



# FOREIGN AFFAIRS

Published by the Council on Foreign Relations

[Home](#) > Reading Xi Jinping

Tuesday, July 4, 2017

Reading Xi Jinping

The Link Between His Economic Policies and Censorship

Weifeng Zhong

WEIFENG ZHONG is a Research Fellow in Economic Policy Studies at the American Enterprise Institute.

In preparation for the Chinese Communist Party's power reshuffle during the 19th Party Congress this fall, Chinese president Xi Jinping has begun to install many of his protégés and allies in local party leadership positions in anticipation of receiving a second term. But with China's economic growth slowing, the most pressing question leading up to the congress is whether Xi will use the next five years to finally deliver on the economic reforms he has long promised. Among them: letting market forces play a decisive role in resource allocation and transforming China into a consumption-driven economy.

Although China's opaque political system makes it difficult to assess its leadership's true intentions, one unlikely indicator can reveal a great deal about how the Communist Party will approach economic reform: the level of government censorship.

In post-Mao China, censorship of the press has become a way to mask bad economic policies, especially when the government's legitimacy leans heavily on boosting growth. Censorship has been less pervasive, for example, when the leadership enacted reforms that led to economic prosperity. It is only when such progress stalls that the regime opts to control the media in order to curb public discontent.

During the 1997 Party Congress, which granted a second term to former President Jiang Zemin, Jiang announced a policy that would become one of the most transformative of China's pro-market reforms: the large-scale privatization of state-owned enterprises. That year also marked the launch of *Southern Metropolis Daily*, the first of several influential, state-owned newspapers known for their relatively independent journalism. Over the course of the next decade or so, the paper's reporting was at times so pro-reform and aggressive that it ran afoul of the government's directives. When Beijing was concealing the extent of the 2002 SARS epidemic, for example, the *Daily* reported on an outbreak in its hometown of Guangzhou. At the time, the Chinese government, which was transitioning between the administrations of Jiang and Hu, allowed for the reporting to go forward because being more lax on censorship helped garner the public's support for reforms.

Jiang's successor, Hu Jintao, was considered less of a reformer, however, and his response in 2004 to the *Daily's* reporting on SARS, a year later, was much more severe. He ordered investigations into the newspaper's editorial team for alleged financial crimes,

which many saw as punishment for the paper's intrepid journalism. As the public grew increasingly unsatisfied with Hu's inaction on economic reforms, it was not surprising to see his administration further tighten control over the media.

Censorship became even more pervasive under Xi, who took over just as the economy began to slow, dropping from two-digit growth to below seven percent today. Over the past five years, all government-run media have been asked [1] to pledge "absolute loyalty" to the party. Even popular social media accounts focused on celebrity news and gossip have been suppressed [2] for undermining "core socialist values." More recently, the Communist Party's anti-corruption arm, in a departure from its traditional financial investigations, criticized [3] top universities, such as Tsinghua and Peking, for "ideological weakness." And just last week, China's culture ministry asked major tech companies such as the Baidu search engine, the online e-commerce site Alibaba, and Internet giant Tencent, to shutter 291 mobile video platforms. The government has also pressured a variety of media companies to fire over 10,000 journalists.

To understand the growth of censorship under Xi, consider the administrative orders issued by China's media regulator, the State Administration of Press, Publication, Radio, Film, and Television. Those orders, often highly secretive, control what the media should and cannot cover. Between January and June of 2007, just before Hu began his second term, the regulator issued 58 orders to Chinese media. But under Xi, during the first half of 2017, it issued 115.

Because of his anti-corruption campaign, Xi has been able to consolidate his power and is now the most powerful Chinese leader since Mao Zedong. It would therefore be a mistake to assume that he does not have the necessary political heft to pursue at least some meaningful economic reforms. He does. Furthermore, Xi understands that further privatizing the state sector; abolishing the hukou (household registration) system, which ties citizens' government benefits to their hometowns and hinders labor mobility; and making financial markets open and transparent are all key to growth. If the Chinese president does not move forward with those reforms, it will have been a deliberate decision.

Why might that be? It is possible that Xi is playing the long game. If during his second term Xi continues to stall the liberalization of China's economy, his rule will have produced ten years of disappointments, marked by slow growth and a lack of reforms. To avoid this legacy, it is possible, and even probable, that Xi may seek a third term, as some have speculated [4], given that he has not publicly groomed a successor as all previous leaders have done. Moreover, Xi will have to propose an aggressive agenda with tremendous reforms in his third term to make up for what would then be a decade of inaction. There is no other way to be viewed favorably by the Chinese people. Whether Xi can pull this off in the end is anybody's guess.

Analyzing Xi's agenda and watching all the changes in the party's leadership during the upcoming national congress will surely offer some clues as to where the country is headed in the next five years. But monitoring Xi's policy on censorship will be more telling of his true intentions when it comes to economic reforms.

Copyright © 2017 by the Council on Foreign Relations, Inc.

All rights reserved. To request permission to distribute or reprint this article, please fill out

and submit a Permissions Request Form. If you plan to use this article in a coursepack or academic website, visit Copyright Clearance Center to clear permission.

**Source URL:** <https://www.foreignaffairs.com/articles/china/2017-07-04/reading-xi-jinping>

**Links**

[1] <https://blogs.wsj.com/chinarealtime/2016/02/19/in-rare-state-media-tour-xi-jinping-takes-the-anchors-chair/>

[2] <https://www.nytimes.com/2017/06/09/world/asia/china-celebrity-news-wechat.html>

[3] <https://www.ft.com/content/88191d36-54b4-11e7-9fed-c19e2700005f>

[4] <http://foreignpolicy.com/2015/04/01/xi-jinping-forever-china-president-term-limits/>