

China's leadership announces new anti-corruption campaign

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At the first Politburo meeting since the 18th Chinese Communist Party (CCP) congress, newly elected general secretary Xi Jinping bluntly warned that endemic corruption in China threatened to ignite popular upheavals. The state media was instructed to report his remarks to the meeting on November 17, to try to convince a sceptical public that the new leadership would deal with the issue.

Xi told the Politburo: "In recent years, the long pent-up problems in some countries have led to the venting of public outrage, to social turmoil and to the fall of governments, and corruption and graft have been an important reason." He was referring to the revolutionary upheavals in Tunisia and Egypt last year that struck fear in the CCP bureaucracy about a potential "Jasmine revolution" in China.

Although its authenticity cannot be verified, a leaked official study about the possibility of a "Jasmine Revolution" in China circulated online earlier this year. It warned that 4.5 million people could take part in the first week of such an upheaval in Beijing and Shanghai alone. If not controlled, the document continued, protests would evolve into a movement of 250 million people within weeks, leading to the collapse of state authority in a month.

Drawing a comparison with the Tiananmen Square protests that were crushed by the army in 1989, the study forecast that workers and the poor, not students demanding limited democratic reforms, would initiate the protests. Larger numbers of the most oppressed layers of the urban population such as unemployed workers, would take part, with students joining only in the middle stages of the movement.

Terrified at the prospect of a massive working class rebellion, Xi and the CCP leadership is promising to end corruption. "A mass of facts tell us that if corruption becomes increasingly serious," Xi told the other 24 Politburo members, "it will inevitably doom the party and the state. We must be vigilant."

Xi admitted, however, that the CCP was deeply implicated. "In recent years," he said, "there have been cases of grave violations of disciplinary rules and laws within the party that have been extremely malign in nature and utterly destructive politically, shocking people to the core." He used a Chinese aphorism, "worms come only after matter decays," to stress the advanced character of corruption within the party.

The outgoing President Hu Jintao made the same warning in his opening speech to the recent party congress, saying that the regime would collapse if it did not overcome corruption. A resolution was passed at the congress to accept a report submitted by the Central Commission of Discipline Inspection (CCDI).

The CCDI report, which was made public last week, warned the CCP to "keep ringing the alarm bell against corruption", as it would be a "prolonged, complicated and arduous" campaign. The party report promised to make major efforts to crack down on abuses of power, bribery, depraved conduct, and dereliction of duty as well as the infringement of ordinary people's economic and personal interests.

The CCDI pointed out that 643,759 cases of corruption had been investigated from November 2007 to June 2012, with 24,584 people charged by

prosecutors. More than 81,000 cases concerned commercial bribes, totalling 22.2 billion yuan (\$US3.6 billion). These official figures are only the tip of the iceberg, because the country's most powerful political figures are involved.

The 18th party congress formally expelled former Politburo member and Chongqing party secretary Bo Xilai and ex-railway minister Liu Zhijun. Bo allegedly used his power to cover up his wife's murder of a British business partner and took bribes of tens of millions of dollars. Liu was charged with taking bribes amounting to \$100 million from corporate bidders for various lucrative railway projects.

Bo and Liu were ousted not because of their corruption but as part of a bitter factional struggle over economic and foreign policy in the lead up to the congress. Bo had advocated protecting state-owned enterprises, rather than the new round of privatisation and restructuring pushed by the dominant CCP faction. Premier Wen Jiabao has been the chief proponent of this pro-market agenda. His factional rivals apparently provided the *New York Times* with the information about his family's "hidden fortune" of \$2.7 billion.

The rampant corruption within every level of the CCP apparatus is not the product of bad individuals but is inherent in the process of capitalist restoration in China that began in the 1970s. As in the states that emerged from the former Soviet Union, sections of the CCP bureaucracy have become part of the new bourgeoisie through the looting of state-owned property.

The latest campaign against corruption is not aimed at prosecuting those who have enriched themselves at the expense of working people, but at justifying further measures curtailing the role of the state in the economy. The business elite and foreign corporations could tolerate the state bureaucracy skimming off a portion of the super profits generated in times of economic boom, but as the Chinese economy slows, this is no longer acceptable.

The *Wall Street Journal*, the mouthpiece of the most corrupt financial oligarchy on the planet, spelled out the motive on the eve of the CCP congress: "The World

Bank's Doing Business indicator ranks China 91st. Transparency International's corruption perceptions index puts the country at 75th, equal with Romania. That didn't matter when all China had to do in order to grow was build new export factories. Now it does."

In his speech to the congress, President Hu declared that one of the CCP's tasks was to create a "service-type" government, which would in essence follow the "small government" model in Western capitalist states. This is in line with a World Bank report earlier this year calling for a dramatic reduction of the economic role of government, including privatising most of the remaining state-owned enterprises and slashing public services.

It is not accidental that the 18th party congress appointed Vice Premier Wang Qishang as the new chief of the Central Commission of Discipline Inspection. Wang is strongly favoured in international financial circles. His mentor, former premier Zhu Rongji, was also known for "fighting corruption", as a smokescreen for the massive restructuring of state enterprises from 1998-2002 that laid off 30 million workers. His own son became a multi-millionaire investment banker by trading state assets.

The new pro-market agenda will create further lucrative opportunities for the upper echelon of the CCP, the transnational corporations, and the new billionaires to plunder China's state assets. Combined with a rapidly slowing economy and rising unemployment, this will drive the working class into an open confrontation with the corrupt regime.



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