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China celebrates — but history is certain to catch up

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As China's leaders celebrated 70 years of Communist Party rule on Tuesday, the fate of the Soviet empire hung like a ghost over the jackboots and missiles parading through the streets of Beijing.

After all, their anniversaries were virtually identical. It was just days after Mao Zedong seized power in Beijing on October 1, 1949, that the "iron curtain" locked firmly into place, with the communists sealing their grasp over eastern Europe and proclaiming the formation of the German Democratic Republic.

Equality and emancipation were the communist promise; but war and revolution are vicious midwives, and those promises were smothered in the cradle. Unleashing terror instead, the new regimes seemed unshakeable, and the Soviet Union's explosion of an atomic bomb on August 29, 1949, cemented the aura of invincibility.

The communist bloc, Nikita Khrushchev boasted a few years later, would abandon Marxism-Leninism only "when shrimps learn to whistle". And in 1970, when Russian dissident Andrei Amalrik published his landmark book *Will the Soviet Union Survive Until 1984?*, its forecast of the bloc unravelling was widely ridiculed.

Now, all that remains of communism in eastern Europe and the Soviet Union are the ruins. But political systems are not in the habit of committing suicide. And having witnessed their

Soviet counterparts' demise, no one was more determined to avoid that fate than China's communist rulers.

The most successful aspect of their response was undoubtedly economic reform. If the Soviet - system failed, it was first and foremost because it was utterly incapable of meeting its population's basic needs.

As Joseph Stalin's daughter put it in a letter to her children explaining her defection to the US: "With one hand we try to catch the moon itself, but with the other we are obliged to dig potatoes, the same way it was done a hundred years ago." And by the time Mikhail Gorbachev took office, the Soviet Union couldn't reliably provide bread, butter or milk to its consumers, much less match the Reagan defence build-up.

The situation in China, following the chaos of the Cultural Revolution, was even worse. But allowing markets to function yielded enormous dividends, with a more than sevenfold rise in per capita income over the period from 1980 to 2016. As China developed, and its middle class expanded, many observers expected political liberalisation to follow.

In reality, China is less free today than it was two decades ago, and mounting internal repression has been accompanied by a blatant disregard of China's promise to respect basic liberties in Hong Kong. That too reflects the lessons the communist leadership drew from the fall of the Soviet empire.

Starting with the "thaw" in 1956, the Soviets gradually eased repression, albeit fitfully and unevenly. As that happened, they granted independent organisations some, however slight, room for manoeuvre, including to the churches in eastern Europe and the human rights monitors established under the 1975 Helsinki Final Act.

At the same time, the centrifugal forces within the Soviet bloc were gathering strength. The bloc was a fractal structure, replicating its political components in each of the 15 republics that made up the Soviet Union, the six republics of Yugoslavia, and the two republics that composed federal Czechoslovakia, as well as in the remaining unitary states.

Over the decades, each of those units developed into a power base that could threaten the imperial centre, with the greatest challenge coming from the regions that were both most liberal and had the strongest sense of national identity. Once the centre weakened, those forces could pounce and they did, so that the collapse that began in 1989 promptly fragmented what had been just three states into no fewer than 22.

With that experience seared into their consciousness, there was never any chance that China's leaders would take the notion of "one country, two systems" seriously, much less accommodate the aspirations of ethnic minorities in China itself.

Rather, their emphasis, which has become increasingly pronounced, has been on devising ever more sophisticated ways of enforcing conformity, suppressing diversity and punishing dissent.

But while China's combination of brutal authoritarianism with a market-oriented economy averted Soviet-style disintegration, it has created tensions that are every bit as menacing.

There is, to begin with, an unbridgeable gap between the party's communist ideology, which it relies on to justify the "dictatorship of the proletariat", and the reality of a system whose levels of inequality rival Brazil's, with the rampant cronyism and corruption that authoritarianism breeds compounding the sense of injustice.

That contradiction has undermined the regime's legitimacy and made it entirely dependent on delivering sustained economic growth. But as China's economy passes the stage at which it can prosper through imitation alone, sustained growth will not be achieved without the secure property rights needed to underpin an efficient and dynamic private sector.

However, making property rights secure would limit the ruling caste's ability to enrich itself through the seizure of private assets. And even more important, it would create centres of power that the party did not control, and that could support the emergence of political competitors.

Little wonder, then, that the leadership has veered the other way, aggressively reasserting the party's primacy by suborning business to its diktats. Predictably, the result has been to distort

resource allocation, slow economic growth and shatter the world's confidence in the integrity of Chinese firms.

To make matters worse, as those consequences have played themselves out, the leadership has sought to cloak its growing list of errors in bellicose rhetoric and international adventurism.

The dangers that involves are far greater than Xi Jinping and his associates seem to realise. The fact of the matter is that China's communist leaders were extraordinarily lucky. They opened China to the world at just the right time: the Uruguay Round of global trade negotiations was leading to a massive drop in tariffs; the information technology revolution was shredding the cost of transport and communications; and as inflation abated, the advanced economies grew quickly, fuelling consumer demand.

Moreover, with China still a small, relatively poor, economy, its trading partners were willing to tolerate its bending of the rules, all the more so in the easing of global tensions that followed the end of the Cold War.

But those days are gone and there is no prospect whatsoever of them returning. What lies ahead is a far harsher world, in which China's present course can only lead to stagnation at home and conflict overseas.

It will, however, keep the party in power — at least until history catches up. When it does, as it will, more than gleaming jackboots and threatening missiles will be needed to frighten the ghosts away.