands of Daye citizens demonstrated in Huangshi City. The Huangshi police fired tear gas into the crowd and the situation lost control. Mobs attacked the city government buildings, destroyed the windows, vehicles, and other facilities. Other protesters blocked the Wuhan-Huangshi freeway for two hours.

Hubei provincial government sent out a work group to investigate the incident, especially the sources of financial support for the protest. The work group defined the incident as "an illegal incident, out of discontent with the abolition of the city into the district, planned by some leaders of Daye City, organized and initiated by some leaders and retired officials, funded by some owners of mines, participated in by the floating population." [302] Those who had destroyed the government buildings were arrested and sentenced. Seven major leaders of Daye City were expelled from the Party and dismissed from their positions.

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[302] Hubei Province Official Investigation Report on Huangshi Incident

The Hanyuan and Huangshi incidents were organized by some government officials who deemed that their local interests were undermined. This was intolerable in the existing Chinese political system. The punishment was severe. Once discovered, the officials would be expelled from the Party, dismissed from their positions, even given prison sentences. Compared to the Hubei Shishou riot, which involved the largest number of participants since the Tiananmen Incident, the city leaders were thus removed from their position and later assigned to another place without suffering any downgrading.

The harsh punishment for officials instigating mass incidents is meant to ensure the unity of the ruling elite and to maintain the stability of the entire regime. Therefore, we can see from the two cases that the two players (L, U) all choose a noncooperation strategy. The result was a lose-lose game, since neither player would chicken out. The upper level governments were blamed by society and officials and protesters at the lower level government were punished. Neither player gained from the game. We can conclude the central government is more sensitive to administrative incompliance or interinstitutional splits than social blame.

Audience Costs and Bargaining Process

The only relevance of social protest to elite division is that it can become a tool in a power struggles. No local leaders dare to instigate social protest. Those who did would be ruthlessly punished, as the cases of Hanyuan and Huangshi have suggested. However, factions could create a blaming game and use social protest to strengthen their respective positions. Again, without a faction that commits to democratization, no matter which faction becomes more powerful by manipulating social protests, China is not going to

experience democratic changes any time soon.

However, the preceding Shaanxi case shows that contentious politics can strengthen the ability of localities to bargain with the Center over the pursuit of local economic interest and obtain more financial investments. In order to push the central government to redistribute more resources, local governments in the poor provinces usually exaggerate the hazards of potential social unrests or manipulate some protests to make pressure on the central government, which can make the Center pay more attention to the gap between the rich and poor and the uneven development in the whole country.

The central government also learned from the Hanyuan case of serious consequences of ignoring local interests and local governments' stresses of social blame. In fact, according to the follow-up of Hanyuan incident, the central government had to transfer emergency funds to appease and relieve those families who suffered from the disturbance. In addition, the central government compensated those relocated villagers with more money than Hanyuan County government claimed before to reward their cooperation with the construction of the hydroelectric plant. A Hanyuan local government staff told me: "the central government must compensate eventually. Why bother not doing this before? I do not think our county party secretary should be dismissed, since he fought for our local interests. Considering his political future, no party secretary is willing to do this except ours." The villagers I interviewed expressed the same opinion.[303] We can see that the central government failed to avoid blame from this case. In order to maintain the stability of the authoritarian regime, the central government may punish harshly those officials who manipulate large-scale street politics, even bear the pressure of blame from society, because administrative incompliance and interinstitution split is more harmful

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[303] Author's field trip in Hanyuan County and personal interview

than social protest.

Meanwhile, the local government also learned the risk of using real street politics, especially large-scale protest or disturbance, as leverage to bargain with the Center. The use of contentious politics as a guerilla strategy is a high-risk tool to bargain with upper level authorities. However, if the player can use it through a more sophisticated and canny way, the strategy still can be adopted for bargaining. Just as an idiom says, "nothing ventured, nothing gained."

In fact, it is a repeat game. If players play the game only one time, as it is shown in Figure 8.2, for a lower level government, the best result is (S_2, s_2), that is, no contentious politics but gains from the upper level government's compromise; for the upper level government, the best result (s_2, S_1) is the upper level government does not compromise and the level government does not use contentious politics either. This asymmetric cooperation is so difficult that the upper level government would become self-confident that the lower level government dares not select S_1. But what if the lower level player is desperate and becomes an irrational player like those players? Just as the Hanyuan and Huangshi cases, local officials understood the cost of the use of contentious politics to bargain with upper level government, but they insisted on this choice. As a result, those officials were disciplined.

In Figure 8.2 games of chicken, the pure strategy Nash equilibria of chicken is $\{(S_1, s_2), (S_2, s_1)\}$. That is, L applies no contentious politics strategy and U will not compromise; L applies contentious politics strategy and U compromises. The mixed strategy equilibria is $[(\frac{1}{2}S1, \frac{1}{2}S2); (\frac{1}{2}s1, \frac{1}{2}s2)]$. According to Shaanxi, northeast China,

and other cases I collected in my field trip, players prefer to select a mixed strategy to avoid disequilibrium.

Now the two Nash equilibria transfer a new problem: how does audience cost make pressure to both the upper level player and the lower level player? Where and what is the focal point for an upper level government to tolerate and to accept the use of contentious politics as a bargaining leverage?

Under this circumstance, this game transfers to a repeated game. Supposing the upper level government will not punish the lower level government adopting a contentious politics strategy, this asymmetric bargain can be simplified to a symmetric game. As Figure 8.3 shows, when the upper level player have to respond to the challenge from the lower level player, at the point L_2, the upper level player can apply not compromise strategies $\{(s_1, S_1), (s_2, S_2)\}$. The two strategies either result in lose-lose (War$_1$, War$_2$) or audience costs (-a, 1). Therefore, the rational strategy the upper level player applies is compromise (1,0). Therefore, this dissertation only focuses on one pure strategy Nash equilibria is (S_2, s_1). That is, L adopts contentious politics strategy and U compromises (concede, dotted line).

It is Nash's bargaining solution.[304] We need to find the disagreement point, which is the value the players can expect to receive if negotiations break down. In this China style bargaining solution, in order to maximize his bargaining position, the lower level player attempts to use the potential contentious politics as a tactic of threatening. The audience cost is a pressure for the upper level government, not for the lower level government. The upper level government could not avoid blame if it ignores or dissatisfies the lower level

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[304] $U^*[F(U), F(X)] = F[U^*(U,X)]$. X is the set of feasible payoffs and U the disagreement point; U^* is a function of U and X. This means that the solution is independent of the units in which utility is measured.

government's demands. Under this circumstance, the lower level government is in an advantageous position. However, if the upper level government meets the lower level government's demands through this guerilla strategy too much or too easily, it will indulge the lower level government and will trigger more other lower level authorities to use this strategy. It will undermine the upper level government's power, especially the central government's ultimate authority, which cannot be tolerated and encouraged in any authoritarian regime. Therefore, it is a very complicated and sophisticated bargaining process. The vital factor the dilemma is to find the disagreement point to avoid disequilibrium.

James Morrow argues that game theory does not have a theory of focal points at this time. One would have to explain how focal points arise from cultural influences, shared experiences, and moral system. Nash equilibria assume that the players shared a common conjecture about what strategies they each will play. Focal points could be some source of a common conjecture. [305] As a result, we only can conclude the focal points from cases by induction.

According to the logic of throwing good money after bad, there are four focal points: 1) losses of local interests are caused by upper level government's policy or national project. For example, the relocation for the hydroelectric plant project in Hanyuan County and the South-North Water Diversion in Shaanxi, the changing administrative level of Daye, and SOE reform in northeast China; 2) the bargain is within the formal institution and will not leak to the public; 3) contentious politics is only limited in a very

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[305] James Morrow, *Game Theory for Political Scientists*, (New Jersey, Princeton University Press, 1994), p. 97

small-scale, such as small constant annoying petitions, and 4) no obvious evidence to show local authorities organizing those small-scale collective actions.

As mentioned in the earlier chapter, the multilevel responsibility structure has a "hidden contract," which is that the central government "rewards" the local government to undertake blame by its policy error. The central government compensates such blaming cost by transferring more resources to local governments. Transferring resources to local governments is to avoid power disequilibrium.

Therefore, lower level government can use contentious politics as leverage to strengthen its bargaining power with upper level governments. Those exogenous challenge and endogenous pressure will force over-dominance power back to a second-best equilibrium. Through this process, the multilevel responsibility structure can avoid institutional disequilibrium. The structure may not achieve a perfect political equilibrium, but can avoid political disequilibrium. If there is no political disequilibrium, the political system is stable.

Conclusion

In her book *Subversive Institutions*, Valerie Bunce gives a persuasive analysis on the causes of the collapse of the Soviet Union and Eastern European communist regimes. She argues that the institutional design of the communist regime is a subversion institution.[306] The interplay of decentralization policies and preexisting communist institutions undermined those regimes. China has also experienced decentralization-recentralization back and forth several times. When the Center recentralizes power, it has

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[306] Valerie Bunce, *Subversive Institutions*, (Cambridge: Cambridge University Press, 1999)

an overwhelming power to dominate local state authorities. The county tends to lose vitality. On the contrary, when the Center decentralizes power, local state authorities possessed too much autonomy. It would undermine the central government's authority. Rich provinces tended to grab their interests and would ignore national balancing development. The endogenous challenges are what Bunce argues of a subversion-design institution.

After the 1994 taxation reform, the central government controls most of the national revenue and possesses unparalleled authority. This over-dominant power will hurt lower level governments' interest and tend to generate administrative incompliance. For an authoritarian regime, endogenous subversion is more jeopardizing than exogenous challenges. Consequent upon this, contentious politics becomes a strategy to force the central government to take into account local interests.

The multilevel responsibility structure is a "hidden contract" system that the central government needs to reward local government to take blame from society. Governments at lower levels can use contentious politics as leverage to bargain with upper level governments to expand their autonomy and interests. Therefore, for fear of audience cost, the central government would transfer more resources to locals to avoid power disequilibrium. The multilevel responsibility not only can absorb exogenous challenges, but also can avoid power disequilibrium within the institution.
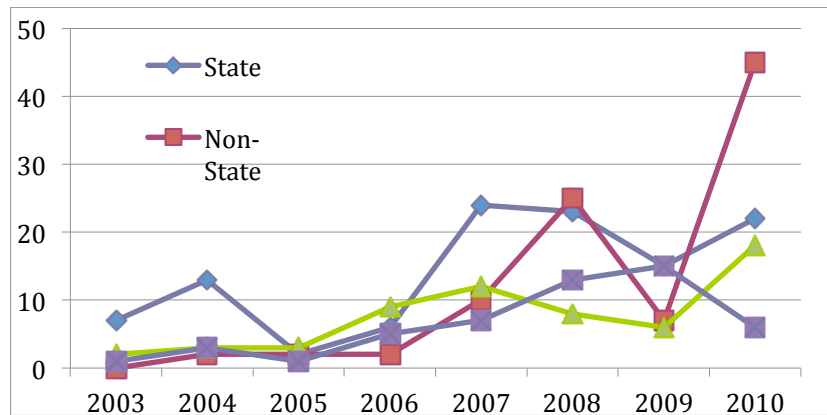
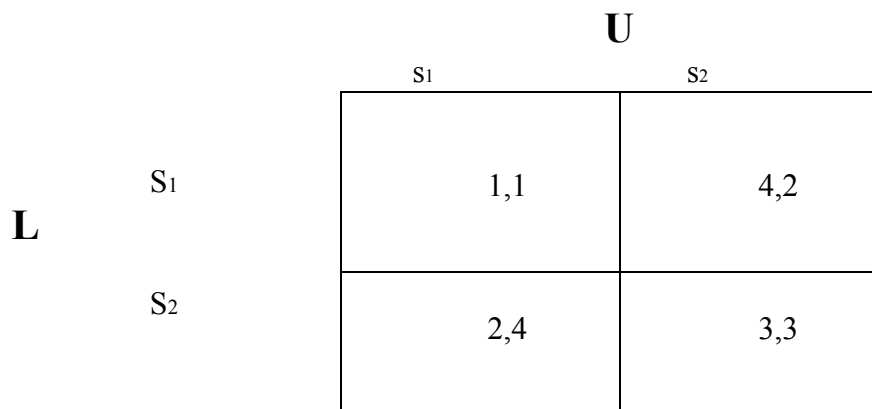Figure 8.1 The Trend of Social Protests by Type (2003–2010)

U

	S₁	S₂
S₁	1,1	4,2
S₂	2,4	3,3

L

Figure 8.2 Games of Chicken

U

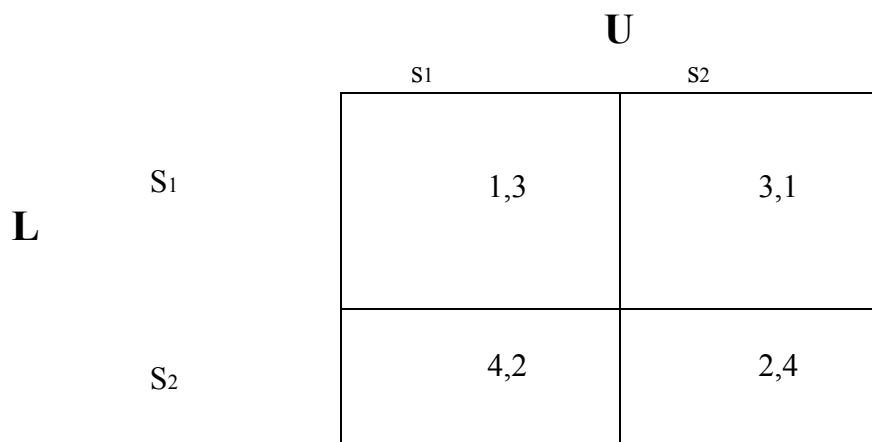|	S₁	S₂
S₁	1,3	3,1
S₂	4,2	2,4

L

Figure 8.3 Asymmetric Bargains

CHAPTER 9

CONCLUSION

On Aug 31st 2006, when the former U.S. president George W. Bush addressed a conference in Salt Lake City, Rocky Anderson, the then Mayor of Salt Lake City, hosted an anti-Bush, anti-war rally downtown to "welcome" him. Participants held "impeach Bush" banners and gathered at the square in front of Salt Lake City Hall. For me, as an observer there, it looked like a big party. Mr. Anderson made a speech on the stage, and the audiences applauded. Some protesters dressed in costumes played guitars. Street vendors were busy counting how many hot dogs they sold in the rally. Police officers holding large-size cup Coca-Cola chatted with each other. Everything was in order.

The event was too normal to be reported in the world-influential media, even though the rally was organized by a local-level government leader. Assume that the same rally occurred in China, not so big, just a handful of people gathered together and held anti-Chinese president banners, they would be arrested. NYT, CNN, and BBC journalists would report it as the headline news.

The different outcomes of popular contention are attributed to different regime type. An authoritarian regime is more sensitive to contentious politics than democracies. Western media cheered the collapse of the Soviet communist bloc in the early 1990s. China was thought to be the next one. Although China has not collapsed as those media

and scholars anticipated, many believed that increasing popular contention could trigger the collapse of China's authoritarian regime. Therefore, the questions in this dissertation are why or how has China's authoritarian regime remained politically stable with increasing popular contention. This dissertation aims to answer the question by forming a new model of the multilevel responsibility structure.

General Observations on the Multilevel Responsibility

Structure and Political Stability

First, this dissertation has argued that the multilevel responsibility structure ensures political stability in China. The key of political stability is a powerful and stable central government. As the intermediate organization between the state and society, the urban work unit and rural collectives collapsed. The state has to face social pressure. Popular contention occurs at the conjunction of the state and society. In the chain-ganging structure, the Center and local government shared risk. The Center was easy to be the target of popular contention. Having learned the lessons from the Tiananmen Incident in 1989, in order to keep political stability, the central government needs to avoid being the target of popular contention. Local governments replaced the work unit and collectives to be the intermediate layers between the Center and society.

The multilevel responsibility structure is a blame-avoidance system *per se*. It is a structure in which the central government stays away from contentious politics and local governments undertake blame. Local government became a buffer zone to protect the central government. In the multilevel responsibility structure, lower level governments are cushions to absorb social shock waves and protect higher-level government level-by-

level. From townships to the Center, there are at least three levels of government that protect the central government from popular contention challenges.

The upper level governments usually pass blame by using mixed strategies. The central government passes blame to local authorities through the multilevel responsibility structure, and it gains credits by maneuvering the "good cop and bad cop" strategy. However, regardless of the good or bad cop, a cop is still a cop. They just play different roles. The multilevel responsibility structure reduces the uncertainties and the hazard for the central government.

Second, the central government cannot pass blame to local government infinitely. When local governments face increasing popular contention, it is the central government's responsibility to alleviate social pressure for local government. An authoritarian polity excludes citizens' participation in public policymaking; the capacity of policy adjustment then becomes more important. By playing the throwing good money after bad strategy, the central government can correct its policy error, compensate protesters who suffer from the reform and switch its original position to support popular alternative. Therefore, this structure reinforces the political adaptability of China's authoritarian regime.

Third, the multilevel responsibility structure provides an informal mechanism for the central government to monitor local governments. Contentious politics serves as an effective fire alarm monitor. Society's check and balance forces the multilevel responsibility structure to be a self-sustaining institution. This informal monitoring system is important for political stability because of the low inefficiency of a formal routine surveillance procedure. The multilevel responsibility structure inherited Chinese

political tradition and incorporated with contentious politics a proactive role of challenging endogenous subversions.

Fourth, The multilevel responsibility structure is a self-enforcing institution to avoid power disequilibrium. There is a "hidden contract" that is necessary for the central government rewarding local government to be blamed by society. The lower level governments can then use the hidden contract to be leverage to bargain with upper governments for more local interests. It is a self-enforcing mechanism to avoid power disequilibrium. Therefore, compensating protesters is to appease their outrage and relieve their grievance. Transferring resources to local government is to ensure their administrative compliance.

As a summary, the multilevel responsibility structure can absorb exogenous challenges and restrict endogens subversions. Therefore, this structure ensures political stability.

The Multilevel Responsibility Structure and Theories
of Institutionalism

On June 30th, 1989, Chen Xitong, former Mayor of Beijing, gave a report about the 1989 Tiananmen Incident. He said that "During the late spring and early summer…a tiny handful of people exploited student unrest to launch a planned, organized, and premeditated political turmoil, which later developed into a counter-revolutionary rebellion in Beijing. Their purpose was to overthrow the leadership of the Chinese Communist Party and subvert the socialist People's Republic of China." [307] The phrase of

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[307] Tony Saich, "Discos and Dictatorship: Party-State and Society Relations in the People's Republic of China," in Perry, (2004), ibid, p. 246

"A tiny handful of people" is standard word which is used by China's official documents and state-owned media.

On August 28, 2009, when a conflict between citizen and police took place, the Yunnan Provincial Propaganda Department ordered its media not use "a tiny handful of people" or "people who know nothing" to report this incident. The department stated that "social protest is caused by complicated various reasons, but our government's inadequate or improper decision-making and poor quality of working style are relevant to those incidents. Our government should not pass bucks to citizens and label them."[308] The state-owned Xinhua News Agency made an editorial to praise Yunnan Provincial government the next day.[309] Eventually, those words vanished from China's official documents and media in the recent years.

This subtle change in China's official discourse reflected the changing attitude of Chinese government to the increasing popular contention. The formation of the multilevel responsibility structure is a process of changing government cognition on contentious politics. This dissertation argues that China remains authoritarianism. The multilevel responsibility structure does not change the nature of China's authoritarian regime.

However, the central government reinforces its central authority through the 1994 taxation reform and control of the cadre personnel system. Local state authorities enjoy their administrative autonomy at the expense of undertaking more responsibility. The formation of the multilevel responsibility structure is a top-down institutional reform. It continues the multilevel power structure, but this power structure has produced a new

[308] http://news.ifeng.com/mainland/200908/0828_17_1324870.shtml
[309] http://news.ifeng.com/mainland/200907/0729_17_1273871.shtml

rule to redefine responsibility for different levels of government. The establishment of the multilevel responsibility structure is a change of rules rather than a change of power structure.

The institutional approach breaks through the stereotype that an authoritarian regime is incompatible with contentious politics. Generally speaking, it initiates a new phase in the study of regime type and contentious politics, which is not confined to a dichotomous system of political transition. Institutional explanation focuses on a more detailed institutional change rather than a revolutionary grand regime transition, which will understand China's authoritarian regime more accurately.

This dissertation adds political equilibrium to the historical institutional explanation. It argues that political resilience and adaptability absorb exogenous shock; the fire alarm monitoring mechanism eliminates endogenous subversion. The self-enforcing mechanism avoids political disequilibrium and ensures administrative compliance. This dissertation pioneers the introduction of political equilibrium to the studies the role of contentious politics in China.

As an empirical study, it is dangerous to make any predictions. However, the Chinese government indeed needs to face the problem of the ever-increasing contentious politics. No regime likes popular contention, including democracies. The multilevel responsibility structure ensures political stability for the Chinese government, but cannot eliminate contentious politics. The Chinese government has to live with the increasing contentious politics and institutionalizes it.

Future Studies

The multilevel responsibility structure that was consolidated since the 1990s provides institutional flexibility to the regime. Through such a structure, the central government is able to push the blame level-by-level down to the local governments. With the Center staying away from the focus of blaming, it is able to maintain its authority and reduce the shock of contentious politics to its claim to legitimacy. The multilevel responsibility structure works well in dealing with contentious politics driven by material demands. However, such a structure may not work well in dealing with political contentious politics, such as the Xinjiang 7.5 Incident and protest over ideological causes.

This dissertation conducts research from a state-centric perspective. In future research, we can study how society behaves in the structure, that is, how society adopts different strategies to maximize its interests from the multilevel responsibility structure.

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