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**Bo Xilai fired in Chinese Communist Party leadership shakeup**

**The Players:** [**http://www.nytimes.com/interactive/2012/04/24/world/asia/all-in-the-family.html?ref=world**](http://www.nytimes.com/interactive/2012/04/24/world/asia/all-in-the-family.html?ref=world)



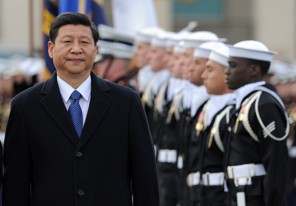
Ng Han Guan/AP - Bo Xilai, Chongqing party secretary attends the closing session of the Chinese People's Political Consultative Conference held in Beijing's Great Hall of the People, China, Tuesday, March 13, 2012.

**By** [**Keith B. Richburg**](http://www.washingtonpost.com/keith-b-richburg/2011/03/03/ABszxON_page.html)**, Thursday, March 15, 2012 1:11 AM**

BEIJING — In a major shakeup in the Chinese Communist Party’s top ranks, Bo Xilai, the charismatic but controversial official known for promoting a “red revival” campaign, has been fired as party chief in Chongqing, Xinhua news reported Thursday.

Bo is being replaced by a vice premier, Zhang Dejiang, who will also take Bo’s position on the local Chongqing Party Communist branch and its standing committee, Xinhua said.

[The United States and China have had a tangled relationship, full of highs and lows.](http://www.washingtonpost.com/world/asia_pacific/turbulent-history/2012/02/10/gIQAuznX6Q_gallery.html)

[](http://www.washingtonpost.com/politics/vice-president-xi-jinping-visits-white-house/2012/02/14/gIQACkicDR_gallery.html)

[The United States got its first hard look at the heir apparent to the leadership of China as Vice President Xi Jinping visited the United States in February.](http://www.washingtonpost.com/politics/vice-president-xi-jinping-visits-white-house/2012/02/14/gIQACkicDR_gallery.html)

The report made no mention of whether Bo also lost his position on the Party central committee and Politburo in Beijing.

The report came one day after Prime Minister Wen Jiabao used a press conference to publicly rebuke Bo for a Feb 6 scandal that saw the former Chongqing police chief seek refuge for 24 hours at the American consulate in Chengdu. Initial reports last month said the police chief, Wang Lijun, was seeking political asylum from the U.S. government, although speculation immediately began swirling online that the police chief really was seeking protection from Chongqing police and that he may have been carrying with him evidence of corruption.

Before that episode, Bo was widely tipped to be in line for a promotion to China’s most powerful body, the Politburo Standing Committee, in a leadership change due at the 18th Party Congress this fall. Wang, who most recently held the title of vice mayor, had been Bo’s right-hand man during a sweeping anti-crime crackdown in Chongqing that was popular with the public but raised questions about heavy-handed tactics and human rights abuses.

“This is an earthquake before the 18th Party Congress,” said Wu Jiaxiang, a Chinese scholar. He called the dismissal Thursday the end of just one power struggle over the seats on the next Standing Committee.

According to Chinese media reports, Li Yuanchao, head of the Communist Party’s secretive and powerful organization department which controls personnel and staffing, traveled personally to Chongqing Thursday to announce the decision on Bo’s sacking to local officials there. He said the firing was decided by the Party central committee “after prudent consideration, based on the current overall situation,” according to Xinhua.

Wang is now being held by security officials in Beijing while being investigated for unspecified reasons. Immediately after word of Bo’s firing was announced, People’s Daily online, the Web site of the Communist Party’s main mouthpiece, reported that Wang had also been officially removed from his position as vice-mayor.

Political analysts of China’s secretive internal politics said the question now was whether Bo was also being investigated.

Some said the timing of the news of Bo’s firing — immediately after the closing of China’s annual 10-day legislative session in Beijing, which all top officials, including Bo, attended — could mean that Bo would remain here in the capital and never return to Chongqing.

Unlike most Chinese leaders who prefer to avoid public attention, Bo had built a loyal following and attracted media coverage in his south-central Chinese mega-city. He cultivated a modern-day personality cult among China’s so-called “new Leftists,” who supported his push for a more equitable wealth distribution and his campaign for Mao-era pageantry, including organizing mass events to sing patriotic songs.

“This is certainly very bad news for Bo Xilai, and we’ll hear more in the coming days or weeks,” said Cheng Li, a China scholar and expert on China’s elite politics with the Brookings Institution in Washington. He called the timing of the news “quite remarkable” and said, “There’s a possibility the investigation against him has already started.”

“It’s still the beginning,” Li said. “Potentially, it could lead to a domino effect — what direction, we still do not know.”

Bo’s replacement in Chongqing, Zhang Dejiang, is known to be, like Bo, as a protégé of former president Jiang Zemin, who is elderly and ailing but believed to still play a powerful behind-the-scenes role. The replacement of Bo by someone of the same “faction” suggested a political deal had been worked out beforehand to preserve the balance between various power groups.

Zhang is one of the Chinese Communist Party’s North Korea experts. He speaks Korean, and his official biography says he studied at the Kim Il Sung University in Pyongyang, North Korea.

NYT

# Party Ousts Chinese Regional Chief, Halting His Rise



Bo Xilai, the Communist Party chief of the Chongqing municipality, during a gathering to promote the singing of  "red songs" last year.

###### By [ANDREW JACOBS](http://topics.nytimes.com/top/reference/timestopics/people/j/andrew_jacobs/index.html?inline=nyt-per)

###### Published: March 15, 2012

BEIJING — Bo Xilai, the brash Communist Party chief of the Chongqing municipality in [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s southwest, has been removed from his post, an unmistakable sign that recent scandals in that city have put an end to his political ambitions and complicated the national leadership transition that will take place in the fall.

The news, announced Thursday morning in a brief dispatch by Xinhua, the state news agency, said that Vice Prime Minister Zhang Dejiang, a North Korean-educated economist, would replace him as Chongqing party secretary. Xinhua did not mention a new job for Mr. Bo or say whether he would keep his spot on the party’s 25-seat Politburo.

Until recently, Mr. Bo had been widely expected to join the all-powerful Standing Committee of the Politburo, a nine-member body that effectively runs the country. Seven members are to be replaced, and Mr. Bo’s demotion suggests there will be more drama in a usually secret process.

Tall, charismatic and unusually loquacious for a Chinese official, Mr. Bo, 63, is the son of a revolutionary hero and was well-positioned — thanks to his extensive connections — to rise in the party hierarchy.

His prospects clouded last month when a handpicked deputy, Wang Lijun, sought refuge in the United States Consulate in Chengdu, a city in Sichuan Province about 210 miles from Chongqing. Mr. Wang, who had reportedly fallen out with Mr. Bo, spent the night in the consulate before being escorted to Beijing by security officials.

On Thursday, Mr. Wang was removed from his post as vice mayor, according to a state media dispatch issued shortly after Mr. Bo’s demotion was announced.

For a party obsessed with secrecy and the sheen of stability, the past five weeks have been especially roiling. Ding Xueliang, a social scientist at the Hong Kong University of Science and Technology, said Mr. Wang’s visit to the consulate — during which he may have revealed damaging information about his former boss — set off a cascade of events that convulsed the party establishment.

“The Wang Lijun incident has changed the rules of the game by drawing international attention to internal politics,” Mr. Ding said. “What the party fears most are abnormal events like this.”

The political saga that spread from Chongqing to the capital in recent weeks have riveted ordinary Chinese and emboldened Mr. Bo’s many critics, who assailed a populist governing style that included a ferocious assault on criminals, private entrepreneurs and political enemies.

Not long after arriving in the fog-shrouded mountain city in 2007, Mr. Bo began a “red” campaign that urged its residents to sing Cultural Revolution-era songs while peppering their cell phones with Maoist slogans. He also introduced what became known as the “Chongqing model” of economic development, which included lavish infrastructure spending and tending to the needs of the municipality’s poor.

While popular in the city of 30 million people, Mr. Bo’s style unnerved some who said his tactics and revolutionary rhetoric threatened to revive the destructive ways of China’s leftist past.

Mr. Wang, a longtime ally, was instrumental in carrying out Chongqing’s law-and-order juggernaut. As police chief, he took on the city’s gangs, arresting 2,000 people, including high-level Communist Party officials accused of shielding crime lords. Some people, however, assailed the campaign as cutting judicial corners; 13 people were executed after speedy trials.

Mr. Bo’s notoriety for running roughshod over established legal norms was heightened by the prosecution of Li Zhuang, a prominent Beijing defense lawyer who was jailed on charges that he encouraged a client to fake testimony during his trial in Chongqing.

Sentenced to 18 months in prison, Mr. Li was released early through the intervention of powerful allies in Beijing, but the incident only earned Mr. Bo more foes.

The polarization he wrought extended through China’s political core. Supporters included his patron, former President Jiang Zemin, and neo-leftist academics who hailed his wealth redistribution efforts.

Among his many detractors were liberal reformers and those who favor the established system of quiet, collective leadership.

Mr. Zhang, 65, Mr. Bo’s replacement, is also a member of the ruling Politburo and has previously served as party chief in three other provinces. Like Mr. Bo, he is a protégé of Mr. Jiang, the former president, who wields considerable power despite his failing health. Analysts say Mr. Zhang’s appointment as Chongqing party secretary is probably an interim measure but could burnish his chances for ascension to the Standing Committee.

Although Mr. Bo’s political fortunes darkened after his deputy’s consulate escapade, his fate was evidently sealed on Wednesday, when Prime Minister Wen Jiabao — the country’s most prominent voice for political reform — made a thinly veiled swipe at him during a news conference marking the end of the annual meeting of the National People’s Congress.

Prompted by a question from a reporter, Mr. Wen suggested that Mr. Bo’s brand of politics risked reviving the chaos of the Cultural Revolution.

“The current party committee and government in Chongqing must seriously reflect on the Wang Lijun incident and learn lessons from that incident,” the prime minister said, in comments that were broadcast on national television. “What has happened shows that any practice that we take must be based on the experience and lessons we have gained from history.”

One Beijing analyst with senior-level connections said that Mr. Bo might still face an investigation relating to Mr. Wang’s case and the evidence he had provided against him.

“For now, Bo Xilai has been hung on the rack,” the analyst said, adding that the final denouement could be months away. “He has no power and no position.”

That assessment could not be immediately confirmed and without any word on a new assignment, it was possible that Mr. Bo might still have a political career — even if it proved to be largely ceremonial.

One state media official with ties to the party leadership said he thought the repercussions for Mr. Bo would end with his demotion, given the delicacy of factional politics and the party’s desire to limit public fallout from the Chongqing scandal.

With the state news media largely silent on Mr. Bo’s fate — save for the Xinhua dispatch — most Chinese turned to social media to sate their curiosities and share rumors. On Thursday, “Bo Xilai” was the No. 1 topic on Sina Weibo, China’s most popular microblog service, which dispensed with the heavy-handed filtering that sometimes excises politically sensitive chatter.

Many of the posts mocked Mr. Bo or cheered his political demise, but others expressed appreciation for his efforts to spur economic growth and champion the lives of Chongqing’s struggling farmers.

“Bo gave us annual 15 percent growth. Every day he give 1.3 million rural children free eggs and milk,” read one posting. “He gave rural residents the same health insurance as urban residents. I will miss him.”

# Flashy style seen behind downfall of China's Bo

## Fall of China's Bo underscores preference for collegial, low-key approach to leadership

[ssociated Press](http://www.ap.org/)By *Christopher Bodeen, Associated Press* | *Associated Press* – 12



FILE - In this file photo taken on March 11, 2012, Chongqing party secretary Bo Xilai, looks as he attends a plenary session of the National People's Congress at the Great Hall of the People in Beijing. China's Communist Party sidelined Bo, a powerful, charismatic politician Thursday, March 15, following a messy scandal that saw a trusted aide flee to a U.S. consulate and that threatened to cast a shadow over a looming leadership transition. Bo's removal as party chief of the huge inland city of Chongqing appears to end the upward trajectory of a political celebrity who months ago seemed headed for the uppermost ranks of power. (AP Photo/Andy Wong, File)

BEIJING (AP) -- As big city politician Bo Xilai rose to nationwide prominence with an anti-mafia crusade and mass sing-alongs of communist anthems, many of China's leaders trekked to his metropolis approvingly. Not President Hu Jintao.

Hu's conspicuous absence from Chongqing, one of China's biggest cities, was telling. The charisma and self-promotion that made Bo popular with many Chinese at times alienated his political peers. On Thursday, the Communist Party sidelined Bo, removing him from his post as Chongqing's Communist Party boss and highest-ranking official, and likely ending his chances of promotion to the highest ranks of power that seemed within grasp only months ago.

Tall and telegenic, Bo is an anomaly that proves the rule in Chinese politics.

His confidence in public, bordering on flamboyance, and his ease with the media clashed with the low-key, collegial and bland style preferred by the Chinese leadership. Ever since charismatic, populist Mao Zedong mired China in poverty and political chaos, his successors have worked to make sure no one person would dominate. Instead, rule would be by consensus among members of a collective leadership. Bo was a threat to that balance.

"This proves that the Communist Party has accomplished dominance by a bureaucratic clique, rather than dominance by a strongman," said Wang Lixiong, an activist for democracy and minority rights in Beijing. Such unity, Wang said, means the party will continue to protect its power and not undertake meaningful democratic changes. "The Communist Party is more stable, so reform becomes more hopeless."

Bo's removal comes as Hu and many in the senior leadership prepare to step aside and turn over power to a younger group of leaders. While Bo cannot be counted out — he retains his seat on the Politburo, a top decision-making body — it's unlikely that party power-brokers could agree to fill a top spot with a tainted if still popular figure.

"Comrade Bo is a man of character and he has a clear-cut stance in the way he does things. So there are sharply different comments about him and they go to extremes. There are those who love him and those who are extremely opposed to him," Wang Haijiang, a Beijing lawyer and commentator, tweeted to Sina Corp.'s Weibo, a Chinese version of Twitter.

The trigger for Bo's sidelining was a scandal that started last month when a trusted aide, vice mayor and former police chief Wang Lijun, suddenly fled to the U.S. Consulate overnight, apparently in a bid for political asylum. His flight to a foreign diplomatic outpost represented a major breach of discipline, jeopardizing secret information and bringing into public view the bare-knuckled infighting the leadership tries to keep under wraps.

Bo is being replaced in Chongqing by a vice premier who ran several prosperous provinces. In announcing his dismissal, the party made only glancing reference to the scandal, with the personnel chief saying the decision was made "after discrete consideration and based on current circumstances and the overall situation."

But Bo had been raising hackles long before the scandal broke. While commerce minister earlier last decade, he kept already overworked senior officials in their offices late to study the quotes of Mao until a retired predecessor asked him to stop.

The son of one of communist China's founding fathers, Bo took part in a violent Red Guard faction and was sent to jail for part of the radical 1966-76 Cultural Revolution. He went on to major in journalism at university before working his way steadily upward in the communist bureaucracy.

As a provincial official, he showed an early flair for publicity, drawing notoriety to the port city of Dalian with global gatherings, eye-catching urban renewal projects, and the development of a vibrant high-tech sector.

He mailed copies of local government periodicals in which he figured prominently to national and international media.

It was in Chongqing — a sprawling city of 30 million — where he undertook his most ambitious projects, launching the signature campaigns that seemed designed to ensure his entry to the senior leadership in 2012.

The most prominent, the controversial "smash the black" anti-gang crackdown, resulted in 2,000 arrests, 500 prosecutions, and 13 executions, including the former director of the city's Judicial Bureau, and a wave of nationwide publicity. Then came a "sing red songs" campaign to praise the party and its values that reached a crescendo with mass sing-alongs commemorating last year's 90th anniversary of the founding of the Communist Party.

Despite their popularity in Chongqing and elsewhere, criticisms emerged. Legal scholars accused Bo and police chief Wang of ignoring due process. Private businesses grumbled they were being falsely accused in a bid for shakedowns.

Combined, Bo's two campaigns smacked of the mass mobilization tactics of Mao.

"He opened up the risk of once more using mass movements and campaigns toward factional infighting inside the leadership," said Francois Godement, China expert at the European Council on Foreign Relations.

In being sidelined, Bo's popularity seemed undimmed among many who say his anti-gangland crackdown was a fitting response to China's pervasive corruption.

"Bo Xilai is down. The ones that are most happy are the gangs," Yu Fenghui, a financial commentator, wrote on Sina Weibo. "Gangs across the country should drink all through the night to celebrate it today."

For now, Bo remains in limbo, although observers say he'll likely avoid formal reprimand. He could be assigned a powerless ceremonial position while retaining his privileges as part of a deal to avoid more inner-party turbulence.

The decisive handling of his case shows the might of the party's personnel management system, while its built-in safeguards preventing the rise of a political strongman likely saved Bo greater humiliation, said Ding Xueliang, professor of social sciences at the Hong Kong University of Science and Technology.

"In the old days, under a powerful leader such as Mao, Bo would have been simply crushed to bits," Ding said.

WP

# Bo Xilai’s ouster seen as victory for Chinese reformers

### By [Keith B. Richburg](http://www.washingtonpost.com/keith-b-richburg/2011/03/03/ABszxON_page.html) and [Andrew Higgins](http://www.washingtonpost.com/andrew-higgins/2011/03/02/ABbwwkP_page.html), Published: March 15

BEIJING — The unceremonious [firing](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-fired-in-communst-party-leadership-shakeup/2012/03/15/gIQA3uaLDS_story.html) Thursday of Bo Xilai, the populist Communist Party chief of the southwestern mega-city of Chongqing, was seen by some observers here as a victory for China’s reformers and a stinging defeat for those known as the “new leftists,” for whom Bo had emerged as a champion.

But with the party’s internal wrangling shrouded in secrecy, the latest twist in China’s most tumultuous political drama in years has left many — from ordinary Chinese to foreign China-watchers — perplexed about what is really going on behind the vermilion walls of the Zhongnanhai leadership compound in Beijing.

[](http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html)

[Chongqing, a sprawling municipality of 32 million people, embarked on a campaign championed by Bo Xilai to promote “Red Culture” to remind residents of the past glories of China’s Communist Party last summer.](http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html)

During his more than four years as the party chief in Chongqing, Bo — the son of an early revolutionary hero — had led a crackdown on crime and a [revival](http://www.washingtonpost.com/world/southwestern-chinese-city-leading-red-revival/2011/06/25/AGkh8JnH_story.html) of Mao-era patriotic songs and sloganeering while promoting an economic model that emphasized a more equitable distribution of wealth. His approach, known as the “Chongqing model,” attracted the support of modern-day Maoists and others critical of China’s growing income disparity.

But Bo’s populism and his authoritarian manner — which prompted accusations that he and his security forces ignored laws and human rights in their anti-crime crusade — unnerved some central government leaders in Beijing. His “red revival” campaign also triggered unwelcome memories of the violence and chaos of Mao Zedong’s 1966-76 Cultural Revolution.

“Basically, his political career is at an end,” said Zhang Ming, a political science professor at Beijing’s Renmin University. “The Chongqing model is also over, and the chance of [China] turning leftward is finished.”

Jiang Weiping, a Chinese journalist who spent five years in jail after he published articles accusing Bo of shielding corrupt officials in the 1990s, said the Chongqing party chief’s ouster marked an “absolute victory” for more forward-looking officials after a long tug of war between rival factions. But even he acknowledged that “we don’t have any firsthand information” about decision-making at the summit of the party.

During Bo’s tenure in Chong­qing, neither President Hu Jintao nor Premier Wen Jiabao traveled to the province-size city of 32 million people — an omission that analysts said reflected official displeasure with Bo’s “new left” approach and what many called his media showboating. Interestingly, one who did venture to Chongqing was Vice President Xi Jinping, the apparent presidential successor who in December 2010 heaped praise on Bo’s social welfare model and his “red revival” campaign.

On Wednesday, the day before Bo was fired, [Wen made a spirited case](http://www.washingtonpost.com/world/chinese-premier-wen-jiabao-calls-for-political-reforms-even-as-peoples-congress-strengthens-detention-law/2012/03/14/gIQAI4rSBS_story.html) for more political reform and openness in China and repeatedly warned of the danger of China slipping back into another Cultural Revolution. Wen’s warnings in retrospect were seen as directed at least partly at Bo’s “red revival” campaign.

Beijing authorities were already investigating Bo’s anti-crime crusade because of allegations that the targets were often wealthy Chongqing businessmen. Bo’s right-hand man in the crackdown was his then-police chief, Wang Lijun, who himself became the subject of a corruption probe and was demoted this year. On Feb. 6, Wang fled Chongqing for Chengdu, more than 200 miles away, and took refuge for a day at the U.S. Consulate before being escorted to Beijing by Chinese security officials.

One of the targeted businessmen, Li Jun, who fled Chongqing in 2010, issued a statement from his hiding place abroad, saying, “I am delighted that Bo Xilai and Wang Lijun have now fallen.”

Li, who founded Chongqing Junfeng Industrial Development Group, a big property and trading company, urged Beijing to “thoroughly investigate their criminal acts. Their crimes must be answered for.”

In a lengthy [interview](http://www.washingtonpost.com/world/asia_pacific/fugitive-chinese-businessman-details-struggle-over-power-and-property/2012/03/03/gIQATIJqqR_story.html) last month with The Washington Post, Li accused Bo of colluding with a senior People’s Liberation Army officer, Zhang Haiyang, to grab property that his Junfeng Group had purchased from the military. He said that Bo had close ties stretching back decades with Zhang, who is now political commissar of China’s nuclear missile forces.

Zhang Xin, the head of Soho China, a large private property developer, and no relation to Zhang Haiyang, said in Hong Kong on Thursday that Bo’s downfall “is definitely an encouraging sign.”

“A lot of people had begun to wonder where China is heading,” she said, adding that Wen “made clear that China will reform . . . and that economic reforms are not possible without other reforms.”

Jiang, the journalist who was jailed, said by phone from Canada that the now-purged Chongqing party chief — who for the time being still retains a seat on the Politburo — “was running against the tide and had to be stopped.”

## Chinese politics

### The sacking of Bo Xilai

# A princeling’s downfall reveals the rottenness at the heart of Chinese politics

Mar 17th 2012 | from the print edition



LATE this year, the world’s two biggest powers will each choose their leaders. The way America does it looks messy and inefficient. China’s bureaucratic method, by contrast, is designed to provide a smooth transition and a continuity of policy. It has long been signalled that this year Xi Jinping will inherit the Communist Party’s leadership from Hu Jintao. But there are many other posts to be filled. Behind closed doors, it is fair to assume that politics in China are no less vicious than in the Rome of Julius Caesar.

The sacking on March 15th of Bo Xilai as party chief of the south-western region of Chongqing provided a rare glimpse inside those doors. The son of Bo Yibo, a leader of the Party’s Long March generation, Mr Bo had seemed destined for the zenith of power in China—the nine-member standing committee of the party’s Politburo. His downfall represents the biggest public rift in China’s leadership for two decades. There are reasons to celebrate it; yet the manner of his going is a sharp reminder of what’s wrong with China’s political system.

The first reason to cheer is that some of Mr Bo’s ideas, and the style of his rule in Chongqing, were disturbing. Two policies made him famous. The first was a popular crackdown on Chongqing’s “mafia”. Many ordinary Chinese welcomed his no-holds-barred approach to going after gangsters, many of whom would have had links with corrupt officials. But there are credible allegations that Mr Bo used his campaign for his own political ends, selectively attacking his opponents. A local businessman, now in hiding abroad, has said he suffered torture and extortion at the hands of Mr Bo’s henchmen.

The other policy was to pay homage to some aspects of Maoism—favouring state enterprises, for example, and reviving “red songs”, including some popular during the Cultural Revolution. The campaign showed breathtaking hypocrisy as well as forgiveness. Mr Bo himself suffered during the Cultural Revolution. But thereafter he resumed the privileged career path of the princeling. This “leftist” sends his children to elite schools in the West. Both “red” and “anti-mafia” campaigns can be seen as part of a power struggle, designed to discredit Wang Yang, his predecessor in Chongqing, and rival for a standing-committee seat. Mr Wang, now party secretary in the southern province of Guangdong, has a reputation as something of a liberal. That he seems to have come out on top in this battle is good news.

Welcome, too, is the little window the affair opens into the corrupt, fratricidal ways of party politics. Mr Bo’s downfall was precipitated by the flight to an American consulate of Wang Lijun, his former police chief and right hand in the anti-mafia drive. Mr Wang is now under investigation in China. Mr Bo, too, may soon find himself answering awkward questions. That Chongqing’s dirty linen was aired in front of American diplomats on his watch may matter more than the dirt itself. But his sacking will not herald a new era in which party and government officials are to account for their actions. Crimes and misdemeanours, like ideology, are merely weapons in a power struggle. Winners can still get away with it.

The day before the sacking, Wen Jiabao, China’s prime minister, had foreshadowed it with a rare public ticking-off for the Chongqing leadership at a press conference. In another presumed dig at Mr Bo, however, Mr Wen said something rather remarkable: that, without political reform China might suffer another tragedy, “like the Cultural Revolution”. This seems preposterous: fast-growing, increasingly plural China is not on the brink of a similar outbreak of party- fanned mass hysteria like the one that gripped China in the late 1960s.

**The party is not over**

Mr Wen is right, however, to point out that the political system remains basically unaltered. It is still one in which the factional squabbles of a few men in Beijing are fought out across the whole nation. It is still one in which, as recently as 1989, a succession struggle was waged in blood on the streets of Beijing. It is still one in which the Communist Party has only managed one smooth transfer of leadership, its most recent transition in 2002. By comparison, America’s laborious process looks rather attractive.

The Guardian

Change is coming to China – but will Beijing lead a social revolution?

People's Congress must wait for party to anoint next leaders before addressing growing clamour for reform



Xi Jinping, who is expected to take over as general secretary, then president of China. Photograph: Reuters

Tania Branigan in Beijing

guardian.co.uk, Sun 18 Mar 2012 18.15 GMT

It was the greatest political upheaval in years, but it may not be the last. China's dramatic ousting of the leadership contender Bo Xilai on Friday may have been an anomaly – or it may be a sign of trouble ahead as the world's second largest economy prepares for a once in a decade power transition.

This autumn, the 18th Communist party congress will formally select the next general secretary and other members of China's top political body. Since power flows from the party, the decision – in reality, made before the meeting – will determine who will lead the country and how they will govern its 1.4 billion inhabitants. Bo's high-profile campaigning, which unsettled other leaders, was only the most visible sign of the jockeying for position.

"My guess is that it's going to be a bumpier ride than 10 years ago," said Jean-Pierre Cabestan, of Hong Kong Baptist University.

Wu Qiang, a political scientist at Tsinghua University, said: "This is the most intense moment in the past 15 years and could have a big impact on society. The upcoming political competition is healthy and worth anticipating, but could potentially result in instability."

This is the first transition that has not been shaped by the founders of the People's Republic; President Hu Jintao was picked out by Deng Xiaoping. His ascension was the first relatively straightforward succession in its history.

Xi Jinping will almost certainly become general secretary, then president of China, with Li Keqiang as premier. The rest of the incumbents are expected to make way for newer faces – and perhaps the first woman ever to reach the body.

They will face a far more difficult time than their predecessors, said Cheng Li, a specialist on China's elite politics at the Brookings Institution in Washington.

"There are serious economic, political and social challenges. State monopolies, inflation, a property bubble, huge local debts – each of those things is so overwhelming," he said. "Internationally, China faces a very uncertain and complicated environment. It's not a very nice picture."

China is vastly wealthier and more powerful than when Hu Jintao took power a decade ago. Yet analysts say his legacy is one of maintenance: keeping GDP growth high and preserving party consensus. Critics complain that even much-needed measures, such as improvements to social welfare, have skirted the underlying issues.

Breakneck economic development has come at vast social and environmental cost. Corruption is rife; cynicism more so. While millions have emerged from poverty, many feel worse off – perhaps because inequality has soared. Protests and other disturbances are increasing. This year has seen fresh unrest in Tibetan and Uighur areas. Even the demographics look grim, with a rapidly ageing population.

Reforms have reached a critical stage, the outgoing premier, Wen Jiabao, [warned last week](http://www.guardian.co.uk/world/2012/mar/14/china-political-reform-wen-jiabao). Political changes are necessary to reform the economy – and without them, China risks another historical tragedy like the cultural revolution, he said.

Some see Wen as disingenuous; others as isolated. He has repeatedly called for change, though never quite so strongly, and little has happened.

Zhang Jian, of Peking University, noted: "There's a strong demand from civil society for more reforms … I don't see a serious or reliable force within the party that really wants them."

But Russell Leigh Moses, a political analyst in Beijing, suggested that on economic issues, at least, "there's a good deal of healthy rethinking in leadership circles".

A government research body co-wrote last month's World Bank report calling for economic reforms; Li Keqiang reportedly arranged the collaboration.

"I feel a polarisation process between conservatives and reformers on substantive political issues and fundamental orientations is going on," said Cabestan. "The big uncertainty is whether something creates a showdown."

Opportunities for change will depend on who joins the standing committee of the politburo, the top political body, and who takes other senior roles. The general secretary is now first among equals, not a paramount leader like Mao Zedong or Deng Xiaoping.

Since them, "the committee has been led by all the members together and the factional fighting has been fierce", said Zhang Ming, a political scientist at Renmin University of China in Beijing.

The leadership is often divided into "princelings" like Xi – the sons of powerful Communist leaders – and members of Hu's Communist Youth League faction. But such distinctions not only reflect the importance of connections and powerful patrons; to some extent they are used as a proxy for political differences.

This autumn's promotions will offer clues to Xi's ability to impose his will, as will the speed with which he takes over as chair of the party's central military commission.

The standing committee "will also tell us about policy orientation – whether it will be a status quo leadership or one ready to take more daring decisions, initiate more reforms and to some degree take risks", said Cabestan.

"If, for example, Wang Yang [the Guangdong party boss seen as relatively reformist] is promoted to a key position, that may make a difference."

Meaningful change – particularly political reform – will be hard to effect, Cheng Li warned.

The National People's Congress's 70 richest members added more to their wealth last year than the combined net worth of the US Congress, the president and his cabinet and the US supreme court justices, Bloomberg reported recently.

Their average worth of $1.28bn not only makes the favourite for the Republican presidential candidacy, Mitt Romney, look impecunious; it indicates how intertwined political and economic power have become.

"The big question for Xi [is] whether behind his smile and urbane manner he can really be tough when he needs to be," said Cabestan.

Kerry Brown, director of the Asia programme at Chatham House in London, said: "For me, 2012 onwards is going to be a transition from GDP growth to sociopolitical change and the return of politicians; technocrats being replaced by people who actually have to communicate to the public what the policy options are and which choices should be taken and try to build not just consensus in the party, but in society.

"The new leaders are more reformist in their provincial levels. It's a question of what they attack and the speed at which they take those issues.

"I guess they will be gradualist and my instinct is that they will have to hit these quicker than they expected. Tensions have grown and it isn't sustainable."

NYT

# New Details Emerge of a Top Chinese Official’s Removal



Feng Li/Getty Images

Bo Xilai, who was removed last week as party chief of Chongqing, attended a meeting of the National People's Congress on March 9 in Beijing.

###### By MICHAEL WINES and JONATHAN ANSFIELD

###### Published: March 19, 2012

BEIJING — Communist Party leaders sacked Bo Xilai, the powerful party chief of metropolitan Chongqing, after being told that he had schemed to remove his police chief and impede a corruption investigation involving his family, according to a preliminary report on Mr. Bo’s actions circulated among government officials.

A version of the report, posted on a Chinese Web site and verified independently, provides a rare glimpse of the government’s internal efforts to manage one of its biggest political earthquakes in years. Some officials are worried that the purge of Mr. Bo could upset plans for a transfer of power to a new generation of party leaders this fall.

The report also states for the first time that the Chongqing police chief who set off that earthquake — Mr. Bo’s trusted aide, Wang Lijun — had sought political asylum [when he fled to at a United States consulate](http://www.nytimes.com/2012/03/09/world/asia/in-china-bo-xilais-political-scandal-deepens.html?pagewanted=all) to escape Mr. Bo’s wrath.

The Communist Party Central Committee circulated the findings to ranking party and government officials on Friday, one day after the [announcement of Mr. Bo’s dismissal](http://www.nytimes.com/2012/03/15/world/asia/upstart-leader-in-china-is-ousted-from-party-post.html). Its contents were confirmed by a researcher at a ministry-level institute and by a Chongqing official briefed by colleagues who were present when the report was read at a government meeting.

Combined with other actions in recent days, the government’s decision to begin making its case against Mr. Bo suggests a campaign to discredit him. Mr. Bo, a broadly popular but highly controversial politician whose father was one of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s revolutionary-era leaders, was openly seeking a spot in China’s top leadership when power changes hands late this year.

It also raises the prospect that Mr. Bo could face criminal charges, a rarity for an official of his rank. The party secretaries of Beijing and Shanghai, province-level cities like Chongqing, were dismissed in 1995 and 2006, and later were imprisoned for corruption. Like Mr. Bo, both were also members of the Politburo, the 25-member body that oversees Communist Party affairs.

Both of those firings, like Mr. Bo’s, were principally viewed as the fallout from power struggles within the leadership. But a number of political analysts say they regard Mr. Bo’s dismissal as potentially more serious because it involves more than a struggle for control.

“It’s not about political lines,” said Zheng Yongnian, who directs the East Asia Institute at the National University of Singapore. “It’s about whether to reform or not reform.”

The decision to oust Mr. Bo in the midst of a once-in-a-decade change of rulers underscores the gravity with which China’s leaders view both his political influence and the controversy surrounding him.

After decades in which leaders were handpicked by predecessors, this year’s leadership change is the first in China’s Communist history that is following rules — albeit rules known mostly only by China’s leaders. Ensuring a stable transition has become a party obsession.

“If he is dislodged and this purge sticks, then the transition can move forward smoothly,” Andrew J. Nathan, an expert on China’s elite leaders at Columbia University, said of Mr. Bo. Yet “they have paid a huge price by firing him.”

“They have had to do exactly the thing that they hate him for doing,” he added, “which is to shred the facade of party unity. And they would have preferred not to.”

Mr. Bo, 62, has built a national reputation on his charisma — a sharp contrast to the rest of China’s interchangeably bland leadership — and on his stewardship of Chongqing, where he marshaled the government to purge officials and private entrepreneurs accused of organized crime, redistribute wealth and start a massive drive to urbanize and house rural migrants.

His statist policies and promotion of a retro-Maoist culture in which citizens sang patriotic songs and dressed in red made him a darling of China’s political left and a serious contender for a seat on the Politburo’s Standing Committee, whose nine members enjoy uncontested authority over government policy.

But that same personality and political bent were said to nettle President Hu Jintao and Premier Wen Jiabao, who appeared to resent his mixing of state power over the economy and society with the promotion of his personal and political interests. Some in the elite also frowned on Mr. Bo’s crowd-courting, almost Western, style of politicking.

Mr. Bo’s rise came to an abrupt end on Feb. 6, after his longtime aide and Chongqing’s vice mayor, Wang Lijun, fled the city and sought refuge overnight at the United States Consulate in Chengdu, in Sichuan Province. Mr. Wang left the consulate after about a day and was taken by Chinese security officials to Beijing for interrogation.

The version of the party’s six-point report circulated on Friday purports to explain why Mr. Wang fled to the consulate and how the party contained the damage. In essence, it states that Mr. Wang left Chongqing because he feared for his safety after telling Mr. Bo that his family was under criminal investigation.

The party investigation’s “preliminary findings” state that Mr. Wang, whose portfolio included Chongqing’s security apparatus, told Mr. Bo on Jan. 28 about “important cases related to the Bo family.” Mr. Wang told him that some investigators on the cases had felt pressured and sought to resign.

“Comrade Bo was very unhappy about this,” the leaked transcript states. Within days, he arranged for Mr. Wang to be removed as police chief and demoted to a lesser role supervising education and science, without seeking the approval of the Ministry of Public Security, the document adds, “as rules dictated.”

The report does not address why Mr. Wang, a subordinate of Mr. Bo’s, would have sought to pursue his own corruption investigation against his boss. Corruption inquiries against a leader of the rank of Mr. Bo would normally be conducted by investigators under the direct authority of the party elite in Beijing, not by a provincial official.

According to the report, after the Chongqing party authorities announced the move to local police on Feb. 2, investigations were initiated of Mr. Wang’s aides and the investigators of the cases against the Bo family, under pressure from Bo Xilai’s family members and people who worked by Mr. Bo’s side.

“Wang Lijun felt that his own personal safety was under threat. He then decided to leave.”

The document states that Mr. Wang filed a formal request for political asylum with American consular officials after discussing “matters related to cooperation and exchange,” but does not elaborate.

Rumors have been rife — and unverified — that Mr. Wang presented American officials with evidence of official corruption, and that he dispatched more evidence outside China for release in the event that someone should seek to harm him.

Both those rumors and the party’s findings underscore the unusual degree to which reports of corruption dog the Chinese elite, and color citizens’ view of their leaders. Few complaints about the government are as widely shared, and few seem as resistant to solution as the issue of graft.

In Mr. Bo’s case, however, corruption may be part of a broader effort by Mr. Bo’s rivals in the party leadership to sully his reputation as a populist Robin Hood who wielded his power to better the lot of Chongqing’s poor multitudes.

On Friday, Mr. Hu’s ally and heir apparent, Vice President Xi Jinping, published an essay in a Communist Party journal calling for more discipline in the party’s ranks and criticizes those who “play to the crowd” or use their positions to gain fame or wealth.

Like Mr. Wen’s remarks at a news conference last week warning against radical policies that could trigger another Cultural Revolution, Mr. Xi’s article was largely interpreted as a swipe at Mr. Bo’s flamboyant rule.

Even so, Mr. Bo’s popularity and clout makes disposing of his case an “extremely dangerous” matter for party leaders, said Cheng Li, a scholar of the Chinese leadership at the Brookings Institution in Washington.

“If the charge is too lenient, some senior leaders and all liberal intellectuals will not agree,” he said. “If they only charge him with corruption, that will make him a hero among many people because the general perception is that corruption is a widespread phenomenon — so why are you singling him out?”

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# Bo Ouster Means State Capitalism in China Will Fade, Zhang Says

By Bloomberg News - *Mar 20, 2012 12:51 AM ET*

Bo Xilai’s ouster last week as head of Chongqing is a signal that China will increase the role of private businesses in the economy and scale back state capitalism, said Zhang Xin, Chief Executive Officer of [Soho China Ltd. (410)](http://www.bloomberg.com/quote/410:HK)

Zhang, whose company is the biggest property developer in Beijing’s central business district, said yesterday on the Charlie Rose show that Bo’s ouster and comments made last week by Chinese Premier [Wen Jiabao](http://topics.bloomberg.com/wen-jiabao/) about continuing economic opening are signals that the model focusing on state-directed bank lending and state-owned companies will fade.

“I think that was quite a worry for a number of years but by now it seems to be cleared,” Zhang said, according to a transcript of the interview.

In Chongqing, where Bo served as the top official until his removal was announced on March 15, he emphasized state-led projects and lending by state-owned banks to help spur economic development and reduce the wealth gap between rich and poor. Chongqing led the other three municipalities directly under the central government -- Beijing, Shanghai and Tianjin -- in per- capita economic output after Bo took the helm in 2007.

Bo, 62, is the son of one of the founders of the People’s Republic of [China](http://topics.bloomberg.com/china/) and a member of the Communist Party’s ruling Politburo. Bo’s chances of getting on the Politburo Standing Committee, the nine-man body that exercises supreme authority in China, declined after his police chief spent the night in a U.S. consulate last month, prompting speculation that he was there to seek asylum.

## Police Chief Investigated

Wen, speaking to reporters on March 14 in Beijing at the close of the country’s annual legislative session, said authorities had made progress in investigating the case of the former police chief, Wang Lijun, who was in custody.

The New York Times, citing a Chinese official document, reported yesterday that Wang was removed by Bo as police chief to impede a corruption investigation involving Bo’s family. The document said Wang had sought asylum at the consulate after he fled Chongqing, fearing for his safety.

Wang’s removal as police chief was done without permission from central police officials, the New York Times reported, citing the report which it said it verified with two people familiar with its contents.

A document that contains the content described in the New York Times article was posted on the [website](http://www.canyu.org/n44098c11.aspx) of canyu.org, a group advocating press freedom in China.

Bo still retains his spot on the Politburo after being replaced in Chongqing by Vice Premier Zhang Dejiang. Searches today for Bo’s name on [Sina Corp. (SINA)](http://www.bloomberg.com/quote/SINA:US) (SINA)’s Weibo microblogging service produced a notification saying that “based on relevant laws, regulations and policies, ’Bo Xilai’ search results cannot be displayed.”

## ‘Red’ Songs

Bo’s profile in Chongqing was burnished by his crackdown on organized crime, led by Wang. Bo also reintroduced patriotic “red” songs and slogans from the era of Chairman [Mao Zedong](http://topics.bloomberg.com/mao-zedong/).

“For a while, it felt like maybe we’re going back to the Maoist time,” Zhang said.

During Bo’s time in office, the municipality of about 30 million people also obtained lines of credit of at least 95 billion yuan ($15 billion) from state policy lender [China Development Bank (SDBZ)](http://www.bloomberg.com/quote/SDBZ:CH) to help build infrastructure projects such as roads and water works, according to bond prospectuses. State- owned companies including [Chongqing Changan Automobile Co. (200625)](http://www.bloomberg.com/quote/200625:CH), the Chinese partner of Ford Motor Co., are among the biggest enterprises in Chongqing.

Much of that money came after 2009, when China responded to the global financial crisis by funneling trillions of yuan through state banks to infrastructure projects across the country.

“So, from 2009 to now, state-owned companies became so much more powerful,” Zhang said. “State capitalism became so much more powerful and the private sector has been really suppressed.”

Foreign Policy

# [The Great Rumor Mill of China](http://www.foreignpolicy.com/articles/2012/03/22/the_great_china_rumor_mill)

## Something strange is going on in Beijing. Here are the five most virulent conspiracy theories making the rounds -- and a stab at the likelihood of them panning out.

### BY ISAAC STONE FISH | MARCH 22, 2012

The public hasn't seen or heard from high-ranking Communist Party leader Bo Xilai since he was sacked last week in Beijing, and the Chinese Internet has been awash with debate over what's actually going on behind palace walls. "People are nervous, there's not much information available," Bo Zhiyue, an expert on Chinese elite politics at the National University of Singapore, [told AFP](http://www.google.com/hostednews/afp/article/ALeqM5hPD_tFlofD39yPx8HKeAUPvP17NA?docId=CNG.0c009eb14f6f5a460c2978fa1770390f.7a1" \t "_blank). "They are hungry for new information, and if there's nothing new, they will make up new information."

Speculation is [rife](http://blog.foreignpolicy.com/posts/2012/03/21/chinese_coup_watching) that a coup might have happened, with the only general consensus being that something big is going on in Beijing. What follows is a curated guide to the "information" -- read: wild rumors and speculation -- floating around online in Chinese about Bo Xilai's surprising fall from grace and what his sacking means for the future of the Chinese Communist Party.

**1. Bo Xilai was sacrificed in the name of party unity.**

**The rumor:** Although Bo had widespread support in the high leadership, current President Hu Jintao and former President Jiang Zemin (who's not dead, though this was rumored, too) agreed to kick him out to facilitate a smooth power transition for Xi Jinping this fall. The 85-year old Jiang, an ally of Bo's now deceased father, turned on Bo Xilai for the good of the Communist Party.

**Really?:** For a party bent on showing a united front to outsiders, Bo Xilai, with his loud populism and his overt (at least for China) thirst for power, apparently proved too dangerous. Analysts sometime classify Hu Jintao as belonging to a different faction of the party than Jiang Zemin, but the two leaders have worked together to houseclean in the past; [apparently cutting a deal](http://www.foreignpolicy.com/articles/2012/03/22/the_great_china_rumor_mill?page=full) to depose a powerful Shanghai party chief in 2006.

**The source:** Various Taiwanese and Hong Kong media websites that tend to mix assertion with fact when reporting on elite Chinese politics.

**Likelihood:** Possible but unprovable at the moment, at least until someone releases better sourcing or better documentation.

**Mao Zedong's grandson will come to power.**

**The rumor:** General Mao Xinyu will be [promoted to Bo's position](http://s.weibo.com/weibo/%25E6%25AF%259B%25E6%2596%25B0%25E5%25AE%2587%25E4%25B9%25A6%25E8%25AE%25B0&rd=NTYwM&page=2" \t "_blank), or another high ranking post, to fight corruption in the name of his glorious grandfather and make the country strong once more.

**Really?**: General Mao, [possibly the world's most obese major general](http://forum.globaltimes.cn/forum/showthread.php?t=6056" \t "_blank), is a tragicomic figure in Chinese politics. Imagine if [Jimmy Carter's embarrassing brother](http://en.wikipedia.org/wiki/Billy_Beer" \t "_blank) mixed with a slovenly version of Kato Kaelin were the venerated grandson of your nation's founder. Because of his illustrious lineage, though, he still appears at major meetings to present information, with the added benefit of [entertaining reporters](http://blogs.wsj.com/chinarealtime/2010/03/05/long-march-comrade-where%E2%80%99s-my-car/" \t "_blank).

Jamil Anderlini, [who interviewed him last year for the](http://www.ft.com/intl/cms/s/2/0f045880-727d-11e1-9c23-00144feab49a.html" \l "axzz1pmj6DR83" \t "_blank) *[Financial Times](http://www.ft.com/intl/cms/s/2/0f045880-727d-11e1-9c23-00144feab49a.html" \l "axzz1pmj6DR83" \t "_blank)*, writes:

Unlike other "princelings," as the children of revolutionary heroes are known, General Mao has never been accused of using his pedigree to advance his business interests. On the contrary, he is considered incapable of doing much of anything besides memorizing a few tracts of his grandfather's famous quotes, something that every Chinese child in the 1960s and 1970s could do.

General Mao's penmanship is so childish it has even spun a parody account on Weibo, "Mao Xinyu the Calligrapher."

**Source:** Scattered comments on Chinese microblogs.

**Likelihood**: Slightly better than the Mayan Apocalypse.

**3. Another high-ranking leader has been purged.**

**The rumor:** Zhou Yongkang, ostensibly a Bo Xilai supporter, has been detained by order of President Hu Jintao in the biggest leadership shake-up, and possibly the most destabilizing, since the Mao's death in 1976.

**Really?:** Nine men currently sit on the Politburo Standing Committee, the top decision making body in China. Zhou, officially ranked last, oversees state security and the police, but some analysts see him as one of the Standing Committee's most powerful men. A former oilman who grimaces even when he smiles, imagine [Zhou as a Dick Cheney](http://www.forbes.com/pictures/lmm45emfe/29-zhou-yongkang-security-head-china/" \t "_blank) with a slightly lower rank. [Xinhua has reported](http://news.xinhuanet.com/lianzheng/2012-03/22/c_122866309.htm" \t "_blank) that the Political and Legislative Affairs Committee, which Zhou chairs, will host a training of more than 3,300 provincial, city, and county-level officials in April, but it's unclear what this says about Zhou's grip on power.

**The source:** A [Chinese edition of the](http://www.epochtimes.com/gb/12/3/22/n3547223.htm%E8%83%A1%E6%B8%A9%E5%9B%B4%E5%89%BF%E6%B1%9F%E7%B3%BB-%E5%91%A8%E6%B0%B8%E5%BA%B7%E9%81%AD%E6%B1%9F%E6%8A%9B%E5%BC%83" \t "_blank) *[Epoch Times](http://www.epochtimes.com/gb/12/3/22/n3547223.htm%E8%83%A1%E6%B8%A9%E5%9B%B4%E5%89%BF%E6%B1%9F%E7%B3%BB-%E5%91%A8%E6%B0%B8%E5%BA%B7%E9%81%AD%E6%B1%9F%E6%8A%9B%E5%BC%83" \t "_blank)* (the paper affiliated with the banned-in-China Falun Gong sect) compares Zhou's detention -- which no one else can corroborate -- to the arrests of the Gang of Four in 1976. The paper, however, sources this to "indications." The English edition is a bit more circumspect; in an article entitled "[China's Security Chief Zhou Yongkang Pulled from Power](http://english.ntdtv.com/ntdtv_en/asiabrief/2012-03-22/china-s-security-chief-zhou-yongkang-pulled-from-power-.html" \t "_blank)?" they qualify their statement with the helpful phrase: "News of Zhou's arrest remains unconfirmed."

**Likelihood:** Not outside the realm of possibility, but the chance of this happening appears minuscule. It's more likely wishful thinking. The *Epoch Times* has written good stories and broken news, but on trustworthiness appears to fall somewhere between the *[Washington Times](http://www.washingtontimes.com/" \t "_blank)* and [Scientologynews.org](http://www.scientologynews.org/" \t "_blank). The *Epoch Times* also has an axe to grind here: given Zhou's role in the Falun Gong crackdown, it's a safe bet that many in that newspaper, and its shadowy backers, would be happy to see him go.

**5. Armed chaos in Beijing.**

**Rumor:** Yesterday sawgun-battles in Beijing, the airport has been sealed, and martial law had been imposed on the Avenue of Eternal Peace (the street perpendicular to Tiananmen Square and that runs alongside many important government buildings).

**Really?** There appears to be something strange afoot in Beijing, butfears of a return to June 4, 1989 -- when tanks rolled into Tiananmen Square and the capital fell under martial law, a response both to a student protest movement and disagreements among members of the Politburo Standing Committee -- seem outlandish.

**Source:** Chinese articles published on overseas websites, trying to [explain](http://www.wenxuecity.com/news/2012/03/21/1690583.html" \t "_blank) and [debunk](http://www.iask.ca/news/china/2012/0320/124891.html" \t "_blank) the current rumors floating around the Internet. Mostly they're just adding to them. As *Foreign Policy*'s Christina Larson [pointed out](http://blog.foreignpolicy.com/posts/2012/03/22/still_the_people_s_republic_of_rumors), this is when a Chinese Peter Jennings would be useful.

**Likelihood:** It's possible there was sporadic gunfire in Beijing -- though it's a city where guns are heavily restricted. But [sealing the world's second-busiest airport](http://en.wikipedia.org/wiki/World%27s_busiest_airports_by_passenger_traffic" \t "_blank) and imposing martial law on a major thoroughfare in a city filled with millions of bloggers, hundreds of foreign journalists, and thousands of international observers without any credible source reporting this seems, well, impossible.

\* \* \*

So what are we to make of all this? For the time being, it's too early to say. Silence from official channels, and lack of information, has fueled a lot of speculation. Yesterday, in the state-run *Global Times*, an unsigned essay -- perhaps the longest and most direct mention of what is happening in China in mainstream media -- [didn't even mention Bo Xilai by name](http://news.ifeng.com/mainland/detail_2012_03/22/13370482_0.shtml" \t "_blank), instead referring to "The Chongqing Incident." Unsurprisingly, it urged people to place their trust in the highest levels of the Communist Party.

"Because we now have become more diversified, we have other choices, we have realized that trusting in the Party Central Committee, implementing the path of the Party, is more dependable than any methods other people teach us," it reads. It's an odd time to talk about other paths, other teachers. The essay, which has been widely re-posted online, appears to have been taken down from the *Global Times* website, which could mean that someone chose to comment on a subject before the Communist Party decided the party line.

And when the party line doesn't even know what it wants to communicate, it's fuel to the flames of conspiracy.

The Economist   
Where Bo goes

Mar 23rd 2012, 16:23 by J.M. | BEIJING



WHEN he lost his job as the chief of the Communist Party for the south-western region of Chongqing on March 15th, Bo Xilai became the third member of the ruling Politburo to suffer such ignominy since the Tiananmen Square protests of 1989. But he is the first to enjoy open support among members of the public even after his dismissal. The party, which normally tries to suppress any expression of sympathy for purged leaders, is either failing this time, or else it is not trying very hard. It could well be a sign that Chinese leaders themselves are divided over how to handle Mr Bo’s case and the public reaction to it.

Uniquely among Chinese politicians in the post-Tiananmen period, Mr Bo had acquired a vocal and genuinely admiring fan club. Silencing this group will not be easy. It happens to include people whom party traditionalists regard as hailing from the most venerable sectors of the population: workers laid off from state-owned factories, retired cadres, and intellectuals who remain doggedly committed to old-fashioned communist ideals. Before Mr Bo was sacked, articles praising him and his “Chongqing model” were a staple of websites controlled by die-hard Maoists in China. These enjoy a degree of protection from official wrath, thanks to their staunch defence of party rule and their careful avoidance of any criticism of the president, Hu Jintao. Some officials working in the most conservative parts of the bureaucracy, such as the party’s powerful Publicity Department, are probably sympathetic with the websites’ views.

Not since the 1980s, when Hu Yaobang became the darling of those on the opposite end of the political spectrum, has an individual leader enjoyed such open adulation as Mr Bo. In Zhouwangcheng square in the central city of Luoyang, hundreds of kilometres from Chongqing, Mr Bo’s admirers have frequently put up posters praising him. [They often gather to sing “red songs”](http://www.economist.com/node/21533378) of the kind that Mr Bo is famous for loving. Their fondness for Mr Bo might seem a little odd given his privileged air as the son of a veteran revolutionary, Bo Yibo, (and Mr Bo's Maoist revival may itself seem odd, and perhaps politically opportunistic, given Mao’s own one-time persecution of the Bo family). In their eyes however, Mr Bo’s policies in Chongqing, from the construction of social housing on a massive scale to his war on organised crime, represented a bold attempt to address some of the grimmer side-effects of China’s cut-throat capitalism.

For several days after Mr Bo’s dismissal, some Maoist websites ceased functioning. It is unclear whether they were ordered to shut down, or whether they prudently decided to keep quiet while they assessed the political mood. But they are now back in business, not in the least cowed, it would seem, by the disgrace of their hero. (This notwithstanding allegations, [as reported by the New York Times](http://www.nytimes.com/2012/03/20/world/asia/bo-xilai-accused-of-interfering-with-corruption-case.html?_r=1&adxnnl=1&adxnnlx=1332491046-BPvU35VMVhPis6XAU3H2yQ), that Mr Bo attempted to prevent a corruption probe involving his family). This outspokenness must be embarrassing to Chinese leaders. Officials’ nervousness of any discussion of Mr Bo’s case is evident in recent attempts by Chinese microblog services to block searches of his name.

Articles on Maoist websites are far less cautious in their portrayal of the prime minister, Wen Jiabao, than they are in their references to Mr Hu. Many of them virtually drip with sarcasm when it comes to Mr Wen. Their target in recent days has been a series of remarks Mr Wen made at a press conference a day before Mr Bo’s dismissal was announced. Most remarkably, he gave warning that [without political reform China could face another Cultural Revolution](http://www.economist.com/blogs/analects/2012/03/national-peoples-congress-0) and urged Mr Bo (without naming him) to “reflect” on the recent scandal surrounding the city’s deputy mayor, Wang Lijun, who in February took refuge for a day in an American consulate. Mr Wang was sacked on the same day as Mr Bo and is now under investigation. “Reflecting will only take people nearer to the truth and boost their support for Bo Xilai,” said one article on a website called Utopia ([here, in Chinese](http://www.wyzxsx.com/Article/view/201203/301542.html)).

Another post on the same website ([here, in Chinese](http://www.wyzxsx.com/Article/Class22/201203/301340.html)) took up a theme that has been prominent recently in China’s mainstream media, namely the need to maintain direct party control over the armed forces. It stressed the importance of the army’s remaining loyal to the party. It said the army must “carry out their duties to protect the country in the face of flagrant selling-out of the country’s interests by traitorous running dogs”. The article was published on March 22nd after days of (completely unsubstantiated) rumour in Beijing about a coup attempt by a close ally of Mr Bo in the Politburo’s Standing Committee, Zhou Yongkang ([see this story in the Financial Times](http://www.ft.com/intl/cms/s/0/650bb0f6-735f-11e1-aab3-00144feab49a.html#axzz1pwAj3MjF)). The article could be read as a hint that the armed forces should indeed be taking Mr Bo’s side.

The nationwide upheaval of 1989 started when supporters of Hu Yaobang took to the streets to mourn his death, two years after he had been dismissed as party chief. But any such displays of sympathy on behalf of Mr Bo are highly unlikely this time. The Maoists could probably mobilise protests involving disparate groups of marginalised citizens. But they enjoy little support among the urban middle class or intellectuals. And they would likely resist causing unrest, for fear of appearing disloyal to the party. These are, however, volatile times politically as the party prepares for a sweeping transfer of power at a congress late this year.

On March 23rd, the party’s main mouthpiece, the People’s Daily, published an article on its front page ([here, in Chinese](http://paper.people.com.cn/rmrb/html/2012-03/23/nw.D110000renmrb_20120323_6-01.htm)) which says that Mr Zhou sent a letter to a conference in Shanghai in which he expressed support for Mr Hu’s leadership. This may have been an attempt to scotch rumours that he was involved in a coup, though it has been widely noted that Mr Zhou did not turn up for the meeting in person. And then Mr Zhou was to be spotted again on an evening broadcast of CCTV, on “Xinwen Lianbo”, as if to prove that he is not under house arrest, or anything of the sort. [The rapid spread of these rumours through Chinese microblogs](http://www.economist.com/node/21550333) has been a sign that at least some Chinese have begun to expect the unexpected in China’s secretive politics.

NYT

# Bo Xilai’s China Crime Crackdown Adds to Scandal

###### By [SHARON LaFRANIERE](http://topics.nytimes.com/top/reference/timestopics/people/l/sharon_lafraniere/index.html?inline=nyt-per) and JONATHAN ANSFIELD

###### Published: March 26, 2012

BEIJING — As Bo Xilai, the dismissed Chongqing party chief, becomes immersed in an ever-more tangled scandal, disturbing details are emerging about one of his best-known initiatives, a crusade against organized crime on which he built a national reputation.

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**CITY ON THE RISE**  New housing in Chongqing, China. Bo Xilai has been credited with much of the city’s development.

Since Mr. Bo was fired last month after a scandal involving his police chief, a starkly different picture of his sweeping campaign to break up organized gangs — called da hei, or smash black — is coming into focus. Once hailed as a pioneering effort to wipe out corruption, critics now say it depicts a security apparatus run amok: framing victims, extracting confessions through torture, extorting business empires and visiting retribution on the political rivals of Mr. Bo and his friends while protecting those with better connections.

“Even by Chinese Communist Party standards, this is unacceptable,” said Cheng Li, an analyst of the Chinese leadership at the Brookings Institution. “This is red terror.”

Intent on maintaining a facade of unity during a leadership transition, many of China’s rulers until recently heaped praise on Mr. Bo’s initiatives. Of the nine members of the Standing Committee of the Politburo, China’s ruling body, six have made the pilgrimage to Chongqing since 2009.

President Hu Jintao and Prime Minister Wen Jiabao pointedly did not go. And at a news conference this month, Mr. Wen issued what many called a veiled condemnation of Mr. Bo’s policies, warning that “the mistakes of the Cultural Revolution” have yet to be “fully eliminated.”

Fighting corruption was part of a muscular effort by Mr. Bo to thrust himself into the national limelight, and onto the Politburo’s Standing Committee, with splashy initiatives and political grandstanding that were alien to the rest of China’s mostly monochrome leaders. He aggressively promoted a retro-Maoist culture, summoning citizens to sing old nationalist songs and don red garments, strengthening his hand among influential left-wing nationalists.

Da hei, begun in June 2009, was Mr. Bo’s crown jewel, a strike against the corruption and law-flouting in China’s governing and business classes that ordinary Chinese deeply resent. It helped win Mr. Bo a national reputation as “a guy who gets things done,” Mr. Li of the Brookings Institution said.

In 10 months, 4,781 people were arrested, including business executives, police officers, judges, legislators and others accused of running or protecting criminal syndicates. In one celebrated case, Chongqing’s top justice official, found to have buried $3 million beneath a fish pond, was shot in July 2010, one of 13 da hei defendants who were executed.

Mr. Bo dismissed criticism of his hardball tactics. “There are still some small waves out there,” he said in August 2010. “The crackdown involves so many dark forces, has hurt so many people and affected the interests of so many groups. How can there be no conflicts?”

The campaign’s overlord was Wang Lijun, Mr. Bo’s police chief and, now, the force behind Mr. Bo’s downfall. Mr. Wang caused an international incident last month when he sought refuge in a United States consulate, apparently fearing for his safety. Details that have surfaced in the past week indicate that, in part, he feared retaliation after telling Mr. Bo that his family was linked to an inquiry into the death of a British citizen, Neil Heywood, who was an acquaintance of Mr. Bo’s family.

Some caught up in the da hei crackdown say they find it ironic that the party is just now investigating whether Mr. Bo flouted the law. They argue that his da hei crusade ignored legal restraints with impunity for two years.

Examples are not hard to find. Gong Gangmo, 48, a motorbike mogul, and Fan Qihang, 40, a construction entrepreneur, were charged with a string of felonies that included ordering the murder of a man after a nightclub fight. Both claimed innocence.

In an interview videotaped before his death, Mr. Fan said he had been secretly confined in a military reserve camp for five months and shackled to an iron bar — once, for five days straight — with only his toes touching a table. His handcuffs cut so deeply into his wrists that his guards once needed an hour to remove them.

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**LAWYER ARRESTED**  Li Zhuang said he was forced to write a confession. He was convicted of suborning perjury.

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**CONVICTED**  Xie Caiping, left, was led to jail in Chongqing in 2009 after being sentenced to 18 years as a gang leader.

Mr. Fan said he had tried to kill himself by beating his head against the concrete wall and by biting off the tip of his tongue, injuries supported by medical records. His lawyer, Zhu Mingyong, said he had seen only a few pages of the prosecution’s voluminous file. Even so, “There were so many obvious violations of the law, you don’t even have to look for them,” he said. [Mr. Fan](http://video.nytimes.com/video/2012/03/26/world/asia/100000001453822/fan-qihangs-last-words.html) was found guilty and executed in July, 2010.

His co-defendant, Mr. Gong, underwent similar torture, according to his lawyer, Li Zhuang, and his medical records also documented wrist scars. But any chance to exclude his confession vanished after Mr. Gong suddenly accused Li Zhuang of advising him to lie about being tortured. Li Zhuang said Mr. Gong had turned on him to spare himself from execution.

Li Zhuang was convicted of suborning perjury just 18 days after his arrest. Upon appeal, with no hope of justice, he said he wrote a confession, but began his paragraphs with words that combined to read “forced to confess.” His 18-month sentence scared other private attorneys away from da hei cases.

He Weifang, a Peking University law professor, said the case “sets China’s legal reform back 30 years.”

One of the wealthiest magnates ensnared in the purges was Li Jun, a Chongqing real estate mogul. Like hundreds of other private business executives, he said during 16 hours of interviews this month, he became a target of police, government and military officials who framed him as a “black society” boss.

He eventually lost control of his $711 million conglomerate and fled the country, branded a fugitive. Before his escape, he said, he endured three months of beatings, torture and relentless pressure to implicate others in nonexistent crimes.

He said his tormentors sought to confiscate his assets and extract a confession that could help frame rivals of Mr. Bo’s powerful ally in the military, Gen. Zhang Haiyang, now the political commissar of China’s nuclear forces.

Li Jun buttressed his account with photos taken at a secret detention facility and with binders of legal documents signed by military and police officials. A scholar of Chinese politics at Columbia University, Andrew Nathan, authenticated five documents supporting his claims of innocence.

Li Jun’s troubles began within a year after Mr. Bo’s appointment. A subsidiary of his company won a $50 million public bid for a hilly tract of land outside Chongqing. The seller was one of China’s five regional military commands, he said, led at the time by General Zhang.

In December 2009, under orders signed by the police chief, Mr. Wang, Li Jun was detained on suspicion of more than a dozen crimes, including organizing prostitution, usury, contract fraud, bid-rigging and bribery. He was bound to a “tiger bench,” a medieval-style iron seat with a straight back and a grooved bottom, and was kicked, pummeled and berated for 40 straight hours. At that point, he said, “I just wanted to die.”

A top military interrogator presented Li Jun with a list of more than 20 military officers, apparently rivals of Mr. Bo’s ally General Zhang, and accused him of bribing 2 of them to win the bid on the tract of land. “Don’t you see?” he said his interrogator finally told him. “Bo Xilai and Political Commissar Zhang are friends who grew up together. You are being framed. ”

Li Jun said he refused to confess. Finally, in March 2010, he was released and cleared of wrongdoing after paying the military command a $6.1 million fine. But after a police prostitution sting against a club he owned that October, he received a tip that he would be rearrested, and fled the country.

Thirty-one relatives and colleagues have since been jailed. His wife served a one-year sentence for aiding his flight. His elder brother was sentenced to 18 years in prison, his nephew 13 years. He had transferred ownership of his company to them in an attempt to shield it.

“It’s just like some new kind of Cultural Revolution,” he said. “Chongqing strikes down the landlords, redistributes the land and slaps a bad name on your head, ‘triad,’ from which you can never be freed.”

NYT

# China’s Hierarchy Strives to Regain Unity After Chongqing Leader’s Ouster

###### By JONATHAN ANSFIELD and IAN JOHNSON

###### Published: March 29, 2012

BEIJING — [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s top leaders are retaking the initiative after the country’s worst political crisis in a generation, showcasing a united front and moving forward with plans for a major leadership reshuffle later this year.

But the ouster of Bo Xilai, the populist icon formerly in charge of the southwestern megacity of Chongqing, has spurred weeks of frenzied internal politicking and a rare dissenting vote within the Politburo Standing Committee, according to interviews with publishers, academics and analysts tied to the Communist Party’s upper echelons or its powerful families.

They say that the outward calm is tenuous and was achieved only after China’s leadership team of Hu Jintao and Wen Jiabao appealed to party elders for support and yielded important posts in Chongqing to representatives of other influential political blocs.

“They want everyone to believe that the top level has no problem — that there’s no split and no struggle,” said Jin Zhong, publisher of the influential China-watching magazine Open, in Hong Kong. “But this is a false impression.”

According to people briefed by central party officials, Mr. Bo is being confined to his house in Beijing, watched by the Central Guard Bureau, a unit of the People’s Liberation Army under the control of the party’s General Office. He faces a disciplinary investigation over a range of allegations of corruption and abuse of power, these people say. His wife, a noted lawyer, is under more formal detention in connection with some of those allegations.

Much is at stake because the party is undergoing its once-in-a-decade leadership reshuffle. Over the next year, the Communist Party will get a new leadership team and general secretary, who will pick a new premier and other top government positions.

Until his fall, Mr. Bo was a contender for one of the leadership slots. But in early February, Mr. Bo’s police chief, Wang Lijun, fled to the United States Consulate in Chengdu with damning evidence about his boss.

That precipitated a divisive meeting on March 7 of the party’s Standing Committee, the nine-person body that effectively rules China, according to two people close to ruling circles. Eight of the nine top leaders, including the current party boss, Hu Jintao; the country’s premier, Wen Jiabao; the incoming party boss, Xi Jinping; and the incoming premier, Li Keqiang, are said to have supported or gone along with the decision to remove and investigate Mr. Bo.

But, crucially, the head of the country’s ubiquitous security services, Zhou Yongkang, resisted, these people said. Mr. Bo was seen as Mr. Zhou’s possible successor and Mr. Zhou had previously endorsed Mr. Bo’s [zealous crackdown](http://www.nytimes.com/2012/03/27/world/asia/bo-xilais-china-crime-crackdown-adds-to-scandal.html?_r=1) on organized crime. The position of Mr. Bo’s onetime patron, the former leader Jiang Zemin, was unclear, although he appears not to have intervened in the decision.

Mr. Bo failed to attend a Parliament meeting the next day, but at a news conference on March 9, he denied any wrongdoing and predicted that Mr. Hu would eventually visit Chongqing. But on March 15, official media issued a terse statement saying Mr. Bo had been removed from his main post.

That was not the end of the effort to forge broader consensus, party insiders say. Instead, top leaders like Mr. Hu and Mr. Wen have met with ministers, provincial leaders and party elders to marshal approval for Mr. Bo’s ouster and solicit views on handling the case. Some of those approached include the former premiers Zhu Rongji and Li Peng, as well as the former top leaders Li Ruihuan and Qiao Shi, people familiar with the matter say.

Party officials have also floated trial-balloon versions of the investigation. At closed-door briefings, selected top officials have been read documents from central offices enumerating a range of initial charges against Mr. Bo, they said. Mr. Wang has been branded a “traitor.”

Reflecting the uncertainty at the top, some analysts say, online censors have allowed some damaging rumors and details about Mr. Bo and Mr. Zhou to circulate widely, but also tolerated some support for Mr. Bo.

But outwardly, top leaders are pushing unity. After failing to appear in person at a national legal conference last week, Mr. Zhou has now been in the Chinese press regularly urging legal and police officials to toe the party line. Mr. Hu has embarked on a trip abroad. On Tuesday, the main army newspaper ordered military officers to ignore “social noise” and “hostile forces,” and to unite under the party.

The party congress is also thought to be going ahead largely as planned. Key decisions will not be made until the summer, but a line-up for the nine-person Standing Committee is slowly jelling, with Mr. Bo given almost no chance of assuming a position on it. Instead, he appears to be fighting to retain some kind of ceremonial post and to avoid prison.

Mr. Bo’s fate may rest in part on unraveling the full story of his fall, which is full of uncertainties.

Why Mr. Wang, the police chief, fled to the United States Consulate, for example, is still not clear. A General Office [document alleges](http://www.nytimes.com/2012/03/20/world/asia/bo-xilai-accused-of-interfering-with-corruption-case.html) that Mr. Bo obstructed justice and retaliated against Mr. Wang for allowing a police investigation related to his family. Some say this pertained to the death last year of an Englishman, Neil Heywood, a family friend and business associate. Mr. Wang is said to have pressed this case at the U.S. Consulate, according to people briefed on the matter.

But most people interviewed for this article said Mr. Heywood’s death was only part of a chain of events going back months. Last October, according to a Communist Party academic who knew Mr. Bo and a political analyst with ties to ruling circles, the party’s Commission for Discipline Inspection began to investigate Mr. Wang for corruption.

Mr. Wang, possibly in retaliation for Mr. Bo bending to pressure from the inspection, twice filed complaints to Discipline Inspection against Mr. Bo. Mr. Wang alleged that Mr. Bo’s wife, the lawyer Gu Kailai, had transferred huge sums of money overseas, and accused Mr. Bo of seeking to resist “central party authorities” in the course of governing Chongqing, including deploying wiretaps to eavesdrop on other leaders, according to the academic. At the time, he added, Mr. Wang’s complaints were rebuffed.

The academic, an old friend of Mr. Bo’s who spoke on the condition of anonymity, said Mr. Bo told him in two telephone conversations before his dismissal that he was confident he would weather the scandal but was resigned to accept possible repercussions.

“He told me, ‘I can withstand investigation’ on these two matters” of corruption and political insubordination, said the friend. But later Mr. Bo noted that both had been in jail as young men during the Cultural Revolution, a period of turmoil from 1966 to 1976, remarking to his friend, “What hardships have we not endured?”

Mr. Bo’s continuing influence helps explain why the party has not issued a fuller explanation. He is still, formally, a member of the 25-member Politburo, and commands support among some generals, descendants of revolutionaries and others in the Communist Party’s left wing who are uneasy about the loss of traditional Communist ideology.

Ultimately, even if Mr. Bo is found to have had corrupt dealings, those who have supported him within the party hierarchy are likely to insist on concessions for his removal from power.

Already, horse-trading appears to have begun. Mr. Bo’s temporary replacement in Chongqing, Vice Premier Zhang Dejiang, is like Mr. Bo a protégé of Mr. Jiang and a contender for promotion to the Standing Committee. A veteran of Mr. Hu’s political power base was positioned to replace Mr. Wang atop Chongqing’s police force, only to be transferred in recent days in favor of another man closer to Mr. Zhou’s camp.

WP

# China shuts leftist Web sites as political strife continues



Screenshot from Maoflag.net - Maoflag.net is among the leftist sites that has been closed to internet users in China. This screengrab is from March 18, 2012, taken using archive.org.

### By [Keith B. Richburg](http://www.washingtonpost.com/keith-b-richburg/2011/03/03/ABszxON_page.html), Updated: Friday, April 6, 11:03 AM

BEIJING — China’s Communist Party censors on Friday closed several “new left” Web sites, and a fourth, pro-reform site run by the Carter Center went off-line, as the country’s rulers sought to stifle divergent voices and muffle signs of an ideological struggle ahead of a crucial leadership change this fall.

The Web sites Maoflag.net, Jinbushe.org (or “Progress Society”) and wyzxsx.com, the Internet home of Utopia, a neo-Maoist group, were among those closed to Internet users in China. All three have been outspoken in their support of the popular and charismatic former Chongqing Party chief [Bo Xilai](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-fired-in-communst-party-leadership-shakeup/2012/03/15/gIQA3uaLDS_story.html), who was fired March 15. They were also cheerleaders for Bo’s “Chongqing model” of development, which emphasized a strong state-centered economy and social welfare policies to address income inequality.

[](http://www.washingtonpost.com/business/economy/china-a-land-of-superlatives/2011/08/23/gIQAvdAOZJ_gallery.html)

[China: A land of superlatives: From airport terminals to golf resorts, China is home to some record-breaking projects.](http://www.washingtonpost.com/business/economy/china-a-land-of-superlatives/2011/08/23/gIQAvdAOZJ_gallery.html)

The crackdown was the latest step in an ongoing tightening of Internet controls since Bo’s dismissal, as top Party officials seek to contain the public fallout from China’s most serious political crisis in decades. Web search terms have been blocked and other sites shut down, and some of Bo’s past associates have been removed from their posts and placed under investigation.

On Friday, the Maoflag and Utopia Web sites initially carried an identical message saying they had been shut down for a month by the State Council Information Office and the Public Security Bureau for “posting articles and information that are anti-constitution, maliciously attacking national officials, and spreading rumors about 18th Party Congress.” That message was later taken down, replaced by a note saying they were having technical problems.

The 18th Congress, set for this fall, is due to select a new party secretary and president — now slated to be the current vice president, [Xi Jinping](http://www.washingtonpost.com/world/asia-pacific/xi-jinping-likely-chinas-next-leader-called-pragmatic-low-key/2011/08/15/gIQA5W83GJ_story.html) — and seven of nine new members on the powerful Politburo Standing Committee, which effectively runs the country.

Another leftist site, redchinacn.com, was also closed late Friday, and comments were disabled on the nationalist news site m4.cn, originally known as the “anti-CNN” Web site.

In a telephone interview, Rao Jin, the founder of m4.cn, said the site’s bulletin board was being revised to include more lifestyle and entertainment features. He acknowledged, “We do face very big pressure now,” but added, “It’s not convenient to tell you the details.”

On the opposite side of the political spectrum, the Chinese-language Web site of China Elections and Governance, which is run by the Carter Center and advocates political reform, also was inaccessible Friday. A notice said the site was experiencing technical problems.

“The party doesn’t want too much noise before the 18th Party Congress,” said Chen Yongmiao, an independent political observer in Beijing. “The rightists want political reform. The leftists want social welfare” and a more equitable distribution of wealth. “The party just wants the two sides to be quiet and stop talking about politics.”

Until his ignominious firing last month, Bo — the son of revolutionary hero Bo Yibo — was widely considered to be in line for one of the nine Standing Committee positions. His removal has not been officially explained, leaving an information vacuum that is being filled with [Internet-fueled rumors](http://www.washingtonpost.com/world/asia_pacific/after-bos-ouster-a-mysterious-death-adds-to-chongqings-churning-rumor-mill/2012/03/28/gIQASEmZhS_story.html), including unsubstantiated claims that he is under investigation for corruption or that his popular following unnerved a leadership that favors faceless, collective decision-making.

The Internet closures suggest that three weeks after Bo’s ouster, the ideological struggle continues, with the government and ruling party on edge about any suggestion of dissension in the top ranks.

In a telling sign of the mood, the daily newspaper of the People’s Liberation Army on Friday ran the latest of several recent editorials calling for unity and reiterating the military’s allegiance to President Hu Jintao.

The editorial mentioned the upcoming 18th Party Congress as a major event for China. “Whenever the party and nation are facing big events, whenever the process of reform and development is reaching a crucial point, the ideological battle becomes sharper and more complicated,” it said.

The editorial then warned: “We must unswervingly adhere to the system and principle of the absolute leadership of the party over the army. We must unswervingly resist all kinds of wrong thoughts, not be disturbed by noise, not be confused by rumors, not be moved by dark currents, and ensure the troops listen to the command of the Central Military Commission and the Party Central Committee and Chairman Hu, at any time and under any circumstances.”

The editorial appeared to be a direct response to unsubstantiated talk of a military coup in the making following Bo’s ouster. On March 30, government censors announced a half-dozen arrests and the [closing of 16 Web sites](http://www.washingtonpost.com/world/asia_pacific/amid-rumors-of-unrest-china-cracks-down-on-the-internet/2012/03/31/gIQAf7vHnS_story.html) for “fabricating or disseminating online rumors,” including tales of tanks in the streets of Beijing.

Bo Xilai had become a hero to China’s relatively small but outspoken circle of far-left academics, writers, bloggers and students for his emphasis on social welfare and his unabashed imitation of Mao Zedong’s “mass mobilization” style of politics. In Chongqing, Bo instituted a “[red revival](http://www.washingtonpost.com/world/southwestern-chinese-city-leading-red-revival/2011/06/25/AGkh8JnH_story.html)” campaign that included organized singing of revolutionary songs. In other throwbacks to the Mao era, he also ordered Chongqing satellite television to replace prime-time sitcoms and game shows with “patriotic” programming and directed students and government workers to spend time in rural areas.

But it was Bo’s economic policies in Chongqing that most endeared him to the “new leftists,” as they are known here. For example, Bo invested heavily in the construction of subsidized housing for low-income residents, with cranes visible all across the sprawling city.

But in a [March 14 news conference](http://www.washingtonpost.com/world/chinese-premier-wen-jiabao-calls-for-political-reforms-even-as-peoples-congress-strengthens-detention-law/2012/03/14/gIQAI4rSBS_story.html), Prime Minister Wen Jiabao, considered the leading if lonely voice of Chinese “reformists” calling for more economic and political openness, seemed to directly challenge Bo’s vision for China’s future. Without continued opening and reform, Wen warned, “historic tragedies like the Cultural Revolution may happen again.”

Wen has kept up his calls for Western-style economic liberalization since Bo’s ouster, angering the new leftists. On Tuesday, he urged a breakup of China’s powerful banking monopoly, saying the large state-run banks mostly benefit powerful state-owned corporations at the expense of small- and medium-size private businesses.

The new leftists, in response, posted articles on their Web sites calling for preservation of the state monopolies and praising Bo’s Chongqing model. They say now that their voices are being silenced, as Wen and the reformers seize the upper hand in the wake of Bo’s firing.

“The authorities have deprived the leftists of their free speech rights,” said Zhang Hongliang, an economics professor at Beijing’s Minzu University of China and an active leftist who regularly attends Utopia functions.

“In China, the leftists don’t have their own newspapers, television or radio. A few Web sites are our only channel to get our voices out,” he said. “Right now, our Web sites are closed.”

# A Populist’s Downfall Exposes Ideological Divisions in China’s Ruling Party

BEIJING — Some Chinese leaders clearly hope that this year will mark another milestone in China’s rise under authoritarian rule: the first time that a whole new slate of leaders is chosen largely by consensus among the political elite, not handpicked by a powerful strongman.

That selection will in all likelihood still take place when the 18th Communist Party Congress meets this fall. But with the dismissal and investigation last month of [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), the party secretary of metropolitan Chongqing, the notions of stability and consensus in China’s secretive political system have taken a big and possibly lasting hit.

Mr. Bo’s [spectacular fall from grace](http://www.nytimes.com/2012/03/20/world/asia/bo-xilai-accused-of-interfering-with-corruption-case.html?pagewanted=all), hastened by his [police chief’s arrival at an American consulate](http://www.nytimes.com/2012/02/09/world/asia/speculation-grows-over-fate-of-crime-fighting-chinese-official.html) in February with a sheaf of incriminating documents, is being dissected in varying ways even before it is complete: a titanic power struggle between Mr. Bo’s neo-Maoist left and the more liberal and market-oriented right; infighting among ruling cliques; a seizing of the moment by Mr. Bo’s many highly motivated political enemies.

Any or all of those characterizations may be true. There is wide agreement among outsiders that Mr. Bo’s downfall points to perhaps the most serious division in the party elite since the leadership upheavals during the 1989 Tiananmen Square protests.

But to many, neither Mr. Bo nor the explanation of his collapse is so clear-cut. They see a collision between a Communist Party that prizes stability and secrecy in choosing its leaders, and a new kind of leader who set his own political agenda and thrived on public adulation.

In a Western system, Mr. Bo might be called a populist. In China, where lockstep unity is a foundation of the party’s claim on power, he was a fearsome unknown.

“The concern was not that Bo would change the delicate balance of power, but that he would lead the party completely out of control,” said Cheng Li, an expert on China’s elite at the Brookings Institution in Washington. “It’s more than a power struggle. It’s a corresponding interest to maintain the legitimacy of the Communist Party — to survive.”

Wu Si, a liberal intellectual and editor based in Beijing, said in an interview: “What in actuality are the rules of transferring power at the highest levels now? It’s not clear.”

“But Bo Xilai seemed to be heading down a new road,” Mr. Wu said.

Mr. Bo is mostly identified as the charismatic darling of China’s new left, the intellectuals and policy wonks who argue that China should use state power to assure social equality and enforce a culture of moral purity and nationalism. Mr. Bo’s policies in Chongqing, from the mass singing of Mao-era songs to his pitiless anticorruption campaign, were conceived with the help of leftist theorists at the government-run Chinese Academy of Social Sciences in Beijing.

But Mr. Bo was also adaptable. As mayor of Dalian in the 1990s, he sought to remake the northeastern coastal megalopolis into a new Singapore. To waves of favorable publicity, his government rewarded citizens who reported rude taxi drivers and fined those who uttered unpleasantries like “nao you bing,” or, roughly, “numbskull.”

In Dalian, and in Chongqing, he could pursue liberal causes as easily as leftist ones. He proposed experimenting with direct elections in local townships, courted foreign investment, mounted aggressive tree-planting and pollution cleanup campaigns and built low-income housing.

Only Prime Minister [Wen Jiabao](http://topics.nytimes.com/top/reference/timestopics/people/w/wen_jiabao/index.html?inline=nyt-per), who has cultivated an image as the caring grandfather figure of the national leadership, rivaled Mr. Bo’s popularity. But while the modest Mr. Wen was always careful to show his loyalty to the party’s central command, Mr. Bo often seemed to appeal to the disenfranchised masses who longed for someone to shake things up.

“Bo Xilai was differentiating himself from other leaders in a very conspicuous way,” Susan Shirk, a scholar of the Chinese elite at the University of California at San Diego, said in a recent interview. “His style of politicking was antithetical and threatening to a political oligarchy that was trying to keep the competition among themselves hidden from the general public.”

Mr. Bo’s ambition and abrasive style made some enemies in the elite, notably Mr. Wen. His posting in 2007 to Chongqing, deep in China’s interior, was seen by some as an effort to sideline him. Instead, it became the base for his campaign to join the Politburo’s Standing Committee, the nine-member body at the peak of the Communist hierarchy whose membership will turn over this fall.

In a governing elite that makes big choices by consensus, experts say, Mr. Bo might well have vaulted onto the Standing Committee with the support of sympathizers, had Chongqing’s police chief, Wang Lijun, not fled to the American Consulate in Chengdu, in nearby Sichuan Province.

Mr. Wang carried papers that he said implicated Mr. Bo’s family in a criminal inquiry of the death of a British businessman, Neil Heywood, an acquaintance of the Bo family. Mr. Bo and Mr. Wang are now said to be confined in Beijing while party officials investigate those and other claims.

To incumbent leaders who worried about Mr. Bo’s destabilizing impact, “the Wang Lijun case was just a godsend,” said Huang Jing, an expert on elite politics and director of the Center on Asia and Globalization at the National University of Singapore.

“It opened up a big hole, and the Bo Xilai camp, I believe, simply collapsed.”

Shorn of their standard-bearer, China’s leftists seem in at least temporary retreat. Censors this week shut down several Web sites supporting Mr. Bo for one month, including the well-known Utopia, which caters to the far left. Simultaneously, a weekly legal affairs magazine [published an interview](http://www.legalweekly.cn/content.jsp?id=171628&lm=%E6%96%87%E5%8C%96) in which one of Utopia’s founders claimed it had been “hijacked” by extremists who promoted Mr. Bo’s experiments in Chongqing.

More broadly, China’s leadership has moved swiftly to paper over any sign of discord. Communist Party journals have showcased exhortations to promote stability and ignore malicious rumors — a clear reaction to [false reports of an impending coup](http://www.nytimes.com/2012/04/01/world/asia/china-shuts-down-web-sites-after-coup-rumors.html) that spread online last week.

The newspaper The People’s Liberation Army Daily minced no words. “Historical experience shows that whenever the party and country faces major issues, and whenever reform and development reach a crucial juncture, struggle in the ideological arena becomes even more intense and complex,” it said. “We must pay close attention to the impact of the Internet, mobile phones and other new media on the thinking of officers and troops.”

Enforced by the leadership, China’s rigid status quo is returning in full force. Which is not precisely what China’s reformers were hoping for.

“On first look, I think it’s a good thing,” said Mr. Wu, the liberal intellectual, of the impact of Mr. Bo’s ouster on party politics. “But on second look, I think, not necessarily.”

NYT

# Murder at Center of Chinese Scandal That Tarred Official

###### By [SHARON LaFRANIERE](http://topics.nytimes.com/top/reference/timestopics/people/l/sharon_lafraniere/index.html?inline=nyt-per) and JONATHAN ANSFIELD

###### Published: April 10, 2012

BEIJING — [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), a high-ranking Communist Party official, was stripped of his most powerful posts on Tuesday, and authorities said his wife was being held in connection the suspected murder of a British businessman, the latest revelations in a political scandal that has rocked [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s leadership.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/04/10/world/10beijing2_cnd.html','10beijing2_cnd_html','width=391,height=630,scrollbars=yes,toolbars=no,resizable=yes'))

Bo Xilai, front, and Wang Lijun in January.

 Mr. Bo, who last month lost his post as party chief of the metropolitan region of Chongqing, was suspended from the Politburo, the 25-member body that runs China, and the larger Central Committee, for serious disciplinary infractions, the government announced. The move ended the political career of Mr. Bo, who as recently as February was viewed as a serious contender for one of the top nine posts in the leadership.

China also announced that Mr. Bo’s wife, Gu Kailai, a lawyer, was strongly suspected, along with a member of their household staff, in causing the November death of Neil Heywood, a British businessman who had close ties to the Bo family. A homicide case against the two of them has been turned over to judicial authorities, the government said.

Mr. Heywood was found dead in a hotel room on Nov. 15 in Chongqinq. Officials there issued a death certificate stating the cause of death was alcohol poisoning, although Mr. Heywood rarely drank. His relatives said he died of a heart attack, and that the body was cremated, at their request, without an autopsy.

 But a re-examination of the evidence now indicates that Mr. Heywood, a high-spirited 41-year old business consultant who professed to love living in China, was the victim of an “intentional homicide,” China’s official Xinhua news agency said.

The announcement appeared to surprise the British government. An hour later, William Hague, the British foreign minister, told reporters: "It’s a death that needs to be investigated, on its own terms and on its own merits, without political considerations. So I hope they will go about it in that way, and I welcome the fact that there will be an investigation.”

Xinhua said Ms. Gu and her son, Bo Guagua, had had close relations with Mr. Heywood but later had “a conflict over economic interests.” The news agency did not specify how precisely Mr. Heywood died, or what business interests were involved.   Zhang Xiaojun, described as an “orderly” working in Mr. Bo’s home, is also suspected of the crime.

China is facing a once-in-a-decade handoff of power to a new generation of leaders this autumn, and the toppling of Mr. Bo has caused a serious disruption at a time when stability is paramount. Mr. Bo, 62. a charismatic and contentious politician who openly aspired to join that new generation, has commanded support among some other descendants of revolutionary figures, certain generals, and those in the Communist Party’s left wing unhappy about the government’s current direction.

“China is a socialist country ruled by law, and the sanctity and authority of law shall not be trampled,” Xinhua said Tuesday, attributing the remarks to unnamed senior officials. “Whoever has broken the law will be handled in accordance with law and will not be tolerated, no matter who is involved.”

The murder investigation stems from information provided to the authorities by one of Mr. Bo’s closest aides, Wang Lijun, who was the top police official in Chongqing until he sought refuge at the American consulate in Chengdu, about 200 miles away, in early February.

Mr. Wang is himself being investigated for treason for his attempt to seek protection from the United States, according to several sources. But he is being credited with having cooperated with authorities and have brought forward evidence regarding Mr. Heywood’s death, according to Chinese sources familiar with the case.

During the more than 30 hours he spent at the American consulate, Mr. Wang told American officials  that Ms. Gu had plotted to poison Mr. Heywood, and turned over a police file containing highly technical documents, according to people knowledgeable about the case.

Mr. Wang also apparently revealed far more. Beyond evidence relating to Mr. Heywood, diplomats acquired a unprecedented trove of knowledge from Mr. Wang on the contest for power among the Chinese leadership, said another person with knowledge of the affair who refused to be identified because of the sensitivity of the matter. It was unclear whether those details were in documents that Mr. Wang brought with him, or emerged in discussions with the diplomats.

Chinese officials persuaded Mr. Wang to leave the consulate, and he was flown to Beijing, where he has been in custody for the past two months. Mr. Bo has also been under some form of residential confinement since mid-March, and his wife is detained.

No one representing any of the three could be reached for comment.  At the British home of Mr. Heywood’s mother, a man answering the door who did not identify himself said she was not available for comment.

According to one person who said he was briefly shown a copy of information for party officials that was circulated on Tuesday, Mr. Bo was faulted for several disciplinary transgressions, including failing to oversee underlings, a reference to Mr. Wang, and  mismanaging his family, a reference to the  Heywood case. He was also cited for violating organizational principles for obstructing attempts to report the Heywood case and stripping the police powers of Mr. Wang, who has claimed that he was trying to pursue an investigation. "It said that Bo had made decisions arbitrarily, without authorization," said this person, who declined to be named to the sensitivity of the matter.

China’s top leaders are clearly anxious to avert any possible crisis during the leadership transition. Nonetheless, the toppling of Mr. Bo exposed a split between those loyal to President Hu Jintao  and  supporters of Mr. Bo who are unhappy with the current direction of the government and favor a stronger state role.

 The March 15 decision to remove Mr. Bo as Chongqing’s party secretary created an uproar among his supporters.

It came despite resistance from one member of the leadership in charge of the security apparatus, Zhou Yongkang, according to individuals with party ties.

“Even now he carries a lot of clout, and he still has supporters who are powerful and resourceful,” Jin Zhong, publisher of the influential China-watching magazine in Hong Kong called Kaifang, or Open, said of Mr. Bo in an interview from Hong Kong on Tuesday, just before the news was made public. “The decision has to be made hastily because he is a high-risk figure within the party," he said, capable of upsetting the fragile balance of power under Mr. Hu’s heir apparent, Xi Jinping.

Mr. Heywood’s relatives had repeatedly insisted that he died naturally of a heart attack, as did his father at age 63. In an interview last week, Anne Heywood, the 73 year old mother of Mr. Heywood, insisted that her son had not been poisoned, as Mr. Wang had alleged.

"I don’t know where it comes from, this stuff about his being poisoned and so on," she said. "This is not about Neil, this is about Chinese politics, and people’s desire to write about Chinese politics. It is absolutely horrid to be caught up in this side of things."

  But after learning of Mr. Wang’s allegations at the American consulate, the British government in February asked Chinese officials to reopen the police inquiry. An official with the foreign office said business people in China who dealt with Mr. Heywood "on a day-to-day basis" had raised questions about the circumstances of his death, prompting the request.

The British restraint on the case suggested that Britain, and perhaps the United States as well, felt reluctant to stir up a case whose ramifications where shaking high-level Chinese politics, given the potential damage to their economic and diplomatic relations.

A maverick who chain-smoked, drove a Jaguar and loved sailing with his two children and Chinese wife, Mr. Heywood had been an opportunistic businessman in China for nearly two decades.

He ingratiated himself with Mr. Bo’s family early on in the northeastern industrial city of Dalian, where Mr. Bo served the city’s mayor and in other posts and where Mr. Heywood met his wife, whose Chinese name is Wang Lu.  He told one friend, a British journalist named Tom Reed, that he blanketed the city with "shameless" letters of self-promotion. "Mr. Bo answered him," Mr. Reed said.

Later Mr. Heywood described himself to friends as a “mentor” for the Bo’s son Guagua, and said he had helped arrange his education at a junior prep school and at Harrow, Mr. Heywood’s alma mater, from where Guagua went on to win a degree at Balliol College, Oxford. He is now a student at Harvard’s Kennedy School of Government.  A man who answered the phone at his apartment on Tuesday declined to speak to a reporter.

Ms. Gu, a lawyer who wrote a book about how she won a case in the United States,  is still listed with a Beijing law firm. But an official there said she has not practiced there in 10 years. Mr. Bo, at a press conference in mid-March, said she mostly devoted herself to household chores.

Other than his relationship with their son, Mr. Heywood’s ties to the Bos were unclear. Friends said he was very discreet about his connection. "I didn’t get the impression it was anything commercial," said Mr. Reed. "I got the impression it was much more informal."

Sometime in 2010, Mr. Reed said, "there was a parting of the ways."

# NYT

# Chinese Media Fight Scandal Fallout; Focus on Bo’s Family

###### By [MICHAEL WINES](http://topics.nytimes.com/top/reference/timestopics/people/w/michael_wines/index.html?inline=nyt-per) and [KEITH BRADSHER](http://topics.nytimes.com/top/reference/timestopics/people/b/keith_bradsher/index.html?inline=nyt-per)

###### Published: April 12, 2012

BEIJING — Chinese officials rapidly intensified a propaganda campaign to paper over a leadership split in the Communist Party on Thursday as the first hints began to emerge of the wealth and influence amassed by relatives of a deposed Politburo member, [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?scp=1-spot&sq=Bo%20Xilai&st=cse).

###### Multimedia



###### [TimesCast | Political Turmoil in China](javascript:void(0);)

The burst of coverage was remarkable for its intensity and focused message, even for a propaganda apparatus that regularly sings the party’s praises, analysts said, reflecting deep concern that Mr. Bo’s removal and the murder investigation aimed at him and his wife would deepen a now evident split between the Communist left and the more moderate right wing.

The two-day blitz of articles and television segments included an unusual television national news segment in which a series of local leaders proclaimed their support for the party. Newspapers and Web sites recounted declarations of unanimous support for the party’s Central Committee from a congress of local party officials in Chongqing, Mr. Bo’s former domain.

The state news media also gave extensive coverage to anticorruption efforts in the Chinese military, including an exhortation by President [Hu Jintao](http://topics.nytimes.com/top/reference/timestopics/people/h/hu_jintao/index.html?scp=1-spot&sq=Hu%20Jintao&st=cse) to maintain purity in the military ranks.

“The way they’re using the news media over the last 48 hours really projects a sense of deep insecurity,” said one analyst, said David Bandurski, at the [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) Media Project at the University of Hong Kong.

“When you have to drum home the point of unity this hard,” he added, “it conveys the opposite message.”

But another scholar of the leadership, Dorothy J. Solinger of the University of California at Irvine, suggested that party officials more likely are transmitting an order for underlings to fall in line and support the dismantling of Mr. Bo’s political machine.

One driving factor in the leadership split is economic policy. Mr. Bo and his supporters favored a large government role in guiding the economy, while many senior leaders want further, accelerated relaxation of state controls.

Mr. Bo’s own financial network has become a target in the propaganda campaign. An article on Wednesday in People’s Daily, the Communist Party’s official newspaper, that on its face discussed the party’s fight against corruption, appeared to lay out a list of potential charges that could be brought against Mr. Bo. “Some people” have secretly gained dual citizenship and foreign identities, the article said, transferred money and goods overseas, and used relatives, friends and mistresses to conceal their wealth.

On Thursday, a Hong Kong newspaper, Apple Daily, disclosed myriad details of Bo family dealings in line with those criticisms. His older brother, Bo Xiyong, has for nine years served under an assumed name as executive director and deputy general manager of China Everbright Holdings, a state-owned company that controls one of China’s major banks and an array of other businesses.

Under the name Li Xueming, Bo Xiyong receives a $1.7 million annual salary and holds stock options worth nearly $25 million by also holding the position of vice chairman in one of the state company’s series of Hong Kong-traded subsidiaries, China Everbright International, according to a profile maintained by Bloomberg Businessweek. Until May 31 he also was deputy chairman of Hong Kong Construction Limited, a Chinese property developer.

Senior Communist Party officials are known to frequently secure lucrative jobs in state-owned companies for family members and relatives, often through connections. Mr. Bo’s ties to Everbright, first published by Apple Daily, were also described by a person familiar with the company who refused to be named because of the political sensitivity of the issue.

Two women the newspaper described as sisters of Bo Xilai’s wife, Gu Kailai, also show up in Hong Kong corporate records. A check of the records on Thursday showed that Gu Wangjiang has been a director of eight privately held companies in Hong Kong and that Gu Wangning has also been a director of one of these companies, Hangang Worldwide Ltd. Neither Gu Wangjiang, Gu Wangning nor Bo Xiyong could be reached for comment.

Mr. Bo once aspired to join the Politburo’s Standing Committee, the nine-member body that effectively runs China, when a once-in-a-decade turnover of the leadership takes place this year. The authorities had been almost obsessed with demonstrating that the nation’s top leaders were in total agreement in advance of that handoff, to minimize rumors of infighting over the composition of the next generation of rulers.

But that facade broke in February, when a top aide who had fallen out with Mr. Bo fled to an American consulate and told diplomats that Mr. Bo’s wife had a falling out with a British businessman and onetime family friend and was implicated in his murder. That man, [Neil Heywood](http://www.nytimes.com/2012/04/12/world/asia/bo-xilai-scandal-and-the-mysterious-neil-heywood.html?ref=world), was found dead in November in Chongqing, the southwestern city-state where Mr. Bo was party secretary.

Attention to the case skyrocketed this week, as party leaders announced Tuesday that Mr. Bo had been suspended from the 25-member Politburo and that his wife would be investigated in connection with Mr. Heywood’s death.

NYT

# China Inquiry Widens to Wealth of Powerful Couple

###### By [ANDREW JACOBS](http://topics.nytimes.com/top/reference/timestopics/people/j/andrew_jacobs/index.html?inline=nyt-per) and [MICHAEL WINES](http://topics.nytimes.com/top/reference/timestopics/people/w/michael_wines/index.html?inline=nyt-per)

###### Published: April 12, 2012

BEIJING — What began as a scandal involving the mysterious death of [Neil Heywood](http://www.nytimes.com/2012/04/12/world/asia/bo-xilai-scandal-and-the-mysterious-neil-heywood.html), the British businessman whose body was found in November in a Chongqing hotel room, appears to be evolving into a broader investigation into the wealth of a politically powerful Chinese couple, [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per) and his wife, Gu Kailai, and their financial interests.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/04/13/world/jpbeijing.html','jpbeijing_html','width=429,height=630,scrollbars=yes,toolbars=no,resizable=yes'))

Gu Kailai established a law firm that acted as a gatekeeper to her husband, Bo Xilai.

The authorities seem particularly interested in Ms. Gu, 53, a hard-driving lawyer and the daughter of a revolutionary hero who critics say has spent more than two decades turning her husband’s government posts into lucrative business opportunities.

Analysts say that by moving decisively to bury Ms. Gu and her husband, party leaders are trying to send a message to allies of Mr. Bo who are still putting up resistance. “This is why the dog who has fallen into the water is still being beaten,” said Steven Tsang, director of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) Policy Institute at the University of Nottingham in England.

The Communist Party has said it will investigate “serious discipline violations” committed by Mr. Bo but has yet to detail them. People’s Daily, the party’s official newspaper, appeared to lay out a list of potential charges on Wednesday that could be brought against Ms. Gu and her husband, who is also the offspring of a revolutionary “immortal” and, like his wife, has long enjoyed the access to power that comes with such a pedigree.

The article said that corrupt party officials have been secretly using children, wives, friends and even mistresses to transfer and conceal ill-gotten wealth overseas. “Some even go through a variety of channels to clandestinely gain a foreign identity or dual nationality,” it said.

A campaign to expose the family’s web of business dealings carries certain risks, given that many members of China’s political elite profit from their connections and often stow their assets outside the country.

Even if the article did not name names, astute readers of China’s opaque political ecosystem said it was probably aimed at Mr. Bo, until recently Chongqing’s party boss, and Ms. Gu, who has spent considerable time abroad and who may hold foreign residency. Under party rules, spouses of senior members are barred from holding foreign passports or residency permits.

The couple’s son, Bo Guagua, 24, could also figure into the mix. A graduate student at Harvard University, Mr. Bo has spent half his life outside China and, until his father’s downfall last month, had been trying to start an Internet business in China. Friends of his say he is shutting down that venture, a social media Web site.

Some critics have questioned how the elder Mr. Bo, with his modest government salary, could afford tuition at a string of expensive private schools in both England and the United States; during a news conference days before he was relieved of his job, Mr. Bo insisted that his son’s schooling was paid for through scholarships. He also said his wife had not worked for a decade.

Then there are members of the extended Bo clan.

On Thursday it was learned that Mr. Bo’s older brother, Bo Xiyong, has for nine years served under an assumed name as executive director and deputy general manager of China Everbright Holdings, a state-owned company that controls one of China’s major banks and an array of other businesses.

Under the name Li Xueming, Bo Xiyong  receives a $1.7 million annual salary and holds stock options worth nearly $25 million, according to a profile maintained by Bloomberg Businessweek. Until May 31 he also was deputy chairman of Hong Kong Construction Limited, a Chinese property developer.

Mr. Bo’s ties to Everbright, first reported Thursday by the Hong Kong newspaper Apple Daily, were confirmed by a person close to the company who refused to be named because the issue was too sensitive.

Two women described by Apple Daily as sisters of Bo Xilai’s wife also show up in Hong Kong corporate records. A check of the records on Thursday showed that one of them, Gu Wangjiang, has been a director of eight privately held companies in Hong Kong and that another, Gu Wangning, has also been a director of one of them.

Gu Wangjiang, Gu Wangning and Bo Xiyong could not be reached for comment.

Despite their best efforts to obscure such arrangements, senior Communist Party officials often use their connections to help relatives secure well-paid jobs at state-owned companies.

When it comes to harnessing family ties, Mr. Bo’s wife is thought to have done particularly well, according to those who have followed her career.

In the early 1990s, when her husband was mayor of the seaside city of Dalian, Ms. Gu established a law firm, and later a consultancy, that helped ease the path for businessmen seeking to develop property in the city — a process that her husband essentially controlled.

Jiang Weiping, a Chinese journalist who worked in Dalian during Mr. Bo’s tenure there, said Ms. Gu’s firm flourished by serving as a gatekeeper to her husband and his powerful government associates. “Bo Xilai and Gu Kailai really didn’t have separate careers,” said Mr. Jiang, who spent six years in jail after he wrote a series of unflattering articles about Mr. Bo and now lives in Canada. “They operated like a single unit.

“His career was devoted to power; hers was to money.”

In 1995, Ms. Gu moved her firm to Beijing and began accruing an impressive roster of clients, many of them state-owned enterprises in Mr. Bo’s power base of northeast China. At one point, the firm had offices in several Chinese cities.

In 1997, the Dalian government sent Ms. Gu to Mobile, Ala., for a legal case involving three firms that had been defrauded by an American chemical company there. The case, which was decided in the Chinese company’s favor, turned Ms. Gu into something of a legal celebrity, leading to a book and a fictionalized television series.

Although Mr. Bo has said his wife has long since set aside her career to become a homemaker, he also told People’s Daily in 2010 that she provided legal advice for his anticrime crusade in Chongqing that critics say often skirted legal procedure and led to a number of speedy executions. “Her knowledge of the law has helped me a lot in Da Hei,” he said, using to the Chinese name of the campaign, which drew plaudits among Chongqing residents but angered his enemies in Beijing.

Details of the relationship between Ms. Gu and Mr. Heywood, the British man, remain a mystery but friends of his said it was most certainly anchored by business. In announcing the accusations against Ms. Gu this week, Xinhua, the official news agency, described the crime as arising from a “conflict over economic interests.”

In the early years of that relationship, the friends said, Mr. Heywood helped her son gain admission to Harrow, the $55,000-a-year British boarding school that Mr. Heywood once attended.

Ms. Gu is thought to have spent considerable time in the England during the years her son was in school there; records show that in 2000 she started a company, Adad Limited, which cryptically lists its purpose as providing “other service activities,” according to records. The company, since dissolved, was registered in Dorset, on the south coast of England, not far from where the Heywood family lived.

Those who have met Ms. Gu over the years said her charisma and determination rivaled that of her husband. An aficionado of Chinese landscape painting and a master debater, she is especially fond of the [pipa](http://www.youtube.com/watch?v=-ZmAgFyVo48), a traditional stringed instrument, and revels in her command of English.

Edward O. Byrne, a Colorado lawyer who represented the Dalian companies in Federal District Court in Mobile, said the entourage of Chinese officials who accompanied Ms. Gu to the United States described the couple as “the Kennedys of China.”

“I was very impressed with her, and she was fun to be around,” he said.

After the legal victory, and a $1 million judgment in their favor, Ms. Gu invited the American lawyers and their families back to China for an all-expense paid visit to Dalian and Beijing that included lavish banquets and meetings with Mr. Bo.

The case led to a book a year later detailing her experience with the American legal system.

Titled “Winning a Lawsuit in the U.S.,” and written in a breezy style, the book disparaged certain aspects of the United States legal system. “They can level charges against dogs and a court can even convict a husband of raping his wife,” she wrote. By contrast, she said, China’s court system was straightforward and judicious. “We don’t play with words and we adhere to the principle of ‘based on facts,’ ” she wrote. “You will be arrested, sentenced and executed as long as we determine that you killed someone.”

# WP

# After ouster of Bo Xilai, questions surround China’s security chief

### By [Keith B. Richburg](http://www.washingtonpost.com/keith-b-richburg/2011/03/03/ABszxON_page.html), Updated: Friday, April 20, 5:00 PM

BEIJING — With Chinese politics roiled by the purge of Bo Xilai, a former provincial Communist Party chief, there are growing questions about whether the corruption and murder scandal that felled him might reach into the Party’s highest echelon to undercut an official considered Bo’s staunchest ally and defender.

Zhou Yongkang, China’s top official in charge of the country’s internal security apparatus, is considered close to Bo, and was the most prominent backer of some of Bo’s most controversial measures in Chongqing. Those included Bo’s ferocious clampdown on organized crime, his social welfare policies and a campaign to [revive “red” culture](http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html) that many saw as a worrying throwback to China’s violent Cultural Revolution.



(Andy Wong/AP) - Zhou Yongkang, seen attending the National People's Congress in March, is reported to have been the only leading official to have argued against last week's striking decision to suspend Bo Xilai's membership in the 25-seat Politburo.

Bo was dramatically removed from his post in Chongqing last month, and on April 10 [stripped of his membership](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-removed-from-party-posts-wife-accused-in-british-businessmans-murder/2012/04/10/gIQA1jDL8S_story.html) in the Party Central Committee and the 25-member Politburo. Authorities said Bo is being investigated for “severe violations” of the Party’s internal discipline rules while his wife and a household aide were arrested on suspicion of killing British businessman Neil Heywood.

As the scandal continues to unfold — fueled by Internet rumor and reports on overseas Mandarin-language Web sites hostile to the Chinese government — speculation has now centered on Zhou’s relationship with Bo, and whether Zhou might eventually become the next casualty of the Communist Party’s biggest leadership crisis in more than two decades.

Zhou’s future and fate are of more than passing interest here, since he is one of the most powerful, if less visible, figures in the Chinese Communist Party, with control of the vast security forces and the judiciary, including all the prosecutors. He sits on the nine-member Politburo Standing Committee, which effectively runs the country as a kind of collective leadership; its other members include China’s president and prime minister.

The speculation intensified this week with the release of an April 17 Xinhua editorial hinting that more high-level firings may be coming. “The investigation into Bo,” the editorial said, “serves as a declaration to all Party members that no matter what position one holds, Party members shall never place themselves over Party discipline and the law.”

Chinese authorities have released little about their ongoing investigation into Bo, his wife, Gu Kailai, or other associates in his Chongqing inner circle who have been detained. In the vacuum of real information, citizens who have been closely following the saga through overseas Internet reports, and outside China-watchers, have been trying to glean information from the most innocuous signs, such as how much or how little a senior leader appears in the official media.

Zhou’s past and present statements and appearances are being closely dissected for any hints of internal strife.

For example, on March 8, during the annual meeting of China’s national legislature, Zhou made a highly-public appearance before the delegation from Chongqing, heaping praise on Bo and his achievements. Bo at the time was already reeling from his former police chief Wang Lijun’s flight to the American consulate in Chengdu, where Wang first outlined a dramatic tale of political intrigue, corruption and murder in Chongqing.

But exactly a week after Zhou’s high-profile endorsement, Bo was removed as Chongqing Party chief. Zhou then disappeared for a week from state-run television and newspapers, leading to questions about whether he had been sacked — and the period coincided with persistent, unsubstantiated rumors of a rift in the top ranks, or the wild rumor that Zhou was leading a coup. Then a March 23 photograph showed Zhou meeting the visiting Indonesian foreign minister, seeming to temporarily dispel the rumors.

Zhou’s most recent public appearance — on April 12, with the Shanghai Cooperation Council, and an April meeting with a visiting Communist official from Cuba — also seemed to quiet the continuing Internet-based chatter that he was being investigated, or on his way out. Still, the speculation has not died down entirely; as some have noted, Bo himself also appeared in public until the day before he was sacked as Chongqing chief.

In the past, when China’s Communist Party was led by strongmen such as Mao Zedong and later Deng Xiaoping, a top official could be removed instantly — as when Deng removed Zhao Ziyang as Party general secretary in 1989 because of Zhao’s sympathy for pro-democracy protesters occupying Tiananmen Square.

But some experts who analyze China’s secretive elite politics say the more diffuse nature of the current power structure could protect Zhou from trouble. While removing a member of China’s broader Politburo is not unheard of, they say, it would be far more problematic to remove one of the nine Standing Committee members.

Zhou is 71, and had been expected to step down this fall at the time of the 18th Party Congress this fall, a gathering that will usher in a [new generation of leaders](http://www.washingtonpost.com/world/asia_pacific/in-china-will-transition-bring-real-change/2012/02/10/gIQABrkd6Q_story.html), led by Vice President Xi Jinping, who is all but assured to become president. Forcing out a septuagenarian months ahead of his retirement might be too tumultuous, some said; rather, he might be allowed to retire, and, like other fallen officials, remain in obscurity.

“I don't believe that Zhou Yongkang is really in danger now,” said Li Datong, an independent social analyst. “The Party will totally lose credibility in the eyes of the Chinese if even a Standing Committee member has violated the law and the Party’s discipline rules.”

Zhou and Bo’s connections go far back, despite their widely divergent backgrounds and the 10-year age difference.

Zhou, an engineer and graduate of the Beijing Petroleum Institute, was the general manager of the state-run China National Petroleum Corporation before he became a minister and Party chief in Sichuan province under former president Jiang Zemin. Bo, the “princeling” son of a revolutionary hero, Bo Yibo, is also considered a protégé of Jiang’s.

During that March meeting of the legislature, when Zhou dropped by the Chongqing delegation, Bo also showered Zhou with compliments. Bo noted that when Zhou was the Sichuan Party chief, he promoted the development of both Sichuan and Chongqing. Bo also noted how Zhou had visited Chongqing at the height of Bo’s [crackdown on crime](http://www.washingtonpost.com/after-bos-fall-chongqing-victims-seek-justice/2012/04/19/gIQAxBzGUT_story.html), inspecting the local police and public security forces and giving prominent backing to Bo’s anti-crime efforts.

Zhou was also the most prominent booster of Bo’s “red revival” campaign that included gathering students, government bureaucrats and others together in public parks to sing revolutionary anthems. Zhou attended a red singing performance in November 2010, and said he might launch the same movement in the judiciary system.

Still, it remained uncertain whether Zhou would be swept up in Bo’s scandal. Cheng Li, an expert on China’s leadership with the Brookings Institution, said some rumors about Zhou — including the notion that he he was plotting a coup — have already been proved false, but others may have merit.

“My sense is that at least for now, the top leadership does not intend to go beyond the Politburo level for various reasons,” he said. “Stability and unity are among the most important. But no one knows how the whole story will unfold in the weeks and months to come.”

Brookings Institute

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# The Bo Xilai Crisis: A Curse or a Blessing for China?

[China](http://www.brookings.edu/topics/china.aspx), [Asia](http://www.brookings.edu/topics/asia.aspx)

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National Bureau of Asian Research

April 18, 2012 —

China currently faces a daunting political crisis, due to the ongoing scandal riveting the country as the Chinese Communist Party (CCP) prepares for its upcoming leadership transition. Bo Xilai—formerly party chief of Chongqing and a member of China’s Politburo—has been stripped of his posts due to an investigation stemming from Chongqing police chief Wang Lijun’s February 2012 visit to the U.S. Consulate in Chengdu. During his conversations with U.S. officials, it is believed that Wang revealed damaging information about Bo and sought refuge due to his fear of persecution. After spending a night at the consulate, Wang was taken into custody by Chinese officials, a fate later shared by Bo and his wife Gu Kailai. Wang is currently being investigated, while Bo has been accused of various transgressions and Gu is suspected of involvement in the death of British citizen Neil Heywood in late 2011. Bo, the son of a famous Chinese revolutionary, came to national prominence during his time as party chief of Chongqing due to his charisma, his ruthless crackdown against organized crime, and his promotion of Maoist songs and imagery. Before being assigned to lead Chongqing, Bo served as minister of commerce and mayor of Dalian in Liaoning province. In the months prior to this scandal, Bo was viewed as a rising star and a candidate for promotion to the nine-member Politburo Standing Committee. [*NBR*](http://www.nbr.org/research/activity.aspx?id=236)'s Anton Wishik spoke with Cheng Li, an expert on Chinese elite politics and a senior fellow at the Brookings Institution, about the significance of these events, what they mean for China’s upcoming leadership transition, and their implications for future Chinese political reforms.

#### China's former Chongqing Municipality Communist Party Secretary Bo Xilai (L) and Wang Lijun (R) attend a session of the Chinese People's Political Consultative Conference (CPPCC).

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**How significant is this crisis for China?**My overall assessment is that the dismissal of Bo Xilai is a very positive event in China’s political development. While it has already constituted the most serious political crisis since the 1989 Tiananmen incident (and perhaps since the 1971 Lin Biao incident), the Hu Jintao–Wen Jiabao administration may have successfully avoided an even bigger crisis. In stark contrast with the 1989 Tiananmen incident, China’s economy and society have hardly been disrupted, at least up until now. This reflects the maturity of Chinese society and the strength of the country as a whole. To a great extent, this crisis has been a good thing for China. It not only reveals major flaws in the Chinese political system, but may also help the Chinese leadership, intellectual communities, and the general public reach a new consensus, thus contributing to bold and genuine political reforms. However, if the leadership fails to seize this great opportunity, the CCP will be in greater jeopardy in the years to come.   
  
**What is the Bo Xilai case really about: factional infighting, Bo’s notorious egotism, or ideological conflict?**To a certain extent all of the above, though none of these explanations, nor any combination of them, adequately tells the whole story. Something far greater is at stake.   
  
Bo Xilai’s story is certainly linked to China’s present-day factional politics, which I characterize as “one party, two coalitions.” One coalition is led by former president Jiang Zemin’s protégés. While the core of this coalition used to be the so-called Shanghai Gang, “princelings” (leaders who come from high-ranking family backgrounds) have become more central since the fall of Shanghai party boss Chen Liangyu on corruption charges in 2006. Bo Xilai is a princeling, as his father Bo Yibo was a revolutionary veteran who served as vice premier. The other coalition primarily consists of former officials from the Chinese Communist Youth League and is led by President Hu Jintao and Premier Wen Jiabao. These two coalitions fight with each other over power, influence, and policy initiatives. Bo Xilai’s career advancement can certainly be attributed to his princeling background and his patron-client ties with Jiang Zemin.   
  
Bo’s downfall is also related to his own egotistical personality and notorious ambition. While his ambitions were most recently focused on achieving a seat on the Politburo Standing Committee, it would have not stopped there. In the months preceding the crisis, members of Bo’s staff spread the rumor that he could become China’s next premier. In addition, Su Wei, a scholar close to Bo at the Chongqing Party School, compared Bo Xilai and Chongqing mayor Huang Qifan to former leaders Mao Zedong and Zhou Enlai in comments circulated in both the Chongqing and national media.   
  
The Bo episode is also related to ideological conflict, as he was associated with China’s “new left” thinking—especially through his Mao-style campaigns, such as the “smash the black” anti–organized crime campaign—and advocated an ultra-egalitarian and ultra-nationalist development model for China, known as the “Chongqing model.”   
  
But this episode is really more than the sum of these factors. Most importantly, it involves Wang Lijun’s attempted defection to the United States and the charges against Bo’s wife related to the murder or assassination of British citizen Neil Heywood. The Chinese public has been shocked by both incidents, since this is a very unusual set of events in CCP history. How is it possible that national hero Wang Lijun and one of China’s top leaders are capable of such actions? When these kinds of charges are involved, all Chinese leaders—regardless of which faction they belong to—will not support Bo Xilai any longer, because the current crisis poses a challenge to the legitimacy of the CCP itself. The stakes are very high, and the challenge facing the CCP leadership is intimidating.   
  
**How was Bo able to stay in power for so long?**  
To better answer this question, we need to go back to factional politics: the tensions between the princelings coalition and the Youth League coalition.   
  
Specifically, the other princeling leaders wanted to use Bo to their advantage. Within elite circles, Bo was nicknamed “the cannon” because he was always ready to attack his political rivals, including Hu Jintao, Wen Jiabao, and Bo’s liberal counterpart—Guangdong party chief Wang Yang. Thus, he was considered a much-needed weapon by the other princelings, though they did not necessarily like or trust him. On the other hand, Hu Jintao and Wen Jiabao saw Bo as a liability for their opposition because they believed Bo’s campaigns were doomed to fail and that he ultimately would undermine the strength of the princelings due to his divisive tactics. In addition, his Cultural Revolution–style initiatives were seen by Hu and Wen as remnants of the past with no hope of succeeding. Therefore, they may have been even less concerned about Bo than some of the other heavyweights in the princeling camp.   
  
In fact, Bo had many enemies, including at least four major groups: (1) liberal intellectuals, who often regarded him not only as a Maoist, but also as a Nazi-like leader who often singled out particular social groups as targets; (2) lawyers and legal professionals alarmed at his roughshod treatment of Chinese legal practices in Chongqing and Dalian; (3) the majority of political and military elites, who feared Bo did not play according to the rules and would take China down the wrong path; and (4) entrepreneurs in China and abroad alarmed at Bo’s anti-market tendencies, evident in his rough handling of Wal-Mart stores in Chongqing.   
  
At the 2007 Party Congress, Bo had aggressively sought two positions, membership in the Politburo and a vice-premiership. In my view, the fact that he got the former but not the latter was the result of a compromise between the two camps. Assigning him to an interior city like Chongqing was an effort on the part of Hu and Wen to reduce Bo’s influence and power. While there were some unconfirmed reports during his first few months on the job that he was deeply dissatisfied with his new assignment, in the end he did a remarkable job of putting Chongqing on China’s political map and, for a time, effectively turned it into his own personal kingdom. Regardless, prior to this most recent scandal, there had been long-standing concerns among the Chinese political establishment that Bo would go too far and undermine the unity of the central leadership of the CCP. Even before the latest scandal, some in Beijing felt that Bo would not receive a seat on the Politburo Standing Committee because he was so divisive and could cause trouble for the CCP as a whole. Certainly, with Wang Lijun’s actions, Bo Xilai’s career was over immediately.   
  
Although the princelings did support Bo and used him when convenient, this does not mean that they gave him a blank check to do as he pleased. Just as there is political infighting within the political parties in the United States, the relationship among members of a Chinese coalition is both cooperative and competitive.   
  
For example, Xi Jinping was becoming increasingly wary of Bo. Much has been made of Xi’s visit to Chongqing in December 2011, interpreted by some as an endorsement of Bo. Five Politburo Standing Committee members visited Chongqing, and Bo interpreted this as an endorsement of his leadership and his Chongqing model. But if you look at the details, the motivations of at least two of these visitors are ambiguous, including those of He Guoqiang and Xi. He Guoqiang and Bo Xilai are on negative terms, as some of the people arrested in Bo’s anti-crime campaigns were He’s protégés. Therefore it cannot be argued that He went to Chongqing to support Bo. There must have been another reason for the visit, such as cutting some sort of deal. As for Xi Jinping, if you look at his public speech during the visit, he did not completely endorse Bo, saying that some things in Chongqing should be improved. Thus, though the visit was widely interpreted as an endorsement of Bo, some Chinese intellectuals immediately picked up on the fact that Xi’s speech could be interpreted as a critique of Bo.   
  
**Several Chinese commentators have suggested that this whole scandal was planned by Hu Jintao and Wen Jiabao. Is there any truth to that?**  
It is unimaginable that a Chinese leader would have told Wang Lijun to go to the U.S. consulate in Chengdu. No one would dare to make such an order, since doing so would be considered treason. That decision was made by Wang Lijun himself. On the other hand, there is some evidence that an investigation of Bo and Wang had been going on long before Wang’s visit to the consulate. At the very least, there was an investigation of Wang from his time working in Liaoning province. Gu Kailai has long been suspected of corruption, though it is unclear whether past investigations of her were initiated by senior leaders or just routine actions based on reports submitted to the Central Discipline Inspection Commission of the CCP. As for Bo, there have been many charges related to his tenure in Chongqing involving torture, false charges, and corruption, and investigations of these charges may have been going on for some time as well. Again, it is not clear if these were actions taken by senior leaders, but it is noteworthy that there was already much public speculation about charges against Bo. Though they may have been surprising to some foreign observers, these charges were widely discussed by elites in Beijing, Liaoning, and Chongqing.   
  
I do have doubts about the way Wang Lijun is being portrayed as having approached Bo regarding an investigation into Bo’s and Gu’s involvement in the death of Neil Heywood. This does not make sense to me. Wang’s entire career had been based on his patron-client ties with Bo. He was considered Bo’s close confidant, knew many if not all of Bo’s dirty secrets, and had done many highly questionable things during his three years as Bo’s police chief in Chongqing. Therefore, given their close ties, it puzzles me that Wang would have challenged Bo on Gu’s potential role in Heywood’s death. Wang may have felt that he simply could not cover up this case. Still, I think there are probably some missing pieces to this story.   
  
It is true that Hu Jintao and Wen Jiabao never liked Bo Xilai. In the past year and a half, Wen has publicly (though implicitly) criticized Bo on a number of occasions, mentioning that some leaders were liars. These comments were mainly targeted at Bo. Remember, Bo Xilai’s mother committed suicide during the Cultural Revolution and his father was tortured. Despite this, Bo often said positive things about this period in China’s history while he was leader of Chongqing, which could have led to Wen’s criticism.   
  
It is unclear whether Bo would have fallen if Wang Lijun had not gone to the U.S. consulate. I believe it would have been much more difficult to purge Bo without Wang’s actions due to strong factional tensions within the leadership, as Bo not only represented himself but also a social movement. Even today, some people are suspicious of whether this entire incident is true and whether the death of Heywood has anything to do with Bo and Gu. Some even accuse the United States of involvement in a conspiracy. However, the evidence provided by Wang Lijun made the case against Bo much easier and clear-cut. Thus, without Wang Lijun’s dramatic visit to the consulate, removing Bo would have been much more difficult for his opponents to achieve, though given Bo’s actions and the ongoing investigation of him, he may have fallen eventually even without this crisis.   
  
**What’s next for Bo Xilai, his wife, and Wang Lijun?**  
The charges against Bo’s wife Gu Kailai are extremely serious and could potentially lead to capital punishment or life imprisonment. In my opinion, Wang Lijun will also be imprisoned, though his sentence will be much less severe, largely because he has contributed to Bo’s fall by reporting some of Bo’s transgressions to the central leadership. However, the Politburo will want to send a very clear message that passing classified information to a foreign government will not be tolerated. Besides that, Wang may also be charged with abuses stemming from his time as police chief of Chongqing. As for Bo, the next step is being formally expelled from the Central Committee and Politburo, since he has merely been suspended from these posts. This will take place at the Central Committee meeting, which will likely be held early in the summer, at which time we will have more information about the charges against him.   
  
Currently, there is a long list of possible charges against Bo. The party document released in early April stated that he had violated party regulations. Previously, the baseline charge had been that Bo had not managed his subordinates well, a reference to his appointment of Wang. This by itself was not considered a violation of party rules, but simply poor judgment. I interpret the newly released document’s reference to rule violations as an upgrading of the charges, which implies violations by Bo after Wang was in custody. These could potentially include an effort to cover up certain details of the case, challenging the authority of the central government, or even an effort to split the party leadership. Earlier charges included accusations that Bo wanted to establish a politically independent “kingdom” in Chongqing, bugged the conversations of other leaders, and used terror and torture in his anti-crime campaigns, as well as various corruption charges and accusations that his close ties with foreigner Neil Heywood violated regulations for senior leaders. The ongoing criminal investigation will touch on Bo’s business dealings, the charge that he may have paid leftist intellectuals to help propagate his radical ideas, and—most importantly—the charge that he, along with his wife, may have been involved in the murder of Heywood. I think it is highly likely that Bo will face life in prison as a result of these charges.   
  
**What does Bo’s fall mean for China’s factional politics? Do you expect more senior leaders to fall?**  
The party leadership will be extremely cautious and not expand the scope of the Bo Xilai case to other leaders. Purges will be relatively limited. The fact that certain leaders closely affiliated with Bo, such as Huang Qifan, are still free implies that the top leadership does not intend to punish too many people. The fact that the country is on the eve of the 18th Party Congress, with so many destabilizing factors, will also lead the leadership to limit the scope of targeted officials.   
  
Therefore, though the Bo case is a victory for Hu and Wen, this victory will not necessarily translate into more seats for their coalition on the Politburo Standing Committee. To a certain extent, this explains why Guangdong’s liberal party chief Wang Yang has been reluctant to claim victory since there still could be a backlash against him. The makeup of the future Politburo Standing Committee will largely be determined through compromises between the two coalitions. The balance of power within this system will not be easily changed. If the princeling faction collapsed, this would constitute an unimaginable revolution with implications for Chinese politics and social instability ten times greater than the Bo scandal. Thus, at the moment, there is a tremendous incentive for the party’s top leadership to preserve the current structure of “one party, two coalitions,” and show unity and solidarity.   
  
Evidence of the Chinese leadership’s unity on this matter can be found in the man who replaced Bo as party chief of Chongqing, Zhang Dejiang, a protégé of Jiang Zemin and part of the same princeling coalition as Bo. This appointment means that a deal has been made and the top leadership of the party is united. To a certain extent, this is similar to what happened in 2006 with the fall of Shanghai party boss Chen Liangyu. All those who have followed Chen as Shanghai party boss, including Xi Jinping, have been protégés of Jiang Zemin, just as Chen was.   
  
Consequently, it is highly likely that Bo’s potential seat on the Politburo Standing Committee will be taken by someone from the princeling coalition. Zhang Dejiang would likely have attained a seat on the committee regardless of Bo’s fall, though he will now probably receive an even more important position. Zhang Gaoli, the party chief of Tianjin, and Shanghai party chief Yu Zhengsheng, both protégés of Jiang Zemin, are now likely to go further with Bo gone. Though we do not know for sure which specific officials will receive which posts, I do think it is highly likely that the factional balance of power on the Politburo Standing Committee will remain unchanged with five seats for one coalition and four for the other.   
  
**What challenges and opportunities has the Bo crisis now presented to China’s leadership?**The Chinese public is still reeling from the shock of these events. The CCP has been responsible for a variety of political campaigns and serious mistakes in its long history, but it is not generally known for murder and assassination. But now, this scandal has occurred in relation to one of China’s rising political stars. We still do not know exactly how the public will react, particularly since this has occurred during a time of genuine dissatisfaction with official corruption, state monopolies, economic disparity, a lack of transparency and accountability, the privilege of princelings, and other issues. Consequently, this is a major legitimacy crisis for the CCP leadership as a whole.   
  
However, a crisis is also an opportunity. Before the Bo crisis, there was great division among the leadership, intellectuals, and the public on China’s path forward. Now there is an opportunity to reach a new consensus and seriously pursue political reforms. This crisis has revealed the flaws in China’s political system, including the danger of allowing a demagogue like Bo to emerge, as well as the nepotism and corruption within the system.   
  
The following profound transformations need to be made if the CCP wants to regain the public’s confidence and remain in power:

* First, in addition to handling the Bo case through established legal mechanisms, a call for legal reforms—including judiciary reform, the rule of law, and constitutionalism—will become very important. This could be a wonderful opportunity for liberal leaders, and to a certain extent all leaders, to realize that this is the best way to protect themselves in a country that lacks the rule of law.
* Second, the CCP should pursue bolder intra-party elections, which could involve voting as a means of assigning leadership positions. For example, to select the members of the next Politburo Standing Committee the CCP could put ten or eleven candidates on a ballot and have the Central Committee select nine of them. When selecting the 25 members of the larger Politburo, 28 candidates could be voted on. I am not arguing that this should be instituted in five to ten years, but rather instituted immediately for the upcoming 18th Party Congress.
* Third, media regulation is also in need of reform. China has entered a “season of rumors,” and social media has become so powerful that Chinese authorities often shut down domestic micro-blogging services. This is not an effective way to run the country. The reason people go to social media for their news is that the official media does not tell the full story. Thus, the way to avoid the sensationalism produced by social media is to open up the official media. This is not only in the interest of liberals, but the Chinese government itself. The more these sensational stories are suppressed, the more powerful they become.

The Cultural Revolution and the 1989 Tiananmen incident are two of the great disasters in the history of the CCP, but in the aftermath of these events you see opening and reform after the Cultural Revolution and the acceleration of China’s market transition and integration with the outside world after Tiananmen, respectively. Positive political developments came out of these terrible events. There is hope that something similar may yet happen following the Bo crisis. Lessons will be learned, a consensus will be reached, and bold decisions will be pursued. Wen Jiabao, in recent comments at the National People’s Congress, said very clearly that the party-state leadership system needs to be changed and that the rule of law should be emphasized in the handling of Wang Lijun’s case in order for the CCP to endure the test of history.   
  
Learning from this crisis is not a choice for the CCP as much as it is a necessity. If nothing changes, the party will continue to lose its credibility. I believe the characterization of the Chinese political system as “resilient authoritarianism” is incorrect. While the prevailing view had been that this year’s leadership procession would go smoothly, two years ago I argued that the upcoming succession would be highly problematic and feature some sort of major crisis. Now the general sentiment is that China is in a terrible situation due to a vicious power struggle, but I am more optimistic. China has removed a major danger and avoided the worst scenario, which would have been taking the country down a Maoist, ultranationalist path. Of course, Bo’s chances of accomplishing this were always slim, but now they are close to zero. This is solid progress, and a reason to be more optimistic about China’s future.   
  
I am not arguing that Bo’s downfall will only have positive ramifications and that nothing will go wrong. However, there are always opportunities to learn lessons and make improvements, and I think the potential for China to do so is not insignificant. It is worth remembering that the assassination of a Taiwanese writer by agents of Taiwan’s Nationalist Party was a trigger that helped spur the island’s transition from authoritarianism to democracy in the mid-1980s. Similarly, China must now either make changes to be on the right side of history or be left behind. The Bo Xilai crisis can be either a curse or blessing for the CCP—a curse if the party pretends that its rule can remain as before, but a blessing if the party decides to transform itself.

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# The Power Shift in China

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YaleGlobal

April 16, 2012 —

Editor's Note: The recent firing of Chongqing party secretary Bo Xilai and the investigation of his wife for murder has put a renewed spotlight on China’s political succession process. In part one of a three-part [YaleGlobal](http://yaleglobal.yale.edu/) series that analyzes China’s internal divisions and the impact they’ve had on the country’s power structures and foreign policy, Cheng Li examines the latest trends in Chinese leadership.

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The spectacular fall of Bo Xilai, a charismatic but notoriously ambitious Politburo member, is only the latest episode in the Middle Kingdom’s long history of power politics. Still, the prevailing views of overseas China analysts have changed dramatically in response. Prior to the Bo crisis, many believed that Chinese political institutionalization was sufficiently developed to make the upcoming leadership succession as smooth and orderly as the previous one in 2002. Now, as the crisis unfolds, many regard Bo’s dismissal as just another political purge, a restoration of the normal pattern of vicious power struggle.  
  
Both views can be highly misleading, as neither adequately links its analysis of leadership politics to broader shifts of power in present-day China. The challenge for analysts is to provide a balanced, deep-rooted assessment of the trends underlying this recent drama. Three parallel trends in shifting power deserve special attention.   
  
The first shift can be expressed as “weak leaders, strong factions.” Over the past two decades China has gradually left behind rule by an all-powerful leader such as Mao Zedong or Deng Xiaoping and embraced a collective form of leadership. Both Jiang Zemin and Hu Jintao were no more than “first among equals” in their respective third and fourth generations of PRC leadership. Their diluted power was partly due to their lack of revolutionary credentials, but mostly a result of changing public opinion and growing institutional constraints.   
  
For example, Chinese bloggers have criticized Hu, fairly or not, for “inaction.” Some prominent Chinese intellectuals even describe his two five-year terms as “a lost decade.” Premier Wen Jiabao is also often considered “weak” and “ineffective.” These criticisms may, not necessarily represent the general public, but they nevertheless undermine the authority of the Hu-Wen administration. Incoming leaders Xi Jinping and Li Keqiang, owing to their lack of achievements and increasing competition from peers, are likely to be even weaker than their predecessors and forced to rely more on collective leadership.   
  
Collective leadership naturally makes factional politics more dynamic. The Chinese Communist Party leadership is now structured around what can be called “one party, two coalitions” in which the two balance each other’s power. The two factions can be labeled the “populist coalition,” led by Hu, and the “elitist coalition,” which emerged in the Jiang era and is currently led by Wu Bangguo, chairman of the national legislature.   
  
The elitist coalition consists of princelings – leaders who come from high-ranking official family backgrounds – and the so-called Shanghai gang, while the populist coalition consists of former Chinese Communist Youth League officials, known as tuanpai, who comprise Hu’s power base. These two coalitions have contrasting policy priorities. The elitist coalition tends to emphasize economic efficiency and GDP growth, while the populist coalition stands for social justice and social cohesion. In general, the elitist group dominates the economic sectors, representing the coastal region’s interests, while the populist group prevails in party organizations, claiming to voice concerns of the inland region.   
  
Factional politics, by no means new in the PRC, is no longer a winner-take-all zero-sum game. These two political camps are almost equal in power. They have divided up the seats in the top leadership organizations to reach a near-perfect balance. They also complement each other in terms of expertise. The meteoric falls of two rising stars in the Politburo in recent years – Shanghai Party Chief Chen Lianyu in 2006 and Chongqing Party Chief Bo Xilai in 2012 – are testimonials to the phenomenon of “weak leaders, strong factions.” Factional leaders with scandals can easily be dismissed, but factions are too strong to be dismantled. The leaders replacing Chen and Bo come from the same camps as their predecessors.   
  
The second power shift can be described as “weak government, strong interest groups.” The PRC has tremendous financial and political resources, and yet the government faces daunting problems such as economic disparity, inflation, growing local debts, rampant corruption, environmental degradation, resource scarcity, public health insecurity, and ethnic tensions in Xinjiang and Tibet.   
  
The State Council has become less effective in controlling provinces and even key state-owned enterprises. A barb recently circulating online, that “the premier cannot control a general manager,” sums up this problem of the central government’s weakness. Tensions between the two coalitions tend to make the decision-making process lengthier and more complicated, and could at some point even result in deadlock.   
  
More importantly, never in the six-decade history of the PRC have interest groups been as powerful as they are now. For example, various players associated with property development have emerged as one of the most powerful special-interest groups, explaining why it took 13 years for China to pass the anti-monopoly law, why the macroeconomic control policy of the last decade was largely ineffective, and why the widely perceived property bubble was allowed to expand.   
  
Perhaps the most controversial shift in power is the third one, “weak party, strong country.” The CCP is the world’s largest ruling party, consisting of 3.9 million grassroots branches and 80 million members. In the absence of organized opposition, the party seems unchallengeable. But a close reading of the CCP’s official discourse reveals a sense of imminent crisis of legitimacy. The directives adopted at the Fourth Plenary Session of the 17th Central Committee in 2009 explicitly acknowledged that many problems internal to the party are exacerbated by new domestic and international circumstances, “severely weakening the Party’s creativity, unity and effectiveness.” These directives described intra-party democracy as the “lifeblood of the Party.”   
  
China’s political reforms, including intra-party democracy, have made almost no progress in the past three years. This may be attributed to two factors: First, the 2008 global financial crisis tarnished the Western brand, leading some left-wing Chinese intellectuals to claim credit for superiority of one-party rule in China. Second, the Arab Spring rattled the party leadership, who worry about similar protests at home.   
  
That China’s spending on “maintaining social stability” in 2009 was almost identical to the country’s total national defense budget is a sign of weakness. Coupled with the Bo episode, the party’s reputation is damaged. Large-scale outflows of capital, presumably from corrupt officials, in recent years further indicate a lack of confidence among party elites. On top of that, the recent demand for constitutionalism among liberal intellectuals, as well as several military officers’ call for a state army rather than a party army, constitute new challenges to CCP rule.   
  
Troubles within the CCP leadership do not indicate that China as a whole is weak. Among the profound differences between the Tiananmen incident in 1989 and the Bo crisis is that in the latter case, at least so far, China’s economy and society have been hardly disrupted. This reflects the maturity of Chinese society and the country’s strength.   
  
Although these shifts in power have caused new tensions in the PRC’s governance and a sense of uncertainty, viewed from a broader perspective they should be considered encouraging developments. Factional checks and balances within the leadership, dynamic interest groups, and the widely-shared perception of China as a rising power could all become factors in a democratic transition. In the near future, the focus of China analysts should not only be on how effectively the CCP leadership uses legal procedures to deal with the Bo case, but also whether the leadership can boldly adopt more electoral mechanisms in its selection of senior leaders and search for new sources of legitimacy.

# NYT

# Son’s Parties and Privilege Aggravate Fall of Elite Chinese Family



Bo Guagua, a Harvard student, in Cambridge, Mass. Some of his friends say he is an indifferent student, but one professor called him “a smart lad.”

###### By [ANDREW JACOBS](http://topics.nytimes.com/top/reference/timestopics/people/j/andrew_jacobs/index.html?inline=nyt-per) and DAN LEVIN

###### Published: April 16, 2012

BEIJING — As the grandson of revolutionary giants, Bo Guagua enjoyed the prestige and privilege that accompanies membership in [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s “red aristocracy.”

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When Mr. Bo was at Oxford, he was known for his lavish parties, including a ball where the actor Jackie Chan appeared.

After a pampered childhood in the walled compounds of the Chinese capital, he was sent off for schooling in England, where he developed a reputation as an academically indifferent bon vivant with a weakness for European sports cars, first-class air travel, equestrian sports and the tango.

Mr. Bo’s flamboyance, a staple of social-media gossip in China in recent years, became another liability for his father, [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), who faces charges of corruption and abuse of power, and his mother, Gu Kailai, accused of murdering a British businessman who was also close to the young Mr. Bo.

Although Communist Party insiders say it was Bo Xilai’s populist reign in the southwestern municipality of Chongqing that ultimately brought him down, Bo Guagua’s high living clearly irritated party leaders, who named the son, a 24-year-old student at Harvard, in the official statement describing the reasons for his father’s fall from power.

One former government employee with party ties said the leadership tolerated a certain level of corruption among top officials or their relatives as long as it was kept out of public view. He said Mr. Bo’s collegiate antics, splashed across the Internet, were emblematic of an ambitious, cocksure family who often ignored the party’s conservative standards of public behavior.

The resulting buzz also drew unwanted attention to other so-called princelings, who often leverage their bloodline for financial gain but generally seek to avoid publicity lest it damage the party’s image of self-sacrifice and asceticism.

“If you’re discreet, they look the other way,” the former government employee said. “But Guagua’s behavior was striking by the standards; urinating against a fence at Oxford, kissing foreign girls — it all goes down bad in China.”

Mr. Bo is also tied to Neil Heywood, whose mysterious death in a Chongqing hotel room last November appears to have led to the Communist Party’s biggest political upheaval in decades.

Mr. Heywood reportedly mentored the adolescent Mr. Bo and later helped him land a spot at the elite Harrow School in North London. It is unclear how close the two were in recent years, but China’s state media have suggested that there were shared business interests and a “conflict” that led his mother to commit murder.

As his parents remain in detention, Mr. Bo is finding that the family name that served him so well has become something of a millstone. Given the continuing corruption investigation that could implicate him, he is unlikely to return to China anytime soon.

“I think the options for him look pretty bad,” said Roderick MacFarquhar, a China expert at Harvard who has written about the purges that dot contemporary Chinese history.

The details of Mr. Bo’s life were remarkably public. He appeared on a Chinese talk show to discuss his family and allowed himself to be photographed partying bare-chested and with young women.

A short-lived relationship with Chen Xiaodan, the granddaughter of another Communist Party pioneer, became fodder for the public after the pair was photographed vacationing in Tibet, trailed by a sizable police escort.

His celebrity stood in marked contrast to the lives of other descendants of revolutionaries. Xi Mingze — the daughter of Xi Jinping, presumed to be China’s next top leader — also attends Harvard, but under an assumed name, and she does not have a Facebook account.

Last month, a few days before he lost his job as party chief of Chongqing, Bo Xilai was forced to respond to questions about how his modest government salary could support his son’s tuition and expensive tastes. He called the accusations “sheer rubbish,” and insisted that Mr. Bo had won full scholarships, although he did not address the allegations in detail. “A few people have been pouring filth on Chongqing and me and my family,” he told reporters. “They even say my son studies abroad and drives a red Ferrari.”

But Mr. Bo does study abroad, and American officials say he arrived in a red Ferrari last year to pick up the American ambassador to China’s daughter for a date. Classmates at Harvard say they have seen him driving around in a Porsche.

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Bo Guagua’s once-powerful parents have been detained, and his antics have angered Communist officials.

Mr. Bo has lately been staying out of public view, having changed his Facebook account to make it much more private, and he declined to answer questions last week as he left his apartment in Cambridge, Mass. Those who know him say he has been studying for final exams while coping with his parents’ troubles.

In interviews, many of his friends rejected the notion that he was a playboy or a poor student, and they described him as exceedingly generous. He is quick to pick up a bar tab, they said, and he liberally handed out tickets for the 2008 Beijing Olympics. “His concern for China and its people is deep-rooted and real,” said one friend in China who spends time with him during his frequent visits home. “He’s a big thinker. When he gets drunk, he talks about important things.”

Mr. Bo was largely shaped by his years in Britain. When he arrived, at age 12, he failed to get into Harrow, a boarding school with $45,000 annual tuition at the time. Although he told a Chinese magazine in 2009 that he spent a year studying for the Harrow entrance exam, Mr. Heywood, an old Harrovian, told friends he used his influence to land Mr. Bo a place at the school.

Mr. Bo became the first Chinese citizen at the 500-year-old institution, and by most accounts, he flourished. He took up fencing, became president of the equestrian club and developed proper English manners.

In 2006, he arrived at Oxford’s Balliol College, known for its lumbering lawn tortoises and its illustrious alumni, including Aldous Huxley, Adam Smith and Herbert Asquith, a British prime minister who once described Balliol men as having “the tranquil consciousness of an effortless superiority.”

Oxford administrators dismissed the idea that Bo Xilai’s stature as a rising political star played any role in his son’s admission. “That kind of stuff just doesn’t happen,” said Ruth Collier, Oxford’s head of information. “If this young man won a place at Balliol, he got in on his merits.”

Mr. Bo pursued a degree in politics, philosophy and economics, and embraced a more public profile, appearing in the Chinese version of Esquire and earning the Big Ben Award as one of the top 10 young Chinese in Britain.

According to a friend from his Oxford days, Mr. Bo became known for his “professional socializing,” which included organizing a Silk Road ball for the Oxford Union, the university’s premier debating society. Mr. Bo tapped into his extensive connections by arranging an appearance by the actor Jackie Chan and financial sponsorship from a minibus manufacturer in Liaoning Province, where his father had served as governor.

He also demonstrated some of his father’s political drive when, in his second year, he ran for union librarian, a post equivalent to vice president. It was an all-consuming effort, friends say, and Mr. Bo broke with the tradition of low-key politicking by actively canvassing for votes on Cornmarket Street, a pedestrian boulevard in an area surrounded by Oxford colleges. He also ruffled some feathers, according to several Oxford students, by asking Chinese students to join the union so they could vote for him. The campaign was unsuccessful.

While adept at throwing memorable parties, Mr. Bo was struggling with his coursework. After the union campaign, his professors forced him to take a set of exams known as “penal collections.” He failed, several students said, and was suspended for a year. Barred from using campus facilities, he moved into the Randolph, a Victorian Gothic hotel where he continued to hold parties, though a friend said they were more subdued.

His family was not pleased. Using their connections, they reportedly sent a group of emissaries, including the Chinese ambassador, to plead Mr. Bo’s case to the master of Balliol, one faculty member said. Expulsion, it was explained, would cause his family grave embarrassment.

Although the request was denied, Mr. Bo was allowed to take his final exams a year later and passed with respectable marks, “much to people’s surprise,” one professor said. Mr. Bo’s tutors remained unimpressed and refused to write him recommendations for his application to Harvard.

But Mr. Bo was admitted to the John F. Kennedy School of Government, where tuition and living expenses can cost $90,000 a year. Administrators do not disclose information on scholarships and would not comment on whether Mr. Bo’s family connections played a role in his admission. But a spokesman said the school considers a “holistic” approach to applicants, weighing factors like leadership potential and a commitment to public service.

Although one classmate described Mr. Bo as academically lackadaisical, others suggested that he had become more serious about his studies. Last year, he helped organize a China trip for Kennedy School students that included a visit to Chongqing. “From my interactions with him, leaving aside all the gossip, he is a smart lad,” one professor said. “He seems to be a typical British public school product: smart, headstrong and self-confident.”

Despite the flashes of bravado, friends say that Mr. Bo is acutely aware that in China, the benefits of an illustrious family name can also be a detriment. His grandfather Bo Yibo was a revolutionary hero, but that did not shield him from the purges that sent him and much of his family to jail. “I have never met my grandmother because she was persecuted to death during the Cultural Revolution,” he said in a speech at Peking University in 2009.

In a interview that year with Youth Weekend, a state-run Chinese newspaper, he reflected on the other challenges of his pedigree. “When I do well, it is naturally through my own efforts. When I do wrong, I should bear the consequences and do not want the blame to fall on my parents,” he said. “Although I am fully aware that my father is a good man, I do not wish to live under his shadow.”

# NYT

# Briton in a Chinese Scandal Reportedly Brokered Overseas Money Transfers

###### By [SHARON LaFRANIERE](http://topics.nytimes.com/top/reference/timestopics/people/l/sharon_lafraniere/index.html?inline=nyt-per) and [MICHAEL WINES](http://topics.nytimes.com/top/reference/timestopics/people/w/michael_wines/index.html?inline=nyt-per)

###### Published: April 16, 2012

BEIJING — Neil Heywood, the British businessman at the center of a scandal involving the former Chinese Politburo member [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), was believed to have transferred large sums of money overseas illicitly for Mr. Bo’s family before his death in November, one person familiar with an inquiry into the case said on Monday.

The disclosure, which was previously reported by Reuters, would help explain the nature of the relationship between Mr. Heywood and the Bo family, in particular Mr. Bo’s wife, Gu Kailai, who is in custody on suspicion of criminal involvement in Mr. Heywood’s death. [The Chinese government said last week](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html) that an economic conflict between Mr. Heywood on one side and Ms. Gu and her son, Bo Guagua, on the other had intensified before Mr. Heywood’s death.

Mr. Heywood was found dead on Nov. 15 in Chongqing, a huge city with the status of a province, where Mr. Bo had been the Communist Party secretary since 2007. The scandal erupted in February after his top aide and former police chief, Wang Lijun, fell out with Mr. Bo and fled to a United States Consulate about 170 miles away. He claimed that Ms. Gu had ordered that Mr. Heywood be poisoned. Mr. Wang later left the consulate and is now in the custody of Chinese authorities.

Mr. Wang’s accusations relating to Mr. Heywood’s death, which have slowly emerged since he entered the consulate on Feb. 6, have fed a drama that has mesmerized the Chinese public and embarrassed British diplomats, who were slow to react to suspicions among Mr. Heywood’s acquaintances about how he had died.

The accusations have created the [biggest political turmoil in China](http://www.nytimes.com/2012/04/14/world/asia/chinas-party-may-be-long-term-loser-in-bo-xilai-case.html) in years, and cast a long shadow over the Communist Party’s [plans for a smooth transfer of power](http://www.nytimes.com/2012/04/07/world/asia/bo-xilais-ouster-exposes-chinese-fault-lines.html?pagewanted=all) this year, when many of the top leaders will be replaced. Before he was stripped of his positions over the last month, Mr. Bo was angling for a seat on the nine-member Standing Committee of the Politburo, China’s top leadership body.

[Reuters reported](http://www.reuters.com/article/2012/04/16/us-china-leader-murder-idUSBRE83F09620120416) Monday that officials believe Mr. Heywood was killed at the Nanshan Lijing Holiday Hotel, on a hilltop overlooking Chongqing’s Nan’an district. The Communist Party chief in Nan’an, where Mr. Bo’s influence was quite strong, was detained for questioning this month; the official has been a staunch ally of Mr. Bo.

Reuters reported that Ms. Gu and Mr. Heywood had argued about how much money Mr. Heywood was to have received for secretly moving a substantial amount of money out of China.

Chinese officials have been prosecuted for moving illicit gains out of the country, where the government is hard pressed to find or freeze the funds.

Nanshan Lijing staff members said Monday that they had no recollection of a guest’s death in November. A security guard blocked access to villas behind the main hotel, telling a reporter that a meeting was in progress.

Wang Kang, a Chongqing filmmaker, quoted friends of the Bo family as saying Ms. Gu had “felt betrayed by” Mr. Heywood, a 41-year-old business consultant who had ingratiated himself with the Bo family since the 1990s, when Mr. Bo was mayor of Dalian, in northeastern China.

Mr. Heywood helped Mr. Bo’s son Guagua gain admission to elite British schools, Mr. Heywood’s friends said. That role apparently grew into a business relationship as Mr. Bo rose through the Communist Party hierarchy. Besides acting as a conduit for the family’s funds, one source said, Mr. Heywood portrayed himself as a link between British business leaders and Mr. Bo.

Before Mr. Heywood’s death, Ms. Gu, Mr. Bo and Mr. Wang, the former police chief, were all under some form of scrutiny by the party, according to people with ties to party officials.

According to one party academic with connections to the Bo family, Mr. Wang wrote two letters to the Central Commission for Discipline Inspection accusing Ms. Gu of transferring up to several hundred million dollars out of the country. It was not known exactly when Mr. Wang had made those complaints, but they did not mention Mr. Heywood, the scholar said.

The commission did not officially take up Mr. Wang’s complaints at that time, the scholar said. But he and others said the pressure of inquiries by the commission, the party’s top disciplinary body, helped touch off a high-stakes vendetta between Mr. Wang and Mr. Bo.

In two phone conversations before he was dismissed as Chongqing’s party secretary in mid-March, the academic said, Mr. Bo said he was confident that he could withstand an investigation over corruption and other offenses. “If they let me continue working, I’ll continue working,” he said Mr. Bo had told him. “If not, it’s no big deal.”

In London, where the government’s handling of Mr. Heywood’s death is rapidly becoming a political issue, Prime Minister David Cameron is likely to raise the matter when a Chinese Politburo member, Li Changchun, visits Downing Street on Tuesday, a spokeswoman said.

The British Foreign Office has come under widespread criticism for not having pressed harder and sooner for the Chinese to explain Mr. Heywood’s death. Critics have noted that the Foreign Office minister dealing with China, Jeremy Browne, visited Beijing in November, days after Mr. Heywood was cremated in Chongqing without an autopsy.

“I would have thought that those circumstances would at the very least have triggered an inquiry as to whether or not all of that explanation was credible,” Menzies Campbell, a barrister who is a prominent figure among the Liberal Democrats, coalition partners in Mr. Cameron’s government, told the BBC.

The government has said that it told ministers of concerns about the death in February and that it had raised the issue with the Chinese four times, twice at the ambassadorial level. The spokeswoman expressed satisfaction with consular officers’ work on the case, adding, “Neil Heywood’s family have said they are entirely happy with the support they have had from us.”

# NYT

# Master of the Media Spotlight Is Now Its Victim in China

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html?inline=nyt-per) and JONATHAN ANSFIELD

###### Published: April 21, 2012

BEIJING — Intimidating and courting Chinese journalists, [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), an ambitious Communist Party official, fueled his political career by ably shaping his public image and seizing the spotlight in a way no peer had as he governed a Chinese city. But with his purge from the party’s top ranks this month, Mr. Bo has suddenly found himself the target of the same media apparatus that he once so carefully manipulated, and that now vilifies him in the name of the party’s leaders.

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The suspension of Bo Xilai from the Politburo was broadcast on April 10 on state-run television.

As it announced the purge, the party unleashed the full arsenal of its propaganda machine against Mr. Bo, pressing news organizations across the nation into an extraordinary campaign urging support for the party’s decision to oust Mr. Bo, editors and media executives say. It has arguably been the greatest mobilization to support a decision by the party since the aftermath of the Tiananmen Square massacre in 1989.

The campaign began on April 10, when the state news agency, Xinhua, announced that Mr. Bo had been suspended from the powerful Politburo and that his wife, Gu Kailai, was under investigation in the murder of a British businessman in November. Interviews with editors and media executives offer a glimpse of how the secretive party propaganda machinery has worked at a time of intense political tension. This week, the campaign is entering a more subtle phase as some news organizations veer away, at the behest of top propaganda officials, from running editorials emphasizing party loyalty and start to parse the significance of Mr. Bo’s case.

For example, editors at [Global Times](http://www.globaltimes.cn/), a popular newspaper that has Chinese and English editions, have been ordered to run commentaries or editorials that separate criticism of Mr. Bo from the welfare-oriented economic policies he championed in Chongqing, perhaps because party leaders want to take credit for similar policies in the future. The English edition is also supposed to criticize Western news coverage that has emphasized splits within the party, one person with knowledge of the order said.

Not in decades has such a widespread and finely tuned propaganda campaign been rolled out during the purge of an official. In the last two major purges, in 2006 and 1995, party leaders did not flood the media with nearly so much propaganda. And not since the bloodshed of 1989 have editorials insisting that officials and cadres reaffirm fealty to the party appeared with such frequency and vehemence.

Some analysts have said the purging of Mr. Bo presents the biggest challenge for the party since that period. The crisis was set off in February when Wang Lijun, a former police chief in Chongqing, [fled to an American Consulate](http://www.nytimes.com/2012/02/09/world/asia/speculation-grows-over-fate-of-crime-fighting-chinese-official.html?_r=1) to present evidence of what he said was a [murder plot involving Mr. Bo’s family](http://www.nytimes.com/2012/03/27/world/asia/uk-seeks-probe-of-britons-death-in-china.html?ref=asia).

“We haven’t seen this kind of direct meddling with the media across the board in a long, long time,” said David Bandurski, editor of the [China Media Project](http://cmp.hku.hk/) at the University of Hong Kong. “You can really sense the anxiety and the uneasiness. They’re pushing so intently this message of unity and solidarity, and you know all is not well.”

Mr. Bo, a Communist aristocrat and former journalism student who campaigned for a top post ahead of a leadership transition this year, was a polarizing figure who quickly built a fervent base of support after arriving in Chongqing in 2007, in part by his canny use of the news media. Some of Mr. Bo’s most ardent supporters have been hard-line socialists and senior army officers, and one goal of the propaganda campaign, especially in the intense first week, appeared to be cowing or winning over Mr. Bo’s remaining allies.

“They know that there will still be different views and interpretations throughout society,” a senior executive at an official media organization said, “so you need to run a lot of articles and propaganda to unify people’s thinking.”

Starting April 11, unsigned editorials on the cases of Mr. Bo and Mr. Wang appeared, sometimes daily, in every major media outlet in China, from the People’s Liberation Army Daily, the military’s official organ, to Web portals where Chinese youth get their news. Most of the editorials originated in People’s Daily, the official party mouthpiece. Friday was the first day the paper had no editorial on Mr. Bo.

The editorials have refrained from explicit character attacks on Mr. Bo or Ms. Gu and have not taken aim at Mr. Bo’s policies in Chongqing. Instead, they have emphasized that he is being investigated for “serious disciplinary violations” and that the rule of law must prevail.

“This way they won’t necessarily provoke much controversy,” said Zhan Jiang, a journalism professor at Beijing Foreign Studies University. “This form of publicity is aimed at arousing as little negative reaction as possible.”

Another editor said that when Mr. Bo was purged, editors at the party’s main publications were told that People’s Daily planned to publish a series of editorials on the decision over three days, and that major newspapers would have to reprint the editorials, highlights of which would be read on the television news. But later, on short notice, propaganda chiefs expanded the campaign and ordered other publications to run their own editorials as well.

“To me it indicates that a lot of people were still speaking up for Bo Xilai, so they had to go into overdrive,” the editor said.

Guangming Daily, founded as the organ for the party’s intellectuals, has run its own editorials, as have two other party newspapers, Liberation Daily and the People’s Liberation Army Daily. One in the military newspaper on April 13 said all officers and soldiers “deeply understand the warning significance of the incident” and “firmly support the decisions and plans” of the party.

A commentary in Global Times on Thursday by its chief editorial writer, Shan Renping, was a more personal attack on Mr. Bo. It criticized his [“smash the black” campaign](http://www.nytimes.com/2012/03/27/world/asia/bo-xilais-china-crime-crackdown-adds-to-scandal.html?pagewanted=all) against organized crime and the [“red song” campaign](http://www.nytimes.com/2011/06/30/world/asia/30redsong.html?pagewanted=all) that urged citizens to sing Maoist classics. “Do not overestimate one’s individual influence,” Mr. Shan wrote.

People’s Daily has also been running editorials denouncing the spread of Internet rumors. Many Chinese get their news online, and the Internet has been rife with gossip related to Mr. Bo. Major microblog platforms, which have hundreds of millions of registered users, have had to devote more staffing to the task of self-censorship since the government intensified efforts to quash rumors.

But there are signs that bloggers posting messages in line with the party’s anti-Bo narrative are allowed leeway. Li Zhuang, a lawyer persecuted by Mr. Bo, said Friday that before the purge, editorial handlers at microblog platforms where he posted would tell him to erase many of his posts criticizing Mr. Bo. Now, he said, such demands are rare.

At least one figure with a crucial stake in the political drama has appeared to take a route outside the state news media to send a message. Jiang Zemin, the former top leader and a onetime ally of Mr. Bo’s father, met Tuesday with Howard Schultz, the chief executive of Starbucks, a Starbucks spokesman said. Political analysts here said an appearance at this time by Mr. Jiang, reported to be ailing at 85 and long absent from public life, signaled to other politicians that he still played a role in party decisions, including in the Bo crisis.

Bill Bishop, an analyst in Beijing [who noted the meeting on his blog](http://www.sinocism.com/), said, “He’s clearly not doing it because he’s a coffee fan.”

NYT

# A Body, a Scandal and China

###### By [NICHOLAS D. KRISTOF](http://topics.nytimes.com/top/opinion/editorialsandoped/oped/columnists/nicholasdkristof/index.html?inline=nyt-per)

###### Published: April 21, 2012

IT all began with a dead body, in a hotel in the Chinese city of Chongqing. The corpse belonged to a British businessman who was said to have drunk himself to death — odd, considering that he rarely drank.

### On the Ground

###### [Son’s Parties and Privilege Aggravate Fall of Elite Chinese Family](http://www.nytimes.com/2012/04/17/world/asia/bo-guaguas-parties-and-privilege-aggravate-elite-chinese-familys-fall.html?ref=sunday) (April 17, 2012)

###### [Briton in a Chinese Scandal Reportedly Brokered Overseas Money Transfers](http://www.nytimes.com/2012/04/17/world/asia/fund-transfer-cited-in-inquiry-on-death-of-briton-in-china.html?ref=sunday) (April 17, 2012)

###### [Death of a Briton Is Thrust to Center of China Scandal](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html?ref=sunday) (April 11, 2012)

###### Times Topic: [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html)

Then a vice mayor sneaked out of town, by some accounts disguised for a time as an old lady, and entered the American Consulate in Chengdu to whisper a tale of murder. Now China has erupted in its biggest political storm since the Tiananmen democracy movement was violently crushed in 1989.

[One of China’s most prominent politicians](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html?pagewanted=all), Bo Xilai, has been kicked out of the Politburo. His wife is [detained on suspicion of murdering](http://www.nytimes.com/2012/04/17/world/asia/fund-transfer-cited-in-inquiry-on-death-of-briton-in-china.html?_r=1) the British businessman in a dispute over his fee for supposedly smuggling ill-gotten family money abroad.

Their son, [Bo Guagua](http://www.nytimes.com/2012/04/17/world/asia/bo-guaguas-parties-and-privilege-aggravate-elite-chinese-familys-fall.html), who once drove up to the United States ambassador’s residence in a red Ferrari to pick up Jon Huntsman’s daughter for a date, is studying at Harvard’s Kennedy School of Government — but seems to have vanished lately. And if you’re wondering how Bo Xilai managed on a minuscule state salary to pay hundreds of thousands of dollars for Guagua to study in Britain and now the United States (where he downgraded to a Porsche), well, great question!

The scandal is the talk of China, and the government has lost control of the narrative. This scandal may have far-reaching effects on the national leadership, and it should, for it points to a larger truth: China’s political model is simply running out of steam.

“Bo’s downfall shows the need to restrict government power,” [Caixin, a daring Chinese magazine](http://english.caixin.com/2012-04-18/100381267.html), declared in an editorial, adding, “At this stage of its development, China offers too many temptations, and the collusion of money and power is commonplace.”

Even good people are on the take in China these days, because everybody else is. Chinese doctors take cash from patients’ families before surgery. Journalists take bribes to write articles. Principals take money to admit students.

One Chinese friend of mine was a judge in corruption cases, and made a good living taking bribes from defendants. Another friend, the son of a Politburo member, was paid several hundred thousand dollars a year simply to lend his name to a real estate company.

Officials have a maddening sense of entitlement. When I lived in China, my wife and I once attended a party with many middle-age officials (including one now in the Politburo) and a crowd of trophy female secretaries. One cabinet minister mistook my wife, who is Chinese-American, for a secretary and crassly made moves on her. Let’s just say that my wife ruined his evening.

The scale of corruption has become mind-boggling. Zhang Shuguang, a railways official, [managed to steal $2.8 billion](http://www.forbes.com/sites/raykwong/2011/08/01/china-how-to-steal-3-billion/) and move it overseas, the state news media have reported. [A Chinese central bank report](http://www.time.com/time/world/article/0,8599,2079756,00.html) suggested that 18,000 corrupt officials had fled China and taken $120 billion with them. The average take was almost $7 million per person.

The backdrop is the staggering wealth enjoyed by the elite. More than 300 million Chinese [lack access to safe water](http://www.nytimes.com/2012/01/31/world/asia/china-says-it-curbed-spill-of-toxic-metal-in-river.html), but one tycoon’s home I visited had an indoor basketball court, a movie theater and a pond with rare fish worth up to tens of thousands of dollars each.

In Chinese, the words for power (“quan”) and money (“qian”) sound alike, and in China one often translates into another.

The rumors, which I can’t confirm, are that Bo Xilai’s wife was moving money abroad through the British businessman, Neil Heywood, and that they bickered over his fee. When he threatened to expose her, the theory goes, she arranged to have him poisoned. This is mostly rumor: Bo’s defenders think he is being framed by his political rivals.

China’s political system has managed daunting challenges, but it is showing serious cracks. For years, reformist leaders from Li Ruihuan to Wen Jiabao have been arguing for political reform, and party officials themselves increasingly see the need for more accountability and oversight.

China’s leaders could have paid attention to work years ago by a Chinese journalist, Jiang Weiping, suggesting corruption by Bo Xilai. Instead, they imprisoned the journalist.

There is considerable dissatisfaction, even within Communist Party circles, with the way the political system has been frozen under the outgoing party leader, Hu Jintao. Power is expected to pass this fall to a new Communist Party leader, Xi Jinping, who seems more open to liberalization. Let’s hope so, for China’s sake.

Ordinary Chinese view the contradictions clearly. You see that in the jokes making the rounds in China, like this one:

Three men meet in Qincheng Prison, where political offenders are often kept. The first one says: I am jailed for opposing Bo Xilai. The second says: I’m here because I supported Bo Xilai. And the third says: Dang it, I am Bo Xilai.

NYT

# As China Official Rose, His Family’s Wealth Grew

###### By [DAVID BARBOZA](http://topics.nytimes.com/top/reference/timestopics/people/b/david_barboza/index.html?inline=nyt-per)

###### Published: April 23, 2012

DALIAN, China — Just a few weeks before his dramatic fall from power, [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per) wrote an inscription in calligraphy, praising the Chongqing Water Assets Management Company, and urging support for its operations.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/04/24/world/asia/CHINA.html','CHINA_html','width=720,height=671,scrollbars=yes,toolbars=no,resizable=yes'))

Bo Xilai, with his wife, Gu Kailai, in Beijing in 2007.

What he did not say was that a foundation controlled by his younger brother, Bo Xicheng, had acquired a stake in a subsidiary of the water company.

Mr. Bo had done something similar in 2003, while serving as governor here in Liaoning Province. He said his province would make supporting the Dalian Daxian company, a conglomerate engaged primarily in electronics manufacturing, one of the most important tasks of the next five years. A few years earlier, another company controlled by the same younger brother was listed as the owner of nearly a million shares in Dalian Daxian, worth about $1.2 million.

It is not clear whether Mr. Bo knew of the indirect stakes in the companies, or whether his brother profited from his pronouncements. But now, in the aftermath of Mr. Bo’s [dismissal](http://www.nytimes.com/2012/03/16/world/asia/bo-xilai-ousted-from-communist-party-post-in-china.html?pagewanted=all), on [suspicions of corruption](http://www.nytimes.com/2012/03/20/world/asia/bo-xilai-accused-of-interfering-with-corruption-case.html?pagewanted=all) and accusations that his wife arranged the [killing of a British business associate](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html?pagewanted=all), there are mounting questions about whether Mr. Bo, who was most recently the party chief in the city of Chongqing and a member of the Politburo, used his enormous political clout to enrich himself and his closest relatives.

For much of the last decade, while Bo Xilai was busy moving up the ranks of the Communist Party, his relatives were quietly amassing a fortune estimated at more than $160 million. His elder brother accumulated millions of dollars’ worth of shares in one of the country’s biggest state-owned conglomerates. His sister-in-law owns a significant stake in a printing company she started that was recently valued at $400 million. And even Mr. Bo’s 24-year-old son, now studying at Harvard, got into business in 2010, registering a technology company with $320,000 in start-up capital.

Bo Xilai’s downfall this spring has also cast a sharper spotlight on the hidden wealth and power accumulated by the Communist Party’s revolutionary families, and by the sons, daughters, wives and close relatives of the nation’s high-ranking leaders.

“This could really open a can of worms,” says Bo Zhiyue, a senior fellow at the National University of Singapore’s East Asian Institute. “The relatives of other party leaders are also doing lots of business deals, and people will begin to ask: What about them? Was the Bo family the only one doing this kind of thing?”

Mr. Bo was suspended from his Politburo position and his leadership of Chongqing, a large metropolis with province status, in recent weeks amid accusations that, among other things, he interfered with an investigation into the death of a Neil Heywood, a British businessman whose body was found in a Chongqing hotel room on Nov. 15. His death was initially attributed to alcohol poisoning. Mr. Bo’s wife, Gu Kailai, and Zhang Xiaojun, the family’s 32-year-old “orderly,” were named as the main suspects, with officials saying Ms. Gu and her son, Bo Guagua, had [had a dispute](http://www.nytimes.com/2012/04/17/world/asia/fund-transfer-cited-in-inquiry-on-death-of-briton-in-china.html) with Mr. Heywood over “economic interests.”

The case has also raised questions about how the Bo family was able to afford to send their only son to study in England at Harrow and Oxford University, as well as now at Harvard, for graduate school.

State-run media reports have hinted at the possibility that the Bo family had been transferring illicit assets overseas. And soon after Mr. Bo was dismissed from his posts, Xu Ming, one of China’s wealthiest businessmen, with close ties to Mr. Bo and his family, was detained, possibly here in the city of Dalian, where Mr. Bo had once served as mayor.

None of the extended family members have been accused of illegality. But the circumstances surrounding Mr. Bo’s actions in support of companies where family members had an interest suggest that he may have used his influence to help increase their wealth.

Corporate records in Hong Kong and China show that the siblings of both Mr. Bo, who also served as commerce minister in the national government, and his wife have been exceptionally active for years in forming investment companies and setting up offshore entities. Moreover, sometimes Mr. Bo’s family members have held their stakes using an alias.

Two of Ms. Gu’s sisters — Gu Wangjiang and Gu Wangning — have earned millions of dollars in publishing, real estate and other ventures. Together they own about $120 million worth of shares in the TungKong Security Printing Company in eastern China. The TungKong Web site says the company has contracts with some of China’s biggest state-owned enterprises and government agencies, including the tax authorities and the Central Bank.

Gu Wangning also helped Bo Guagua establish a technology company in Beijing in 2010. The Guagua Technology Company’s supervisor is listed as Mr. Zhang, the Bo family aide accused along with Ms. Gu of being involved in Mr. Heywood’s death.

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Two of Bo Xilai’s three brothers are well-established businessmen with close ties to state companies. His elder brother, Bo Xiyong, 64, has invested over the years, according to Hong Kong records, in a series of offshore investment vehicles like Advanced Technology and Economic Development, partly owned by a British Virgin Islands entity, and Far Eastern Industries. But little about the companies is publicly available.

Bo Xiyong is also vice chairman of China Everbright International, a division of the Everbright Group, a giant state-owned company. His annual salary is about $200,000 and his stake in the company during the past decade is about $10 million, based on shares he has sold and the value of his current stock options, according to public filings.

In addition, Bo Xiyong is a deputy of the Chinese People’s Political Consultative Congress, a government advisory body, and until recently he served as deputy chairman of HKC Holdings, a Hong Kong company controlled by the family of an Indonesian billionaire. In 2010, the big American private equity firm TPG invested about $25 million in HKC, which specializes in infrastructure and alternative energy projects in China and has won numerous state contracts.

Bo Xicheng, the younger brother with the foundation, has ties to several companies that operated in Dalian and Chongqing, the two cities where Bo Xilai served as a high-ranking official. His charitable foundation, the Beijing Xingda Educational Foundation, has on its board of directors the heads of two real estate developers, the Dalian Huanan Group and Chongqing Tianyou, as well as Weng Zhenjie, the chief executive of the Chongqing International Trust Company. Earlier this year, a Chongqing business tycoon, Zhang Mingyu, accused Bo Xilai’s police force of threatening him and protecting Mr. Weng, who Mr. Zhang said was a former business partner who had quarreled with him in Chongqing.

Among the advisers to the foundation, which has already raised more than $20 million, are two academics from the Chinese Academy of Social Sciences who publicly supported Bo Xilai’s “Chongqing model” of development.

The foundation owns a $2 million stake in Chongqing Water Group, a company now valued at about $5 billion.

Bo Xicheng has served as a director of several big state-owned companies, including Citic Securities, one of China’s largest investment houses. He is also the founder of a small company that makes fire extinguishers and other equipment, called Beijing Liuhean Firefighting Science and Technology, whose products are used in government agencies, luxury hotels, power plants and in Tiananmen Square in Beijing.

Less is known about Bo Xilai’s wife, Gu Kailai, except that she opened her own law firm, with offices in various countries, and also set up several consulting firms, including one with Mr. Heywood.

There is also a great deal of mystery about Mr. Bo’s son by his first marriage, Li Wangzhi. Like the children of so many high-ranking Chinese leaders, Mr. Li, 34, has worked in private equity and held a job at Citigroup. He invested in companies in Dalian, on his father’s turf, according to corporate filings.

He has been known alternatively as Brendan Li and Li Xiaobai.

Whether Bo Xilai was aware of all this family deal-making is unclear.

But it has become increasingly clear that the relatives of high-ranking leaders are in demand.

“They are sought after because they are considered conduits of power,” says Laurence Brahm, a former lawyer who has written books on China’s economy and political scene. “By virtue of the fact that they are a son or daughter of someone, when they visit the provinces they’ll get red carpet treatment from the leaders there. The businesspeople can tag along.”

WP

# In China, relatives of Party officials build lucrative businesses on family contacts



- Gu Kailai, left, wife of now disgraced Communist Chief of Chongqing city Bo Xilai, center, and their son Bo Guagua, right. The fall of Bo Xilai is one of the most spectacular political dramas in China since Tiananmen.

### By [Andrew Higgins](http://www.washingtonpost.com/andrew-higgins/2011/03/02/ABbwwkP_page.html), Published: April 23

HONG KONG — When Chinese authorities launched an investigation in 2006 into potential foreign currency violations by Beijing Henderson Properties, the real estate developer called in some curious outside help. It turned to a Chinese investment company with no evident expertise in currency regulations and to a murky Hong Kong foundation with no dis­cern­ible offices and no listed telephone number.

But the real estate company’s helpers did have one significant asset: access to officials at the Chinese government agency handling the investigation, made possible by the door-opening powers of China’s “red nobility,” a potent network of Communist Party leaders, their families and their friends.

A confidential January 2007 Henderson memo obtained by The Washington Post lays bare the property developer’s calculations, describing the two organizations as “a bridge for our company to link up with the [State Administration of Foreign Exchange](http://www.safe.gov.cn/model_safe_en/). They claim to have intimate connections with high levels at SAFE, and have certain influence.”

The principal span of this “bridge” was Shenzhen Zhaotian Investments, a China-registered private company headed by Tian Chenggang, the son of a former member of the Communist Party’s supreme decision-making body, the Politburo Standing Committee. A second connection was provided by the Strait Peaceful Reunification Foundation, a Hong Kong group with close ties to the brother of another former Standing Committee member.

What the two outfits did exactly is unclear, but Henderson ended up facing only a modest fine.

The episode, detailed in documents relating to a recent Hong Kong court case triggered by a dispute over consulting fees, illuminates a small corner of a booming but almost entirely hidden Chinese industry: influence peddling by members of Communist Party aristocracy. The children and other relatives of party barons, known as princelings, dominate the market in high-level connections, a valuable commodity in a country where the will of the party often trumps the rule of law.

The role — and riches — of China’s princelings has become a particularly touchy issue in the run-up to a party congress this fall that is expected to elevate Vice President Xi Jinping, the [son of a Mao-era revolutionary hero](http://www.washingtonpost.com/world/asia_pacific/for-chinas-next-leader-the-past-is-sensitive/2012/02/10/gIQAdJZ09Q_story.html), to the summit of power in Beijing.

Xi’s family has not been linked to any evidence of trading influence for cash, but the recent [purge of Chongqing party chief Bo Xilai](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-removed-from-party-posts-wife-accused-in-british-businessmans-murder/2012/04/10/gIQA1jDL8S_story.html), another prominent princeling, has focused attention on the lavish lifestyles and often mysterious wealth of senior ruling-party families.

In recent weeks, pictures of Bo’s son Guagua have been plastered across the Internet, showing the Harvard student cavorting at bacchanalian parties. (Xi’s daughter also studies at the school but keeps a lower, more button-down profile.)

Bo’s wife, Gu Kailai — a lawyer and the daughter of an early People’s Liberation Army general — is now in detention and under investigation in the death of British business consultant Neil Heywood, an estranged Bo family friend and onetime business adviser. Gu used to run a consulting business, assisting foreign companies trying to find their way in China. Bo’s wife and her sister, along with Bo’s brother, a businessman in Beijing, have stakes in a string of ventures in China and abroad.

**Expensive connections**

For his lobbying on behalf of Henderson during the 2006 currency investigation, Tian demanded about $5.5 million, according to a summary of the saga presented last month by Judge David Yam Yee-kwan. Henderson told the court that it was ready to pay for Tian’s help but judged his fees exorbitant and, challenging his assertions that there was a prior agreement on his fee, refused to pay that amount. The quarrel went to court in Hong Kong last year, and a verdict was issued last month. Tian’s investment firm lost the case and is appealing.

[Henderson Land Development](http://www.hld.com/en/index.shtml), the Hong Kong parent of the Beijing real estate developer, refused, through its attorneys, to comment on its use of outside consultants, or to reply to written questions, citing the ongoing legal proceedings.

Testifying this past fall on the 27th floor of Hong Kong’s High Court building, Tian displayed a demeanor that helps explain why many of China’s princelings are so deeply unpopular with many ordinary Chinese.

“He tried to project an air of superiority. . . . His attitude was contemptuous and disrespectful,” the judge wrote in his March decision. Tian, added the judge, kept “looking around all the time, while avoiding giving straight answers to the questions.” Tian also raised eyebrows by bringing bodyguards into the courtroom, according to journalists who covered the trial.

Resentment toward the families of party elite has bubbled for years in China, stirred by a widespread belief that they are arrogant, flout rules with impunity and leverage their privileged access and clout within the party for personal gain.

When Chinese students first took to the streets during the Tiananmen Square protests in 1989, an explosive handwritten poster appeared at Peking University. It listed party leaders and the business interests of their relatives. The list was torn down immediately after the military moved in to crush the protesters and troops entered campuses.

Since then, China’s economy — a mix of private and state enterprises and heavily dependent on bureaucratic diktat — has grown nine times as big. Profiteering by officials and their families has expanded rapidly, too — and grown even more politically sensitive.

“[How to Manage a Successful Business in China](http://www.amazon.com/gp/product/9814287822?ie=UTF8&tag=washingtonpost-20&linkCode=xm2&camp=1789&creativeASIN=9814287822),” a 2010 book offering tips on how to negotiate pitfalls in China, describes high-level connections as an indispensable key to success but also warns that princelings, because of their often haughty manner and sense of entitlement, are a potentially disruptive force.

“It is usually a better idea to keep such persons at arm’s length by using them as well paid consultants,” advise the book’s Swedish authors, Johan Bjorksten and Anders Hagglund, both of whom have worked extensively in China. Princelings “can play an important role as door openers but sooner or later you will have to ‘own’ your own network of key relationships in order to ensure business security and success.”

On April 11, just hours after announcing [Bo’s ouster from the Politburo](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-removed-from-party-posts-wife-accused-in-british-businessmans-murder/2012/04/10/gIQA1jDL8S_story.html) and Central Committee and his wife’s arrest, the party, through its official mouthpiece, the People’s Daily, lashed out at unnamed officials whose families amass unexplained riches. “Many use designated third parties — spouses, sons and daughters, lovers or friends” to generate and conceal wealth, complained the newspaper.

**Party secrecy**

The mechanisms by which princelings turn privilege into profit are numerous and, even when aboveboard, are protected by a carapace of secrecy around party barons and their kin. The legal battle in Hong Kong, however, offers a glimpse into the activities of a clutch of companies and associations that, according to court documents, corporate records and interviews, are closely tied to relatives of two former members of the Politburo Standing Committee, Tian Jiyun, China’s former vice premier, and Zeng Qinghong, a former vice president.

Their work for Henderson, according to court documents, consisted largely of lobbying Chinese officials to go easy on the real estate company over alleged violations of elaborate regulations governing the movement of foreign currency in and out of China.

At a November 2006 lunch meeting at Hong Kong’s Grand Hyatt Hotel, for example, Tian Chenggang, the son of Tian Jiyun, assured a Beijing Henderson executive that he had “started to mediate” a deal with the State Administration of Foreign Exchange, according to the summary of events presented by the judge.

Tian also said that he got his aged father — China’s senior economic policymaker for nearly 10 years — to come out of retirement and lobby the developer’s case with officials at SAFE and “believed there would be a prompt settlement.”

Tian asserted in court that the Beijing foreign exchange agency initially intended to levy a fine of at least 30 percent on the developer’s currency remittances but, thanks to his intervention, settled for 0.6 percent.

Henderson also got a fine lowered, according to the Hong Kong judge’s ruling, after a 2005 investigation that was mediated by associates of Zeng Qinghuai, the brother of the former vice president. For those services, Henderson agreed to about $650,000 in fees. The judge decided that the $5.5 million bill from Tian’s firm for the 2006 case was “far in excess” of the earlier payment.

Lobbying in the earlier case was handled by Tianli (Hong Kong) Trading Co. and the Strait Peaceful Reunification Foundation, which does not appear in an official registry of Hong Kong companies and associations, despite requirements that all companies conducting business here file such registrations. Like Tian’s Shenzhen Zhaotian Investments, the Reunification Foundation and Tianli Trading have no obvious expertise in China’s complicated foreign currency regulations — but they do have high-level connections.

Tianli Trading — Tianli means heavenly profit — and the Reunification Foundation also intervened on the property developer’s behalf with officials at SAFE, according to the Hong Kong judge’s ruling. As part of what the judge termed “business consultancy services,” they also worked with Henderson to try to settle a dispute in Beijing over a real estate deal that went sour. For that, the trading company and the Reunification Foundation received a $2.1 million cash advance from Henderson but did not settle the problem, the judge wrote.

**A complex web**

Members of China’s “red nobility” are a diverse group. Some princelings hold senior positions in the military, others are executives in state-run banks and companies, while others have gone into private business, particularly finance and consulting. They also span different political factions and generations.

Tian Jiyun, Tian Chenggang’s father, rose to prominence in the 1980s and gained a reputation as an open-minded reformer. His star faded after the 1989 Tiananmen massacre, but he kept his Politburo slot and went on to a number of other senior positions.

Zeng Qinghong, whose brother, Zeng Qinghuai, is also involved in consulting, is by contrast a pillar of the more conservative post-Tiananmen order. The son of Zeng Shan, an early revolutionary, Zeng served as the right-hand man of now-ailing former party chief Jiang Zemin and played an important part in the selection of Vice President Xi as the likely next party boss.

Zeng’s brother and Tian’s son have nonetheless found common cause in business and cultural activities. Both declined to be interviewed.

[Zeng Qinghuai](http://big5.xinhuanet.com/gate/big5/news.xinhuanet.com/tai_gang_ao/2007-04/09/content_5953597.htm), who moved to Hong Kong in the 1990s as an envoy of China’s Culture Ministry, is listed in company registration filings here as living on the 38th floor of a [luxury apartment complex](http://www.conventionplazaapartments.com/). The rent on such an apartment, according to the building’s manager, is at least $11,500 a month.

Zeng has fingers in many pies, from moviemaking and publishing to an auto-parts manufacturer he advises in Liaoning province, where now-disgraced Bo Xilai first made his name, and various Hong Kong ventures. Active in the entertainment business in Beijing and Hong Kong, Zeng is widely thought to be a friend of Peng Liyuan, the singer wife of Xi.

Zeng also sits on the board of the Chinese Cultural Exchange Association, a Hong Kong organization that has at least three large, well-appointed offices but that rarely surfaces in public. Its only visible recent venture was the publication, in collaboration with Wen Wei Po, a party-controlled Hong Kong newspaper, of a thick coffee table book celebrating ties between Taiwan and mainland China. Tian Chenggang also had a hand in the book, launched in September at [a grand Beijing ceremony](http://pdf.wenweipo.com/2011/09/24/a10-0924.pdf" \t "_blank) attended by senior Chinese officials. Two of the exchange association’s directors also serve on the board of Tian Chenggang’s Shenzhen Zhaotian Investments, registration records show.

Zeng’s activities have overlapped with those of Tian, who is also involved with the Liaoning auto-parts manufacturer, with which his Shenzhen Zhaotian Investments launched a $237 million joint mining project. Henderson initially engaged Tian’s firm to help with the 2006 currency investigation on the recommendation of the Reunification Foundation and Tianli Trading, of which Zeng is a director and which the Hong Kong judge described as an “associated company” of the foundation.

When Tian ran into trouble getting Henderson to pay his consulting fees, Tianli Trading and the Reunification Foundation gave him $1.6 million as a partial payment. They took the money from the $2.1 million advance paid earlier by Henderson for settlement of the failed property deal. The Hong Kong judge said the money had been paid to Tian’s company “without authority” by the Reunification Foundation, and he ordered that the full advance be returned to Henderson.

A visit to office addresses listed in court documents for Tianli Trading and the Reunification Foundation show no sign of either organization. Both the listed premises are occupied instead by the Chinese Cultural Exchange Association.

On a recent afternoon, the only person working at the association was Wu Hao, a student from mainland China whose business card describes him as “secretary to the president.” He declined to name the president, saying only that Zeng Qinghuai is “a boss.” He declined to elaborate on what Zeng and the association actually do. “Their internal matters are very complicated,” Wu said.

NYT

# Ousted Chinese Leader Is Said to Have Spied on Other Top Officials



Bo Xilai at the Great Hall of the People in Beijing in March.

###### By JONATHAN ANSFIELD and IAN JOHNSON

###### Published: April 25, 2012

BEIJING — When Hu Jintao, [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s top leader, picked up the telephone last August to talk to a senior anticorruption official visiting Chongqing, special devices detected that he was being wiretapped — by local officials in that southwestern metropolis.

The discovery of that and other wiretapping led to an official investigation that helped [topple Chongqing’s charismatic leader](http://www.nytimes.com/2012/03/16/world/asia/bo-xilai-ousted-from-communist-party-post-in-china.html?_r=1&pagewanted=all), [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), in a political cataclysm that has yet to reach a conclusion.

Until now, the downfall of Mr. Bo has been cast largely as a tale of a populist who pursued his own agenda too aggressively for some top leaders in Beijing and [was brought down by accusations](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html?pagewanted=all) that his wife had arranged the murder of Neil Heywood, a British consultant, after a business dispute. But the hidden wiretapping, previously alluded to only in internal Communist Party accounts of the scandal, appears to have provided another compelling reason for party leaders to turn on Mr. Bo.

The story of how China’s president was monitored also shows the level of mistrust among leaders in the one-party state. To maintain control over society, leaders have embraced enhanced surveillance technology. But some have turned it on one another — repeating patterns of intrigue that go back to the beginnings of Communist rule.

“This society has bred mistrust and violence,” said Roderick MacFarquhar, a historian of Communist China’s elite-level machinations over the past half century. “Leaders know you have to watch your back because you never know who will put a knife in it.”

Nearly a dozen people with party ties, speaking anonymously for fear of retribution, confirmed the wiretapping, as well as a widespread program of bugging across Chongqing. But the party’s public version of Mr. Bo’s fall omits it.

The official narrative and much foreign attention has focused on the more easily grasped death of Mr. Heywood in November. When Mr. Bo’s police chief, Wang Lijun, was stripped of his job and feared being implicated in Bo family affairs, he fled to the United States Consulate in Chengdu, where he spoke mostly about Mr. Heywood’s death.

The murder account is pivotal to the scandal, providing Mr. Bo’s opponents with an unassailable reason to have him removed. But party insiders say the wiretapping was seen as a direct challenge to central authorities. It revealed to them just how far Mr. Bo, who is now being investigated for serious disciplinary violations, was prepared to go in his efforts to grasp greater power in China. That compounded suspicions that Mr. Bo could not be trusted with a top slot in the party, which is due to reshuffle its senior leadership positions this fall.

“Everyone across China is improving their systems for the purposes of maintaining stability,” said one official with a central government media outlet, referring to surveillance tactics. “But not everyone dares to monitor party central leaders.”

According to senior party members, including editors, academics and people with ties to the military, Mr. Bo’s eavesdropping operations began several years ago as part of a state-financed surveillance buildup, ostensibly for the purposes of fighting crime and maintaining local political stability.

The architect was Mr. Wang, a nationally decorated crime fighter who had worked under Mr. Bo in the northeast province of Liaoning. Together they installed “a comprehensive package bugging system covering telecommunications to the Internet,” according to the government media official.

One of several noted cybersecurity experts they enlisted was Fang Binxing, president of Beijing University of Posts and Telecommunications, who is often called the father of China’s “Great Firewall,” the nation’s vast Internet censorship system. Most recently, Mr. Fang advised the city on a new police information center using cloud-based computing, according to [state media reports](http://cqhtg.com/xmzs.php?tid=14). Late last year, Mr. Wang was named a visiting professor at Mr. Fang’s university.

Together, Mr. Bo and Mr. Wang unleashed a drive to smash what they alleged were crime rings that controlled large portions of Chongqing’s economic life. In interviews, targets of the crackdown marveled at the scale and determination with which local police intercepted their communications.

“On the phone, we dared not mention Bo Xilai or Wang Lijun,” said Li Jun, a fugitive property developer who now lives in hiding abroad. Instead, he and fellow businessmen took to scribbling notes, removing their cellphone batteries and stocking up on unregistered SIM cards to thwart surveillance as the crackdown mounted, he said.

Li Zhuang, a lawyer from a powerfully connected Beijing law firm, recalled how some cousins of one client had presented him with a full stack of unregistered mobile phone SIM cards, warning him of local wiretapping. Despite these precautions, the Chongqing police ended up arresting Mr. Li on the outskirts of Beijing, about 900 miles away, after he called his client’s wife and arranged to visit her later that day at a hospital.

“They already were there lying in ambush,” Mr. Li said. He added that Wang Lijun, by reputation, was a “tapping freak.”

Not only targeted were those suspected of being mobsters, but also political figures.

One political analyst with senior-level ties, citing information obtained from a colonel he recently dined with, said Mr. Bo had tried to tap the phones of virtually all high-ranking leaders who visited Chongqing in recent years, including Zhou Yongkang, the law-and-order czar who was said to have backed Mr. Bo as his potential successor.

“Bo wanted to be extremely clear about what leaders’ attitudes toward him were,” the analyst said.

In one other instance last year, two journalists said, operatives were caught intercepting a conversation between the office of Mr. Hu and Liu Guanglei, a top party law-and-order official whom Mr. Wang had replaced as police chief. Mr. Liu once served under Mr. Hu in the 1980s in Guizhou Province.

Perhaps more worrisome to Mr. Bo and Mr. Wang, however, was the increased scrutiny from the party’s Central Commission of Discipline Inspection, which by the beginning of 2012 had stationed up to four separate teams in Chongqing, two undercover, according to the political analyst, who cited Discipline Inspection sources.

Beyond making a routine inspection, it is not clear why the disciplinary official who telephoned Mr. Hu — Ma Wen, the minister of supervision — was in Chongqing. Her high-security land link to Mr. Hu from the state guesthouse in Chongqing was monitored on Mr. Bo’s orders. The topic of the call is unknown but was probably not vital. Most phones are so unsafe that important information is often conveyed only in person or in writing.

But Beijing was galled that Mr. Bo would wiretap Mr. Hu, whether intentionally or not, and turned central security and disciplinary investigators loose on his police chief, who bore the brunt of the scrutiny over the next couple of months.

“Bo wanted to push the responsibility onto Wang,” one senior party official said. “Wang couldn’t dare say it was Bo’s doing.”

Yet at some point well before fleeing Chongqing, Mr. Wang filed a pair of complaints to the inspection commission, the first anonymously and the second under his own name, according to a party academic with ties to Mr. Bo.

Both complaints alleged Mr. Bo had “opposed party central” authorities, including ordering the wiretapping of central leaders. The requests to investigate Mr. Bo were turned down at the time. Mr. Bo, who learned of the charges at a later point, told the academic shortly before his dismissal that he thought he could withstand Mr. Wang’s charges.

Mr. Wang is not believed to have discussed wiretapping at the United States consulate. Instead, he focused on the less self-incriminating allegations of Mr. Bo’s wife’s arranging the killing of Mr. Heywood.

But tensions between the two men crested, sources said, when Mr. Bo found that Mr. Wang had also wiretapped him and his wife. After Mr. Wang was arrested in February, Mr. Bo detained Mr. Wang’s wiretapping specialist from Liaoning, a district police chief named Wang Pengfei.

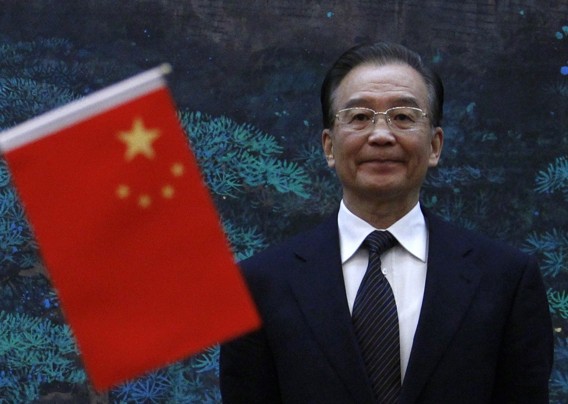
Internal party accounts suggest that the party views the wiretapping as one of Mr. Bo’s most serious crimes. One preliminary indictment in mid-March accused Bo of damaging party unity by collecting evidence on other leaders.

Party officials, however, say it would be far too damaging to make the wiretapping public. When Mr. Bo is finally charged, wiretapping is not expected to be mentioned.

“The things that can be publicized are the economic problems and the killing,” according to the senior official at the government media outlet. “That’s enough to decide the matter in public.”

**WP**

**With Bo Xilai’s ouster, China’s premier pushes more reform**



* China's Prime Minister Wen Jiabao – in his final months in office – is pushing for new reforms, including calling for a breakup China’s powerful state banking monopoly and giving foreign companies more access to government contracts.

<http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html>

**By** [**Keith B. Richburg**](http://www.washingtonpost.com/keith-b-richburg/2011/03/03/ABszxON_page.html)**, Published: April 26**

BEIJING — Chinese Prime Minister Wen Jiabao has seized upon the ouster of his [Communist Party rival Bo Xilai](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-removed-from-party-posts-wife-accused-in-british-businessmans-murder/2012/04/10/gIQA1jDL8S_story.html) to reinvigorate what had until recently seemed a lonely campaign for Western-style economic liberalization and a battle against corruption.

Since singling out Bo for criticism at a dramatic March 14 [news conference](http://www.washingtonpost.com/world/chinese-premier-wen-jiabao-calls-for-political-reforms-even-as-peoples-congress-strengthens-detention-law/2012/03/14/gIQAI4rSBS_story.html), Wen has moved aggressively to press ahead with a reform agenda that had gained little traction during most of his nine years as China’s second-ranking official.

[](http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html)

[Chinese Communist Party’s 90th anniversary: Bo Xilai, during his time as Communist Party head in Chongqing, initiated a campaign in summer 2011 to promote “Red Culture” to remind residents of the past glories of the party.](http://www.washingtonpost.com/world/chinese-communist-partys-90th-anniversary/2011/06/27/AG6vzUnH_gallery.html)

A series of bold pronouncements by the premier in recent weeks has been backed by editorials in the state-run media, leaving little doubt that Wen and the reformist faction in the party have gained the upper hand, at least for now, in the tussle over Bo that seems part of a broader ideological struggle over China’s future.







From right to left: Zhu De, Liu Shaoqi,

Mao Zedong, Zhou Enlai, and Rem Bishi









It was only last year that Wen appeared to have been marginalized on the reform front after he gave an interview to Time magazine containing remarks on the issue that were largely censored by the Chinese media. Yet he has remained perhaps the country’s best known and most popular leader besides Bo himself, regularly traveling to the scene of earthquake sites and mining disasters, often photographed casually dressed and comforting victims, earning him the nickname “Grandpa Wen.”

Now, with only months before a party meeting that will install a new Chinese president and prime minister, Wen has resumed the reform mantra — with an added sense of urgency.

Wen has often been a lonely voice for reform in an entrenched, collective leadership resistant to change. Critics have questioned whether he was sincerely committed to liberalizing China or just saying what was deemed popular. One critic, dissident writer Yu Jie, dubbed Wen “China’s Best Actor” in the title of a book.

But Chinese analysts and overseas experts now agree that Wen has deftly used the scandal surrounding Bo to discredit his alternative governing philosophy in Chongqing. Bo’s methods, known as the “[Chongqing model](http://www.washingtonpost.com/world/after-bos-fall-chongqing-victims-seek-justice/2012/04/19/gIQAxBzGUT_story.html),” included a heavy role for the state, a redistribution of wealth, an emphasis on broad social welfare policies over growth led by the private sector, and, in practice, a heavy-handed authoritarianism, including a crackdown on crime that often trampled on the rule of law.

Elizabeth Economy, a China expert with the Council on Foreign Relations in New York, said, “I think there’s no doubt that Wen Jiabao is using this particular moment in time to make a last push for his reform agenda, and that encompasses both political reform and economic reform.”

Bo’s approach in Chongqing, she said, “was clearly antithetical to the approach Wen Jiabao has advocated.”

**‘A turning point’**

At a party work meeting March 26, Wen said new rules were imminent on the transparency of official accounts, including more disclosure of how public money is spent and a ban on government funds for cigarettes, alcohol and lavish parties. He also called corruption the country’s biggest problem and said that unless the party faced up to it, “the nature of political power could change.”

Wen told authorities to keep better track of officials’ wives and children who have moved to other countries. Several media reports have focused on whether Bo’s wife had obtained another nationality and how the couple’s son, Bo Guagua, 24, was able to study at elite schools in the United States and Britain, and afford an extravagant, partying lifestyle. Bo Guagua [issued a statement](http://www.washingtonpost.com/world/two-chinese-politburo-members-call-for-loyalty-to-party/2012/04/24/gIQAJGERfT_story.html) in which he defended his lifestyle and said he had obtained scholarships and was financially supported by his mother, who was a successful lawyer.

An unsigned April 14 commentary backed Wen’s line, saying, “The spouses and children of some officials have taken advantage of their power to seek personal gains, disregarding the law, thus stirring public outcry.”

“Bo’s ouster marks a turning point in China’s history and gives China an opportunity,” said Wang Kang, a scholar and documentary filmmaker from the southwestern city of Chongqing, where Bo served as Communist Party chief until his ouster last month. “This is a struggle over what path China should choose for its future.”

He added: “I think this victory is still very fragile.”

Tie Liu, a former journalist who was jailed for 23 years in a “work camp” during an ideological struggle under Mao Zedong, said, “Bo’s case reflects the struggle within the party over which path to take — what Bo Xilai advocated were the thoughts of Mao Zedong, like class struggle — whether China should continue the opening and reform or turn back to Mao’s era.”

**Sensing an opportunity**

Wen, President Hu Jintao and five other leaders from the nine-member Politburo Standing Committee are scheduled to retire this year in a [once-in-a-generation power shift](http://www.washingtonpost.com/world/asia_pacific/in-china-will-transition-bring-real-change/2012/02/10/gIQABrkd6Q_story.html) that will see Vice President Xi Jinping take over as president.

Bo, the charismatic son of a Mao-era revolutionary hero, Bo Yibo, had been widely assumed to be in line for one of the seven vacant slots on the Standing Committee, the elite body that effectively runs the country. But Bo’s downfall began Feb. 6, when his former police chief and onetime right-hand man in Chongqing, Wang Lijun, entered the U.S. Consulate in Chengdu, 200 miles away.

Wang, who initially sought a meeting with British diplomats, told the Americans that Bo’s wife, Gu Kailai, was involved in the death of a British businessman, Neil Heywood, whose body was found in a Chongqing hotel room Nov. 15, 2010. Wang remained at the consulate for more than 24 hours but was eventually taken by top Chinese security officials to Beijing, where he remains out of sight.

Chinese authorities have said that Bo was removed from the Central Committee and the Politburo and is being investigated for “serious violations” of the party’s discipline rules. His wife and a household aide have been detained on suspicion of killing Heywood after falling out over a financial dispute, according to the official version.

Beyond that official version, little is known. Overseas and online media have offered numerous but sometimes conflicting versions of exactly what went on in Chongqing and what central government authorities are investigating.

But in his March 14 news conference, Wen made clear that he had linked what he called “the Wang Lijun incident” to a broader agenda. Answering a question about Chongqing and Wang’s flight to the consulate, Wen said, “We’ve taken the major decision of conducting reform and opening up in China, a decision that’s crucial for China’s future and destiny.”

Some analysts said Wen appeared to be using the Chongqing incident as an opportunity for “housecleaning,” to remove Bo and others considered opposed to further economic opening before he steps down as prime minister this year.

“Wen Jiabao feels he has an obligation to get rid of this troublemaker,” said Cheng Li, an expert on Chinese elite politics at the Brookings Institution in Washington.

Wang Kang, the Chongqing academic who was visiting Beijing this week, added: “Wen Jiabao seized this chance, turning a bad thing into something good.”

The Economist

## Models of development

### Chongqing rolls on

# A city’s deposed leader had tried to be different. But was he?

Apr 28th 2012 | CHONGQING | from the print edition



LIKE many local governments in China, Chongqing’s has an exhibition hall devoted to its dreams. Its scale models show an urban core sprawling outwards with thickets of new apartment blocks: cheap housing for the masses built at vast government expense. Bo Xilai, who governed the region’s 30m people, 5m of them in Chongqing city, made big spending on public works his hallmark. His purge was seen in some quarters as the result of a struggle between two competing models of governance: the “Guangdong model”, in which economic liberalism is matched with pragmatic decision-making, and the “Chongqing model”, emphasising the importance of state-owned enterprises (SOEs) and traditional socialist values. But the Chongqing model trumpeted by Mr Bo’s supporters was by no means unique to Chongqing. Nor is it dead.

In closed-door meetings and in veiled attacks in the media, Communist Party officials have been heaping opprobrium on Mr Bo and members of his family. Their aim, it appears, is to make allegations stick that the Bos were corrupt and that his wife was complicit in the murder of a British businessman. A New York Times report claiming that Mr Bo wiretapped phonecalls between China’s president Hu Jintao and senior officials visiting Chongqing reiterated the fact that Mr Bo is now politically finished. But many of his economic policies, though the subject of a bitter dispute between the two ideological camps, will probably prove resilient, for they are more in line with party doctrine, or at least common practice, than either camp admits.

Mr Bo and his officials avoided using the term “Chongqing model” to describe the south-western region’s formula for securing such accolades as one of the fastest-growing provinces or provincial-level regions in the country (at 16.4% last year) and, more controversially, one of China’s happiest places (in some state-media surveys). But even after Mr Bo’s sacking on March 15th, government-owned bookshops in Chongqing continued to stock books that discuss the model and Mr Bo’s role in implementing it.

Liberal scholars in China have delighted in picking apart Mr Bo’s policies, which they characterise as a lurch back towards Maoism. Their harshest attacks have been on his attempts to revive “red culture” by encouraging the singing of revolutionary songs and on the brutal methods (if not the aims) of his crackdown on organised crime.

But state-controlled media have shown far more restraint. This might reflect differences among Chinese leaders over how to assess Mr Bo and his leadership of Chongqing. But it is also likely that even Mr Bo’s enemies in Beijing worry about launching an assault on his policies, for fear that it might encourage criticism of the central leadership’s own economic strategy. Much of Mr Bo’s approach took root under the leadership of his predecessor, Wang Yang, who went on to become party chief of Guangdong province (and champion of the Guangdong model). Mr Wang is widely expected to join the Standing Committee of the Politburo later this year (a spot Mr Bo coveted). Mr Bo’s chief economic strategist, Chongqing’s mayor Huang Qifan, was a strategist in both administrations. He remains in office and seems still to be engaged in policymaking.

Mr Bo’s strongest supporters are diehard Maoists and members of the so-called “new left” who believe that China has strayed too far towards Dickensian capitalism. But this group has projected onto Chongqing an image of communist rectitude that does not fit the reality of the region’s development nor Mr Bo’s own proclivities. As one foreign businessman put it, Mr Bo would “signal left but turn right”. Jiang Weiping, a Chinese journalist who was jailed for five years after writing articles critical of Mr Bo, and is now living in Canada, calls him an “opportunist”.



Take, for example, his much-touted admiration for SOEs. Mr Bo was quoted in 2010 by state media as saying that China should not import Western-style ways of doing business based on pure private ownership. “We need to have things that are state-owned,” he said. Mr Huang, the mayor, has boasted of a sixfold increase in the net value of state assets in Chongqing between 2003 and 2009. But the private sector has grown vigorously too. Its share of Chongqing’s GDP rose from about half in 2005 to more than 60% five years later, roughly the same as the national level.

One of Mr Huang’s strategies has been to lean on SOEs to boost the region’s coffers. Chongqing officials say local state firms have given 15-20% of profits to the government in the past five years, and that this will increase to 30% by 2015. Mr Huang has described the rate of contribution of SOEs to government revenue in Chongqing as the highest anywhere in China. Officials say this has enabled Chongqing to keep its business tax at 15%, compared with 25% elsewhere, and spend more on “people’s livelihood”. Though liberal economists in Beijing wince at Chongqing’s embrace of SOEs, they too have been calling for much higher payouts from them as a way of boosting funds for welfare.

Some Chinese economists wonder how long Chongqing can continue spending as much as it does without piling up crippling debts. The planning exhibition showcases Chongqing’s “ten big cultural facilities” (begun before the arrival of Mr Bo): lavish buildings of Pyongyang-style pomposity, including a “grand theatre” second only in size to Beijing’s. These have cost Chongqing a total of more than $1.5 billion so far. That is small beer, though, compared with the $7.6 billion spent by Mr Bo on a “Green Chongqing” campaign that has included mass tree-planting, in which some trees have ended up dead, locals say, because of the unsuitable climate.

But Chongqing’s spending is nothing unique. China is littered with wasteful “image projects” built by local chiefs. Central leaders may condemn some of Mr Bo’s extravagance, but they will tread carefully when it comes to his most conspicuous outlay: $15 billion for 800,000 apartments to be rented out cheaply to the poor. Chongqing’s rapid implementation of this colossal undertaking, beginning in 2010, led the central leadership to argue for similar projects nationwide. This was seen not just as a way of keeping the poor happy, but of shoring up China’s economy during the global downturn.

The scheme’s shortcomings are obvious in Chongqing, just as they are elsewhere. In one newly built cluster of apartment blocks a resident complains that a trip to the city centre takes two hours by bus. There are few shops, and many of the apartments are still empty, he says. At another new development, farmers nearby say they had to surrender their farmland to make way for construction and were not properly compensated.

Mr Bo may have talked like a leftist, but his tactics for getting work done fast and keeping the money rolling in would be familiar across much of China. He has bent over backward to court foreign investors. He offended his leftist allies by approving a multi-billion dollar chemical project involving BASF, a German firm. Much of Mr Bo’s economic strategy has been explicitly encouraged by the central leadership. In the end, in a party that prides itself on consensual, colourless leadership, it was Mr Bo’s highly visible efforts to boost his public image that hastened his undoing. Chongqing itself will carry on.

## Governing China

### The Guangdong model

# One Chinese province adopts a beguilingly open approach—up to a point

Nov 26th 2011 | FOSHAN AND GUANGZHOU | from the print edition



UNLIKE attention-seeking politicians elsewhere, senior Communist cadres in China like to keep their ambitions hidden. If anything, they signal grey conservatism, stressing how little they wish to change things. But as the country awaits a change of its leadership late next year, some high officials are up for a bit of self-promotion. In Guangdong province in the south the Communist Party chief, Wang Yang, is dropping hints that his more liberal style of governing might offer a better way for running the country.

Guangdong has long been the most vibrant and economically liberal province in China. Now the idea that economic liberalism might be matched by greater political openness has come to be called the “Guangdong model”. A prominent supporter is Xiao Bin of Sun Yat-sen University in Guangzhou, the provincial capital. On the blackboard, he draws a picture of an egg. He makes chalk marks on the white to show how changes can be made in the way the party rules, while leaving the yolk—for which read a Communist Party monopoly on power—unmarked.

Mr Wang, who is 56, has been a member of the ruling Politburo since 2007. He knows well how to keep within the party’s bounds. He rarely talks of the Guangdong model, which would sound like a slap at others. But among academics and online commentators, the term has blossomed. Guangdong newspapers occasionally talk about it.



Fans of the model fiercely defend it against advocates of its rival promoted by the party chief of Chongqing deep inland, Bo Xilai, who has a flair for publicity. Both Mr Wang and Mr Bo may join the Politburo’s standing committee next year, when seven of nine members, including President Hu Jintao and the prime minister, Wen Jiabao, will step down. Mr Bo trumpets the importance of state-owned enterprises, traditional socialist values and the inspirational power of Mao-era songs—while getting tough on organised crime. Maoist websites lionise Mr Bo; the Chongqing model is held up in shining contrast to that of Guangdong and its “capitalist roaders”.

Six decades of Communist rule have been punctuated by battles between the left (as Mr Bo’s supporters are proud to call themselves) and the right (a label that carries a stigma to this day). This battle is exceptional, however. It is being fought out not in arcane commentaries in party newspapers but in open debate. Both camps hold symposiums about their respective models. A book is out about the Chongqing model. In literary terms, Mr Xiao admits that the Guangdong camp is lagging somewhat.

Perhaps the debate generates more heat in public than it does in the Communist Party itself. A researcher at Guangdong’s party school says Guangdong and Chongqing are not in opposition. Both regions, he says, are learning from each other. For example, Chongqing is building the development zones to attract investors that Guangdong pioneered in the 1980s. Guangdong, he says, could learn from Chongqing’s efforts to absorb migrants from the countryside into city life. Guangdong academics have studied Chongqing’s experiments in creating markets for rural land, where powerful restrictions apply even in “liberal” Guangdong.

In the political realm, however, Mr Wang’s supporters point to changes which, they say, are distinctive. One concerns the role of trade unions, a rather sensitive area for a party that is still unnerved by the role that Solidarity played in Poland in the 1980s to bring down Communist power.

Mr Wang’s rethink was triggered by a spate of 200-odd strikes last year in the Pearl River delta that began in May with workers downing tools at a Honda car-parts factory in Foshan, near Guangzhou. Mr Wang, says an academic, chose not to see the strikes as a threat to political stability. Indeed he expressed sympathy with the workers’ demands (which is perhaps easier to do at companies owned by foreigners). Elsewhere in China ringleaders are commonly rounded up once strikes have been settled, but those in Guangdong were not. All the incidents, the academic says, had “happy endings”, with pay increases of 30-40%.

Buying off strikers is common enough in China. But Mr Wang went further, encouraging state-affiliated trade unions (there are no independent ones) to be more active in representing workers’ interests. Trade unions in China are normally little more than creatures of management, run by party cadres. Prodded by Mr Wang, Guangdong’s unions began encouraging collective bargaining, a practice officially authorised but widely disliked by local officials who fear worker activism and upward wage pressures. Mr Wang’s views did not strike an instant chord with his subordinates. Most participants at one meeting on how to handle the strikes “didn’t get it” when he called for a hands-off approach, says someone with knowledge of the proceedings.

By contrast, during a large-scale taxi strike in Chongqing in 2008, Mr Bo was more interventionist. He held an unusual televised meeting with drivers, but later launched a sweeping anti-mafia campaign that resulted in a wealthy businessman accused of organising the strike being sentenced to 20 years in prison for gangsterism and disrupting transport.

Supporters of the Guangdong model also point to the greater leeway Mr Wang has given NGOs, which are heavily circumscribed in China. Their registration in Guangdong, and especially in Shenzhen, a trailblazing economic zone bordering Hong Kong, involves fewer hoops. Mr Wang has been credited with promoting more open access to information about government spending. In 2009 Guangzhou became the first Chinese city to publish all its budgets.

It is never entirely clear how much of these initiatives have been taken by Mr Wang himself. Guangdong in general and Shenzhen in particular have long enjoyed unusual freedom to experiment. This year Mr Wang has been promoting the goal of a “happy Guangdong” (the pursuit of which is enshrined in the province’s new five-year plan). Public happiness, assessed by opinion polls, is being introduced as a new criterion for judging local leaders’ suitability for promotion.

Yet unhappiness remains rife, and in this Guangdong is no exception. Dissatisfaction is widespread among the more than 36m migrants in Guangdong, one-third of the provincial population, many of whom work in harsh conditions.

Protests, sometimes violent, are common. In Dadun village, on the edge of one of Guangzhou’s satellite towns, a notice outside the government headquarters promises rewards of up to 10,000 yuan ($1,600) for turning in “criminals” involved in large riots in June triggered by security guards roughing up a street hawker. The rioters were migrants who work in countless small jeans factories, one even in a temple courtyard, trimming threads and stamping on studs.

Nor does the Guangdong model extend to free and fair elections. In September Dadun held a ballot for seats in the local legislature. But only its fewer than 7,000 Cantonese inhabitants were allowed to vote, and not the 60,000-odd sweatshop labourers from other provinces. In a village near Foshan, residents elected an independent candidate, ie one who did not have party backing. Plainclothes goons now keep watch on his home. A villager confides her support for the new legislator only in a hushed tone. Mr Wang’s egg-yolk remains inviolate.

## Banyan

### Rewriting the rules

# The political battle following Bo Xilai’s demise will define China’s future

Mar 31st 2012 | from the print edition

BY THE normal script of Communist Party purges, the dismissal of Chongqing’s party chief, Bo Xilai, on March 15th should have been followed by an uneasy silence while the nation awaited the inevitable denunciations. Instead the murky case of the ambitious politician has stoked a long-simmering debate about the future of the country’s economic and political reforms. Mr Bo’s supporters seem unbowed. Internet users are defying censors with gossip about the fierce struggle for power many believe is under way. The rules of Chinese politics are being rewritten.

If even the gist of the microblog-fuelled rumour is proved correct, Mr Bo’s fall would be one of the most dramatic since the party came to power in 1949. Some of the web gossip looks fanciful. It seems unlikely, for example, that there was a failed coup in Beijing on March 19th led by Zhou Yongkang, an ally of Mr Bo’s who heads the internal-security forces. Despite furious speculation on the internet, Mr Zhou has since appeared on television performing his duties as normal.

But even what is known, or looks plausible enough to take seriously, is remarkable by the standards of a country that has prided itself on the relative stability of its elite politics since the Tiananmen Square upheaval of 1989 (notwithstanding the jailing of a couple of Politburo-level officials for corruption). For some Chinese, recent events recall dramas of yore: the death in 1971 of Lin Biao, once Chairman Mao’s chosen successor, in a plane crash as he fled to the Soviet Union after an alleged coup attempt; the arrest in 1976 of the “Gang of Four” after Mao Zedong’s death.

In closed-door briefings for officials in mid-March, circulated online in a leaked transcript believed to be genuine, Mr Bo was accused of trying to block a corruption investigation into his family. Chongqing’s police chief, Wang Lijun, was abruptly dismissed by Mr Bo after telling him about the probe. Officials were told that Mr Wang’s flight to the American consulate in the city of Chengdu on February 6th was an attempt to escape feared persecution. They were told that Mr Wang sought political asylum but eventually agreed (for reasons unstated) to leave. He is now in custody. American officials are keeping diplomatically quiet.

A further twist to the saga emerged this week with the revelation that a British businessman, Neil Heywood, had died in November in Chongqing. Police said he died of excessive alcohol-consumption, and his body was cremated without autopsy. But, according to the Wall Street Journal, Mr Wang claimed to have fallen out with Mr Bo after telling him he believed Mr Heywood had in fact been poisoned. The report said Mr Wang believed that Mr Heywood had been involved in a business dispute involving Mr Bo’s wife, Gu Kailai. Britain has asked China to re-examine Mr Heywood’s death. It has emerged that Mr Wang also sought a meeting, which he then cancelled, at the British consulate in Chongqing, shortly before he fled to the American consulate.

Official public reticence about the scandal fuels suspicions that China’s leaders are bitterly divided over how to handle it. Mr Bo is a “princeling”, the son of one of Mao’s revolutionary colleagues. Powerful family links make such people particularly difficult to dislodge in any struggle. It is far from clear whether Mr Bo will be expelled from the Politburo, let alone be prosecuted.

But Mr Bo’s case is about far more than personal rivalries between senior officials as they prepare for a shuffle of the party’s leadership later this year. Mr Bo had been thought of as a contender for elevation to the Politburo’s Standing Committee, the pinnacle of power in China. Many Chinese see the present binary tussle as what Chairman Mao would have termed a “two-line struggle” over China’s future. It is not clear to what extent Mr Bo’s original aims in Chongqing were ideologically motivated, or whether he was just an opportunist looking for an issue as a springboard to greater power. But Mr Bo’s “Chongqing model” of governance has laid bare deep divisions.

Supporters say it represents the best chance to save the party from corruption by capitalism and the country itself from ruin. Critics see Mr Bo as a dangerous populist whose spending on social projects was unsustainable, whose fight against organised crime showed contempt for the law and whose love of Mao-era songs and other “red culture” risked unleashing an upsurge of left-wing radicalism. The prime minister, Wen Jiabao, hinted a day before Mr Bo’s dismissal, that this could plunge China back into the turmoil of Mao’s Cultural Revolution.

The resilience of Mr Bo’s supporters has been particularly striking. For a few days after his removal, some leftist websites went curiously silent. But they soon revived, with guns blazing. Every day sees fresh commentaries heaping praise on their hero and oozing thinly veiled contempt for Mr Wen. One article on Utopia, a website much loved by diehard Maoists in China, called on the army to take a clear stand against “treacherous running dogs”—a term often used in such articles to describe reformists. On March 24th a group of 100 or so Utopia fans attended a lecture in the southern city of Kunming given by a well-known academic, Han Deqiang, on the Chongqing model. The model, he told them, rejects the idea of a “universal” principle of democracy and upholds instead “democracy of the masses”.

**Better ad than red**

Liberals have been equally active. “Recent events make one thing crystal clear: it is time to change China’s system of government,” argued a daring commentary published by Caixin Media, a Beijing magazine publisher. It was time, it said, for China to embark on “gradual but firm” political reform. Few believe that likely in the near future. But Chongqing has already begun to wind down Mr Bo’s red-culture campaign. A satellite-TV channel casting itself as the nation’s first to devote itself to redness is moving from daily to weekly programming of “red songs”, and is reintroducing advertising. Liberal jingles have the edge for the moment.

<http://www.nbr.org/research/activity.aspx?id=236>

# The Bo Xilai Crisis: A Curse or a Blessing for China?

## An Interview with Cheng Li

By Anton Wishik  
April 18, 2012

*China currently faces a daunting political crisis, due to the ongoing scandal riveting the country as the Chinese Communist Party (CCP) prepares for its upcoming leadership transition. Bo Xilai—formerly party chief of Chongqing and a member of China’s Politburo—has been stripped of his posts due to an investigation stemming from Chongqing police chief Wang Lijun’s February 2012 visit to the U.S. Consulate in Chengdu. During his conversations with U.S. officials, it is believed that Wang revealed damaging information about Bo and sought refuge due to his fear of persecution. After spending a night at the consulate, Wang was taken into custody by Chinese officials, a fate later shared by Bo and his wife Gu Kailai. Wang is currently being investigated, while Bo has been accused of various transgressions and Gu is suspected of involvement in the death of British citizen Neil Heywood in late 2011.*

*Bo, the son of a famous Chinese revolutionary, came to national prominence during his time as party chief of Chongqing due to his charisma, his ruthless crackdown against organized crime, and his promotion of Maoist songs and imagery. Before being assigned to lead Chongqing, Bo served as minister of commerce and mayor of Dalian in Liaoning province. In the months prior to this scandal, Bo was viewed as a rising star and a candidate for promotion to the nine-member Politburo Standing Committee.*

*NBR spoke with Cheng Li, an expert on Chinese elite politics and a senior fellow at the Brookings Institution, about the significance of these events, what they mean for China’s upcoming leadership transition, and their implications for future Chinese political reforms.*

**How significant is this crisis for China?**

My overall assessment is that the dismissal of Bo Xilai is a very positive event in China’s political development. While it has already constituted the most serious political crisis since the 1989 Tiananmen incident (and perhaps since the 1971 Lin Biao incident), the Hu Jintao–Wen Jiabao administration may have successfully avoided an even bigger crisis. In stark contrast with the 1989 Tiananmen incident, China’s economy and society have hardly been disrupted, at least up until now. This reflects the maturity of Chinese society and the strength of the country as a whole. To a great extent, this crisis has been a good thing for China. It not only reveals major flaws in the Chinese political system, but may also help the Chinese leadership, intellectual communities, and the general public reach a new consensus, thus contributing to bold and genuine political reforms. However, if the leadership fails to seize this great opportunity, the CCP will be in greater jeopardy in the years to come.

**What is the Bo Xilai case really about: factional infighting, Bo’s notorious egotism, or ideological conflict?**

To a certain extent all of the above, though none of these explanations, nor any combination of them, adequately tells the whole story. Something far greater is at stake.

Bo Xilai’s story is certainly linked to China’s present-day factional politics, which I characterize as “one party, two coalitions.” One coalition is led by former president Jiang Zemin’s protégés. While the core of this coalition used to be the so-called Shanghai Gang, “princelings” (leaders who come from high-ranking family backgrounds) have become more central since the fall of Shanghai party boss Chen Liangyu on corruption charges in 2006. Bo Xilai is a princeling, as his father Bo Yibo was a revolutionary veteran who served as vice premier. The other coalition primarily consists of former officials from the Chinese Communist Youth League and is led by President Hu Jintao and Premier Wen Jiabao. These two coalitions fight with each other over power, influence, and policy initiatives. Bo Xilai’s career advancement can certainly be attributed to his princeling background and his patron-client ties with Jiang Zemin.

Bo’s downfall is also related to his own egotistical personality and notorious ambition. While his ambitions were most recently focused on achieving a seat on the Politburo Standing Committee, it would have not stopped there. In the months preceding the crisis, members of Bo’s staff spread the rumor that he could become China’s next premier. In addition, Su Wei, a scholar close to Bo at the Chongqing Party School, compared Bo Xilai and Chongqing mayor Huang Qifan to former leaders Mao Zedong and Zhou Enlai in comments circulated in both the Chongqing and national media.

The Bo episode is also related to ideological conflict, as he was associated with China’s “new left” thinking—especially through his Mao-style campaigns, such as the “smash the black” anti–organized crime campaign—and advocated an ultra-egalitarian and ultra-nationalist development model for China, known as the “Chongqing model.”

But this episode is really more than the sum of these factors. Most importantly, it involves Wang Lijun’s attempted defection to the United States and the charges against Bo’s wife related to the murder or assassination of British citizen Neil Heywood. The Chinese public has been shocked by both incidents, since this is a very unusual set of events in CCP history. How is it possible that national hero Wang Lijun and one of China’s top leaders are capable of such actions? When these kinds of charges are involved, all Chinese leaders—regardless of which faction they belong to—will not support Bo Xilai any longer, because the current crisis poses a challenge to the legitimacy of the CCP itself. The stakes are very high, and the challenge facing the CCP leadership is intimidating.

**How was Bo able to stay in power for so long?**

To better answer this question, we need to go back to factional politics: the tensions between the princelings coalition and the Youth League coalition.

Specifically, the other princeling leaders wanted to use Bo to their advantage. Within elite circles, Bo was nicknamed “the cannon” because he was always ready to attack his political rivals, including Hu Jintao, Wen Jiabao, and Bo’s liberal counterpart—Guangdong party chief Wang Yang. Thus, he was considered a much-needed weapon by the other princelings, though they did not necessarily like or trust him. On the other hand, Hu Jintao and Wen Jiabao saw Bo as a liability for their opposition because they believed Bo’s campaigns were doomed to fail and that he ultimately would undermine the strength of the princelings due to his divisive tactics. In addition, his Cultural Revolution–style initiatives were seen by Hu and Wen as remnants of the past with no hope of succeeding. Therefore, they may have been even less concerned about Bo than some of the other heavyweights in the princeling camp.

In fact, Bo had many enemies, including at least four major groups: (1) liberal intellectuals, who often regarded him not only as a Maoist, but also as a Nazi-like leader who often singled out particular social groups as targets; (2) lawyers and legal professionals alarmed at his roughshod treatment of Chinese legal practices in Chongqing and Dalian; (3) the majority of political and military elites, who feared Bo did not play according to the rules and would take China down the wrong path; and (4) entrepreneurs in China and abroad alarmed at Bo’s anti-market tendencies, evident in his rough handling of Wal-Mart stores in Chongqing.

At the 2007 Party Congress, Bo had aggressively sought two positions, membership in the Politburo and a vice-premiership. In my view, the fact that he got the former but not the latter was the result of a compromise between the two camps. Assigning him to an interior city like Chongqing was an effort on the part of Hu and Wen to reduce Bo’s influence and power. While there were some unconfirmed reports during his first few months on the job that he was deeply dissatisfied with his new assignment, in the end he did a remarkable job of putting Chongqing on China’s political map and, for a time, effectively turned it into his own personal kingdom. Regardless, prior to this most recent scandal, there had been long-standing concerns among the Chinese political establishment that Bo would go too far and undermine the unity of the central leadership of the CCP. Even before the latest scandal, some in Beijing felt that Bo would not receive a seat on the Politburo Standing Committee because he was so divisive and could cause trouble for the CCP as a whole. Certainly, with Wang Lijun’s actions, Bo Xilai’s career was over immediately.

Although the princelings did support Bo and used him when convenient, this does not mean that they gave him a blank check to do as he pleased. Just as there is political infighting within the political parties in the United States, the relationship among members of a Chinese coalition is both cooperative and competitive.

For example, Xi Jinping was becoming increasingly wary of Bo. Much has been made of Xi’s visit to Chongqing in December 2011, interpreted by some as an endorsement of Bo. Five Politburo Standing Committee members visited Chongqing, and Bo interpreted this as an endorsement of his leadership and his Chongqing model. But if you look at the details, the motivations of at least two of these visitors are ambiguous, including those of He Guoqiang and Xi. He Guoqiang and Bo Xilai are on negative terms, as some of the people arrested in Bo’s anti-crime campaigns were He’s protégés. Therefore it cannot be argued that He went to Chongqing to support Bo. There must have been another reason for the visit, such as cutting some sort of deal. As for Xi Jinping, if you look at his public speech during the visit, he did not completely endorse Bo, saying that some things in Chongqing should be improved. Thus, though the visit was widely interpreted as an endorsement of Bo, some Chinese intellectuals immediately picked up on the fact that Xi’s speech could be interpreted as a critique of Bo.

**Several Chinese commentators have suggested that this whole scandal was planned by Hu Jintao and Wen Jiabao. Is there any truth to that?**

It is unimaginable that a Chinese leader would have told Wang Lijun to go to the U.S. consulate in Chengdu. No one would dare to make such an order, since doing so would be considered treason. That decision was made by Wang Lijun himself. On the other hand, there is some evidence that an investigation of Bo and Wang had been going on long before Wang’s visit to the consulate. At the very least, there was an investigation of Wang from his time working in Liaoning province. Gu Kailai has long been suspected of corruption, though it is unclear whether past investigations of her were initiated by senior leaders or just routine actions based on reports submitted to the Central Discipline Inspection Commission of the CCP. As for Bo, there have been many charges related to his tenure in Chongqing involving torture, false charges, and corruption, and investigations of these charges may have been going on for some time as well. Again, it is not clear if these were actions taken by senior leaders, but it is noteworthy that there was already much public speculation about charges against Bo. Though they may have been surprising to some foreign observers, these charges were widely discussed by elites in Beijing, Liaoning, and Chongqing.

I do have doubts about the way Wang Lijun is being portrayed as having approached Bo regarding an investigation into Bo’s and Gu’s involvement in the death of Neil Heywood. This does not make sense to me. Wang’s entire career had been based on his patron-client ties with Bo. He was considered Bo’s close confidant, knew many if not all of Bo’s dirty secrets, and had done many highly questionable things during his three years as Bo’s police chief in Chongqing. Therefore, given their close ties, it puzzles me that Wang would have challenged Bo on Gu’s potential role in Heywood’s death. Wang may have felt that he simply could not cover up this case. Still, I think there are probably some missing pieces to this story.

It is true that Hu Jintao and Wen Jiabao never liked Bo Xilai. In the past year and a half, Wen has publicly (though implicitly) criticized Bo on a number of occasions, mentioning that some leaders were liars. These comments were mainly targeted at Bo. Remember, Bo Xilai’s mother committed suicide during the Cultural Revolution and his father was tortured. Despite this, Bo often said positive things about this period in China’s history while he was leader of Chongqing, which could have led to Wen’s criticism.

It is unclear whether Bo would have fallen if Wang Lijun had not gone to the U.S. consulate. I believe it would have been much more difficult to purge Bo without Wang’s actions due to strong factional tensions within the leadership, as Bo not only represented himself but also a social movement. Even today, some people are suspicious of whether this entire incident is true and whether the death of Heywood has anything to do with Bo and Gu. Some even accuse the United States of involvement in a conspiracy. However, the evidence provided by Wang Lijun made the case against Bo much easier and clear-cut. Thus, without Wang Lijun’s dramatic visit to the consulate, removing Bo would have been much more difficult for his opponents to achieve, though given Bo’s actions and the ongoing investigation of him, he may have fallen eventually even without this crisis.

**What’s next for Bo Xilai, his wife, and Wang Lijun?**

The charges against Bo’s wife Gu Kailai are extremely serious and could potentially lead to capital punishment or life imprisonment. In my opinion, Wang Lijun will also be imprisoned, though his sentence will be much less severe, largely because he has contributed to Bo’s fall by reporting some of Bo’s transgressions to the central leadership. However, the Politburo will want to send a very clear message that passing classified information to a foreign government will not be tolerated. Besides that, Wang may also be charged with abuses stemming from his time as police chief of Chongqing. As for Bo, the next step is being formally expelled from the Central Committee and Politburo, since he has merely been suspended from these posts. This will take place at the Central Committee meeting, which will likely be held early in the summer, at which time we will have more information about the charges against him.

Currently, there is a long list of possible charges against Bo. The party document released in early April stated that he had violated party regulations. Previously, the baseline charge had been that Bo had not managed his subordinates well, a reference to his appointment of Wang. This by itself was not considered a violation of party rules, but simply poor judgment. I interpret the newly released document’s reference to rule violations as an upgrading of the charges, which implies violations by Bo after Wang was in custody. These could potentially include an effort to cover up certain details of the case, challenging the authority of the central government, or even an effort to split the party leadership. Earlier charges included accusations that Bo wanted to establish a politically independent “kingdom” in Chongqing, bugged the conversations of other leaders, and used terror and torture in his anti-crime campaigns, as well as various corruption charges and accusations that his close ties with foreigner Neil Heywood violated regulations for senior leaders. The ongoing criminal investigation will touch on Bo’s business dealings, the charge that he may have paid leftist intellectuals to help propagate his radical ideas, and—most importantly—the charge that he, along with his wife, may have been involved in the murder of Heywood. I think it is highly likely that Bo will face life in prison as a result of these charges.

**What does Bo’s fall mean for China’s factional politics? Do you expect more senior leaders to fall?**

The party leadership will be extremely cautious and not expand the scope of the Bo Xilai case to other leaders. Purges will be relatively limited. The fact that certain leaders closely affiliated with Bo, such as Huang Qifan, are still free implies that the top leadership does not intend to punish too many people. The fact that the country is on the eve of the 18th Party Congress, with so many destabilizing factors, will also lead the leadership to limit the scope of targeted officials.

Therefore, though the Bo case is a victory for Hu and Wen, this victory will not necessarily translate into more seats for their coalition on the Politburo Standing Committee. To a certain extent, this explains why Guangdong’s liberal party chief Wang Yang has been reluctant to claim victory since there still could be a backlash against him. The makeup of the future Politburo Standing Committee will largely be determined through compromises between the two coalitions. The balance of power within this system will not be easily changed. If the princeling faction collapsed, this would constitute an unimaginable revolution with implications for Chinese politics and social instability ten times greater than the Bo scandal. Thus, at the moment, there is a tremendous incentive for the party’s top leadership to preserve the current structure of “one party, two coalitions,” and show unity and solidarity.

Evidence of the Chinese leadership’s unity on this matter can be found in the man who replaced Bo as party chief of Chongqing, Zhang Dejiang, a protégé of Jiang Zemin and part of the same princeling coalition as Bo. This appointment means that a deal has been made and the top leadership of the party is united. To a certain extent, this is similar to what happened in 2006 with the fall of Shanghai party boss Chen Liangyu. All those who have followed Chen as Shanghai party boss, including Xi Jinping, have been protégés of Jiang Zemin, just as Chen was.

Consequently, it is highly likely that Bo’s potential seat on the Politburo Standing Committee will be taken by someone from the princeling coalition. Zhang Dejiang would likely have attained a seat on the committee regardless of Bo’s fall, though he will now probably receive an even more important position. Zhang Gaoli, the party chief of Tianjin, and Shanghai party chief Yu Zhengsheng, both protégés of Jiang Zemin, are now likely to go further with Bo gone. Though we do not know for sure which specific officials will receive which posts, I do think it is highly likely that the factional balance of power on the Politburo Standing Committee will remain unchanged with five seats for one coalition and four for the other.

**What challenges and opportunities has the Bo crisis now presented to China’s leadership?**

The Chinese public is still reeling from the shock of these events. The CCP has been responsible for a variety of political campaigns and serious mistakes in its long history, but it is not generally known for murder and assassination. But now, this scandal has occurred in relation to one of China’s rising political stars. We still do not know exactly how the public will react, particularly since this has occurred during a time of genuine dissatisfaction with official corruption, state monopolies, economic disparity, a lack of transparency and accountability, the privilege of princelings, and other issues. Consequently, this is a major legitimacy crisis for the CCP leadership as a whole.

However, a crisis is also an opportunity. Before the Bo crisis, there was great division among the leadership, intellectuals, and the public on China’s path forward. Now there is an opportunity to reach a new consensus and seriously pursue political reforms. This crisis has revealed the flaws in China’s political system, including the danger of allowing a demagogue like Bo to emerge, as well as the nepotism and corruption within the system.

The following profound transformations need to be made if the CCP wants to regain the public’s confidence and remain in power:

* First, in addition to handling the Bo case through established legal mechanisms, a call for legal reforms—including judiciary reform, the rule of law, and constitutionalism—will become very important. This could be a wonderful opportunity for liberal leaders, and to a certain extent all leaders, to realize that this is the best way to protect themselves in a country that lacks the rule of law.
* Second, the CCP should pursue bolder intra-party elections, which could involve voting as a means of assigning leadership positions. For example, to select the members of the next Politburo Standing Committee the CCP could put ten or eleven candidates on a ballot and have the Central Committee select nine of them. When selecting the 25 members of the larger Politburo, 28 candidates could be voted on. I am not arguing that this should be instituted in five to ten years, but rather instituted immediately for the upcoming 18th Party Congress.
* Third, media regulation is also in need of reform. China has entered a “season of rumors,” and social media has become so powerful that Chinese authorities often shut down domestic micro-blogging services. This is not an effective way to run the country. The reason people go to social media for their news is that the official media does not tell the full story. Thus, the way to avoid the sensationalism produced by social media is to open up the official media. This is not only in the interest of liberals, but the Chinese government itself. The more these sensational stories are suppressed, the more powerful they become.

The Cultural Revolution and the 1989 Tiananmen incident are two of the great disasters in the history of the CCP, but in the aftermath of these events you see opening and reform after the Cultural Revolution and the acceleration of China’s market transition and integration with the outside world after Tiananmen, respectively. Positive political developments came out of these terrible events. There is hope that something similar may yet happen following the Bo crisis. Lessons will be learned, a consensus will be reached, and bold decisions will be pursued. Wen Jiabao, in recent comments at the National People’s Congress, said very clearly that the party-state leadership system needs to be changed and that the rule of law should be emphasized in the handling of Wang Lijun’s case in order for the CCP to endure the test of history.

Learning from this crisis is not a choice for the CCP as much as it is a necessity. If nothing changes, the party will continue to lose its credibility. I believe the characterization of the Chinese political system as “resilient authoritarianism” is incorrect. While the prevailing view had been that this year’s leadership procession would go smoothly, two years ago I argued that the upcoming succession would be highly problematic and feature some sort of major crisis. Now the general sentiment is that China is in a terrible situation due to a vicious power struggle, but I am more optimistic. China has removed a major danger and avoided the worst scenario, which would have been taking the country down a Maoist, ultranationalist path. Of course, Bo’s chances of accomplishing this were always slim, but now they are close to zero. This is solid progress, and a reason to be more optimistic about China’s future.

I am not arguing that Bo’s downfall will only have positive ramifications and that nothing will go wrong. However, there are always opportunities to learn lessons and make improvements, and I think the potential for China to do so is not insignificant. It is worth remembering that the assassination of a Taiwanese writer by agents of Taiwan’s Nationalist Party was a trigger that helped spur the island’s transition from authoritarianism to democracy in the mid-1980s. Similarly, China must now either make changes to be on the right side of history or be left behind. The Bo Xilai crisis can be either a curse or blessing for the CCP—a curse if the party pretends that its rule can remain as before, but a blessing if the party decides to transform itself.

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# NYT

# In Rise and Fall of China’s Bo Xilai, an Arc of Ruthlessness



**CENTER OF ATTENTION** Bo Xilai sought the spotlight and mounted anticorruption campaigns that threatened powerful figures.

###### By [MICHAEL WINES](http://topics.nytimes.com/top/reference/timestopics/people/w/michael_wines/index.html?inline=nyt-per)

###### Published: May 6, 2012

BEIJING — “News 1+1” is a sort of Chinese “60 Minutes,” a newsmagazine on state-run China Central Television that explores — as much as the censors permit — the more contentious corners of Chinese society. In December 2009, the program took aim at a much-publicized anticorruption campaign in the metropolis of Chongqing, a crusade that had grabbed national attention for its sweep, but raised deep concerns about its brutality and disregard for the law.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/05/07/world/JP-CHINA-2.html','JP_CHINA_2_html','width=720,height=563,scrollbars=yes,toolbars=no,resizable=yes'))

**DETERMINED FOE** Wu Yi was angered by Mr. Bo’s publicity seeking and investigations.

What followed was an object lesson in how [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), the campaign’s architect and the secretary of Chongqing’s Communist Party at the time, dealt with those who stood in his way.

Mr. Bo called Jiao Li, a friend and colleague from the past who was president of China Central Television, or CCTV, at the time. In short order, the producer of “News 1+1” was transferred to another program. The show’s popular host was briefly banned from the airwaves.

“Poor CCTV,” said Li Zhuang, a lawyer who dared to defend one of Mr. Bo’s high-profile targets — and was sentenced to 30 months in prison for supposedly manufacturing false testimony in the case. “They can’t even protect their own children.”

As recently as January, Mr. Bo was aiming for the pinnacle of Chinese political power, a seat on the nine-member Politburo’s Standing Committee, when the Communist Party’s leadership begins a generational turnover this autumn. He was a fixation for the news media and foreign leaders, the handsome convention-flouter who was breaking the calcified mold of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s leadership caste.

Today, Mr. Bo’s fall has transfixed the world. He is suspended from the Politburo, under investigation for “serious violations” of Communist Party rules and being held incommunicado at an unknown location. His wife, Gu Kailai, long known for her own zealous ambition, stands accused by party investigators of murdering a British family friend, Neil Heywood, in a dispute over money. Neither Mr. Bo nor Ms. Gu have been given an opportunity to defend themselves publicly.

For all his success, the seeds of Mr. Bo’s destruction were evident long ago to many of those who knew him. He was a man of prodigious charisma and deep intelligence, someone who not only possessed the family pedigree and network of allies that are crucial in Chinese politics, but who had also mastered the image-massaging and strategic use of public cash that fuel every Western politician’s rise.

But Mr. Bo’s undisputed talents were counterbalanced by what friends and critics alike say was an insatiable ambition and studied indifference to the wrecked lives that littered his path to power. Little is known about career maneuvers in China’s cloistered leadership elite, but those who study the topic say that Mr. Bo’s ruthlessness stood out, even in a system where the absence of formal rules ensures that only the strongest advance.

“Nobody really trusts him: a lot of people are scared of him, including several princelings who are supposed to be his power base,” said Cheng Li, a scholar at the Brookings Institution in Washington. The so-called princelings — like Mr. Bo, offspring of China’s first revolutionary leaders — remain a powerful, though fragmented, force in China’s internal politics.

“That’s just his character,” the son of one Communist Party elder, who knows Mr. Bo well, said in February. “From the county up to the Politburo, he’s a person who has to have it his way.”

Mr. Bo was said by employees to be a demanding and unforgiving boss, summoning underlings to middle-of-the-night meetings, throwing crockery and even hitting those who failed to deliver what he wanted. One such underling approached an associate of Mr. Bo shortly after a meeting in Dalian and begged the associate to give her a job. “She said to me, ‘He’s angry and abusive, verbally abusive. He’s a bad man and I want to change jobs,’ ” he recalled.

That penchant for power and glory earned him powerful enemies at virtually every step of his ascendance. His peers from Liaoning Province, where he was a prominent official for more than a decade, pointedly left him off the delegation to the 15th Congress of the Communist Party in 1997, even though he was by then both mayor and deputy party secretary in Dalian, the province’s second-largest city.

When Mr. Bo left his post as Liaoning Province governor in 2004 to become commerce minister in Beijing, the province’s party secretary, Wen Shizhen, famously gave a party to celebrate his exit.

**Excesses Overlooked**

Yet he continued upward anyway, the internal enmities papered over by a Communist Party obsessed with the appearance of unity, his excesses overlooked by the family and political allies whose own clout rose with his.

Mr. Bo got tough at an early age.

He was born with a pedigree — his father, Bo Yibo, was a war hero who was at Mao Zedong’s side during the revolution — and studied with other children of the elite at Beijing No. 4 High School, China’s best. But when Mao unleashed the Cultural Revolution in 1966, the elder Bo became one of the first targets of the purges, relabeled a revisionist traitor and dragged from stadium to factory to government office for show trials and beatings.

At age 17, Mr. Bo seemed to embrace the purges, forming with other elites’ children a radical Red Guard faction later condemned by Chinese authorities for its brutality. Stories abound that young Bo denounced and even beat his father, who spent 12 years in prison. Other Red Guards kidnapped his mother, who was either murdered or died of illness in 1969.

The truth is murkier. Historians say Mr. Bo’s faction actually opposed violence and tried to defend its members’ elite parents against Mao’s excesses. Mao’s forces quickly turned on them, and in early 1967 Bo Xilai was shipped to a Beijing labor camp for five years. Working barefoot, often in deep mud, his feet became so rotted that chunks of flesh fell off, he later told friends.

But after Mao’s death, father and son emerged stronger than ever. The rehabilitated Bo Yibo became vice premier in 1979, under his wartime friend Deng Xiaoping. In the succeeding decade, he was Mr. Deng’s point man in the ouster of two successive Communist Party general secretaries, Hu Yaobang and Zhao Ziyang, during China’s tumultuous and failed liberalization in the 1980s.

That earned him the gratitude of Mr. Zhao’s successor as Communist Party leader, Jiang Zemin. The elder Bo, who died in 2007, continued to help Mr. Jiang sideline rivals into his dotage. Mr. Jiang, who continues to wield backstage influence in China’s politics even now, is widely said to have given Bo Xilai’s political career a boost at crucial times.

Barely a decade after taking his first desk job at Communist Party headquarters in Beijing, Mr. Bo was named mayor of Dalian, a city of about six million on the north Pacific coast, in 1992. By then he had married Ms. Gu, whose family pedigree included a father who helped lead Communist resistance to the Japanese in the 1930s and 1940s. Ms. Gu set about building a law practice and a public reputation, including an entire book on her exploits in a lawsuit she helped pursue in the United States.

Mr. Bo, meanwhile, began to hone the political skills and a hunger for authority that would come to define his career.

The mayor’s job was a plum — the central government was pouring billions into reviving its coastal cities — and Mr. Bo oversaw a lavish effort to remake Dalian, a graceful but rundown seaport, in the image of Hong Kong. A building boom replaced empty factories with office and apartment towers; companies from nearby Japan made Dalian a beachhead for investment in China. Mr. Bo poured billions of renminbi into splashy ventures like annual international fashion shows and beer festivals, civic sculptures and a program that draped the city in seas of freshly planted grass.

Mr. Bo attended seven and eight events a day in the style of an American mayor in full re-election mode. He relentlessly hyped Dalian’s soccer team, China’s best, as an icon of civic pride.

“You could argue that none of these things are basic to the well-being of the people, but you had the sense it appealed,” said Stephen MacKinnon, an author and longtime scholar of China who knew Mr. Bo in the 1980s and early 1990s. “It was flashy.”

Mr. Bo’s self-promotion was equally splashy: by the mid-1990s, a celebrity chronicler had penned a fawning history of his Dalian accomplishments, and pro-Bo articles were being planted in major newspapers nationwide. Dalian gained an international buzz, and Mr. Bo vaulted to governor of surrounding Liaoning Province and a seat on the Central Committee, which includes about 370 of the party’s most powerful figures.

“He was accompanied wherever he went by a battalion of fabulous young women wearing Madonna headsets and sassy little sailor outfits,” The South China Morning Post gushed in 2004, recounting a dinner with the governor on a ship docked at Dalian port. “He circulated easily between tables, shaking hands with every man, woman and child on board, graciously accepting the many requests for photos and autographs that his celebrity status guaranteed. Later, when he spoke on stage, his enraptured audience seemed powerless to resist him.”

**Known for Abrasiveness**

Elsewhere, however, a different Mr. Bo was on display.

Jiang Weiping had pulled into the parking space outside his apartment building one December morning in 2000 when a half-dozen men threw open his car doors, forced him into the back seat and threw his jacket over his head.

Mr. Jiang, a journalist, had written repeatedly about government corruption in Dalian. He was taken, he said, to a military detention center where the Communist Party secretary of the city’s public security bureau, Che Keming, awaited him. Mr. Che had been Mr. Bo’s cook and driver before a meteoric rise through the city hierarchy.

“You are too bold,” Mr. Jiang said he recalled Mr. Che telling him. “Don’t you know that Mr. Bo is soon going to be the party chief of Liaoning Province, and after that he will be in the top leadership?” Mr. Jiang soon was detained and charged with subversion and stealing state secrets. He spent six years in prison before being freed and fleeing to Canada, where he now lives.

Mr. Jiang’s account is not easily verified, but such tales are not uncommon. Yang Rong, whose Brilliance China Automotive Holdings once was China’s largest automaker, found his stake of nearly $700 million in the company seized by Mr. Bo in 2002 after he proposed to build a new factory in Shanghai instead of in Liaoning. Mr. Yang, who now lives in the United States, later sued Mr. Bo and the government to no avail.

By then Mr. Bo had made several powerful enemies. His appointment in 2007, as party secretary of Chongqing, was in fact devised to move him out of Beijing and away from the seat of power. Two previous heads of China’s Trade Ministry, the Commerce Ministry’s predecessor, had gone on to become vice premier, a post Mr. Bo was said to crave. But one, Wu Yi, had come to dislike Mr. Bo’s abrasiveness and self-promotion; she sided with Prime Minister Wen Jiabao and others in shunting him to a job in the hinterlands.

Two people who know Ms. Wu said she was miffed by his grandstanding at a 2005 Washington session of the Strategic and Economic Dialogue, where she had led a delegation of senior leaders. She was further put off after he opened a police investigation into the Commerce Ministry’s international affairs office, where she maintained close ties. And in talks with friends, she cited his enthusiasm for the more radical Red Guards as an especially sore point. “Wu Yi got him,” one longtime associate of Mr. Bo said. “She was instrumental, saying, ‘I step down in March; the guy is gone before I step down.’ ”

**Using Fear as a Tool**

Yet any expectation that exile and a consolation-prize seat on the Politburo would bank Mr. Bo’s ambitions proved misplaced. Instead, he reprised his Dalian agenda, spending billions to plaster the city with ginkgo trees, luring foreign investment, publicizing his accomplishments — and spearheading an anticorruption drive that took on aspects of the Cultural Revolution purges that claimed his father.

Among the targets was Chongqing’s deputy police chief, Wen Qiang, whose 2010 execution on corruption charges prompted The Chongqing Economic Times to proclaim on its front page: “Wen Qiang is dead. The people rejoice. Chongqing is at peace.”

Though Mr. Wen was indisputably corrupt, many regarded execution as a draconian penalty, and some outsiders saw a veiled message from the ever-ambitious Mr. Bo. Mr. Wen had served under Mr. Bo’s two predecessors in Chongqing, Wang Yang and He Guoqiang. Mr. Wang was Mr. Bo’s rival for a spot on the Politburo’s elite Standing Committee. Mr. He already sits there — and he also runs the party machinery that investigates corruption and other violations of party rules.

Privately, the Wen execution was an implicit attack on their stewardship of Chongqing — “beating the dog while the master watches,” one person said.

Publicly, it was an excuse for a publicity campaign. The police chief at the time, Wang Lijun, summoned writers to produce a four-volume history of the corruption campaign, to be followed by a movie and television series.

Less than two years later — perhaps with Mr. Wen’s fate in mind — Mr. Wang fled to an American diplomatic outpost, begging for protection from Mr. Bo and setting off the events that produced his downfall. Among some, Mr. Wang was described at the time as unreasonably fearful, or even mentally unstable.

Now, his fears do not look so misplaced.

As Dalian’s mayor, Mr. Bo once became enraged after a Beijing businessman, Su Xinmin, traveled to Dalian to lobby on behalf of a Dalian businessman who was under investigation. One son of a Communist Party elder recalled a phone conversation in which an angry Mr. Bo declared that he would have Mr. Su arrested — and soon afterward, a corps of Dalian police officers went to Beijing, arrested Mr. Su and detained him in Dalian for nearly two months. .

It was a trademark Bo gambit, except that Mr. Su was no stranger: He and Mr. Bo had spent five years together in the same Cultural Revolution labor camp, two sons of party leaders cruelly singled out for retribution.

“He would act this way toward a fellow son of a high official with whom he’d been imprisoned,” the party figure said. “So what’s Wang Lijun to him?”

# NYT

# China, in Old Tradition, Races to Airbrush Fallen Leader Out of Public Life



Many are wondering about what will happen to development projects in Chongqing after the change in leadership.

###### By DAN LEVIN

###### Published: May 5, 2012

CHONGQING, China — Until recently, visitors who arrived at the urban planning exhibition hall here were greeted with a high-tech shrine to [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), who served as the municipality’s charismatic Communist Party chief. A video recounting Mr. Bo’s [“smash black” crackdown on organized crime](http://www.nytimes.com/2012/03/27/world/asia/bo-xilais-china-crime-crackdown-adds-to-scandal.html) featured mug shots of gangsters emblazoned on tombstones. Maoist revolutionary songs blared from speakers in the “red culture” wing. Lasers zipped across the “honest government” gallery.

But in February, two days after Mr. Bo’s police chief, Wang Lijun, sought refuge in an American consulate, apparently with evidence of a murder plot hatched by Mr. Bo’s wife, the “smash black” exhibit shut its doors. The remaining galleries were closed last month after Mr. Bo was removed from his Communist Party posts in [a widening corruption scandal that is roiling the Chinese government](http://www.nytimes.com/2012/04/07/world/asia/bo-xilais-ouster-exposes-chinese-fault-lines.html). Today, the entire floor is cordoned off.

The sudden demise of the exhibit reflects the headlong race under way to expunge all traces of Mr. Bo and his political fingerprints from the city he spent five years governing. In seeking to airbrush Mr. Bo out of public life, party mandarins in Beijing have dusted off a strategy perfected during the Cultural Revolution and further tweaked during the political purges that followed the Tiananmen Square protests of 1989.

“There is a manual on how to delete the legacies of a fallen leader, and they’ve got it down to the smallest details,” said Minxin Pei, a political scientist at Claremont McKenna College in Southern California.

The results have been swift and efficient. Residents say that just 15 hours after Mr. Bo’s ouster, Chongqing’s satellite television station, which he had required to broadcast only commercial-free “red culture” programming, began showing advertisements. Then came a media campaign meant to destroy his reputation.

But the party’s sudden vilification of Mr. Bo and his once-lauded projects has laid bare its thin ideological marrow. After years of instructing citizens to revere Mr. Bo, the party has aggravated public cynicism by orchestrating his hasty downfall.

“People here just don’t trust the central government,” said a local magazine journalist, who described the orders from editors to stop reporting on Mr. Bo’s accomplishments. “Now they’re telling us Bo’s a bad guy. But no government official is innocent. At least we know our lives got better after he came.”

As the self-appointed mascot of the so-called Chongqing Model — his signature formula of state-led investment projects and populist politicking — Mr. Bo used the urban landscape as a canvas for his agenda. The local government planted thousands of Mr. Bo’s beloved ginkgo trees, organized “red culture” performances and stationed police officers throughout the city. To ensure residents linked the initiatives to Mr. Bo, his underlings slathered the city in billboards branded with his favorite slogans, including “Safe Chongqing” and “Healthy Chongqing.”

“They’re all gone,” said a downtown magazine vendor recently, nodding at a wall where three weeks ago city workers replaced the propaganda signs with ideology-free images of trees and skyscrapers.

The Chinese government is rushing to cauterize the political damage just months before the party orchestrates a once-in-a-decade power transfer to a new generation of leaders. Mr. Bo, the scion of one of modern China’s revolutionary founders, once aspired to be among those who effectively run the country by joining the nine-member Politburo Standing Committee.

Mr. Bo has also been scrubbed from boardrooms here, despite his success at luring multinational corporations to Chongqing and overseeing the country’s highest rate of growth. Gone are the portraits that graced office walls, say those who work for state-backed enterprises. In this era of instantaneously shifting loyalties, any perceived allegiance to Mr. Bo could prove disastrous. [Dozens of officials have been detained](http://www.nytimes.com/2012/04/20/world/asia/bo-xilai-loyalists-are-rounded-up-in-china.html) as the central government moves to dismantle his support network.

At the headquarters of the Liangjiang New Area, billed as China’s third-largest development zone, visiting delegations were once greeted with a video of Mr. Bo championing the area’s industrial prowess. The screens are now dark.

Some local business executives hope Mr. Bo’s famous preference for state-owned enterprises over private corporations will fade with him. In rejecting the Chongqing Model, the municipality’s new leadership, under the party chief Zhang Dejiang, appears to be showing a greater interest in the private sector.

Wu Xu, the chairman of Chongqing Sincere Group, a property development company, heaped leaden praise on Mr. Zhang while carefully avoiding any mention of his predecessor. Chain smoking in his corner office, Mr. Wu lauded Mr. Zhang for holding a meeting of private-business owners soon after his arrival. “That never happened before,” he said. “There’s been a big change. We are more confident in this business environment.”

But the purge has also created headaches for entrepreneurs.

In interviews, some lamented the waste of time and money that was spent currying favor with Mr. Bo’s bureaucrats. One real estate executive said that his two most powerful contacts were detained after Mr. Bo’s ouster and that all his proposals were in limbo. He dreads the prospect of having to grease new palms but sees no other option. “If I don’t take the new officials out to expensive dinners and buy them gifts, I’m finished,” the executive said, speaking on the condition of anonymity for fear of government reprisals.

Mr. Bo took pride in his anticorruption bona fides, but businesses were often forced to pay monthly or annual bribes to local government agencies, business owners said. If they refused, officials would shut them down.

That extortion racket has continued under the new administration, many said. The owner of a hostel in the city center said he was forced to pay his annual bribe twice this year, first to officials working under Mr. Bo and now to those under Mr. Zhang.

The impact of Mr. Bo’s downfall has yet to shake most residents’ lives too deeply. The ginkgos continue to be watered and the elderly still sing revolutionary anthems. One recent afternoon, Dan Jingli, a bubbly retiree in her mid-60s, was belting out a classic ballad with her friends in the city’s Shapingba Park. Taking a breather, Ms. Dan said she could not care less that those melodies were no longer passwords to the leadership’s favor. Maoist culture would survive long after those fighting for power had been forgotten. “Bo is gone,” she said. “But red songs are perennial.”

Now that Mr. Bo has been excommunicated, news of Chongqing’s heavy debt is beginning to emerge. All those public works cost money — the greenery program, which included the ginkgo trees, cost $1.5 billion in 2010 alone to plant and maintain, according to the state news media — while the municipality spent $15 billion on new low-income housing. With rising budget deficits and a lack of political will to sustain Mr. Bo’s pet projects, residents are wondering what will disappear.

Indeed, nobody is sure what the new Chongqing’s longer-term policies will be. “We know what’s wrong but not what’s right,” said the real estate executive.

He does not expect any clarification until after Beijing’s party shuffle in the fall. That is when it will become clear if Mr. Zhang, the party chief, is a permanent replacement or just a placeholder. Such limbo is especially worrying for a government obsessed with stability — and the revenue from property development that feeds municipal coffers.

“Under each new leader every policy changes,” the executive said. “Even the trees.”

NYT

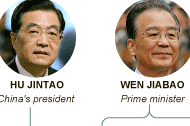
# ‘Princelings’ in China Use Family Ties to Gain Riches

###### By [DAVID BARBOZA](http://topics.nytimes.com/top/reference/timestopics/people/b/david_barboza/index.html?inline=nyt-per) and [SHARON LaFRANIERE](http://topics.nytimes.com/top/reference/timestopics/people/l/sharon_lafraniere/index.html?inline=nyt-per)

###### Published: May 17, 2012

SHANGHAI — The Hollywood studio DreamWorks Animation recently announced a bold move to crack [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s tightly protected film industry: a $330 million deal to create a Shanghai animation studio that might one day rival the California shops that turn out hits like “Kung Fu Panda” and “The Incredibles.”

###### Multimedia

[[](http://www.nytimes.com/interactive/2012/05/18/world/asia/power-and-profit-in-chinas-economic-boom.html?ref=asia)Graphic](http://www.nytimes.com/interactive/2012/05/18/world/asia/power-and-profit-in-chinas-economic-boom.html?ref=asia)

###### [Power and Profit in China’s Economic Boom](http://www.nytimes.com/interactive/2012/05/18/world/asia/power-and-profit-in-chinas-economic-boom.html?ref=asia)

What DreamWorks did not showcase, however, was one of its newest — and most important — Chinese partners: Jiang Mianheng, the 61-year-old son of Jiang Zemin, the former Communist Party leader and the most powerful political kingmaker of China’s last two decades.

The younger Mr. Jiang’s coups have included ventures with Microsoft and Nokia and oversight of a clutch of state-backed investment vehicles that have major interests in telecommunications, semiconductors and construction projects.

That a dealmaker like Mr. Jiang would be included in an undertaking like that of DreamWorks is almost a given in today’s China. Analysts say this is how the Communist Party shares the spoils, allowing the relatives of senior leaders to cash in on one of the biggest economic booms in history.

As the scandal over Bo Xilai continues to reverberate, the authorities here are eager to paint Mr. Bo, a fallen leader who was one of 25 members of China’s ruling Politburo, as a rogue operator who abused his power, even as his family members accumulated a substantial fortune.

But evidence is mounting that the relatives of other current and former senior officials have also amassed vast wealth, often playing central roles in businesses closely entwined with the state, including those involved in finance, energy, domestic security, telecommunications and entertainment. Many of these so-called princelings also serve as middlemen to a host of global companies and wealthy tycoons eager to do business in China.

“Whenever there is something profitable that emerges in the economy, they’ll be at the front of the queue,” said Minxin Pei, an expert on China’s leadership and professor of government at Claremont McKenna College in California. “They’ve gotten into private equity, state-owned enterprises, natural resources — you name it.”

For example, Wen Yunsong, the son of Prime Minister Wen Jiabao, heads a state-owned company that boasts that it will soon be Asia’s largest satellite communications operator. President Hu Jintao’s son, Hu Haifeng, once managed a state-controlled firm that held a monopoly on security scanners used in China’s airports, shipping ports and subway stations. And in 2006, Feng Shaodong, the son-in-law of Wu Bangguo, the party’s second-ranking official, helped Merrill Lynch win a deal to arrange the $22 billion public listing of the giant state-run bank I.C.B.C., in what became the world’s largest initial public stock offering.

Much of the income earned by families of senior leaders may be entirely legal. But it is all but impossible to distinguish between legitimate and ill-gotten gains because there is no public disclosure of the wealth of officials and their relatives. Conflict-of-interest laws are weak or nonexistent. And the business dealings of the political elite are heavily censored in the state-controlled news media.

The spoils system, for all the efforts to keep a lid on it, poses a fundamental challenge to the legitimacy of the Communist Party. As the state’s business has become increasingly intertwined with a class of families sometimes called the Red Nobility, analysts say the potential exists for a backlash against an increasingly entrenched elite. They also point to the risk that national policies may be subverted by leaders and former leaders, many of whom exert influence long after their retirement, acting to protect their own interests.

Chinese officials and their relatives rarely discuss such a delicate issue publicly. The New York Times made repeated attempts to reach public officials and their relatives for this article, often through their companies. None of those reached agreed to comment on the record.

DreamWorks and Microsoft declined to comment about their relationship with Mr. Jiang.

A secret United States State Department cable from 2009, released two years ago by the WikiLeaks project, cited reports that China’s ruling elite had carved up the country’s economic pie. At the same time, many companies openly boast that their ties to the political elite give them a competitive advantage in China’s highly regulated marketplace.

A Chinese sportswear company called Xidelong, for example, proudly informed some potential investors that one of its shareholders was the son of Wen Jiabao, according to one of the investors. (A private equity firm, New Horizon, that the son, Wen Yunsong helped found invested in the company in 2009, according to Xidelong’s Web site.) “There are so many ways to partner with the families of those in power,” said one finance executive who has worked with the relatives of senior leaders. “Just make them part of your deal; it’s perfectly legal.”

Worried about the appearance of impropriety and growing public disgust with official corruption, the Communist Party has repeatedly revised its ethics codes and tightened financial disclosure rules. In its latest iteration, the party in 2010 required all officials to report the jobs, whereabouts and investments of their spouses and children, as well as their own incomes. But the disclosure reports remain secret; proposals to make them public have been shelved repeatedly by the party-controlled legislature.

The party is unlikely to move more aggressively because families of high-ranking past and current officials are now deeply embedded in the economic fabric of the nation. Over the past two decades, business and politics have become so tightly intertwined, they say, that the Communist Party has effectively institutionalized an entire ecosystem of crony capitalism. “They don’t want to bring this into the open,” said Roderick MacFarquhar, a China specialist at Harvard University. “It would be a tsunami.”

Critics charge that powerful vested interests are now strong enough to block reforms that could benefit the larger populace. Changes in banking and financial services, for instance, could affect the interests of the family of Zhu Rongji, China’s prime minister from 1998 to 2003 and one of the architects of China’s economic system. His son, Levin Zhu, joined China International Capital Corporation, one of the country’s biggest investment banks, in 1998 and has served as its chief executive for the past decade.

Efforts to open the power sector to competition, for example, could affect the interests of relatives of Li Peng, a former prime minister. Li Xiaolin, his daughter, is the chairwoman and chief executive of China Power International, the flagship of one of the big five power generating companies in China. Her brother, Li Xiaopeng, was formerly the head of another big power company and is now a public official.

“This is one of the most difficult challenges China faces,” said Mr. Pei, an authority on China’s leadership. “Whenever they want to implement reform, their children might say, ‘Dad, what about my business?’ ”

There are also growing concerns that a culture of nepotism and privilege nurtured at the top of the system has flowed downward, permeating bureaucracies at every level of government in China. “After a while you realize, wow, there are actually a lot of princelings out there,” said Victor Shih, a China scholar at Northwestern University near Chicago, using the label commonly slapped on descendants of party leaders. “You’ve got the children of current officials, the children of previous officials, the children of local officials, central officials, military officers, police officials.We’re talking about hundreds of thousands of people out there — all trying to use their connections to make money.”

To shore up confidence in the government’s ability to tackle the problem, high-ranking leaders regularly inveigh against greedy officials caught with their hand in the till. In 2008, for instance, a former Shanghai Party secretary, Chen Liangyu, was sentenced to 18 years in prison for bribery and abuse of power. One of his crimes was pressing businessmen to funnel benefits to his close relatives, including a land deal that netted his brother, Chen Liangjun, a $20 million profit.

But exposés in the foreign press — like the report in 2010 that Zeng Wei, the son of China’s former vice president Zeng Qinghong, bought a $32 million mansion in Sydney, Australia — are ignored by the Chinese-language news media and blocked by Internet censors.

Allegations of bribery and corruption against the nation’s top leaders typically follow — rather than precede — a fall from political grace. Mr. Bo’s downfall this spring, for instance, came after his former police chief in Chongqing told American diplomats that Mr. Bo’s wife, Gu Kailai, had ordered the murder of Neil Heywood, a British businessman, in a dispute over the family’s business interests.

Evidence has surfaced of at least $160 million in assets held by close relatives of Bo Xilai, and the authorities are investigating whether other assets held by the family may have been secretly and illegally moved offshore.

Wen Jiabao, the prime minister, responded by demanding a more forceful crackdown on corruption. Without naming Mr. Bo by name, People’s Daily, the official Communist Party newspaper, denounced fortune seekers who stain the party’s purity by smuggling ill-gotten gains out of the country.

Some scholars argue that the party is now hostage to its own unholy alliances. Cheng Li, an expert on Chinese politics with the Brookings Institution in Washington, said it would be difficult for the Chinese government to push through major political reforms aimed at extricating powerful political families from business without giving immunity to those now in power.

And with no independent judiciary in China, he said, party leaders would essentially be charged with investigating themselves. “The party has said anticorruption efforts are a life-and-death issue,” Mr. Li said. “But if they want to clean house, it may be fatal.”

Chinese tycoons have also been quietly welcomed into the families of senior leaders, often through secret partnerships in which the sons, daughters, spouses and close relatives act as middlemen or co-investors in real estate projects or other deals that need government approval or backing, according to investors who have been involved in such transactions.

Moreover, China’s leading political families, often through intermediaries, hold secret shares in dozens of companies, including many that are publicly listed in Hong Kong, Shanghai and elsewhere, according to interviews with bankers and investment advisers. Lately, the progeny of the political elite have retooled the spoils system for a new era, moving into high-finance ventures like private equity funds, where the potential returns dwarf the benefits from serving as a middleman to government contracts or holding an executive post at a state monopoly.

Jeffrey Zeng, the son of the former Politburo member Zeng Peiyan, is a managing partner at Kaixin Investments, a venture-capital firm set up with two state-owned entities, China Development Bank and Citic Capital. Liu Lefei, the son of another Politburo member, Liu Yunshan, helps operate the $4.8 billion Citic Private Equity Fund, one of the biggest state-managed funds. Last year, Alvin Jiang, the grandson of former president Jiang Zemin, the former Communist Party leader and president, helped establish Boyu Capital, a private equity firm that is on its way to raising at least $1 billion.

Most recently, with the Communist Party promising to overhaul the nation’s media and cultural industries, the relatives of China’s political elite are at the head of the crowd scrambling for footholds in a new frontier.

The February announcement of the deal between DreamWorks and three Chinese partners, including Shanghai Alliance Investment, was timed to coincide with the high-profile visit to the United States of Xi Jinping, China’s vice president and presumptive next president. The news release did not mention that Shanghai Alliance is partly controlled by Jiang Zemin’s son Jiang Mianheng. A person who answered the telephone at the Shanghai Alliance office here declined to comment.

Zeng Qinghuai, the brother of Zeng Qinghong, China’s former vice president, is also in the film business. He served as a consultant for the patriotic epic “Beginning of the Great Revival.” The film exemplified the hand-in-glove relationship between business and politics. It was shown on nearly 90,000 movie screens across the country. Government offices and schools were ordered to buy tickets in bulk. The media was banned from criticizing it. It became one of last year’s top-grossing films.

Scholars describe the film industry as the new playground for princelings. Zhang Xiaojin, director of the Center of Political Development at Tsinghua University, said, “There are cases where propaganda department officials specifically ask their children to make films which they then approve.”

Zhao Xiao, an economist at the University of Science and Technology in Beijing, said, “They are everywhere, as long as the industry is profitable.”

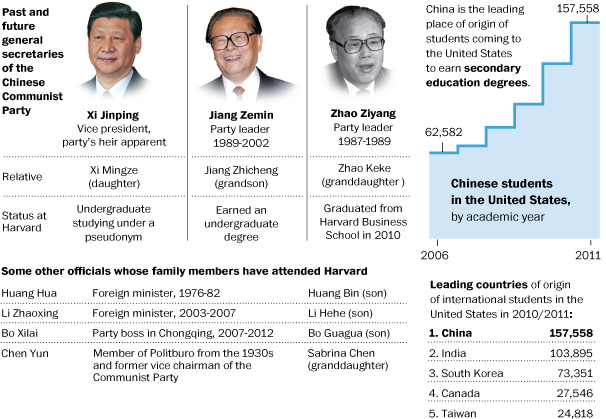
# WP

### By [Andrew Higgins](http://www.washingtonpost.com/andrew-higgins/2011/03/02/ABbwwkP_page.html) and Maureen Fan, Published: May 18

CAMBRIDGE, Mass. — When scholars gathered at Harvard last month to discuss the political tumult convulsing China’s ruling Communist Party, a demure female undergraduate with a direct stake in the outcome was listening intently from the top row of the lecture hall. She was the daughter of Xi Jinping, China’s vice president and heir apparent for the party’s top job.

Xi’s daughter, Xi Mingze, enrolled at Harvard University in 2010, under what people who know her there say was a fake name, joining a long line of Chinese “princelings,” as the offspring of senior party officials are known, who have come to the United States to study.

China’s Harvard connection



# Video

[](http://www.washingtonpost.com/business/harvards-ferguson-on-china-growth/2012/03/21/gIQAP2XyRS_video.html)

Niall Ferguson, a history professor at Harvard University and a Bloomberg Television contributing editor, talks about the outlook for China's economy

In some ways, the rush to U.S. campuses by the party’s “red nobility” simply reflects China’s national infatuation with American education. China has [more students at U.S. colleges](http://www.iie.org/Research-and-Publications/Open-Doors/Data/Fact-Sheets-by-Country/2011) than in any other foreign country. They numbered 157,558 in the 2010-11 academic year, according to data compiled by the Institute of International Education — up nearly fourfold in 15 years.

But the kin of senior party officials are a special case: They rarely attend state schools but congregate instead at top-tier — and very expensive — private colleges, a stark rejection of the egalitarian ideals that brought the Communist Party to power in 1949. Of the nine members of the Politburo Standing Committee, the supreme decision-making body of a Communist Party steeped in anti-American rhetoric, at least five have children or grandchildren who have studied or are studying in the United States.

Helping to foster growing perceptions that the party is corrupt is a big, unanswered question raised by the foreign studies of its leaders’ children: Who pays their bills? Harvard, which costs hundreds of thousands of dollars in tuition and living expenses over four years, refuses to discuss the funding or admission of individual students.

Grandchildren of two of the party’s last three top leaders — Zhao Ziyang, who was purged and placed under house arrest for opposing the military assault on Tiananmen Square protesters in June 1989, and his successor, Jiang Zemin — studied at Harvard.

The only prominent princeling to address the question of funding publicly is Bo Guagua, a graduate student at Harvard’s Kennedy School of Government. His father is the now-disgraced former Chongqing party boss Bo Xilai, who, [like Xi Jinping](http://www.washingtonpost.com/world/asia_pacific/for-chinas-next-leader-the-past-is-sensitive/2012/02/10/gIQAdJZ09Q_story.html), is the son of an early revolutionary leader who fought alongside Mao Zedong.

Bo Guagua did not attend the seminar at Harvard’s Fairbank Center for Chinese Studies, which focused on his family’s travails. But in [a statement sent a few days later](http://www.thecrimson.com/article/2012/4/24/bo-guagua-statement-to-the-crimson/) to Harvard’s student-run newspaper, the Crimson, he responded to allegations of ill-gotten wealth. He said he had never used his family name to make money and, contrary to media reports, had never driven a Ferrari. Funding for his overseas studies, he said, came entirely from unspecified “scholarships earned independently, and my mother’s generosity from the savings she earned from her years as a successful lawyer and writer.”

His mother, Gu Kailai, is in detention somewhere in China on suspicion of involvement in the death of Neil Heywood, a Briton who served as a business adviser to the Bo family. After what Chinese authorities say was a falling-out over money, Heywood was found dead, apparently poisoned, in a Chongqing hotel room in November.

Bo Guagua “is very worried about what might happen to his mother,” said Ezra F. Vogel, a Harvard professor who said he had received a visit from a “very anxious” Bo last week. Bo’s image as a wild playboy, Vogel added, is “greatly exaggerated.”

In China’s “dog-eat-dog” political culture, [Harvard scholar Roderick MacFarquhar](http://www.gov.harvard.edu/people/faculty/roderick-macfarquhar) told the Fairbank Center seminar, the family is both “a wealth-generating unit” and a “form of general protection.” As a result, he added, “you have a party that is [seen as deeply corrupt](http://www.washingtonpost.com/world/asia_pacific/in-china-relatives-of-party-officials-build-lucrative-businesses-on-family-contacts/2012/04/23/gIQAE56KdT_story.html).”

Before his ouster, Bo Xilai had an official annual salary of less than $20,000. But his son attended Harrow School, an exclusive private academy in London with annual fees of about $16,000; then Oxford, which, for overseas students, costs more than $25,000 a year just in tuition; and the Kennedy School, which, according to [its own estimates](http://www.hks.harvard.edu/degrees/sfs/prospective-students/tuition/intl), requires about $70,000 a year to cover tuition and living expenses.

**‘Top of the food chain’**

“This is about haves and have-nots,” said Hong Huang, the stepdaughter of Mao’s foreign minister Qiao Guanhua and a member of an earlier generation of American-educated princelings. “China’s old-boy network . . . is no different from America’s old-boy network,” said Hong, who went to Vassar College in Poughkeepsie, N.Y., and whose mother served as Mao’s English teacher.

“There is something about elitism that says if you are born in the right family, you have to go to the right school to perpetuate the glory of the family. Going to an elite college is a natural extension of that,” said Hong, now a Beijing-based style guru and publisher. Among her ventures is iLook, [an edgy fashion and lifestyle magazine](http://blog.sina.com.cn/u/1218316043) that offers tips on how to enjoy what a 2010 cover story proclaimed as China’s [“Gilded Age.”](http://item.taobao.com/item.htm?id=4365615704)

Noting that the Communist Party has drifted far from its early ideological moorings, Hong said she sees no contradiction between the desire for an Ivy League education and the current principles of the ruling party and its leaders: “What part of China is communist, and what part of Harvard is against elitist authoritarianism?”

Hong’s stepfather, Qiao, was purged as foreign minister in 1976 and his ministerial post passed to Mao’s former interpreter, Huang Hua, whose son, Huang Bin, also went to Harvard. At the time, China’s education system lay in ruins, wrecked by the ­1966-76 Cultural Revolution and Mao’s vicious campaigns against intellectuals, who were reviled as the “stinking ninth category.”

Today, Chinese universities have not only recovered but become so fiercely competitive that getting into them is difficult even for well-connected princelings. Even so, top American universities still carry more cachet among many in China’s political and business elite, in part because they are so expensive. A degree from Harvard or the equivalent ranks as “the ultimate status symbol” for China’s elite, said Orville Schell, a Harvard graduate and director of the Center on U.S.-China Relations at the Asia Society in New York.

“There is such a fascination with brand names” in China that “just as they want to wear Hermes or Ermenegildo Zegna, they also want to go to Harvard. They think this puts them at the top of the food chain,” Schell said.

The attraction of a top-brand university is so strong that some princelings flaunt even tenuous affiliations with a big-name American college. Li Xiaolin, the daughter of former prime minister and ex-Politburo member Li Peng, for example, has long boasted that she attended the Massachusetts Institute of Technology as a “[visiting scholar at the Sloan Business School](http://www.chinapower.hk/eng/about/directors.htm).” MIT says the only record it has of attendance by a student with Li’s name was enrollment in a “non-degree short course” open to executives who have “intellectual curiosity” and are ready to spend $7,500 for just 15 days of classes.

**Discipline case**

The welfare of princelings studying abroad can become a matter for the Chinese government.

During his final year at Oxford University in England, Bo Guagua ran into trouble because of inattention to his studies. When the university initiated a disciplinary process against him, the Chinese Embassy in London sent a three-person diplomatic delegation to Oxford to discuss the matter with Bo’s tutor at Balliol College, according to an academic who was involved in the episode and who spoke on the condition of anonymity to be able to speak candidly. The embassy did not respond to a request for comment.

The embassy trio pleaded on Bo’s behalf, stressing that education is very important to the Chinese, the academic said. The tutor replied that Bo should, in that case, learn to study more and party less. The intervention by Chinese diplomats didn’t help Bo and, in December 2008, he was “rusticated” for failing to produce academic work of an adequate standard, an effective suspension that, under Oxford regulations, meant he lost his “right of access” to all university facilities. Barred from college housing, Bo moved into a pricey local hotel. He was, however, allowed to take a final examination in 2010. Despite his banishment from classes, he performed well and received a degree.

“He was a bright student,” said the Oxford academic, who knew Bo Guagua at the time. But “in Oxford, he was suddenly freer than anything he had experienced before and, like a good many young people in similar circumstances, it was like taking the cork out of a bottle of champagne.”

Most other princelings have kept a far lower profile.

On the manicured, sun-drenched grounds of Stanford University in Silicon Valley, Jasmine Li — whose grandfather, Jia Qinglin, ranks fourth in the Politburo and has made speeches denouncing “erroneous” Western ways — blends in seamlessly with fellow American undergraduates.

Photographs have appeared online showing her wearing a black-and-white Carolina Herrera gown at a Paris debutante ball in 2010, and she shares with Bo Guagua a taste for horse riding. As a freshman last year, she [rode with the Stanford Equestrian team](http://set.stanford.edu/team/gallery-2010.html).

But her presence on campus is low-key, like that of Xi’s daughter at Harvard, whom fellow students describe as studious and discreet. Li rides a shiny red bicycle to and from classes, has an American roommate and joined a sorority, Kappa Alpha Theta. She often studies after class in the sorority house’s high-ceilinged living room alongside fellow members.

Reached at her sorority, Li declined to comment on her time in the United States or her ambitions, saying, in unaccented English, that she needed to consult first with her family in China.

**‘Achilles’ heel for the party’**

The stampede to American campuses has delivered a propaganda gift to critics of the Communist Party, which drapes itself in the Chinese flag and regularly denounces those who question its monopoly on power as traitorous American lackeys. A widespread perception that members of the party elite exploit their access and clout to stash their own children and also money overseas “is a big Achilles’ heel for the party,” said [Harvard’s MacFarquhar](http://www.gov.harvard.edu/people/faculty/roderick-macfarquhar).

Bitter foes of the ruling party such as the banned spiritual movement Falun Gong have reveled in spreading sometimes unfounded rumors about privileged party children. New Tang Dynasty TV, part of a media empire operated by Falun Gong, reported, for example, that 74.5 percent of the children of current and retired minister-level Chinese officials have [acquired either green cards or U.S. citizenship](http://www.ntdtv.com/xtr/gb/2011/02/15/a492859.html.-%E3%80%90%E7%A6%81%E9%97%BB%E3%80%91%E4%B8%AD%E5%85%B1%E5%AE%98%E5%90%8E%E4%BB%A3%E5%A4%9A%E6%8C%81%E3%80%9D%E5%8F%8C%E5%9B%BD%E7%B1%8D%E3%80%9E.html). The rate for their grandchildren is 91 percent, said the TV station, citing an anonymous Chinese blog posting that in turn cited supposed official U.S. statistics. No government agency has issued any such statistics.

Though of dubious accuracy, the report stirred a storm of outrage on the Internet, with Twitter-like micro-blogs denouncing the hypocrisy of the party elite. Most of the comments were quickly deleted by China’s army of Internet censors. But a few survived, with one complaining that officials “curse American imperialism and capitalism all the time but their wives and children have already emigrated to the U.S. to be [American] slaves.”

**Symbol of excess**

Similar fury greeted photographs that showed Bo Guagua cavorting at parties with Western women at a time when his father was promoting a neo-Maoist revival in Chongqing and urging the city’s 33 million residents to reconnect with the austere values of the party’s early years.

Bo, a poster boy for princeling excess, stopped attending classes this spring and last month moved out of a serviced apartment building with a uniformed doorman near Harvard Yard. (Rents there range from $2,300 to $3,000 a month.) People who know him at Harvard say he had earlier split up with his girlfriend, fellow Harvard student Sabrina Chen, the granddaughter of Chen Yun, a powerful party baron. Before his death in 1995, Chen took a hard line against the “infiltration” of Western values and, along with Bo Guagua’s grandfather, Bo Yibo, pressed for a military crackdown against student protesters who gathered in Tiananmen Square around a plaster statute inspired by the Statute of Liberty.

The cook at a fast-food eatery near his Cambridge apartment building said Bo Guagua used to come in regularly but didn’t make much of an impression. “He just ordered the usual stuff, BLTs. Nothing special,” said the cook, who gave his name as Mustafa.

Staff at Changsho, a Chinese restaurant, however, remember a more extravagant customer. Late one evening, for example, Bo came in alone, ordered four dishes and left after barely touching the food. “He didn’t even ask for a doggie bag,” recalled a restaurant worker, appalled at the waste.

WP

# Negotiations over dissident Chen Guangcheng offered rare glimpse into how China’s leadership operates, U.S. officials say

### By [William Wan](http://www.washingtonpost.com/william-wan/2011/03/02/ABlzvmP_page.html), Published: May 19

### <http://www.washingtonpost.com/world/asia_pacific/chinas-dissidents/2012/04/27/gIQA3YyNlT_gallery.html>

The decision that would launch one of the most intense and improbable negotiations in the history of U.S.-China relations was made in the space of hours — and it was sparked by a series of phone calls to the American Embassy.

Chen Guangcheng, the blind Chinese dissident, was somewhere in the sprawling edges of Beijing on Wednesday, April 25. His foot was broken in several places from a [daring getaway from house arrest](http://www.washingtonpost.com/world/blind-chinese-lawyer-activist-escapes-house-arrest/2012/04/27/gIQAdzTAlT_story.html) three days earlier, and his leg was beginning to swell. According to the activists who placed the initial calls, he was moving from place to place to avoid detection.

[](http://www.washingtonpost.com/world/chen-guangcheng-in-us-officials-hands/2012/05/02/gIQAwI1kwT_gallery.html)

[The blind activist, who fled de facto house arrest last month and sought refuge for six days at the U.S. Embassy in Beijing, has left the country to come to the United States.](http://www.washingtonpost.com/world/chen-guangcheng-in-us-officials-hands/2012/05/02/gIQAwI1kwT_gallery.html)

Chen Guangcheng allowed to leave Beijing for the United States.

He was pleading for shelter.

The request hit the embassy like a rocket, setting off a flurry of secure calls among officials in Beijing and senior State Department officials in Washington. They weighed various scenarios, the possible diplomatic fallout with the Chinese, and the consequences for high-level meetings planned for the following week between Secretary of State Hillary Rodham Clinton and China’s top leaders.

The name Fang Lizhi quickly came up. The last Chinese dissident U.S. officials were known to have ushered into the embassy, in 1989, Fang had remained stuck behind its walls for more than a year, exacerbating friction between the United States and China.

With Chen, the embassy had been told there was a narrow window of opportunity because of his need to keep moving. Senior White House officials were briefed. Then Clinton relayed her ultimate decision to the embassy: Bring him in.

Talks with the Chinese began four days later.

“When we proceeded, we did it with clear eyes about what we were getting into,” said a senior administration official involved in the process, which culminated Saturday with [Chen’s arrival in the United States](http://www.washingtonpost.com/world/asia_pacific/chen-guangcheng-leaves-beijing-hospital-headed-for-us/2012/05/19/gIQApKMEaU_story.html?hpid=z1).

For weeks, U.S. officials have kept secret many of the sensitive details about their negotiations over Chen’s fate. But with the 40-year-old lawyer safely aboard a plane Saturday, senior administration officials described extensively for the first time their dealings with the Chinese — how they struck the first deal only to have it fall apart, and how the negotiations almost collapsed again.

The officials, all of whom spoke on the condition of anonymity, detailed their efforts in the midst of continuing [criticism by Republicans](http://www.washingtonpost.com/politics/chen-guangcheng-case-draws-republican-criticism/2012/05/03/gIQAkk23zT_story.html) and some human rights groups over their handling of the crisis. Those critics argue that U.S. officials were too trusting of the Chinese and failed to secure hard guarantees — assertions Obama administration officials refute.

Diplomacy with China is often complicated by its government’s opaque nature, layers of bureaucracy, rule by the Communist Party and sometimes puzzling decision-making process.

But those involved in the negotiations said the high-stakes talks over Chen offer a rare glimpse into how China’s leadership operates in real time — under considerable internal and external pressures.

The Chinese Embassy did not respond to requests for comment for this story.

**Two unidentified men**

The negotiation room at the Foreign Ministry compound in East Beijing was set up with two long tables, each with a microphone. Elaborate Chinese art hung on the walls.

The Americans were greeted at 10 a.m. on Sunday, April 29, by familiar faces from the ministry — chief among them Cui Tiankai, a diplomat they had dealt with countless times. But on either side of the Chinese diplomats were two men who did not introduce themselves and were not introduced by others.

Not until days later, with an initial deal in sight, did the Americans learn that one of them was a representative of China’s Ministry of State Security — a powerful branch in charge of foreign intelligence and counterintelligence operations. The other, the Americans later surmised, was from an unidentified branch of China’s intelligence apparatus.

On the U.S. side were six State Department officials, including Assistant Secretary Kurt Campbell, who had been brought from Washington; legal adviser Harold Koh, who happened to be in the country for a conference; and the U.S. ambassador to China, Gary Locke.

The Chinese officials — 10 in all — conferred periodically in quiet huddles, but in a show of discipline, almost none uttered a word to the Americans over the course of four days. Only Cui talked.

Many in the room had worked with Cui on numerous sensitive issues. The previous year, in fact, Cui had sat across from some of the same U.S. officials, negotiating a joint U.S.-China statement during President Hu Jintao’s last visit with Obama in Washington.

Later, in response to criticism that the Americans should have negotiated with higher-ranking officials, or with China’s powerful security branch, several U.S. officials would argue that it was not up to them to choose their negotiating partners.

Their hands were tied in other ways as well. The Chinese warned that if word leaked that Chen was at the embassy, they would respond by charging him with treason.

**The first pitch**

At that first meeting, the Americans proposed that the Chinese negotiate directly with Chen. Chen had made it clear in long conversations with U.S. officials that he wanted to stay in China so he could remain relevant.

If Chen planned to stay, U.S. officials reasoned, he would need to build trust with government authorities. Having Chinese officials see him in person would also confirm U.S. claims about Chen’s injuries.

But the Chinese rejected a meeting with Chen. Foreign Ministry officials refused to go to the U.S. Embassy to negotiate. And the Americans couldn’t bring Chen out without losing all leverage.

Over the course of the negotiations, the Chinese never put any proposals on the table. Their role was strictly reactive. At the end of each meeting, Cui would leave to report the latest terms to Chinese leaders. At times, he would enter the next meeting having come directly from the compound reserved for China’s highest leaders.

“We would put something forward, and were getting answers back almost immediately from the highest levels,” one senior administration official said. “I have never seen the Chinese government working this rapidly and efficiently.”

Meanwhile, the 12-hour time difference with Washington meant U.S. negotiators were getting little sleep, spending most of their night hours briefing the White House and State Department via secure lines at the embassy.

Negotiating with Chen could sometimes be as difficult as negotiating with Chinese officials. Conversations with him could be deeply moving. He often seemed fragile — a blind man with few possessions, sleeping in a small unadorned room in the barracks of the embassy. He talked of how much he missed his wife and worried about his children.

But he could pivot in an instant, displaying a steely shrewdness as he detailed the demands he wanted conveyed to Chinese officials.

**Timing as leverage**

U.S. officials say they soon came to realize that Clinton’s impending visit to Beijing might actually play in their favor.

Chinese negotiators had made clear they had a strong desire to resolve the issue before the upcoming Strategic and Economic Dialogue, scheduled to begin May 3.

If negotiators didn’t succeed in resolving the matter before Clinton’s arrival, the crisis could escalate, drawing in higher-ranking officials. It was one thing for career diplomats to privately hash it out in a room; it would be quite another for Clinton to address the issue directly in meetings with China’s leadership. It was clear the Chinese negotiators wanted to avoid that.

As one senior administration official put it: “At end of the day, having Hillary Clinton come in and put things very directly and say this is what we’re seeking . . . is of a different character than having a team of negotiators say it.”

The breakthrough came on the fourth day, when the Chinese agreed to bring Chen’s family to Beijing by high-speed train. It was the sign of good faith that Chen had been seeking — his wife and two children would be out of reach of the local authorities in Shandong province — and although Chen hesitated a few more times, it was his family’s safety that persuaded him to finalize a deal.

U.S. officials had gotten agreement from the Chinese that Chen would stay at a hospital for two weeks, then relocate immediately to one of seven universities, most likely the one in nearby Tianjin. After about two years in Tianjin, Chen would be able to study in the United States or, if he preferred, transfer to a New York University-sponsored program in Shanghai.

If all went according to plan, Clinton would be able to announce the terms of the agreement to the news media at the end of the upcoming conference.

A few hours after Clinton’s plane landed on Wednesday, May 2, Chen agreed to leave the embassy and reunite with his family at the hospital.

Ambassador Locke asked Chen three times whether he was sure about leaving the embassy and accepting the deal to stay in China. Chen told Locke he was ready to make a better life for himself.

**A misstep**

U.S. officials had negotiated maintaining access to Chen while he was at the hospital. But on the evening Chen reunited with his family, the last official remaining decided to leave, out of a sense that they desired some privacy.

It was a decision that would be endlessly scrutinized and criticized in coming days, by Chen’s supporters, by Republican lawmakers and by human rights advocates — a decision even some U.S. officials would later acknowledge was a mistake.

The Americans had provided Chen with three preprogrammed cellphones to ensure access, but they did not anticipate that he would use them in a nonstop stream of interviews over the next two days — even calling in to a congressional hearing in Washington.

Chen began telling friends and anyone he could reach that he had been abandoned and feared for his safety. Supporters and reporters descended on the hospital, prompting a crackdown by security guards.

Suddenly, the Chinese Foreign Ministry broke its silence on the case, issuing a statement in which it lambasted U.S. interference and demanded an apology.

To many outside the government, it appeared as if the Chinese were annulling the deal. But many U.S. officials who were there say that the Chinese appeared willing to follow through on the deal and would have, if Chen hadn’t changed his mind.

“To this moment there is no aspect of those understandings that they didn’t fulfill,” said one senior U.S. official, noting that the Chinese had kept their promise to open an investigation into the abuse Chen suffered and allowed him to communicate freely.

**The closing pitch**

By the morning of Thursday, May 3, in Beijing, it was clear there was a problem: Chen wanted to leave China.

U.S. officials realized they had underestimated the animosity of Chen’s friends and fellow dissidents toward his decision to stay, and overnight as he sat alone with his family, they had clearly persuaded him to reconsider.

By then, the conference was in full swing, and any negotiations would have to take place in the short breaks between sessions.

For the first time, U.S. officials floated the idea of Chen going to the United States. With the situation rapidly falling apart, they suggested it was the quickest path to resolution. At an afternoon meeting, Cui appeared angry as he listened to the proposal but left to convey the message to his leaders.

That night, after a full day at the conference, Clinton gave her tired and dispirited negotiating team a pep talk. They weighed the options, including allowing for a cooling-off period. But ultimately, Clinton called for a full-court press to reach an immediate solution.

Hours later, Campbell contacted Cui to tell him they needed another meeting in the morning.

Cui responded heatedly, his voice so loud it could be heard by others in the room with Campbell: “We did this once already!”

By morning, Clinton decided to raise the stakes and meet directly with Dai Bingguo, China’s senior foreign policy official. A sit-down was scheduled for 9 a.m.

Clinton opened with praise for both sides’ negotiators and their original agreement. Then she carefully framed the new proposal in terms of the first deal.

The plan all along had been for Chen to be able to study in the United States after his two years in Tianjin, she pointed out. All the United States was asking for was to move up that timetable.

She described the moment in lofty terms — as an inflection point in history that could have enormous bearing on future relations between the two countries.

Dai sat very still and, when he spoke, did so almost in a whisper.

China has done all it can, he said. He hesitated, then added that if the Americans believed more was possible, the negotiating teams could sit down again.

“I don’t want to talk to him anymore,” Cui blurted out in Chinese, gesturing toward Campbell.

Dai told Cui to try once more.

“We go out uncertain what to expect,” one official said. “What we’re waiting for is a signal.”

**Breach of protocol**

A glimmer of hope came not long afterward, at Clinton’s meeting with Premier Wen Jiabao.

In the middle of the meeting, as Wen and Clinton were talking, a junior Chinese officer stood up from the table and pulled Cui, China’s ambassador to Washington, Zhang Yesui, and their lieutenants from the meeting — an extraordinary breach of typical protocol.

Behind a large wall, the Chinese officials held an animated deliberation. When the officials returned to their seats, they appeared tense but slightly more confident.

After the meeting, one of them pulled Campbell aside. “Are you certain this is what he wants?” the official asked.

“We’re absolutely certain,” Campbell replied.

During a lunch break, as the State Department’s Victoria Nuland briefed reporters, a journalist handed her a BlackBerry with a news alert from Xinhua, China’s official news agency.

Chinese officials had declared that, as a Chinese citizen, Chen was free to apply to study abroad. Whether it signaled that the Chinese had fully committed to letting him go — or were simply stalling — remained unclear.

Shortly afterward, Cui met again with Campbell and three other Americans.

For a full hour, he harped on the issue of U.S. interference. Shortly afterward, Cui made his first mention of the Xinhua story.

“That’s when we knew it was a deliberate move,” one U.S. official said.

The Chinese laid out their demands. They wanted to make clear publicly that Chen was receiving no special treatment, and they needed an undefined period of time before releasing him so it did not appear as if they were caving in to outside pressure.

Most of all, they insisted the agreement was to be presented as a series of parallel and separate undertakings on both sides, not as a “deal,” or even as an “understanding.”

Cui departed with a final warning to the Americans: Don’t say anything that would force us to contradict you.

**A last-minute statement**

The meeting left the Americans 20 minutes before Clinton was to address reporters.

At least seven senior U.S. officials gathered around a computer to cobble together a statement.

At the news conference, as Cui had been promised, Clinton spoke in positive but general terms. Her spokeswoman released a statement describing U.S. expectations “that the Chinese Government will expeditiously process his applications” for travel documents.

After six days of nearly nonstop crisis diplomacy, there was nothing left to do but wait for word from the Chinese.

It came 15 days later, as Chen was whisked from his hospital and put on a plane to Newark.

# Leader’s Fall in China Put Allies in Peril



The Nanshan Lijing Resort in Chongqing, China, where the body of Neil Heywood was found. He was a British businessman with ties to the family of Bo Xilai, whose wife has been tied to Mr. Heywood’s killing.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html?inline=nyt-per) and JONATHAN ANSFIELD

###### Published: May 20, 2012

CHONGQING, China — Early this year, as a crisis unfolded in the chambers of power here, three men flew into this fog-wreathed riverside metropolis within a day or two of one another. They were members of the inner court of [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), the Communist Party aristocrat who ran the city, and they had come to repair a rupture between the strong-willed Mr. Bo and his equally driven police chief.

Just days earlier, on Jan. 28, the police chief, [Wang Lijun](http://www.nytimes.com/2012/02/09/world/asia/speculation-grows-over-fate-of-crime-fighting-chinese-official.html), had pressed Mr. Bo over evidence tying Mr. Bo’s wife to the [death last fall of a British businessman](http://www.nytimes.com/2012/04/12/world/asia/bo-xilai-scandal-and-the-mysterious-neil-heywood.html), prompting Mr. Bo to punch Mr. Wang in the face, Mr. Wang later recounted to others. The three men — two of them powerful businessmen and the other a former intelligence agent — had befriended Mr. Bo and Mr. Wang years ago. They knew both to be controlling and impulsive, and their goal was to broker a peace.

The most famous of the three, Xu Ming, 41, listed by Forbes as China’s eighth-richest person in 2005, had flown in on his private jet. He and the others held separate meetings with Mr. Bo and Mr. Wang. The damage was irreparable. The former intelligence agent, Yu Junshi, rushed home and stuffed a bag with 1.2 million renminbi, or nearly $200,000, to take to a bank with Ma Biao, the other businessman, known for his girth. Then all three fled to Australia within days, fearful of the fallout from a possible investigation of Mr. Bo.

Those figures are now being detained as central suspects or witnesses in the Chinese government’s broad investigation into Mr. Bo’s use of power. His fall from the party’s top echelons has opened a window on how some of his closest allies from his years as a rising official in northeast China became entwined in the social and economic fabric of Chongqing, a fast-growing western municipality of 31 million that Mr. Bo governed for four years. The accounts about those allies, which raise questions about Mr. Bo’s relations with tycoons, are based primarily on interviews with six people associated with the circle, who spoke on the condition of anonymity for fear of facing official scrutiny, and a review of financial documents and company Web sites. Together, they reveal the workings of the shadowy court of one of China’s leaders, and of the panic that set in when these ambitious figures realized their world was about to collapse.

“These are powerful men with their own style,” said one person who has met with Mr. Yu. “It was all very strange, very abnormal, the way they acted at that time.”

On Feb. 6, Mr. Wang drove to the American Consulate in Chengdu and told diplomats about what he said was the murder of the Briton, Neil Heywood, which set in motion one of China’s biggest political scandals in decades: Mr. Bo has been [removed from his posts](http://www.nytimes.com/2012/03/15/world/asia/upstart-leader-in-china-is-ousted-from-party-post.html), his allies are under scrutiny and his wife is a suspect in the killing.

The three men who fled to Australia have been held for two months. They left after Mr. Wang’s consulate visit, but returned to China in about 10 days on Mr. Xu’s private jet, thinking that Mr. Bo had avoided serious trouble. They were picked up by the police around the time that Mr. Bo was removed as party chief of Chongqing on March 15, according to several people who knew the men or their friends and families. One with security contacts said almost 60 people had been detained.

All three had much to lose. Mr. Xu, the billionaire, and Mr. Ma, the businessman, in particular had become involved in land deals here, and feared being brought down if Mr. Bo was investigated for corruption, their associates said.

The men could not be reached for comment, and employees at companies where they serve as executives declined to answer questions.

The first to appear on the scene in Chongqing was Mr. Yu, a fixer for the Bo family. He moved here before Mr. Bo arrived in December 2007 for his posting as party chief. Mr. Bo had sent him to gather information and build relations, according to people who have met Mr. Yu, a former intelligence officer for the People’s Liberation Army. Mr. Yu had been posted to Bangkok in the 1990s, but an agent in his network defected, and the members of his group were recalled and punished.

After Mr. Yu left the intelligence service, he returned to his hometown, Dalian, where Mr. Bo was mayor and Mr. Xu was building up his companies. Mr. Yu was investigated by the police over his business activities, and he enlisted the help of Gu Kailai, a lawyer married to Mr. Bo. He soon became friends with Mr. Bo; Mr. Xu, the billionaire; Mr. Ma, the businessman; and Mr. Wang, who was a police officer in the surrounding province of Liaoning, said people familiar with this history.

“Bo Xilai is fascinated by spies, so he likes to make friends with intelligence agents,” said Yang Haipeng, an investigative journalist in Shanghai.

In a microblog post on April 24, Mr. Yang wrote that Mr. Yu was an ex-spy turned “henchman” for the Bo family who had been detained in March. Censors deleted Mr. Yang’s microblog account, and security officials asked him for his source.



Wang Lijun, who as police chief of Chongqing confronted Mr. Bo with evidence implicating his wife in the killing.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/05/21/world/21gang-map.html','21gang_map_html','width=341,height=430,scrollbars=yes,toolbars=no,resizable=yes'))

Chongqing is a fast-growing municipality of 31 million.



Xu Ming, a wealthy businessman and friend of Mr. Bo’s.

Mr. Yu, well read and well mannered, moved in rarefied circles in Chongqing and kept a low profile. He was thrust into the spotlight only once, when two dogs he kept at a home in Olympic Garden Villas, a German shepherd and a pit bull terrier, bit a man to death last July, said one person who has visited Mr. Yu at the home. Mr. Wang, the police chief, persuaded Mr. Yu to put the dogs to sleep. “A dog that has caused so much trouble for you will make trouble again; it will jinx your future,” Mr. Yu recalled Mr. Wang saying, according to the person. The episode was reported in The Chongqing Evening News. Mr. Yu told the reporter he worked in the financial industry.

Business executives seeking to curry favor with Mr. Bo and Mr. Wang sometimes approached Mr. Yu. In 2009, Mr. Bo and Mr. Wang started a [crackdown on criminal gangs](http://www.nytimes.com/2012/05/11/world/asia/torture-inquiry-in-anticrime-drive-of-deposed-chinese-leader.html) that was also an offensive against private entrepreneurs and Mr. Bo’s enemies. Fearful of being unfairly ensnared in the crackdown, Yin Mingshan, the founder of Lifan Group, a motorcycle company, arranged a banquet with Mr. Yu, said two friends of the banquet’s organizer. “All the bosses needed protection,” one of them said. Representatives of the company did not answer calls seeking comment.

Right after the campaign began, Mr. Xu and Mr. Ma started real estate projects in Chongqing through a complex web of companies. “Bo Xilai would always give Xu Ming advantages in doing business,” said one person.

In the 1990s, Mr. Xu built up his main conglomerate, Dalian Shide, whose holdings range from home appliances to finance to building materials, by winning contracts from local officials, including a lucrative deal to provide window frames while Mr. Bo was mayor of Dalian. Mr. Xu also received generous loans from state banks, including from China Guangfa Bank, where Mr. Ma was a branch chief.

Mr. Ma left the bank years ago and started an insurance company. After Mr. Bo arrived in Chongqing, Mr. Ma and Mr. Xu set up several companies to develop Chongqing real estate, according to financial records and information from government and company Web sites. Mr. Xu and Mr. Ma have roles in at least three companies founded in 2009: Chongqing Heshengyu Real Estate Development, Chongqing Shenghe Construction and Guanghua Huihuang.

Mr. Xu found ways to keep himself veiled. He sometimes used a Hong Kong company, Golden International Investment, to invest in local companies. Records in Hong Kong list Mr. Xu and three other Dalian Shide executives as the directors of Golden in 2003.

The companies bought at least 123 acres of land in Chongqing, according to Chinese news media reports. Mr. Xu and Mr. Ma often met their allies discreetly in hotels. One sweltering night last summer, Mr. Ma walked with Mr. Yu, the former spy, into the lobby of the Nanshan Lijing Resort, set in misty hills on the city’s outskirts. Mr. Wang, the police chief, greeted them there in a respectful manner, and they dined with Mr. Xu, said one witness.

The resort was known as a rendezvous point for people close to Mr. Bo, and Mr. Heywood’s body was found in a villa there on Nov. 15. Police investigators determined that Mr. Heywood had been poisoned, and suspected Mr. Bo’s wife, Gu Kailai, was involved.

Tensions built between Mr. Bo and Mr. Wang, the police chief, and things fell apart after they had their explosive meeting on Jan. 28. Mr. Xu beseeched Mr. Yu to fly to Chongqing from Beijing. On Jan. 31, Mr. Yu met with Mr. Wang for an entire night in Mr. Wang’s suite at police headquarters. The next day, his driver switched cars; picked up Mr. Ma, the businessman, at the airport; and drove him and Mr. Yu to the Foggy City Hotel, where Mr. Bo sometimes dined and held meetings. Mr. Ma met with Mr. Bo while Mr. Yu waited in the lobby. “When Ma Biao came out, his face looked ashen,” said a friend of Mr. Yu’s.

On Feb. 2, the two made their run to the bank. Mr. Yu told Mr. Ma to take the bag of cash inside by himself so the two would avoid being recorded together on security cameras. Then they flew out of Chongqing. That day, the local government announced that Mr. Wang had been removed from his police chief job.

Mr. Xu flew in on Feb. 3 and met with Mr. Bo. Within a week, he and the other two left for Hong Kong from northern China, and proceeded to Australia. “We thought they weren’t coming back,” one person familiar with them said.

But they returned. Then on March 14, as word quietly spread of Mr. Bo’s purge, Mr. Yu realized that he and his cohorts would be detained. He told his wife and son to go for a stroll that evening outside their Beijing home, so they would not witness the arrival of the police, his wife told a friend. But the police did not arrive until later that night, and the family watched as Mr. Yu was led away.

# NYT

# In China, Fear at the Top By RODERICK MacFARQUHAR

###### Published: May 20, 2012

IN the heyday of the Soviet era, Communist leaders were described by the dissident Yugoslav theorist Milovan Djilas as the “New Class,” whose power lay not in ownership of wealth but in control of it: all the property of the state was at their beck and call. There was the apocryphal but appropriate story of Brezhnev’s showing his humble mother around his historic office, his magnificent collection of foreign luxury cars and his palatial dacha with its superb meals, and asking for her impressions — to which she replied: “It’s wonderful, Leonid, but what happens if the Bolsheviks come back?”

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But if even a fraction of the stories about the wealth and lifestyles of China’s “princelings” — the descendants of Mao’s revolutionary generation — are to be believed, China’s New Class wants not only control, but also ownership. Few of China’s netizens are likely to believe that Bo Xilai, the Politburo member and party boss of the mega-city of Chongqing who was ousted in March on corruption charges, was an aberration.

Why has ownership of wealth become so important for the Chinese elite? And why have so many Chinese leaders sent their children abroad for education? One answer surely is that they lack confidence about China’s future.

This may seem strange, given that the Chinese have propelled their country into the top ranks of global economic powerhouses over the past 30 years. There are those who predict a hard landing for an overheated economy — where growth has already slowed — but the acquisition of wealth is better understood not just as an economic cushion, or as pure greed, but as a political hedge.

China’s Communist leaders cling to Deng Xiaoping’s belief that their continuance in power will depend on economic progress. But even in China, a mandate based on competence can crumble in hard times. So globalizing one’s assets — transferring money and educating one’s children overseas — makes sense as a hedge against risk. (At least $120 billion has been illegally transferred abroad since the mid-1990s, according to one official estimate.)

Mao and his colleagues had a self-confidence born of many factors: triumph in civil war; a well-organized party apparatus; a Marxist-Leninist ideological framework, the road map to a socialist future; and the bulwark of the victorious People’s Liberation Army. Today, more than 60 years after the civil war, only the P.L.A. looks somewhat the same, and the self-confidence is fraying.

The denunciations of party leaders and officials by the Red Guards during the Cultural Revolution undermined the party’s authority and legitimacy. The party’s insecurity was accentuated by Deng’s rejection (in practice) of Marxism-Leninism. The cloak of ideological legitimacy was abandoned in the race for growth.

Today, the party’s 80 million members are still powerful, but most join the party for career advancement, not idealism. Every day, there are some 500 protests, demonstrations or riots against corrupt or dictatorial local party authorities, often put down by force. The harsh treatment that prompted the blind human-rights advocate [Chen Guangcheng](http://www.pbs.org/newshour/rundown/2012/04/chinese-dissident-1.html) to seek American protection is only one of the most notorious cases. The volatile society unleashed against the state by Mao almost 50 years ago bubbles like a caldron. Stories about the wealth amassed by relatives of party leaders like Mr. Bo, who have used their family connections to take control of vast sectors of the economy, will persuade even loyal citizens that the rot reaches to the very top.

The Bo affair is not just about massive corruption but also succession. Mr. Bo had developed a high-profile “Chongqing model” characterized by crime busting, Maoist singalongs, cheap housing and other welfare provisions. It was a populist, and popular, attempt by a charismatic “princeling,” son of a revolutionary hero, to assert his natural right to ascend to the nine-member Politburo Standing Committee at the 18th Chinese Communist Party Congress later this year. Among the rumors circulating in China is that, once on the committee, Mr. Bo would have tried to replace the party’s incoming general secretary and president agreed to by the outgoing leadership: Xi Jinping.

Mao, who died in 1976, hand-picked his successor. Deng, who died in 1997, blessed Jiang Zemin and Hu Jintao to follow him. Mr. Hu, not being a revolutionary hero like Mao or the godfather of economic reform like Deng, did not have the prestige to appoint his successor. The low-key Mr. Xi, a princeling like Mr. Bo, emerged as a result of jostling behind closed doors. Lacking institutional legitimacy and a laying of hands by an elder, he might have looked an easy target to an ambitious Mr. Bo.

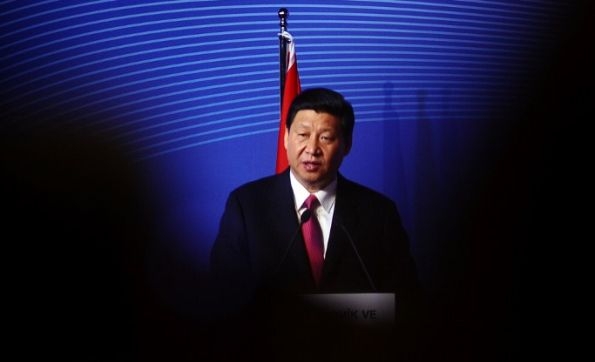
In the months ahead, party leaders will use every propaganda tool to dissipate the damage inflicted on leadership unity, party discipline and national “harmony” by the Bo debacle. They might divert criticism from Bo by depicting his allegedly murderous wife as China’s Lady Macbeth. But members of China’s New Class will still worry that the revelations about elite corruption have exposed them to the danger of the Bolsheviks coming back.

[Roderick MacFarquhar](http://www.gov.harvard.edu/people/faculty/roderick-macfarquhar), a professor of government at Harvard, is a co-author of “Mao’s Last Revolution.”

# Wealth and power

### It's a family affair

Jun 30th 2012, 13:54 by The Economist | BEIJING



IN RECENT years China’s leaders have become increasingly concerned that the public’s awareness of the [growing wealth gap could lead to social instability](http://www.economist.com/blogs/freeexchange/2011/05/inequality_china" \t "_blank). In Beijing, [displays of gratuitous overcompensation](http://www.washingtonpost.com/world/chinas-newly-rich-are-flaunting-wealth--and-giving-communist-rulers-a-headache/2011/08/05/gIQA801KMJ_story.html" \t "_blank) are a daily reminder that some people, in keeping with a famous dictum of Deng Xiaoping’s, have indeed got rich first. Officials last year even went so far as [to try suppressing ads that promote “luxury lifestyles”](http://www.telegraph.co.uk/news/worldnews/asia/china/8398097/China-bans-luxury-advertising-in-Beijing.html" \t "_blank)—lest the have-nots be inspired to rise up and storm the local Lamborghini dealership.

Perhaps even more troubling for the Party is the surge in scepticism over how such [wealth seems to find its way into the hands of officials and their families](http://www.nytimes.com/2012/05/18/world/asia/china-princelings-using-family-ties-to-gain-riches.html?pagewanted=all" \t "_blank), not to mention into those of their beloved Swiss bankers, English boarding schools and Australian estate agents. Particularly galling are the reports about the great number of officials who have taken to [working “naked”](http://www.economist.com/node/21555961" \t "_blank). That is to say, many officials are working in China while their wives, children and, presumably, a chunk of [the motherland’s money](http://www.chinadaily.com.cn/china/2012-06/28/content_15528385.htm" \t "_blank) take residence overseas. A [report released last year](mailto:http://www.time.com/time/world/article/0,8599,2079756,00.html" \t "_blank)  estimated that as much as $120 billion may have been transferred abroad by corrupt officials.

The Chinese media have been given greater freedom to report on corruption and the financial shenanigans of large companies of late. Which makes it all the more striking that [reporting on the business activities of the Central Committee’s wives and offspring is still strictly forbidden](http://chinadigitaltimes.net/2009/07/central-propaganda-department-censorship-order-on-the-case-of-hu-haifeng-son-of-hu-jintao/" \t "_blank).

An exception can be made when one of the select few falls from grace. Earlier this year, after [Bo Xilai, a rising star, was cashiered from his position as the Communist Party secretary of Chongqing](http://www.nytimes.com/2012/05/21/world/asia/leaders-fall-in-china-put-allies-in-perilhtml?pagewanted=all" \t "_blank), authorities became notably less rigorous in censoring microblogs about his family (though to this day his case remains a taboo subject in the state media). Although [formal charges against him have yet to be announced](http://www.guardian.co.uk/world/2012/may/10/china-bo-xilai-party-discipline" \t "_blank), plenty of stories have emerged in the foreign press about the [almost unbelievably](http://www.npr.org/2012/06/27/155835210/foreign-policy-tale-of-the-dragon-lady" \t "_blank) twisted business dealings of Mr Bo’s wife, [Gu Kailai](http://www.theaustralian.com.au/news/features/avarice-ambition-fell-chinas-lady-macbeth/story-e6frg6z6-1226325268828" \t "_blank). In those reports Ms Gu, a lawyer by training and the daughter of a PLA general, has been accused of [stashing assets overseas](http://www.ft.com/intl/cms/s/0/6dd9307c-bed3-11e1-bebe-00144feabdc0.html" \t "_blank), finagling a spot for her son at [the Harrow School](http://tealeafnation.com/2012/03/bo-guagua-the-prodigal-melon/" \t "_blank), [having affairs](http://www.thedailybeast.com/articles/2012/04/12/china-s-jackie-kennedy-gu-kailai-and-the-bo-xilai-s-scandal.print.html" \t "_blank) with two of the foreign gentlemen—[Neil Heywood](http://www.guardian.co.uk/uk/2012/apr/26/neil-heywood-privileged-china-elite" \t "_blank) and [Patrick Devillers](http://www.telegraph.co.uk/news/worldnews/asia/china/9359403/French-architect-Devillers-holding-funds-for-Bo-Xilai.html" \t "_blank)—who helped her to arrange all of this and, when these economic and romantic entanglements became too sticky, [orchestrating and personally supervising the November 2011 murder of one of them in a Chongqing hotel](http://www.telegraph.co.uk/news/worldnews/asia/china/9349233/Bo-Xilais-wife-admits-Neil-Heywood-murder.html" \t "_blank).

So one can only imagine the consternation caused by yesterday’s [sensational exposé by Bloomberg](http://www.bloomberg.com/news/2012-06-29/xi-jinping-millionaire-relations-reveal-fortunes-of-elite.html), which details the financial assets belonging to the family of China’s president-in-waiting, Xi Jinping. Bloomberg was careful to note that no part of their investigation directly implicated Mr Xi, his wife, [herself a famous PLA officer-cum-singer, Peng Liyuan](http://www.npr.org/2012/02/18/147063808/wife-of-chinese-vp-shows-off-vocal-pipes-stripes" \t "_blank), or their daughter, who is reportedly studying at Harvard University under an assumed name. The Bloomberg report suggests that other close relatives of Mr Xi have been blessed with abundant good fortune, to put it mildly. The article ties Mr Xi’s sister Qi Qiaoqiao, her husband Deng Jigui, and another brother-in-law, Wu Long, to assets worth hundreds of millions of dollars, or even billions. Their holdings are reported to include stakes in real estate and telecommunications, as well as the sensitive business of producing rare-earth minerals.

The government’s response to the Bloomberg report [was predictable](http://www.ft.com/intl/cms/s/0/103a9a4e-c1f5-11e1-8e7c-00144feabdc0.html" \l "axzz1zAvTXtxu" \t "_blank). Both the Bloomberg and Businessweek websites are currently inaccessible inside China’s “great firewall”. Although access to [Bloomberg Professional](http://www.bloomberg.com/professional/" \t "_blank), an essential tool for businesses and China’s financial elite, [so far remains unaffected](http://sinocism.com/?p=5567" \t "_blank).

It is often speculated that [families of officials at all levels of Chinese government](http://www.nytimes.com/interactive/2012/05/18/world/asia/power-and-profit-in-chinas-economic-boom.html" \t "_blank) are [benefiting financially](http://newsstore.fairfax.com.au/apps/viewDocument.ac;jsessionid=8B573E249B4575A305F30C973A9D10A5?sy=afr&pb=all_ffx&dt=selectRange&dr=1month&so=relevance&sf=text&sf=headline&rc=10&rm=200&sp=brs&cls=3&clsPage=1&docID=AGE12041435BBJ3MMG8J" \t "_blank) from their access to power. In a country where even a state newspaper [argues in favour of allowing a “moderate amount of corruption”](http://www.bloomberg.com/news/2012-06-07/china-argues-over-how-much-corruption-is-best.html" \t "_blank), should it come as a shock if some of the people in power seek to monetise their positions through favours and largesse?

Probably not, but it’s pretty appalling all the same. With [social tensions](http://online.wsj.com/article/SB10001424053111903703604576587070600504108.html" \t "_blank) [rising steadily](http://www.bbc.co.uk/news/world-asia-china-18622350" \t "_blank), the public’s patience with the extravagance of the official class is wearing thin. [Calls for greater transparency](http://asiasociety.org/blog/asia/chinas-microbloggers-ask-whats-net-worth-our-government-officials" \t "_blank)—not to be confused with any call for Western-style democracy—are growing louder. Many people in China have come to accept [corruption as a fact of life](http://www.npr.org/2012/06/29/155773618/a-portrait-of-chinese-corruption-in-rosy-pink?sc=tw&cc=share" \t "_blank), and feel that there is little that anyone can do to fix it.

Perversely the corruption of officials and their family members can serve as something of a check, as [Mr Bo found out earlier this year](http://www.economist.com/node/21552260" \t "_blank). It ensures that no one in the system is invulnerable. The situation is like duelling with hand grenades. If everybody in your circle of power is dirty, then it’s to your own advantage not to do anything to jeopardise your position, lest the others use what they have against you.

The system also gives those in power precious little incentive to advocate for meaningful political reform. Too many people have too much “skin in the game”. Political openness would threaten not only the Party’s grip on power, but also a whole system which provides direct and indirect financial benefits to millions of relatively well-connected individuals. Factionalism abounds of course, but the divide is less between [“reformers” and “hardliners”](http://www.worldaffairsjournal.org/blog/gordon-g-chang/reform-air-beijing" \t "_blank) than it is [between different political power-brokers and within their networks of patronage](http://sinocism.com/?p=2214" \t "_blank). Such competition becomes particularly fierce in the run-up to one of these once-in-a-decade leadership transition, as in 2012.

Given the stakes involved, it would seem Chinese officialdom should have no trouble appreciating a famous admonition made by an American polymath, Benjamin Franklin, some 235 years ago this week: [“We must, indeed, all hang together, or most assuredly we shall all hang separately.”](http://books.google.com.hk/books?id=MLAEAAAAYAAJ&pg=PA408&lpg=PA408&dq=franklin+%22shall+all+hang+separately%22+sparks&hl=en#v=onepage&q&f=false)

## China’s security state

### Guarding the guardians

# The party makes sure that the people who guarantee its rule are themselves under tight control

Jun 30th 2012 | BEIJING | from the print edition



CHINA’S leaders, it seems, are stepping up the policing of the police who help secure their rule. In the provinces police chiefs are being put more firmly under the Communist Party’s thumb. Some liberals detect in this a sign of possible reform in the way the party polices China’s citizens. More probable, however, is that after a season of tumult, the control of the police force itself is now under scrutiny. China’s vast and costly domestic-security apparatus is still behaving as aggressively as ever.

In the run-up to this autumn’s Communist Party Congress, at which China will change its most senior leaders for the first time in ten years, provincial- and lower-level party committees have already been revamped. In the process, provincial chiefs of police are being taken down a peg.

First, they are being dropped as leaders of the party’s “political-legal” committees, which oversee the police, courts and prosecutors. These committees have enormous power. The security forces they oversee are not just officers of the law but guardians of Communist rule. In recent years they have faced a series of crises, such as ethnically charged unrest in the regions of Tibet, Xinjiang and Inner Mongolia, and challenges from lawyers and activists. Their response has been to crackdown, often with mass detentions; some detainees disappear.

According to Southern Weekend, a Chinese newspaper, the party’s organisation department decreed in 2010 that political-legal committee heads should no longer double as police chiefs. The paper seems to have been right, at least about the trend. Of the 30 secretaries of provincial political-legal committees chosen this year, only nine are police chiefs, down from 13 out of 31 less than five years ago. And—unthinkable until recently—in Guangdong province in the south and Qinghai in the west, not one of the 29 police chiefs at the administrative tier below the province, the prefecture, is also the political-legal head.

A corollary of this trend is a second blow to the police chiefs’ standing: they are also being denied places on the Communist Party’s regional standing committees. These rule the provinces much as the nine-member Politburo standing committee in Beijing rules China as a whole. Of the 30 provincial-level committees named so far this year (ie, all except Beijing’s, whose congress begins on June 29th), only ten include the regional police chief, down from 14 less than five years ago. This change makes the provincial set-up look more like that in the central party and government, where the minister of public security, Meng Jianzhu, is not on the 24-member Politburo, let alone the standing committee.

One reason to think the power of the police is on the wane is the recent decline in the fortunes of the central political-legal chief, Zhou Yongkang. Mr Zhou was party secretary at the ministry of public security from 2002-07, before becoming the Politburo’s man in charge of domestic security—secret police and all. He was an ally of Bo Xilai, a fellow Politburo member, until Mr Bo was purged earlier this year.

Mr Zhou, who is said to have backed Mr Bo to succeed him, has presided over heady days for the men and women in blue (and plainclothes). China’s domestic-security budget has surged to an astonishing $110 billion a year, larger than declared defence spending. Some party rivals must surely have chafed at such a grab for power and money, and grumbled privately about Mr Zhou’s effectiveness. After all, the number of destabilising protests across China has continued to climb, to as high as 180,000 in 2010, by one estimate.

No senior leader has argued in public, however, that the rise of the security state has been counterproductive. Wen Jiabao, the prime minister, who presents himself as reform-minded, may have opposed Mr Zhou’s preference for the iron fist. But if so, he was outnumbered. Police and security powers have steadily expanded at the expense of legal procedure, the courts, prosecutors and even other party leaders. Their leadership of the political-legal committees, which are charged with balancing the interests of the police, courts and prosecutors, enhanced the police chiefs’ scope to sidestep formal institutions. Lofty hopes for the rule of law have repeatedly dashed against the rocks of the security state.

Cheng Li, an expert on Chinese elite politics at the Brookings Institution, a Washington think-tank, says police power grew partly because Mr Zhou lacked powerful rivals in China’s “collective leadership” system; partly in response to the threat posed by lawyers and activists keen to use the law against the party; and partly in reaction to the crises of unrest.

Until this year each perceived new challenge to party rule seemed to bolster Mr Zhou’s personal standing. As central political-legal chief, he is also in charge of state security and shadowy irregular units, including the 610 Office, which was created in 1999 to crush the Falun Gong spiritual movement and remains active today.

The security strategy itself has not changed this year. But Mr Zhou seems a diminished figure. A turning-point came in February when Wang Lijun, the former police chief of the south-western municipality of Chongqing, briefly took refuge in an American consulate. That was one tile in a tumble of dominoes that ended the career of Mr Bo, Chongqing’s party secretary.

Mr Zhou’s record, damaged by his links to Mr Bo, was further besmirched in April, when Chen Guangcheng, a blind legal activist, escaped from his home in Shandong province, where he was being detained—illegally—by the authorities. The episode highlighted the extralegal powers of the security forces, which had hired thugs to guard and intimidate Mr Chen and his family, and to keep well-wishers at bay, sometimes by beating them up. The political-legal chief and the police chief in Shandong were both soon sacked. Reformers took this as a hopeful sign, but it was hardly surprising: when Mr Chen also sought American protection, the incident became a national embarrassment.

There is much speculation in Beijing as to whether the successor to Mr Zhou as political-legal chief to be named this autumn will also join the new Politburo standing committee. Mr Li of Brookings and Fu Hualing of the University of Hong Kong believe that the system of political-legal committees will eventually be abolished as a step towards the rule of law. That reform, however, does not seem imminent.

Put simply, it looks as if China’s police chiefs are being reminded who is in charge. In the same vein, since the downfall of Mr Bo, who counts some army generals among his friends, party leaders have also repeatedly reminded the army that its master is the Communist Party, not the state, let alone any individual.

**Out of the barrel of the party**

The dilemma for the party, as Mr Li sees it, is that the very factors that threaten the party and made Mr Zhou and the security state powerful still exist: “If you reduce the spending on police, on security, then how to deal with the possible protests?” So murky units such as the 610 Office, whose members have surfaced, for example, in Mr Chen’s security cordon, still thrive. Ai Weiwei, a dissident and artist who was detained in irregular fashion last year by police, says security officers can be vague about precisely which branch of the party-state they work for. One way or another, though, they do the same job. Communist Party leaders cling tightly to their security state, even as they struggle to control it.

###### NYT

###### Changing of the Guard

# As China Talks of Change, Fear Rises on the Risks

###### By [MICHAEL WINES](http://topics.nytimes.com/top/reference/timestopics/people/w/michael_wines/index.html)

###### Published: July 17, 2012

BEIJING — A heavyweight crowd gathered last October for a banquet in Beijing’s tallest skyscraper. The son of Mao Zedong’s immediate successor was there, as was the daughter of the country’s No. 2 military official for nearly three decades, along with the half sister of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s president-in-waiting, and many more.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/07/18/world/JP-REFORM.html','JP_REFORM_html','width=720,height=612,scrollbars=yes,toolbars=no,resizable=yes'))

President Hu Jintao, left, of China, with his successor, Vice President Xi Jinping, whose political views are largely a mystery.

“All you had to do,” said one attendee, Zhang Lifan, “was look at the number of luxury cars and the low numbers on the plates.”

Most surprising, though, was the reason for the meeting. A small coterie of children of China’s founding elites who favor deeper political and economic change had come to debate the need for a new direction under the next generation of Communist Party leaders, who are set to take power in a once-a-decade changeover set to begin this year. Many had met the previous August, and would meet again in February.

The private gatherings are a telling indicator of how even some in the elite are worried about the course the Communist Party is charting for China’s future. And to advocates of political change, they offer hope that influential party members support the idea that tomorrow’s China should give citizens more power to choose their leaders and seek redress for grievances, two longtime complaints about the current system.

But the problem is that even as the tiny band of political reformers is attracting more influential adherents, it is splintered into factions that cannot agree on what “reform” would be, much less how to achieve it. The fundamental shifts that are crucial to their demands — a legal system beyond Communist Party control as well as elections with real rules and real choices among candidates — are seen even among the most radical as distant dreams, at best part of a second phase of reform.

In addition, the political winds are not blowing in their favor. The [spectacular fall this spring of Bo Xilai](http://query.nytimes.com/gst/fullpage.html?res=9B00E4DE1E3AF933A15750C0A9649D8B63&pagewanted=all), the Politburo member who openly espoused a populist philosophy at odds with elite leaders, offered an object lesson in the dangers of challenging the status quo. And official silence surrounding his case underscores high-level fears that any public cracks in the leadership’s facade of unity could lead its power to crumble.

As a result, few people here expect the party to willingly refashion itself anytime soon. And even those within the elite prepared to discuss deeper changes, including the second-generation “[princelings](http://www.nytimes.com/2012/05/18/world/asia/china-princelings-using-family-ties-to-gain-riches.html?_r=1&pagewanted=all),” as they are known, have a stake in protecting their own privileges.

“Compare now to 1989; in ’89, the reformers had the upper hand,” said Zhang Lifan, a historian formerly associated with the government’s Chinese Academy of Social Sciences, referring to the pro-democracy student protests that enjoyed the support of a number of important party leaders but were crushed in Tiananmen Square. “Twenty years later, the reformers have grown weaker. Now there are so many vested interests that they’ll be taken out if they touch anyone else’s interests.”

To Mr. Zhang and others, this is the conundrum of China’s rise: the autocracy that back-flipped on Marxist ideology to forge the world’s second-largest economy seems incapable of embracing political changes that actually could prolong its own survival.

Much as many Americans bemoan a gridlocked government split by a yawning partisan gap, Chinese advocates for change lament an all-powerful Communist Party they say is gridlocked by intersecting self-interests. None of the dominant players — a wealthy and commanding elite; rich and influential state industries; a vast, entrenched bureaucracy — stand to gain by ceding power to the broader public.

Many who identify with the reform camp see change as inevitable anyway, but only, they say, because social upheaval will force it. In that view, discontent with growing inequality, corruption, pollution and other societal ills will inevitably lead to a more democratic society — or a sharp turn toward totalitarianism.

An overriding worry is that unless change is carefully planned and executed, China risks another Cultural Revolution-style upheaval that could set it back decades.

“The bureaucrats still don’t have this sense of a crisis,” one editor at a major Communist Party newspaper, who spoke on condition of anonymity, said in an interview this year. “They think that they can continue to muddle through.” And perhaps they can — at least for a while longer. Most Chinese credit the party for lifting hundreds of millions of citizens from poverty and creating a huge urbanized middle class, providing a foundation of support for the status quo.

But many people are dissatisfied with an elite that retains tight political control, holds immense wealth and operates with largely unchecked authority. Scholars say the number of “mass incidents” — a vaguely defined official measure of discontent that includes spontaneous citizen protests — has doubled since 2005. The government stopped publicly reporting the total in 2006.

“We recognize the achievements,” said Yang Jisheng, an editor of the liberal journal Yanhuang Chunqiu. “But we worry about how to sustain them.

“The cake is extremely big, the second-biggest cake in the world. But it’s divided extremely unfairly,” Mr. Yang added. And “it’s systemic. If the system doesn’t change, it is always going to be unfair.”

Some leaders share those fears. The Communist Party’s only vocal advocate of systemic reform, [Prime Minister Wen Jiabao](http://www.nytimes.com/2012/03/15/world/asia/china-wen-jiabao-calls-for-political-reform.html), warned at his annual news conference in March that failing to overhaul the party’s leadership risked setting off a second Cultural Revolution. Political change is a common topic of debate in the government’s many research groups and in the party’s school that trains up-and-coming leaders.

“Neither the rulers nor the ruled are happy with the current situation,” said Mr. Zhang, the historian. “The prevailing belief is that change is coming soon, but the question is how. Change is either going to come from the top leadership, or from the grass-roots level.”

Critics complain of stagnation during President [Hu Jintao](http://topics.nytimes.com/top/reference/timestopics/people/h/hu_jintao/index.html?inline=nyt-per)’s decade in power, and note that Mr. Wen has only halfheartedly pushed for change. They say the party has focused less on addressing citizen grievances than on erecting a sophisticated security apparatus to stifle them.

Mr. Hu’s stab at loosening up the Communist apparatus has been a call for “intraparty democracy,” code for giving the party’s lower ranks more voice in setting policy and choosing higher-ups. But there is scant evidence that even those minor changes in the power equation have been seriously pressed.

Little is clear about the leanings of a new generation that will supplant Mr. Hu and most other members of the Politburo standing committee, the party’s top ruling body, in the transition starting this fall.

The political views of [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), China’s vice president and [Mr. Hu’s anointed successor](http://www.nytimes.com/2011/01/24/world/asia/24leader.html?pagewanted=all), are unknown, though he has flashed brief signs in a few speeches and meetings of what sound to analysts like more progressive leanings.

Some others who seem likely to ascend to the leadership have shown glimmers of support for change. They include Li Kequiang, Mr. Wen’s expected successor as prime minister; Vice Premier Wang Qishan; Li Yuanchao, the head of the party’s powerful organization department; and Liu Yandong, a contender to become the standing committee’s only female member.

“I’m optimistic,” Zhou Zhixing, a media executive and former official at a Communist Party research organization, said of the next standing committee. “I think these people have a very good understanding of China’s current situation, and they know that people’s demands include political reform.” Mr. Zhou’s Web site, Consensus Net, has become an important forum for political debate.

If peaceful change is to occur, Mr. Zhou and many others say, it must begin inside the Communist Party; the lesson of Tiananmen Square is that the leadership will not tolerate threats to its control. Many speak of a transformation along the lines of that in Taiwan, where authoritarian rulers peacefully gave way to direct elections in 1996, and helped spawn today’s robust democracy.

But the pro-reform contingent agrees on little else: on whether China should seek Western-style democracy, a more open form of the Communists’ single-party dictatorship or something altogether different.

Populists want to remake the party to reflect Mao’s early vision, redistributing billions in government riches to the people. A so-called new democracy movement, led by a rural economist and journalist named Zhang Musheng, is gaining followers with a plan to add checks and balances to one-party rule and to significantly expand welfare benefits. But Mao-style populism is disdained by most current leaders, and Mr. Bo, perhaps its leading apostle, was felled by scandal last spring.

A second Communist camp wants to open the party to internal competition, abandoning the leadership’s facade of unity and letting rival factions take their ideas to the wider party for approval. Over the long run, they say, transparency will spawn competing parties under a Communist umbrella — a sort of one-party democracy. But in a China where stability is the leadership’s obsessive concern, the notion of baring divisions at the pinnacle of power seems almost farcical.

Indeed, the reformers cannot even agree on their motivation. Intellectuals and dissidents see political opening-up as an article of faith. Many in the second red generation, the children of the founding warriors, are driven by anger over what they believe China has become under Mr. Hu.

“They think the Youth League has ruined the country that their fathers fought and died for,” said Mr. Zhang, the historian, referring to the Communist Youth League, which is Mr. Hu’s base of support.

The beleaguered idealists cannot afford to be too choosy, though. “We welcome them,” Mr. Zhang said. “It’s better to at least have an interest in reform, no matter why.”

But the sheer scope of the discord leads some who call for change to wonder whether they are less a movement than a debating society — intellectuals trading theories over plates of noodles in their apartments, the second red generation trading theories over lavish hotel banquets.

“Mao used to say that ‘revolution is not a dinner party,’ ” Mr. Yang, the editor at Yanhuang Chunqiu, said sardonically. “But right now, revolution is precisely a dinner party.”

###### NYT

###### Changing of the Guard

# China’s Communist Elders Take Backroom Intrigue Beachside



An elderly relative of Zhou Enlai, a prime minister under Mao, got some help navigating Beidaihe, a resort town where dignitaries gather in the summer and maneuver for power for their allies.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html) and JONATHAN ANSFIELD

###### Published: July 21, 2012

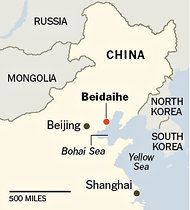
BEIDAIHE, China — Clutching a wooden cane and aided by an entourage of young people, the old man in a black silk shirt and matching shorts hobbled up the stairs to Kiessling, a decades-old Austrian restaurant not far from the teeming beaches of [this seaside resort](http://www.newyorker.com/archive/2002/09/02/020902fa_fact_hessler). He sat on the balcony and ordered ice cream. It was the best in town, he told his companions. At least it had been in his youth.

### Changing of the Guard

Politicking by the Sea

Articles in this series are examining the implications for China and the rest of the world of the coming changes in the leadership of the Chinese Communist Party.

* + [Previous Article in the Series: Gridlock at the Top](http://www.nytimes.com/2012/07/18/world/asia/as-china-talks-of-change-fear-rises-on-risks.html)



###### The New York Times

Intense politicking is expected in Beidaihe this year.

“This man is a relative of Zhou Enlai,” the restaurant manager said in a low voice to some foreign diners at a nearby table, referring to the revered prime minister of China in the Mao era. “He’s come here before. He stays in the neighborhood where the leaders live.”

In any other city, even Beijing, it would be unusual to casually run into a relative of Mr. Zhou. But it is midsummer in [Beidaihe](http://www.nytimes.com/2001/08/10/world/china-s-leaders-the-meeting-site-at-one-resort-in-china-two-distinct-worlds.html), which means one thing: Communist Party elders and their families are congregating here, about 180 miles east of Beijing, to swim and dine and gossip — and to shape the future of the world’s most populous nation.

It is palace intrigue by the sea. In their guarded villas, current and past leaders will negotiate to try to place allies in the 25-member Politburo and its elite Standing Committee, at the top of the party hierarchy. The selections will be announced at the 18th Party Congress this fall in Beijing, heralding what is expected to be only the second orderly leadership transition in more than 60 years of Communist rule.

“This is where the factional struggles are settled and the decisions are made,” said one resident, surnamed Li, who, like others interviewed for this article, spoke on the condition of anonymity because of the delicate nature of Chinese politics. “At the meetings in the fall, everyone just raises their hands.”

Beidaihe is a Chinese combination of the Jersey Shore and Martha’s Vineyard, with a pinch of red fervor: the hilly streets and public beaches are packed with shirtless Russians and Chinese families, while the party elites remain hidden in their villas and on their private patches of sand. A clock tower near Kiessling chimes “The East is Red,” a classic Mao anthem.

The security presence has surged in recent weeks. Police officers in light blue uniforms patrol on Suzuki motorcycles and stand on street corners watching for jaywalkers. They have set up a checkpoint on the main road leading into town.

The informal talks are expected to start late this month and run into August, continuing a tradition that went into partial eclipse after China’s top leader, President [Hu Jintao](http://topics.nytimes.com/top/reference/timestopics/people/h/hu_jintao/index.html?inline=nyt-per), took over from Jiang Zemin in 2002, and ordered party and government offices to stop more formal operations from the seaside during the summer palaver. But Mr. Jiang reportedly chafed at that and continued hobnobbing here with his allies. There was a notable conclave here in 2007 that Mr. Hu attended, to pave the way for the 17th Party Congress, according to scholars and a State Department cable disclosed by WikiLeaks.

In any case, politicking is inevitable when party elders show up to escape the stifling heat and pollution of Beijing.

Westerners began building up Beidaihe as a summer retreat in the late 19th century, as the Qing dynasty waned. When the People’s Liberation Army entered in 1948, the resort had 719 villas, according to China Daily, a state-run English-language newspaper.

Communist leaders began vacationing here. Mao was an avid swimmer and dove eagerly into the waters of the Bohai Sea. He convened formal conclaves here. His successor, Deng Xiaoping, made the meetings into annual events (he also took swims, supposedly to counter rumors of his ailing health).

The most infamous event at Beidaihe involved Lin Biao, a Communist marshal whom Mao accused of plotting a coup. On Sept. 13, 1971, after the coup attempt was supposedly discovered, Mr. Lin fled his villa here with his wife and a son and boarded a plane at the local airport. Their destination was the Soviet Union, but the plane crashed in Mongolia, killing everyone on board.

There are plots and counterplots this year, too. Negotiations here will be [complicated by the continuing scandal over Bo Xilai](http://www.nytimes.com/2012/05/21/world/asia/leaders-fall-in-china-put-allies-in-peril.html), the deposed Politburo member who was most recently party chief of Chongqing. Some political observers had expected that by now the party would have concluded the investigation into Mr. Bo and his wife, who is suspected of killing a British businessman. Several people with high-level party ties say that Mr. Bo, who is being held in secret and without charges, is fighting back against interrogators, and that party leaders are having a difficult time deciding how to resolve his case.

During the negotiations, each current Standing Committee member should, at least in theory, have considerable say in determining the successor to his particular post. But party elders behind the scenes sometimes wield more authority. Mr. Jiang, though retired and ailing last year, may carry the greatest weight next to that of Mr. Hu. The heir apparent, [Vice President Xi Jinping](http://www.nytimes.com/2012/04/27/world/asia/bo-xilai-scandal-in-china-may-help-vice-president-xi-jinping.html), also plays a role.

“Consensus among these three — the former, current and incoming leaders — is extremely important,” said Zhang Xiaojin, a political scientist at Tsinghua University in Beijing.

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Security in Beidaihe is stepped up when top political leaders descend on the resort town for meetings. Outside, Chinese and Russians soak up the sun.

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With its elites and its ordinary tourists, the town is part Jersey Shore, part Martha’s Vineyard.

A flurry of activity in recent months has laid the groundwork. In May, more than 300 senior cadres were asked at a meeting to list the officials they thought should make the Politburo Standing Committee, where all the seats are in play except for the top two. Those are expected to go to Mr. Xi and Li Keqiang, who is slated to take over as prime minister.

Polling of senior party members was also done before the 2007 congress. Such surveys are intended as reference points only, though they have become increasingly important. Talk is swirling in Beijing over the results of the May polling. One member of the party elite said several people associated with Mr. Hu’s political base did not do well. Two insiders said one person who ranked high was Wang Qishan, a vice prime minister who oversees the financial sector.

Party leaders are considering reducing the number of Standing Committee seats to seven from nine, as was the case as recently as 2002, many insiders say. Mr. Hu is believed to support the change, which is in part aimed at curbing the entrenchment of interest groups at the top. That could mean taking two portfolios — probably propaganda and one dubbed “politics and law” that encompasses domestic security — and either adding them to the duties of other leaders or downgrading them to the Politburo level.

“With fewer people, they can concentrate power and increase their efficiency,” said one official at a state news media organization.

But there are other possible motives. The rapid expansion of security powers under [Zhou Yongkang,](http://www.nytimes.com/2012/05/20/world/asia/chinese-security-chief-seems-to-keep-grip-on-power.html) the current Standing Committee member who heads the politics and law committee and supported Mr. Bo, has alarmed some party leaders, political analysts say. Since assuming the post in 2007, Mr. Zhou has capitalized on Mr. Hu’s focus on stability to build up the security apparatus, whose budget this year is officially $111 billion, $5 billion more than the military budget.

“The politics and law apparatus has grown too powerful,” an intelligence official said. “A lot of us feel this way.”

A contraction of the Standing Committee could also hurt those vying for seats who are not among the very top candidates, most notably [Wang Yang,](http://www.nytimes.com/2011/12/31/world/asia/chinese-official-wang-yang-tests-new-political-approach.html?pagewanted=all) the party chief of Guangdong Province, who cultivates a progressive image.

The size and structure of the leadership have been a matter of continuing discussion. One analyst with ties to officials involved in party planning said that at the May meeting, cadres were also asked to submit their views on changing the composition of the party’s upper echelons, in a glimpse of what may be called intraparty democracy. Though few changes were expected anytime soon, “a lot of people had very different ideas,” he said.

Those debates are remote from the lives of most people in Beidaihe. Yet talk of politics flows loosely here. At a beach reserved for local officials, next to an almost-deserted patch of sand blocked off for party leaders, a retired official in swim trunks pointed to the villas across the road. He said the children of party leaders had made off with too much money through corrupt practices in state industries.

Emblematic of the distance between officials and those they rule, he said, is the fact that the party leaders vacationing here nowadays refuse to go into the sea, which is brown from runoff. Ordinary people swim in those waters, but the leaders take dips in swimming pools, including one built recently that is filled with filtered seawater.

“What are they good for?” the retired official asked. “What did they inherit from their fathers? They should have inherited the solidarity of the revolution.”

NYT

# Bo Xilai’s Wife Is Charged in Killing of British Businessman

###### By REUTERS

###### Published: July 26, 2012 at 8:01 AM ET

BEIJING (Reuters) - China has indicted Gu Kailai, the wife of deposed Communist Party politician Bo Xilai, for intentional homicide, in the latest development in a political scandal that has shaken the Party's once-in-a-decade succession.

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Gu Kailai in 2007.

Gu and family employee Zhang Xiaojun will be prosecuted for allegedly poisoning British businessman Neil Heywood over "conflict of economic interests" between the Heywood and Gu, the official Xinhua news agency said citing authorities.

"The facts of the two defendants' crime are clear, and the evidence is irrefutable and substantial. Therefore, the two defendants should be charged with intentional homicide," Xinhua said.

It did not give a date for the trial, but a family lawyer told Reuters it was likely to take place on August 7-8.

The announcement comes months before the ruling Communist Party unveils a new top leadership.

Heywood was poisoned after he threatened to expose a plan by a Chinese leader's wife to move money abroad, two sources with knowledge of the police investigation told Reuters in April.

Gu has been in police custody for months on suspicion of committing or arranging Heywood's murder, though no details of the motive or the crime itself had not been publicly released, other than a general comment from Chinese state media that he was killed after a financial dispute.

Bo, the 62-year-old Communist Party chief of Chongqing municipality in southwest China before his dismissal, was widely seen as pushing for a spot in that new leadership until felled by the scandal brought to light by his former police chief, Wang Lijun.

Bo was dismissed from his Chongqing post in March, and was suspended from the party's top ranks in April, when his wife Gu was named as a suspect in the November 2011 murder of Heywood, a long-time friend of the couple whose son had earlier studied in England with the help of Heywood.

Bo is under investigation for violating party discipline, and he could later face investigation for criminal charges.

Since Bo was dismissed in March, he and his wife Gu, formerly a powerful lawyer, have disappeared from public view and have not had a chance to respond publicly to the accusations against them.

The removal of Bo has triggered rifts and uncertainty, disrupting the Communist Party's usually secretive and carefully choreographed process of settling on a new central leadership in the run up to its 18th congress.

Left-wing supporters of the charismatic Bo have defended him as the instigator of a much-needed new path for China, and many of them see him as the blameless victim of a plot.

The 18th Party Congress, scheduled to be held late this year, will appoint that leadership. President Hu Jintao and Premier Wen Jiabao will then step down from their government posts at the National People's Congress in early 2013, when Vice President Xi Jinping is likely to succeed Hu as president.

###### Memo From Beijing

###### In China, Gu Kailai’s Reprieve Reinforces Cynicism

NYT



Gu Kailai, a member of China’s elite class, received a suspended death sentence on Monday for murdering a British associate.

###### By [ANDREW JACOBS](http://topics.nytimes.com/top/reference/timestopics/people/j/andrew_jacobs/index.html)

###### Published: August 20, 2012

BEIJING — When it comes to patriotic blockbusters, synchronized military parades and choreographed political cavalcades that fill the Great Hall of the People, the Chinese Communist Party knows how to put on a show.

But in publicly prosecuting Gu Kailai, the wife of the purged political leader [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), for murdering a British business associate, it seems to have committed some fumbles.

The party’s carefully scripted trial of Ms. Gu — which led to her conviction on Monday for poisoning the Briton, Neil Heywood, and a [suspended death sentence](http://www.nytimes.com/2012/08/21/world/asia/china-defers-death-penalty-for-gu-kailai.html) — appears to have prompted anger and cynicism from almost everyone here who paid attention.

Die-hard leftists who still back Mr. Bo and his populist policies detected strands of a grand political conspiracy. Legal scholars identified glaring inconsistencies in what the government had trumpeted as a model of judicial exactitude. And liberals, noting that Ms. Gu’s crime would have remained secret had not a player in the scandal divulged incriminating details to American diplomats, found further evidence that their leaders believe they can literally get away with murder.

“For many people, the party was just trying to use the justice system for their own purposes, but they did it in such a way that made everyone laugh,” said Ai Weiwei, the Chinese artist provocateur who spent [81 days in extralegal detention](http://www.nytimes.com/2012/05/27/world/asia/first-a-black-hood-then-81-captive-days-for-artist-in-china.html?pagewanted=all) last year for what he says was his unyielding government criticism. “It’s obvious to everyone that they came up with the sentence before the facts were known.”

Even ordinary Chinese ridiculed the decision to spare Ms. Gu’s life, saying a commoner would have been summarily executed for the murder of a foreigner. “Steal a whole country and they make you prince. Steal a fishing hook and they hang you,” read one oft-forwarded proverb.

In sparing her, court officials cited Ms. Gu’s mental instability; her fear that Mr. Heywood might harm her son; and her testimony, which also led to the conviction on Monday of four police officials she had enlisted in a cover-up.

Her principal accomplice, Zhang Xiaojun, a family employee convicted of a limited role, was sentenced to nine years in prison.

Suspended death sentences in [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) are often tantamount to life in prison, but good behavior can bring jail time down to 25 years. And the [Dui Hua Foundation](http://duihua.org/wp/), a San Francisco group that advocates reform of China’s criminal justice system, noted that the psychological ailments cited by the court could make medical parole possible in less than a decade.

There was no such discussion in the statement published by the official Xinhua news agency, which brimmed with congratulatory prose and quoted spectators at the trial extolling the government’s devotion to the rule of law. “Listening to both the trial and the verdict announcement gave me firsthand experience of justice delivered by the law,” said one Wang Xiuqin, a local party member in Anhui Province, where the trial was held. “A healthy socialist legal system does not leave crimes unpunished.”

Many legal observers, however, were less inspired, noting that Ms. Gu, 53, a trained lawyer, would have known precisely what she was doing when, according to the prosecution’s account, she got Mr. Heywood drunk and then fed him cyanide mixed with water. “She planned the crime herself, put the poison in his mouth herself, destroyed the evidence herself but didn’t turn herself in,” Wang Lianqi, a lawyer and commentator, wrote in a blog post. “Why did she receive a suspended death sentence? Could it be that our Constitution has been amended to say that people are not treated equally before the law?”

On Sina Weibo, the country’s most popular microblog service, Ms. Gu was avidly compared to Xia Junfeng, a food peddler on death row who fatally stabbed two urban management officials after they beat him. “A lawyer who commits premeditated murder gets a suspended death penalty, and a peddler who defends himself gets death,” one posting said. “This is the Chinese justice system.”

From the outset, the murder of Mr. Heywood was an especially daunting public relations challenge for the party. And the Internet made the task even more daunting — despite a veritable army of censors. Judicial officials, who normally conduct criminal trials behind closed doors, were forced to accept greater transparency because of the victim’s nationality. The authorities barred foreign journalists but could not deny access to British consular officials.

But party strategists seem to have made several miscalculations, releasing details of a confession by Ms. Gu that defied conventional wisdom and allowing leaks from several attendees of the trial. Portions of those accounts, including prosecution claims that Mr. Bo’s most trusted aide had a hand in the cover-up, were omitted from an official narrative released by the state media, fueling accusations that the authorities were trying to shield Mr. Bo from any criminal charges.

In fact, Mr. Bo was the biggest elephant in the room. There was one prosaic mention of his name, but no exploration of whether he had played any role in the crime.

Also absent was his former aide, Wang Lijun, that pivotal player who started the case’s unraveling in an American Consulate in February. He and Mr. Bo, who lost his job as party chief of the municipality of Chongqing, still await their fates.

The trial raised a long list of unanswered questions. Why would a powerful woman like Ms. Gu kill a man she could have easily had arrested or deported? Why did none of the witnesses testify in court? And if Mr. Heywood had threatened the life of her son as prosecutors claim, why would Mr. Heywood have traveled to Chongqing to spend a night drinking at her side? Many also found implausible Ms. Gu’s purported main contention: that Mr. Heywood had briefly detained her son, Bo Guagua, during a visit to Britain, and then sent an e-mail threatening to “destroy” him.

Then there were the small inconsistencies: The court said Ms. Gu and Mr. Heywood had first met in 2005; most published accounts say their association dates back to at least the late 1990s, when Mr. Heywood helped her son gain admission to an elite British school.

“This was a satire of justice,” said He Weifang, a law professor at Peking University. “The trial was more about covering up facts than revealing what really has happened.”

Perhaps the most glaring omission was the trial’s failure to discuss the so-called economic dispute underlying the crime. Prosecutors said Mr. Heywood had been demanding $22 million from the family for a failed real estate venture. Many wondered how Mr. Bo, a civil servant, and Ms. Gu, who had not worked in years, might have been expected to come up with such a sum. The implication, many analysts say, is that the Communist Party was eager to avoid highlighting the sort of unbridled official corruption that many Chinese believe is endemic.

Even Ms. Gu’s emotionally leaden statement at her sentencing inspired disbelief and ridicule. In her brief monologue, broadcast on Monday afternoon on national television, she thanked the court for its magnanimity.

Ma Jian, an exiled Chinese novelist who lives in London, found her performance patently scripted. “Not since Stalin’s show trials of the 1930s,” he wrote in a [blog post](http://www.project-syndicate.org/commentary/china-s-show-trial-of-the-century-by-ma-jian), “has a defendant so effusively praised a judge who seemed bound to condemn her at a trial where no witness or evidence against her was presented.”

# NYT

# Key Figure in Scandal That Felled Bo Xilai Is Charged

###### By IAN JOHNSON and JONATHAN ANSFIELD

###### Published: September 5, 2012

BEIJING — The once-powerful police officer at the center of a scandal that felled the senior Communist leader [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per) was charged Wednesday with defection, abuse of power and corruption.



Wang Lijun, the former police chief and vice mayor of Chongqing, in October 2011.

The charges against Wang Lijun, the former police chief and vice mayor of the southwestern city-state of Chongqing, stemmed from his flight in February to the United States Consulate in Chengdu, where he told American diplomats that Mr. Bo’s wife, Gu Kailai, had killed a British businessman, Neil Heywood.

The allegations eventually leaked and Mr. Bo, the Chongqing party secretary and a Politburo member, fell from power. His whereabouts is unknown, and he has not been charged with any wrongdoing. His wife was recently convicted of poisoning Mr. Heywood.

As in the case against Ms. Gu, the way the charges were laid out against Mr. Wang suggests to some analysts that Mr. Bo may be treated relatively leniently, though his fate remains uncertain. He was not mentioned in the official [Xinhua news agency report](http://news.xinhuanet.com/legal/2012-09/05/c_112974426.htm), possibly implying that he might not be linked to Mr. Wang’s crimes.

“For the sake of party unanimity — because Bo has strong backers — Hu Jintao has decided to treat him lightly,” said Willy Lam, a Chinese political analyst who teaches at the Chinese University of Hong Kong. “They want to treat Bo leniently.” (Mr. Hu is the departing Chinese president, but he is expected to retain influence, possibly by remaining as head of the military council that supervises the People’s Liberation Army.)

Mr. Wang seems to have escaped being charged with the more serious crime of treason, which often results in the death penalty. Ms. Gu received [a suspended death sentence](http://www.nytimes.com/2012/08/21/world/asia/china-defers-death-penalty-for-gu-kailai.html), which is tantamount to life in prison.

Separately, four top police officials who served under Mr. Wang were convicted of aiding the cover-up, although the courtroom proceedings raised more questions than they answered.

Wednesday’s announcement is part of a slow but steady mopping-up operation ahead of a crucial Communist Party congress expected to take place next month. At the conclave, a new group of leaders will formally be granted the authority to take control of the country, the first such transition in a decade.

“Beijing had to clean it up before the 18th Party Congress,” said Li Datong, a well-known Chinese journalist and political commentator. “It can’t leave this administration’s affair for the next administration.”

The report said that Mr. Wang bent the law to help Ms. Gu cover up her crime, although it did not specify how.

The report also contended that Mr. Wang abused power by illegally spying on people. Sources have said the tech-savvy Mr. Wang [wiretapped](http://www.nytimes.com/2012/04/26/world/asia/bo-xilai-said-to-have-spied-on-top-china-officials.html) a wide range of people, including top government leaders, with Mr. Bo’s approval.

Lawyers and businesspeople also say many innocent people were convicted as part of a campaign against organized crime in Chongqing. Some think this charge will make it hard to entirely shield Mr. Bo, who took credit for the crime sweep.

Li Weidong, a political commentator in Beijing, said that the charges against Mr. Wang open the door for the government to criminally charge Mr. Bo and possibly redress some allegations of abuses of power in Chongqing.

“If they say that Wang Lijun committed so many crimes and Bo Xilai did not commit any, no one will believe it,” Mr. Li said. “Over all, this means that the chances of Bo facing criminal prosecution are growing. He was Bo Xilai’s main aide, after all.”

But Mr. Li projected that Wang would face a jail sentence of more than 20 years or possibly life in prison. The charges of bribery and abuses of power also indicated that corruption cases in Chongqing could be redressed, he said.

Documents circulated internally in the spring regarding the case credited Mr. Wang for exposing Mr. Heywood’s murder. But there were no such positive points for Mr. Wang in the news report of the indictment. This indicated that the party’s assessment of the case had evolved as leaders negotiate ahead of the congress, Mr. Li added.

He also noted that the party had yet to announce Mr. Wang’s expulsion from it, as it often does in cases where members are indicted. He did not rule out that Mr. Wang might have already been expelled internally.

The case is to be tried in Chengdu; a date was not announced. Mr. Wang was sidelined by Mr. Bo after the two men clashed over Ms. Gu’s crime, perhaps hoping to silence him. But that move prompted Mr. Wang to drive to Chengdu in early February and [enter the United States Consulate](http://www.nytimes.com/2012/02/10/world/asia/mystery-of-chinas-missing-crime-fighter-deepens.html) there according to people in Chongqing and [party findings](http://www.nytimes.com/2012/06/08/world/asia/new-account-of-bo-xilai-meeting-with-wang-lijun.html) that are not part of the government’s public case.

Mr. Wang stayed about 24 hours and was arrested when he exited the building. It is not clear what he hoped to achieve by fleeing to the consulate, although the American diplomats are thought to have forwarded Mr. Wang’s information about Mr. Heywood’s killing to their British counterparts and the allegations eventually became public.

Previously, the two men had been tightly linked. Mr. Wang had been known as a martial-arts expert who helped Mr. Bo crack down on crime in another province. Mr. Bo brought him to Chongqing to take on the city’s notorious mafias.

The effort was part of a high-profile campaign by Mr. Bo to improve his chances during the coming leadership transition, during which Mr. Hu will first step down from his party post and retire from his government position, handing over the reins to Vice President Xi Jinping.

# NYT

# China’s Presumptive New Leader Is Mysteriously Absent

###### By IAN JOHNSON

###### Published: September 10, 2012

BEIJING — The strange disappearance from public view of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s presumptive new leader is turning a year that was supposed to showcase the Communist Party’s stability into something of an annus horribilis.



Vice President Xi Jinping addressed the Communist Party of China in Beijing on Sept. 1.

Over the past week, the new leader, [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), has missed at least three scheduled meetings with foreign dignitaries, including Secretary of State [Hillary Rodham Clinton](http://topics.nytimes.com/top/reference/timestopics/people/c/hillary_rodham_clinton/index.html?inline=nyt-per) last Wednesday and the prime minister of Denmark on Monday. So far officials have declined to provide an explanation for his absences.

That set off furious speculation on the Internet that the 59-year-old Mr. Xi’s health, either physical or political, has taken a turn for the worse. Some diplomats say they have heard that Mr. Xi suffered a pulled muscle while swimming or playing soccer. One media report, since retracted, had it that Mr. Xi was hurt in an auto accident when a military official tried to injure or kill him in a revenge plot. A well-connected political analysts in Beijing said in an interview that Mr. Xi may have had a mild heart attack.

Whatever the actual reason, Mr. Xi’s unexplained absences are conspicuous on the eve of what is supposed to be China’s once-in-a-decade transfer of power. It also adds to a litany of woes that have disrupted the Communist Party’s hopes that a seamless political transition would send a signal of stability to the Chinese people and the world at large.

Two unusual political scandals have sidelined people considered contenders for seats on the all-powerful Politburo Standing Committee, most recently including a close ally of President Hu Jintao’s. China’s economy has fallen into an unexpectedly deep slump, confounding government forecasts for a measured slowdown. Party leaders have also yet to announce a date for the 18th Party Congress, the event to mark the retirement of this generation of leaders and the accession of the next, though it is supposed to take place as soon as next month.

Mr. Xi was designated internally as the presumptive heir to Mr. Hu as the leader of the Communist Party, head of state and chairman of the top military oversight body in 2007, a full five years before he was expected to assume those posts. Party bosses have tried to name future leaders well in advance to prevent destabilizing jockeying for power. Smooth transitions are considered by many Chinese as a crucial test of the Communist Party’s longevity, and its leaders are eager to make the case that their authoritarian system can manage China better than a multiparty democracy could.

Analysts who follow Chinese politics say the transition is still likely to happen roughly along the planned lines. They also say that the core leadership team around Mr. Xi is slowly taking shape, with the lineup of the Standing Committee coming into focus as the congress draws near.

But at the very least, the atmospherics are turning out to be far messier than envisioned, with officials stumbling to maintain their usual careful choreography.

Last Wednesday, after [Mr. Xi did not meet Mrs. Clinton](http://www.nytimes.com/2012/09/06/world/asia/no-movement-on-key-disputes-as-clinton-meets-with-chinese-leaders.html) and Prime Minister Lee Hsien Loong of Singapore, diplomats said privately that he had a bad back.

On Monday, the situation got odder. Foreign journalists had been invited to a photo opportunity between Mr. Xi and Prime Minister Helle Thorning-Schmidt of Denmark. On Monday, however, the Foreign Ministry denied that any such meeting had been scheduled and said other Chinese officials would meet the Danish leader.

“We have told everybody everything,” said a Foreign Ministry spokesman, Hong Lei.

While Chinese leaders often do not appear in public for long periods, canceling meetings with foreign dignitaries at the last minute is highly unusual. Adding to the uncertainty is the lack of an official statement of any kind, with observers speculating about car crashes and heart attacks.

“There’s every sort of crazy rumor about Xi’s health,” said a senior Chinese journalist, who asked not to be identified due to the sensitivity surrounding the case. “But no one is saying anything.”

Mr. Xi’s absence comes during a year when the Chinese political system has suffered serious blows.

This spring, senior leader Bo Xilai vanished from view and soon after his wife was charged with murdering a British businessman. She was eventually [tried and convicted over the summer](http://www.nytimes.com/2012/08/21/world/asia/china-defers-death-penalty-for-gu-kailai.html), and his police chief, Wang Lijun, who has been accused of covering up the murder and other crimes, [could face trial soon](http://www.nytimes.com/2012/09/06/world/asia/key-figure-in-bo-xilai-scandal-is-charged.html).

The scandal threatened to upset the complex political calculations that underlie the transition because Mr. Bo was popular among an influential wing of reform skeptics, many of whom decry the country’s widening wealth gap. So even though Mr. Bo’s own case still has not been handled, sorting out his wife and closest associates was seen as an important step to get the transition back on track, implying that senior leaders were united on how to deal with Mr. Bo.

But no sooner had these problems been cleared than one of Mr. Hu’s closest allies was sidelined in unusual circumstances.

Ling Jihua had headed the party’s General Office, a position similar to chief of staff. He was expected to be replaced so that Mr. Xi could bring in his own man, but he departed the position unusually early [to a job that many saw as a demotion](http://www.nytimes.com/2012/09/02/world/asia/party-intrigue-seen-in-chinese-officials-apparent-demotion.html). Some sources say it was because of a car crash earlier this year involving a Ferrari: his son was at the wheel and died, and two female companions were seriously injured. The episode exposed the [fabulous wealth and extravagant lifestyles](http://www.nytimes.com/2012/09/04/world/asia/after-ling-jihuas-demotion-news-of-sons-crash-in-ferrari.html) that some leaders’ family members acquire.

Adding to the uncertainty is that no date has been set for the party congress. Political experts expected the date to be finalized by now, contributing to speculation that the final lineup of the new leadership remains unsettled.

Party congresses are held every five years, generally in October. In 2007, the year of the previous congress, the October date had been announced by August.

“These are not signs that everything is going well,” said Bo Zhiyue, a political science professor at the National University of Singapore. “Negotiations seem to be going on.”

China’s political system has long been a black box, but its all-encompassing secrecy has begun to seem anachronistic as the country has become one of the world’s biggest economic, political and military powers.

“Authorities are worried about anything that may tarnish the transition,” said Joseph Y. S. Cheng, a political science professor at the City University of Hong Kong. “But this concern is working against their interests; they should come out with a clear statement” about Mr. Xi’s whereabouts.

Mr. Xi could appear publicly at any time and quash the speculation about his status. But for now rumors are replacing real information, with one of the most common being that he hurt his back playing sports. Popular Internet search sites have aggressively removed references to Mr. Xi and have even blocked searches for “back injury.”

One well-connected political analyst in Beijing said Mr. Xi had suffered a mild heart attack but that it was not serious enough to prevent him from assuming China’s top positions.

“They say it won’t affect the party meeting,” the analyst said.

As if to assuage worries about Mr. Xi’s health, a newspaper on Monday ran a picture of Mr. Xi addressing students at the opening of the fall semester of the Central Party School. The photo and speech, however, were from Sept. 1, the last confirmed date of Mr. Xi’s being seen in public.

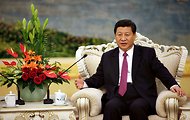
NYT

# Off-Script Scramble for Power in a Chinese Leader’s Absence

###### By IAN JOHNSON and JONATHAN ANSFIELD

###### Published: September 13, 2012

BEIJING — With still no sign of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s designated new leader, [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), [who has not been seen in public since Sept. 1](http://www.nytimes.com/2012/09/11/world/asia/xi-jinping-chinas-presumptive-new-leader-mysteriously-absent.html), many insiders and well-connected analysts say the Chinese political ship is adrift, with factions jockeying to shape an impending Communist Party conclave.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/09/14/world/jp-china.html','jp_china_html','width=720,height=540,scrollbars=yes,toolbars=no,resizable=yes'))

Xi Jinping on Aug. 29. Some analysts believe he has had a heart attack or stroke.

The government has maintained its official silence about Mr. Xi’s absence. After an initial burst of chatter, blog posts alluding to Mr. Xi have been effectively smothered on China’s social media platforms, and China’s beleaguered Foreign Ministry spokesman says on a daily basis that he has no information, despite a barrage of questions from the foreign news media.

By Thursday, a number of ranking party members with years of experience following Chinese politics were generally in agreement that Mr. Xi, 59, had suffered either a mild heart attack or a stroke, forcing him to cancel his appointments.

“The most reliable information we can find is that it’s his heart,” said a senior Chinese newspaper editor who spoke only on the condition of anonymity because of the sensitivity of the issue among the party hierarchy. Li Weidong, a former editor of a government-sponsored reformist journal, agreed.

On Thursday, Mr. Xi’s name appeared in the Chinese press for the first time in days, [as he offered condolences](http://www.gx.chinanews.com/2012/1910_0912/62812.html) over the recent death of a veteran party member. But that terse report only mentioned him among several leaders and did not imply anything more than a formal expression of sorrow.

“I think it’s hard to say this proves anything,” said Jin Zhong, the editor of Open, a magazine in Hong Kong. “He didn’t appear, but just sent condolences.”

Even if Mr. Xi does soon show up in public, he will be re-entering an unexpectedly contentious political arena.

Planned years in advance, the 18th Party Congress [is slated to be the most sweeping government reorganization](http://www.nytimes.com/2012/08/07/world/asia/reports-signal-gathering-of-chinese-leaders-ahead-of-transition.html) in a decade, with scores of leaders scheduled to retire. It was still expected to take place next month or soon after in Beijing, where Mr. Xi was to take over as leader from Hu Jintao. The Communist Party has numerous factions, but the overall framework of the transfer was thought to have been mostly ironed out over the past year.

But recent developments, including Mr. Xi’s mysterious cancellation of several public appearances, suggest that may not be the case.

The most obvious sign of discord is that the dates for the congress have not been set. Most political experts here expected it to be held in mid-October, but without an official announcement, some are predicting it will be delayed.

“We hear that the congress will be held in late October or early November,” a security official from southern China said. “Currently we’re planning for that.”

One reason for the delay, the experts say, is what now appears to have been a [contentious meeting in early August](http://www.nytimes.com/2012/07/22/world/asia/chinas-communist-elders-take-backroom-intrigue-beachside.html) at the seaside resort of Beidaihe, China. According to the official script, this was to have been the final big meeting before the congress of leaders from the party’s various factions: the military, big state enterprises, descendants of revolutionary families, leaders of critical Communist Party organizations and others. The details of the congress were to be finalized at Beidaihe and the dates announced later in August.

Instead, according to information that is slowly leaking out, the Beidaihe meeting and other sessions beforehand in Beijing [were especially tense](http://www.nytimes.com/2012/09/02/world/asia/party-intrigue-seen-in-chinese-officials-apparent-demotion.html). “The atmosphere was very bad, and the struggles were very intense,” said a political analyst with connections to the party’s nerve center, the General Office.

Mr. Hu, who has been criticized as having been an overly cautious and ineffective leader during his decade in power, was also seen as defensive and gloomy.

A veteran party scholar who attended the Beidaihe meetings said the leaders only met over a couple of days and finalized a list of more than 2,000 delegates to the congress whose names were already public. A proposed list of new leaders was not circulated, however, and there was no deliberation of critical issues, like drafts of the political blueprints to be unveiled at the congress, he said.

“We thought that these issues would be settled there,” he said, “but they weren’t.”

Given the absence of hard information from the government, it is possible that Mr. Xi’s absence has been caused by something other than illness. The veteran party scholar, who dined late last week with a close family member of Mr. Xi’s, said the relative told him he did not know Mr. Xi to be sick. The scholar maintained that Mr. Xi’s absence was because of the unsettled political situation.

“There is still a struggle; it is not finished,” he said.

Most insiders say that they still expect Mr. Xi to re-emerge soon and take over the top positions in the party and the government roughly on schedule. Two party academics who advise the government said Mr. Xi could make a speech this weekend. Almost all the insiders said he should be healthy in time to participate fully in the Congress.

But if Mr. Xi’s sudden absence has been caused by a serious illness, it raises the question of whether he will be strong enough to serve the two five-year terms expected of him when he emerged in 2007 as a compromise candidate to lead the party.

“This would be the worst-case scenario,” said a senior official in a government research group with close ties to the central government. “It would require a complete rebalancing of all the competing interests.”

This is not to say that the transition has ground to a halt. Most of those who closely follow China’s party politics are predicting that the powerful Standing Committee of the Politburo will be reduced to seven from nine members in an effort to streamline decision-making, resolve factional fighting over seats and rein in the power of China’s well-financed law enforcement apparatus. In addition, most seem to agree on all but one or two members of the probable leadership lineup.

Not all, however, believe that this plan is set in stone. The party scholar who attended the Beidaihe retreat said he had not seen any evidence confirming whether the Standing Committee would have seven or nine members.

Some see the uncertainty as reflecting Mr. Hu’s desire to retain influence for as long as possible. It is unclear, for example, how long Mr. Hu will stay on as leader of the Central Military Commission, a job that effectively makes him commander in chief. His predecessor, Jiang Zemin, retained that post for two years after stepping down as party secretary, but it appeared for a while that Mr. Hu might bow to pressure to give that position to Mr. Xi to help the new leader consolidate power.

“He wants to continue in office,” a party historian said, “but a lot of people are not willing to see this.”

# NYT

# Ousted From Party in China, Bo Xilai Faces Prosecution

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: September 28, 2012

BEIJING — Chinese leaders announced on Friday that [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?8qa), a disgraced Communist Party aristocrat, had been expelled from the party and would be prosecuted on criminal charges. The leaders also said they had scheduled the 18th Party Congress, the climax of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s once-a-decade leadership transition, to start on Nov. 8.

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Bo Xilai in March 2012.

The announcements ended months of uncertainty over how the party would handle Mr. Bo, the most critical player in one of the biggest political scandals in decades, and when it would be ready to install a new generation of leaders, including [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?8qa) and Li Keqiang, the men expected to become president and prime minister.

Mr. Bo is accused, among other things, of abusing his power in the case of a British businessman who authorities say was murdered by Mr. Bo’s wife, and of taking “massive bribes” directly and through his family, according to Xinhua, the state news agency. The official report’s long list of accusations against Mr. Bo, which includes adultery, seems intended to bury Mr. Bo’s political career and diminish lingering support for him within the party and among the general public.

Political insiders said the decisions over how to move ahead on Mr. Bo’s case and the timing of the party congress were linked, because the Bo issue had to be settled to a certain degree before the leadership transition could take place. But party elders, who have an important role in deciding the leadership lineup, could still be in conflict over other significant personnel issues. The Nov. 8 date, a week after the start of a party planning session and two days after the American presidential election, gives the elders time to try to conclude their negotiations.

The most watched part of the transition will be the announcement of new members on the Politburo Standing Committee, the elite body that governs China by consensus and whose size could be reduced to seven from nine this year.

The son of one of China’s revered revolutionary leaders, Mr. Bo, 63, the former party chief of the southwest metropolis of Chongqing, was one of the country’s most powerful politicians and considered a contender for the standing committee, before investigators this year began looking into the killing of Neil Heywood, a British citizen.

Gu Kailai, Mr. Bo’s wife, [was convicted last month of murdering Mr. Heywood](http://www.nytimes.com/2012/08/10/world/asia/murder-trial-of-bo-xilais-wife-concludes.html?pagewanted=all) by poisoning and [given a suspended death sentence](http://www.nytimes.com/2012/08/21/world/asia/china-defers-death-penalty-for-gu-kailai.html?pagewanted=all), which means she will likely serve a long prison term, possibly life.

The news was posted online by Xinhua at 6 p.m. on a Friday ahead of a weeklong national holiday.

The most serious accusations against Mr. Bo appeared to be those relating to bribes and the Heywood murder, though no details were given. Ms. Gu was also accused of taking bribes. One Chongqing resident with government ties said officials had learned of the decision in afternoon meetings in that city; at one session, the attendees were told that Mr. Bo had taken several million renminbi in bribes and Ms. Gu had taken more than 20 million renminbi, or $3 million.

The Xinhua report also said Mr. Bo had violated party discipline for many years, starting with posts in the city of Dalian and Liaoning Province, continuing during a stint as commerce minister and extending through his four-year governance of Chongqing, where he was known for a so-called anticorruption crackdown and a revival of Mao-era patriotic songs through public singalongs.

The report also said investigators found Mr. Bo “had or maintained inappropriate sexual relationships with a number of women,” but did not give names. That line did not appear to be referring to potential criminal charges, but instead read like an attempt to soil the reputation of Mr. Bo in the eyes of ordinary Chinese. Officials in Chongqing were also told of Mr. Bo’s improper relationships, as well as those of Wang Lijun, a former police chief, and Wu Wenkang, [another Bo associate](http://www.nytimes.com/2012/04/20/world/asia/bo-xilai-loyalists-are-rounded-up-in-china.html) in the government, said the resident, who spoke on the condition of anonymity because of a fear of official reprisal.

The public airing of such serious and sordid charges showed that party leaders had reached agreement that Mr. Bo had to be dealt with severely. Mr. Bo was a charismatic leader who had used his platform in Chongqing to espouse populist policies and attract an ardent following, especially among believers of a leftist revival where the state would impose economic equality. Even recently, Mr. Bo’s political allies, which include other “princelings,” or children of party leaders, had privately argued in his defense, going against a push by President Hu Jintao and Prime Minister Wen Jiabao for the party to act quickly and harshly.

The [strong-willed Mr. Bo](http://www.nytimes.com/2012/05/07/world/asia/in-rise-and-fall-of-chinas-bo-xilai-a-ruthless-arc.html?ref=boxilai) and his flamboyant style of politicking were regarded as threats by many of the current and ascending leaders. He was seen as a potential rival to Mr. Xi, a fellow princeling in line to become party chief and president. The Chongqing resident with official ties said that even after his detention, Mr. Bo’s sense of superiority remained undiminished — Mr. Bo refused to cooperate with investigators and cursed them instead.

He Weifang, a law professor at Peking University and critic of Mr. Bo’s policies, said the announcement “indicates that the senior decision makers are furious with Bo’s behavior, and they are going to adopt the most severe methods against him. What Bo has done has not only been viewed as a crime, but more important has been considered a challenge to authority and to the established party line, which cannot be tolerated.”

It is unclear when a criminal trial for Mr. Bo would begin, but Xinhua said the case had been handed from party investigators over to the judiciary. Mr. Bo has been detained since March, when he was dismissed from his party chief position. He was suspended from the Politburo the following month. The state news media said Mr. Bo was under investigation for “serious disciplinary violations.”

Li Zhuang, a lawyer who served an 18-month prison sentence after being convicted of suborning perjury during Mr. Bo’s crackdown, welcomed the announcement.

[Mr. Li’s case inspired an outcry](http://www.nytimes.com/2011/04/20/world/asia/20china.html) among Chinese liberals, who accused Mr. Bo and police officers in Chongqing of taking aim at civilians who had nothing to do with organized crime.

“This is great news, but also quite expected,” Mr. Li said in a telephone interview. “This is how things should be.”

Some leftist intellectuals, though, said after the announcement that they wanted to make it clear that the party had not rejected the ideals that Mr. Bo promoted during his red nostalgia campaign. “All the accusations against Bo are over his unethical lifestyle and loose morals,” said Sima Nan, a Maoist scholar. “They didn’t criticize the Chongqing model. They didn’t say what was wrong with the ideology, principles and policies that Bo had adopted.”

**NYT**

**Elite and Deft, Xi Aimed High Early in China**



The Rongguofu mansion in Zhengding, part of a profitable film enterprise that Xi Jinping promoted during his tenure as party secretary in the village.

**By IAN JOHNSON**

**Published: September 29, 2012**

ZHENGDING County, China — Thirty years ago, a young government official with a plum job in Beijing made an odd request: reassignment to a poor rural area.



Xi Jinping

At the time, millions of young people were still clawing their way back to China’s urban centers after being exiled to the countryside in the Mao era. But 30-year-old [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per) bucked the trend, giving up a secure post as adviser to a top military leader to navigate the tumultuous village politics of Zhengding, in Hebei Province.

The move offers a window on the political savvy of Mr. Xi, who, despite a recent two-week absence from public view that raised questions about his health, is on the cusp of taking over as China’s supreme leader at a party congress that officials announced Friday would begin Nov. 8.

Mr. Xi (his full name is pronounced Shee Jin-ping) gained a measure of credibility to speak for rural Chinese compared with many other well-connected children of the elite. He also realized, according to several inside accounts, that his powerful family stood firmly behind him, ensuring that his stint in the countryside would be a productive and relatively brief exercise in résumé building that could propel him up the Communist Party hierarchy.

His powerful father, Xi Zhongxun, a revolutionary-era military leader, helped orchestrate his transfer, selecting Zhengding because of its relative proximity to Beijing, and later having Mr. Xi reassigned when he ran into local opposition, Chinese experts who have researched Mr. Xi’s background said.

His connections allowed him to take chances in Zhengding. He pushed through market-oriented reforms when they were still considered cutting edge, and sidelined pro-Maoists. His stint in the countryside also helped him form new alliances with other offspring of the elite who would later prove important allies.

Even three decades into the country’s rapid industrialization, China’s leadership still pays heed to its heritage as a party of peasants, and it has tended to promote officials who can claim to be deeply rooted in the rural struggle. But it has also tended to favor “princelings,” the privileged offspring of former leaders who had ties to the party’s revolutionary history.

After his time in Zhengding, Mr. Xi could check both boxes.

“People think of him as being from the new generation of technocrats,” says Jin Zhong, a Hong Kong-based analyst of Chinese political leaders. “But he’s really a continuation of the red bureaucracy of his father’s generation.”

Mr. Xi’s trajectory was similar to that of Bo Xilai, another princeling who used stints in the provinces to create an image of a bold reformer and champion of the poor before his career was derailed by a major scandal this year. Mr. Xi’s stay in Zhengding, however, was characteristically more cautious, even as parts of it have entered modern Chinese political lore.

When Mr. Xi volunteered for rural duty in 1982, he did so along with two other up-and-coming officials, including Liu Yuan, son of the former head of state under Mao, Liu Shaoqi.

The men’s decision to work at the grass roots caught the popular imagination after the author Ke Yunlu wrote a 1986 novel, “New Star,” about a party secretary who takes modern, market ideas to a backward province. The official meets many troubles but manages to triumph.

The novel’s hero was a composite character based on Mr. Xi and the other two young officials. The book was soon made into a popular television series and is still widely known as a classic of that early reform era.

What Mr. Xi found in Zhengding was less romantic than the novel. He had hoped to be a party secretary with direct authority over a town or county but the conservative provincial party secretary, Gao Yang, blocked that. Disgusted by inexperienced but well-connected princelings like Mr. Xi parachuting into his domain, Mr. Gao made him deputy party secretary of Zhengding.

Still, Mr. Xi took on the assignment with gusto. He wore a green army greatcoat from his involuntary service in another rural area under Mao, roaming the town night and day to survey its problems. Wang Youhui, a local official, wrote in a published essay that he recalls seeing Mr. Xi for the first time and being taken aback by his plain style.

“I realized that this guy, who from his style of dress made him look like a lad from the canteen crew, was the new deputy party secretary,” Mr. Wang wrote.

Mr. Xi’s biggest challenge was managing the county’s roads, which were part of national north-south arteries. They were so bad — strewn with manure, dirt and grain left out to dry — that the county was labeled in government reports as “chaotic, dirty and backward.”

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Chinese chess in a town built in the Qing dynasty style in Zhengding, a project of Mr. Xi’s.

Mr. Xi took firm action. According to internal government histories, he held mandatory classes for 43,200 people — 10 percent of the county’s population — on how the roads should be handled. As a member of the county’s Politics and Law Committee he also helped lead a draconian crackdown on crime, part of a nationwide attack on “Spiritual Pollution.”

The county began holding show trials of criminals through the summer and autumn of 1983, according to these government accounts. Four people were executed in public on one occasion.

Later in 1983, Mr. Xi was promoted to party secretary and kept a firm hand on social issues. Under his leadership the local government strictly enforced the national one-child policy. According to internal government documents, the county sterilized 31,000 women and fit another 30,000 with intrauterine contraceptive devices.

Like the crime campaign, the family planning measures were part of a national policy and there is no evidence that Mr. Xi was more zealous than others. But it illustrates a truism for successful Chinese leaders — that social issues have to be dealt with firmly to create political space for market-opening economic measures.

It was in economics as well as personal connections that Mr. Xi stood out.

Zhengding was a grain-growing center, with peasants forced to grow huge amounts for central granaries. Mr. Xi formed a clever alliance with Maoists and used his family ties in Beijing to cut Zhengding’s grain quota by one-quarter. That freed up farmers to use their land more lucratively, such as for raising fish, geese or cattle.

Mr. Xi caused even more of a stir in Zhengding when he tried to make it a center of television filming. State television was filming the classic novel “Dream of Red Mansions,” which is set in a palace and surrounding grounds. Crews had already built an enormous replica of the park in Beijing. But Mr. Xi used his political connections to get the mansion built in Zhengding, meaning the cast had to travel six hours to Zhengding to shoot indoor scenes.

Despite local opposition, Mr. Xi pushed through a plan to spend three times the original amount in a bid to make the set permanent.

The story of building the television studio is now firmly part of Mr. Xi’s official lore, touted as an example of his visionary economic leadership. In justifying the costs, he said it would help create a tourist attraction, and for many years it was popular because the television series was a huge hit. Several other shows were also filmed there in the 1980s and early 1990s. But what is rarely mentioned is that the Rongguofu mansion now gets few visitors and has not been used as a set for 20 years. It also spawned two spinoffs in Zhengding that are bankrupt, with one torn down and the other shuttered.

Despite his clout, and unlike the character in the novel “New Star,” Mr. Xi was not able to vanquish all his enemies.

He was never promoted beyond county chief. He was blocked, local residents and biographers say, by Mr. Gao, the provincial party secretary. According to Hu Lili, one of the authors of a new biography published by Mirror Books, Mr. Xi’s family decided that three years in Zhengding was enough. In 1985 his father arranged to have him transferred to China’s wealthier and more reform-minded coast, where he served under a more sympathetic party chief with ties to his father.

Yet the time in Zhengding helped Mr. Xi hone his skills, setting a template for his rise. It also cemented his bond with Liu Yuan, who is now a senior leader in the People’s Liberation Army. He also made an ally in Li Zhanshu, who was a local official in Hebei at the same time as Mr. Xi. Mr. Li has now been tapped to take over the party’s nerve center, its General Office.

“You can’t separate his accomplishments from his political support,” said Yang Zhongmei, a Xi biographer and lecturer at Yokohama City University. “This is the model you see today: if you have enough political support and money, you can accomplish a lot.”

###### NYT

# With a Transition Near, New Questions in China



The Communist Party leadership was out in force on Monday for a ceremony to commemorate National Day in Tiananmen Square in Beijing.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html) and JONATHAN ANSFIELD

###### Published: October 1, 2012

BEIJING — With only six weeks to go before the formal unveiling of a new set of leaders for [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo), Communist Party elders and senior officials are still deciding who will ascend to the top ruling bodies and what policy direction they will adopt for the new team, political insiders and analysts say.

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President Hu Jintao, left, and former President Jiang Zemin head up competing party factions.

After nearly a year in which planning for the succession has been upset by an extraordinary string of scandals, the leaders and elders have finally agreed on Nov. 8 as the date to begin the 18th Party Congress, the climax of just the [second peaceful transfer of power in China’s Communist era](http://www.nytimes.com/2012/08/07/world/asia/reports-signal-gathering-of-chinese-leaders-ahead-of-transition.html). Much of the back-and-forth over the succession, which officials have kept behind a curtain of secrecy, has involved horse-trading over leadership positions between a faction led by President [Hu Jintao](http://topics.nytimes.com/top/reference/timestopics/people/h/hu_jintao/index.html?inline=nyt-per) and one loyal to his predecessor, [Jiang Zemin](http://topics.nytimes.com/top/reference/timestopics/people/j/_jiang_zemin/index.html?inline=nyt-per).

In recent negotiations, Mr. Jiang and his allies, who include [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), the designated heir to Mr. Hu, appear to have had the upper hand, several political insiders said. Mr. Jiang’s attendance at a concert on Sept. 22 was interpreted by some as a signal that he was still a force in the game of imperial politics.

One blow to Mr. Hu this summer was the quiet unfolding of a [scandal involving a powerful politician, Ling Jihua](http://www.nytimes.com/2012/09/04/world/asia/after-ling-jihuas-demotion-news-of-sons-crash-in-ferrari.html), who is Mr. Hu’s fixer. Now another stress point is becoming evident: Mr. Hu appears on the defensive over his legacy because of growing criticism that policies enacted during his decade-long tenure were responsible for the excessive growth of the security forces and also [stalled an overhaul of the Chinese economy](http://www.nytimes.com/2012/09/27/world/asia/chinas-politics-hinder-effort-to-shore-up-economy.html) that is needed to maintain its dynamism.

“Right now, I think Hu feels very worried because a lot of people both inside and outside the party have been criticizing him,” said a party intellectual with ties to the leadership. “Some say he’s the worst leader China has had since 1949. Conflicts in society have intensified; monopolistic and antimarket tendencies in the economy seem to have intensified; and there’s been no real progress on reform.”

Plans for the political agenda and some slots in the new leadership have been tightly contested and closely held. Several people with ties to top leaders usually aware of details for the party congress said they did not even know the event’s starting date until shortly before it was announced.

In recent weeks, a [territorial dispute with Japan](http://www.nytimes.com/2012/09/19/world/asia/china-warns-japan-over-island-dispute.html) and sobering economic statistics that point to a worrisome slowdown have added stress. But a much greater factor behind the uncertainty and delay, insiders say, has been the fallout from the scandals.

The ripples are still being felt. On Friday, along with announcing the date of the party congress, Chinese leaders said that Bo Xilai, who was felled this year [by a seismic scandal](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html), [would be expelled from the party](http://www.nytimes.com/2012/09/29/world/asia/bo-xilai-expelled-from-chinas-communist-party.html) and prosecuted on a wide range of accusations, including taking bribes and abusing his power.

“Beijing has to clean this up before the 18th Party Congress,” said Li Datong, a former editor of a liberal section of China Youth Daily, a state-run newspaper. Outside of the downfall of Mr. Bo — [which was precipitated by charges that his wife had murdered a British business acquaintance](http://www.nytimes.com/2012/04/11/world/asia/detained-party-official-facing-ouster-from-politburo.html) — the biggest scandal has been the death of the son of Mr. Ling, who was the head of the party’s General Office. The son was killed [under lurid circumstances involving the crash of a Ferrari](http://rendezvous.blogs.nytimes.com/2012/09/03/in-china-a-ferrari-crashes-and-the-party-quakes/) in March. Partly as a result, Mr. Ling was moved on Sept. 1 from his post to another job, well before an expected transfer.

Amid the intrigue and factional struggles, political insiders said that meetings in late July and August in Beijing [and at Beidaihe](http://www.nytimes.com/2012/07/22/world/asia/chinas-communist-elders-take-backroom-intrigue-beachside.html?adxnnl=1&pagewanted=all&adxnnlx=1349125136-TWwDt0utZEV9xhld9QlHsg), a beach resort, did not yield substantial results. Party elders and leaders did not make big decisions on policy for the incoming leadership or complete appointments to the Politburo Standing Committee, which currently has nine members and rules China.

The standing committee’s makeup will be the most watched decision at the congress. Mr. Xi, the son of a Communist guerrilla leader, is expected to take the top seat as party chief, and Li Keqiang, pegged to be the prime minister, is all but certain to get the second- or third-ranking seat. [Mr. Xi vanished from public view](http://www.nytimes.com/2012/09/11/world/asia/xi-jinping-chinas-presumptive-new-leader-mysteriously-absent.html) for two weeks in early September, purportedly because of an injury, and that fueled talk of tensions over preparations for the congress. His reappearance has not quieted the rumors.

Speculation has swirled around the other potential candidates for the standing committee, which many predict will shrink to seven. Beyond the top two, three men are now seen as safe bets: Li Yuanchao, the head of the Organization Department and expected to be the next vice president; Wang Qishan, a vice premier; and Zhang Dejiang, another vice premier.

But after numerous twists, several other top candidates do not appear yet to have secured a seat. They include Yu Zhengsheng, party chief of Shanghai; Wang Yang, party chief of Guangdong Province; Zhang Gaoli, party chief of Tianjin; and Liu Yunshan, director of the Propaganda Department. If the standing committee remains at nine, Liu Yandong, China’s most senior female official, would have a greater chance at a seat, analysts say.

Both Mr. Hu and Mr. Xi had been among those pressing for the standing committee to be reduced in size, to strengthen central decision-making, according to several people.

Insiders differ on whether Mr. Hu will try to hold onto his third title, chairman of the Central Military Commission. One person with a party media organization and a well-connected business figure said that in general, Mr. Hu had been weakened and Mr. Xi was setting the stage to take charge.

NYT

# Former Wife of Fallen Chinese Leader Tells of a Family’s Paranoid Side



An undated family photo of Li Danyu with Bo Xilai, then her husband. They met in 1975, at the end of the Cultural Revolution.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html) and [DAVID BARBOZA](http://topics.nytimes.com/top/reference/timestopics/people/b/david_barboza/index.html)

###### Published: October 6, 2012

BEIJING — Just months before [his fall from power](http://www.nytimes.com/2012/05/07/world/asia/in-rise-and-fall-of-chinas-bo-xilai-a-ruthless-arc.html), [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per) asked the brother of his first wife to meet him at a government compound in the southwest metropolis of Chongqing.

Mr. Bo, the city’s Communist Party chief, pointed to a stack of papers and said he had forensic reports that proved the existence of a continuing plot to poison his second wife, Gu Kailai. Then he asked the other man to step into the yard and turn off his cellphone. The person suspected of masterminding the scheme, Mr. Bo said, was his son from his first marriage, Li Wangzhi, also known as Brendan Li, a graduate of Columbia University who was working in finance in Beijing.

“Could this be true?” Mr. Bo asked. When the brother-in-law insisted the fears were outlandish, Mr. Bo seemed relieved.

The story, recounted in two recent interviews with Mr. Bo’s estranged first wife, Li Danyu, 62, deepens the Shakespearean dimension of a scandal that has gripped this nation and disrupted the party’s [once-a-decade leadership transition](http://www.nytimes.com/2012/10/02/world/asia/chinese-communist-party-still-unsettled-over-changes.html).

The Bo saga has already shown that the rise and fall of a politician in [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) can hinge as much on family intrigue as on political battles.

In dynastic eras, palace upheavals were often catalyzed by paranoia and jealousies within the imperial family. From Qin Shihuang, the first emperor, to the Empress Dowager Cixi to Mao Zedong, China’s rulers have tended to suspect conspiracies against them and their close kin and have looked for assassins in the shadows. The same fears can arise within aristocratic Communist families today, especially among those vying for leadership positions.

Until his downfall, Mr. Bo was considered a contender for a top post during the handover of power that is taking place this autumn. But those hopes were dashed last spring when he was detained.

On Sept. 28, the party announced [it was expelling Mr. Bo](http://www.nytimes.com/2012/09/29/world/asia/bo-xilai-expelled-from-chinas-communist-party.html), 63, and would prosecute him on a range of criminal charges. Ms. Gu, 53, has been convicted of murdering a British business associate, Neil Heywood; in a twist on the earlier suspicions, Ms. Gu confessed to poisoning him last November because [she thought he was a threat to her son](http://www.nytimes.com/2012/08/11/world/asia/blackmail-emerges-as-gu-kailai-motive-for-heywood-killing-in-china.html?pagewanted=all), according to officials.

In the interviews, the first she has given to a news organization, Ms. Li spoke in detail about her marriage to Mr. Bo, giving a rare glimpse into the early life and thoughts of the son of a revolutionary leader and someone whom Ms. Li described as an idealist enamored of communism.

“We believed we needed to save the rest of the world from the hell of capitalism,” she said.

Ms. Li, also a “princeling” child of a party official, said that although there has been a long history of enmity between her and Ms. Gu, her son never conspired to murder Ms. Gu.

Another family member confirmed that Ms. Li’s brother had met with Mr. Bo and had been told of the alleged plot. He also insisted the son was innocent. The son and his uncle both declined to comment. Mr. Bo and Ms. Gu are under detention.

Although she has no proof, Ms. Li said she suspected Ms. Gu was the one who first blamed her son for the perceived murder plot, and the so-called forensic evidence might have been provided by Wang Lijun, the former police chief convicted of helping cover up Mr. Heywood’s murder. Ms. Li said she feared Ms. Gu wanted to have her first son arrested or harmed.

“She can be that paranoid,” Ms. Li said. As for Mr. Bo, she said, he was “good in nature and didn’t want to believe this evidence.”

Ms. Li spoke with nostalgia of her romance with Mr. Bo, which began when the two met in 1975, at the end of the Cultural Revolution. Ms. Li said she did not stay in contact with Mr. Bo after their bitter breakup in 1981.

The web of entanglements among the families reflects the insular nature of China’s “red nobility.” Ms. Li’s older brother, Li Xiaoxue, is married to Ms. Gu’s older sister, the daughter of an army general.

It was this brother who met last October, weeks before Mr. Heywood’s death, with Mr. Bo in Chongqing.

Li Xiaolin, a lawyer associated with Ms. Gu and no relation to Mr. Bo’s ex-wife, said in a telephone interview that Ms. Gu and her family members believed she had been poisoned years earlier with a heavy metal substance.

He said that he did not know whom she blamed for the poisoning. Mr. Li said that Ms. Gu’s shaking hands, evident at the trial in August, were a result of the poisoning. Ms. Gu had even taken up knitting on her doctor’s advice to try to regain control of her hand muscles, he said.

Several people close to Mr. Bo’s family said they had heard Ms. Gu was poisoned at one time, and that there was extreme paranoia within the household in recent years. But three family friends who spoke on the condition of anonymity said they did not believe Ms. Gu was fabricating evidence about Ms. Li’s son. They said Ms. Li had long resented Ms. Gu and waged private attacks against Mr. Bo and Ms. Gu to discredit them.

Ms. Li and Mr. Bo, whose elite families had known each other for years, began their love affair in 1975. Mr. Bo had just endured years of prison during the Cultural Revolution, when his father was purged, and was working in a factory.

Ms. Li, whose family had also suffered, was working as a military doctor. “What he did a lot was he read the selected works of Marx and Lenin,” Ms. Li said. “He was a simple and progressive young man.”

Living in different cities because of their jobs, they wrote letters to each other every three days. In a poem, Mr. Bo ends with lines that reflect both political fervor and romantic feelings:

Raise the army banner,

And laugh still more, gazing at the red cosmos,

Spare no effort to move forward.

Ms. Li’s first name means “red cosmos.” They were married in September 1976 and had a son the next year.

Mr. Bo enrolled in Peking University. He tried to read eight pages of English each day from library books, she said. He told her, “Eventually China will open to the world, so we have to learn.”

The two moved into Zhongnanhai, the Beijing leadership compound, after Mr. Bo’s father became a vice premier. But Mr. Bo did not aspire to join those ranks, Ms. Li said. Mr. Bo switched from studying history to journalism.

The end of the relationship began on their son’s fourth birthday, June 20, 1981. Mr. Bo surprised Ms. Li by asking for a divorce. “He felt very sad and cried and hugged us,” she said. That night, he told her, “I have no feelings for you anymore.”

Ms. Li refused to grant the divorce, though she moved out of Zhongnanhai. The case went to court. The divorce was completed in 1984. Ms. Gu, in a book she wrote, said she met Mr. Bo that year in Dalian. But Ms. Li said Mr. Bo might have been secretly seeing Ms. Gu when the two were at Peking University, while Mr. Bo was still married.

To try to stop the divorce, Ms. Li told officials that Ms. Gu had destroyed the marriage. In the interviews, Ms. Li said Ms. Gu, a lawyer, had threatened legal action if Ms. Li persisted.

Ms. Li said she “finally summoned enough courage to tell my story” after being contacted by this newspaper. Now, she and her son await the party’s final verdict on Mr. Bo.

“In those early years it was pure love,” she said. “Even though he didn’t see me for 30 years, I forget the bad things and remember the good. You don’t want to live with hate.”

WP

# China’s mid-level party officials spend professional training time cultivating allies



### By [William Wan](http://www.washingtonpost.com/william-wan/2011/03/02/ABlzvmP_page.html), Published: October 12

In BEIJING — For decades, professors at the Central Party School have safeguarded the ideology of China’s Communist Party, indoctrinating each generation of officials in the teachings of Marx, Lenin and Mao.

The school has persevered in its mission despite massive changes in society and the economy. But in recent years, it has faced a new and insidious threat: students intent on networking.

The students — largely middle-age government officials looking for promotion — no longer see their mandatory time at the school as a chance to immerse themselves in the wisdom of communism. Instead, it’s become a prime place to cultivate allies with whom they can trade future favors and backdoor deals to further their careers and wealth. That means calculated friendships, luxury dinners expensed to local governments and boozy nights on the town.

The obsession with networking has alarmed leaders in China, who see it as symptomatic of larger problems threatening the party’s iron grip over the country — disillusionment with its communist ideals, irrelevance in the modern era and pervasive corruption.

Ethical corrosion has led to families of top leaders reaping vast fortunes, officials flaunting [luxury watches](http://www.washingtonpost.com/world/asia_pacific/in-china-officials-watches-get-watched/2012/09/13/4e9937f2-f8e4-11e1-8398-0327ab83ab91_story.html) worth several times their monthly salaries, and scandals such as a railway minister accused of using ill-gotten wealth to [keep his 18 mistresses happy](http://www.bloomberg.com/news/2012-10-02/in-china-mistresses-and-corruption-go-hand-in-hand.html).

To counter such pressures, the school has strived in recent years to modernize its Marxist theories, overhaul its curriculum and enact stronger controls over students. Those changes have come as the party approaches a [transition of top rulers](http://www.washingtonpost.com/world/asia_pacific/chinas-coming-leadership-change-met-with-a-shrug/2012/08/30/e888fe2e-f19b-11e1-adc6-87dfa8eff430_story.html) on Nov. 8 that could determine the country’s direction for the next decade.

At stake, some teachers at the school believe, is nothing less than the ideological soul and future of the Communist Party.

“The job of the party school is not to blindly sing the national anthem. That’s the job of the propaganda department,” said one longtime professor. “Our job is to tell the party with frankness what is true and what is false, what is beneficial and what is not.”

**Surrounded by secrecy**

The school’s work — as a think tank for the party’s top leaders and a training center for its millions of cadres — is largely veiled in secrecy.

More than a dozen current and former professors, researchers, students and party insiders interviewed for this article spoke only on the condition of anonymity, citing a school-wide gag order because of this year’s sensitive leadership change. School administrators turned down multiple requests for comment. And a brief visit to its leafy campus — with tall stone-facade halls, drab beige dorms and gates patrolled by well-armed police officers — was possible only by accompanying a visiting delegation of foreign academics.

The caution comes in part from the school’s proximity to the country’s top leadership. The list of its former presidents reads like a who’s who of modern Chinese history, including Mao Zedong and President Hu Jintao. And the school’s current chief — a largely ceremonial office — is China’s [Vice President Xi Jinping](http://www.washingtonpost.com/world/chinas-xi-appears-in-public-after-2-week-absence/2012/09/14/49e24cd0-fee3-11e1-b153-218509a954e1_story.html), who is slated next month to replace Hu as China’s top leader.

Besides the central school in Beijing, there are more than 3,000 party schools throughout China, and they trace their roots to a program created by Communist forces in 1933 at their Jiangxi mountain base during the country’s long civil war.

The most prestigious and influential branch, however, is the [Central Party School](http://www.ccps.gov.cn/ccps_overview/201207/t20120720_18914_1.html), which accepts roughly 3,000 mid- to high-level officials as students each year — many tapped by the party’s powerful Organization Department, which controls officials’ assignments and promotions.

The students are mostly in their early 40s to late 50s. And [campus life](http://www.china.org.cn/english/China/232270.htm) sometimes resembles a communist reality show gone awry — middle-aged men shoved into campus dorms, largely confined to campus and forced to discuss their ideological forebears.

Dorm rooms are assigned according to rank. The highest ministerial-level officials get the best units, which include a bedroom, living room and private bath. “I would compare it to a bad three-star hotel or a good two-star,” one teacher said.

Training programs last from a week to two years, with the longest stints for officials from sensitive ethnic areas such as Tibet and Xinjiang. According to one instructor, the longer stays for those students are not just because of the training tailored to their areas’ penchant for unrest, but also because of language barriers and additional time needed, especially by those from Tibet, to adjust to Beijing’s comparatively oxygen-rich environment.

The most elite students at the central school are those officials handpicked for their potential to fill the country’s highest offices. Enrolled in a year-long program, they are carefully assessed by party representatives, who often live among them and sit in on their classes.

**Patronage and favors**

Despite the regimented conditions, administrators have struggled in recent years to enforce discipline, especially on networking.

On the surface, the practice seems not so different from that at business schools in the West. But with the populace increasingly irate over a system that seems rigged for those in government, it represents a serious threat to the party’s image.

“This is happening at the very place where we are supposed to be teaching anti-corruption and instilling ethics into cadres,” said a frequent lecturer at the central school and other party schools.

Fueling the problem is the way the party hands out promotions, which now depend less on one’s ability and more on guanxi – a Chinese term for a system of mutually beneficial relationships, patronage and favors.

Guanxi is believed to be at work even at the highest levels, including next month’s appointment of a new ruling council, with competing alliances bargaining to get one of their own onto the party’s all-powerful Standing Committee. Guanxi is also how so many officials have reaped vast and ill-gotten fortunes, experts say.

At the party schools, students mainly cultivate guanxi by treating one another to meals at expensive restaurants, often paid for by their home governments — a phenomenon widely acknowledged by party insiders.

“In past years, you would sometimes walk into cafeterias and not see any students,” said a teacher at a provincial party school.

Last year, according to one man who works on the Central Party School campus, a group of officials spent more than $13,000 on a single meal. It happened around the same time several Shanghai Red Cross officials were similarly [embroiled in a scandal](http://www.cncworld.tv/news/v_show/14255_RCSC_responds_luxury_feast_scandal.shtml) for spending $1,500 on a dinner. In both cases, copies of receipts were posted online by whistleblowers. But the school-related bill was quickly censored, according to the campus insider.

Many schools have tried to crack down by keeping closer track of attendance at classes and at meals and by requiring students to stay on campus during weekdays or provide valid reasons when leaving.

Last month, however, yielded the clearest sign so far that concerns have reached the highest level of government.

Xi, the country’s future leader, concluded his speech at a Sept. 10 Central Party School event with sharp words about the corrosive nature of networking meals among officials.

“It’s normal to build friendships,” Xi said, in what were likely to be his last remarks as the school’s president. “But this cannot be seen as the purpose for studying at party schools. And furthermore, your time should not be spent on networking and buying dinners.”

**Modernized curriculum**

At the same time, leaders in recent years have strived to overhaul the schools’ curriculum.

While Marx’s “Das Kapital” still appears on most reading lists, officials now spend much more time on subjects such as international monetary policy, management theory and even the realms of leadership style, psychology and the importance of personal health amid the pressures of governing.

Teaching methods have also changed drastically.

“The old way used to consist entirely of you lecturing from a platform,” said one frequent guest speaker. “It’s much more dynamic now. Students get case studies. They bring in problems from their own provinces for study.”

In a rare interview with The Washington Post last year before the media ban was put in place, a spokesman for the central school, Luo Zongyi, described the new use of “scenario simulations” to teach crisis management. In some classes, he said, journalists from state-run media are brought in to stage fake news conferences.

Meanwhile, the central school has [tried to open up](http://www.idcpc.org.cn/english/know_understand_CPC/100330-2.htm), at least superficially, to the outside world — moving from its cloak-and-dagger days of not appearing on some maps and directory lists to establishing partnerships with foreign institutions such as Georgetown University.

Those steps, however, are driven by a single strategic goal.

“Modern knowledge is taught in the hope that it will be useful to maintaining party rule,” said Alan P. Liu of the University of California at Santa Barbara, in a rare 2009 study of the central school’s curriculum.

One particular area of interest is the United States, according to school researchers, who study questions such as the hegemony of the U.S. dollar, the possibility of an American decline and the effect of public opinion on U.S. policymaking.

At the same time, it was clear from conversations with several professors that many remain obsessed with the collapse of the Soviet Union — plumbing that system’s failure for warnings signs in their own.

**Limits on new ideas**

But for all the talk of change and openness, some say they think the Central Party School remains a hidebound institution where ideas about deeper reform are stifled.

Some attribute that to the party’s more cautious crop of leaders; others to the school’s waning influence.

“At certain points in its history, the school really has been innovative,” said David Shambaugh, one of the few Western academics who has studied the school in-depth. “But it remains a very rigid place.”

Several professors also blamed the repressive environment on a fear of students.

Teachers are evaluated after each lecture by students — many of whom are rising powers who already wield significant influence. One bad evaluation or ideologically stray remark and a teacher could easily find himself out of a job, several said.

“The pressure is extremely high,” said one relatively new teacher at the central school. “There are clear red lines you cannot cross.”

Most experts at the school agree that the country’s status quo of festering problems cannot hold forever, he said. “So some are looking to theories of our past, like Mao’s, for answers. Others are looking to reform.”

But even here within the ideological soul of the Communist Party, there is pessimism that solutions will soon be found.

“How can we find the answers,” said the teacher, “when even now we cannot fully discuss the problems?”

NYT

# Billions in Hidden Riches for Family of Chinese Leader

* [](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?hp)

###### Petar Kujundzic/Reuters

* [](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?hp)

###### Bo Bor/Reuters

* [](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?hp)

###### ChinaTopix, via Associated Press

* [](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?hp)

###### Xinhua, via Agence France-Presse — Getty Images

http://graphics8.nytimes.com/images/multimedia/buttons/next_arrow.gif

Many relatives of Mr. Wen became wealthy during his leadership.

###### By [DAVID BARBOZA](http://topics.nytimes.com/top/reference/timestopics/people/b/david_barboza/index.html)

###### Published: October 25, 2012 [84 Comments](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?hp&_r=0#commentsContainer)

BEIJING — The mother of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s prime minister was a schoolteacher in northern China. His father was ordered to tend pigs in one of Mao’s political campaigns. And during childhood, “my family was extremely poor,” the prime minister, [Wen Jiabao](http://topics.nytimes.com/top/reference/timestopics/people/w/wen_jiabao/index.html?inline=nyt-per), said in a speech last year.

###### Multimedia



###### [The People’s Premier](javascript:void(0);)

###### [The Wen Family Empire](http://www.nytimes.com/interactive/2012/10/25/business/the-wen-family-empire.html?ref=global)

### Related

###### [The Lede Blog: Ask About the Wealth of Chinese Officials](http://thelede.blogs.nytimes.com/2012/10/25/ask-about-the-wealth-of-chinese-officials/?ref=global) (October 25, 2012)

###### [Series: Changing of the Guard in China](http://topics.nytimes.com/top/features/timestopics/series/changing_of_the_guard/index.html?ref=global)

But now 90, the prime minister’s mother, Yang Zhiyun, not only left poverty behind — she became outright rich, at least on paper, according to corporate and regulatory records. Just one investment in her name, in a large Chinese financial services company, had a value of $120 million five years ago, the records show.

The details of how Ms. Yang, a widow, accumulated such wealth are not known, or even if she was aware of the holdings in her name. But it happened after her son was elevated to China’s ruling elite, first in 1998 as vice prime minister and then five years later as prime minister.

Many relatives of Wen Jiabao, including his son, daughter, younger brother and brother-in-law, have become extraordinarily wealthy during his leadership, an investigation by The New York Times shows. A review of corporate and regulatory records indicates that the prime minister’s relatives, some of whom have a knack for aggressive deal-making, including his wife, have controlled assets worth at least $2.7 billion.

In many cases, the names of the relatives have been hidden behind layers of partnerships and investment vehicles involving friends, work colleagues and business partners. Untangling their financial holdings provides an unusually detailed look at how politically connected people have profited from being at the intersection of government and business as state influence and private wealth converge in China’s fast-growing economy.

Unlike most new businesses in China, the family’s ventures sometimes received financial backing from state-owned companies, including China Mobile, one of the country’s biggest phone operators, the documents show. At other times, the ventures won support from some of Asia’s richest tycoons. The Times found that Mr. Wen’s relatives accumulated shares in banks, jewelers, tourist resorts, telecommunications companies and infrastructure projects, sometimes by using offshore entities.

The holdings include a villa development project in Beijing; a tire factory in northern China; a company that helped build some of Beijing’s Olympic stadiums, including the iconic “Bird’s Nest”; and Ping An Insurance, one of the world’s biggest financial services companies.

As prime minister in an economy that remains heavily state-driven, Mr. Wen, who is best known for his simple ways and common touch, more importantly has broad authority over the major industries where his relatives have made their fortunes. Chinese companies cannot list their shares on a stock exchange without approval from agencies overseen by Mr. Wen, for example. He also has the power to influence investments in strategic sectors like energy and telecommunications.

Because the Chinese government rarely makes its deliberations public, it is not known what role — if any — Mr. Wen, who is 70, has played in most policy or regulatory decisions. But in some cases, his relatives have sought to profit from opportunities made possible by those decisions.

The prime minister’s younger brother, for example, has a company that was awarded more than $30 million in government contracts and subsidies to handle wastewater treatment and medical waste disposal for some of China’s biggest cities, according to estimates based on government records. The contracts were announced after Mr. Wen ordered tougher regulations on medical waste disposal in 2003 after the SARS outbreak.

In 2004, after the State Council, a government body Mr. Wen presides over, exempted Ping An Insurance and other companies from rules that limited their scope, Ping An went on to raise $1.8 billion in an initial public offering of stock. Partnerships controlled by Mr. Wen’s relatives — along with their friends and colleagues — made a fortune by investing in the company before the public offering.

In 2007, the last year the stock holdings were disclosed in public documents, those partnerships held as much as $2.2 billion worth of Ping An stock, according to an accounting of the investments by The Times that was verified by outside auditors. Ping An’s overall market value is now nearly $60 billion.

Ping An said in a statement that the company did “not know the background of the entities behind our shareholders.” The statement said, “Ping An has no means to know the intentions behind shareholders when they buy and sell our shares.”

While Communist Party regulations call for top officials to disclose their wealth and that of their immediate family members, no law or regulation prohibits relatives of even the most senior officials from becoming deal-makers or major investors — a loophole that effectively allows them to trade on their family name. Some Chinese argue that permitting the families of Communist Party leaders to profit from the country’s long economic boom has been important to ensuring elite support for market-oriented reforms.

Even so, the business dealings of Mr. Wen’s relatives have sometimes been hidden in ways that suggest the relatives are eager to avoid public scrutiny, the records filed with Chinese regulatory authorities show. Their ownership stakes are often veiled by an intricate web of holdings as many as five steps removed from the investments, according to the review.

In the case of Mr. Wen’s mother, The Times calculated her stake in Ping An — valued at $120 million in 2007 — by examining public records and government-issued identity cards, and by following the ownership trail to three Chinese investment entities. The name recorded on his mother’s shares was Taihong, a holding company registered in Tianjin, the prime minister’s hometown.

The apparent efforts to conceal the wealth reflect the highly charged politics surrounding the country’s ruling elite, many of whom are also enormously wealthy but reluctant to draw attention to their riches. When [Bloomberg News reported](http://www.bloomberg.com/news/2012-06-29/xi-jinping-millionaire-relations-reveal-fortunes-of-elite.html) in June that the extended family of Vice President Xi Jinping, set to become China’s next president, had amassed hundreds of millions of dollars in assets, the Chinese government blocked access inside the country to the Bloomberg Web site.

“In the senior leadership, there’s no family that doesn’t have these problems,” said a former government colleague of Wen Jiabao who has known him for more than 20 years and who spoke on the condition of anonymity. “His enemies are intentionally trying to smear him by letting this leak out.”

The Times presented its findings to the Chinese government for comment. The Foreign Ministry declined to respond to questions about the investments, the prime minister or his relatives. Members of Mr. Wen’s family also declined to comment or did not respond to requests for comment.

Duan Weihong, a wealthy businesswoman whose company, Taihong, was the investment vehicle for the Ping An shares held by the prime minister’s mother and other relatives, said the investments were actually her own. Ms. Duan, who comes from the prime minister’s hometown and is a close friend of his wife, said ownership of the shares was listed in the names of Mr. Wen’s relatives in an effort to conceal the size of Ms. Duan’s own holdings.

“When I invested in Ping An I didn’t want to be written about,” Ms. Duan said, “so I had my relatives find some other people to hold these shares for me.”

But it was an “accident,” she said, that her company chose the relatives of the prime minister as the listed shareholders — a process that required registering their official ID numbers and obtaining their signatures. Until presented with the names of the investors by The Times, she said, she had no idea that they had selected the relatives of Wen Jiabao.

The review of the corporate and regulatory records, which covers 1992 to 2012, found no holdings in Mr. Wen’s name. And it was not possible to determine from the documents whether he recused himself from any decisions that might have affected his relatives’ holdings, or whether they received preferential treatment on investments.

For much of his tenure, Wen Jiabao has been at the center of rumors and conjecture about efforts by his relatives to profit from his position. Yet until the review by The Times, there has been no detailed accounting of the family’s riches.

His wife, Zhang Beili, is one of the country’s leading authorities on jewelry and gemstones and is an accomplished businesswoman in her own right. By managing state diamond companies that were later privatized, The Times found, she helped her relatives parlay their minority stakes into a billion-dollar portfolio of insurance, technology and real estate ventures.

The couple’s only son sold a technology company he started to the family of Hong Kong’s richest man, Li Ka-shing, for $10 million, and used another investment vehicle to establish New Horizon Capital, now one of China’s biggest [private equity](http://topics.nytimes.com/top/reference/timestopics/subjects/p/private_equity/index.html?inline=nyt-classifier) firms, with partners like the government of Singapore, according to records and interviews with bankers.

The prime minister’s younger brother, Wen Jiahong, controls $200 million in assets, including wastewater treatment plants and recycling businesses, the records show.

As prime minister, Mr. Wen has staked out a position as a populist and a reformer, someone whom the state-run media has nicknamed “the People’s Premier” and “Grandpa Wen” because of his frequent outings to meet ordinary people, especially in moments of crisis like natural disasters.

While it is unclear how much the prime minister knows about his family’s wealth, State Department documents released by the WikiLeaks organization in 2010 included a cable that suggested Mr. Wen was aware of his relatives’ business dealings and unhappy about them.

“Wen is disgusted with his family’s activities, but is either unable or unwilling to curtail them,” a Chinese-born executive working at an American company in Shanghai told American diplomats, according to the 2007 cable.

**China’s ‘Diamond Queen’**

It is no secret in China’s elite circles that the prime minister’s wife, Zhang Beili, is rich, and that she has helped control the nation’s jewelry and gem trade. But her lucrative diamond businesses became an off-the-charts success only as her husband moved into the country’s top leadership ranks, the review of corporate and regulatory records by The Times found.

A geologist with an expertise in gemstones, Ms. Zhang is largely unknown among ordinary Chinese. She rarely travels with the prime minister or appears with him, and there are few official photographs of the couple together. And while people who have worked with her say she has a taste for jade and fine diamonds, they say she usually dresses modestly, does not exude glamour and prefers to wield influence behind the scenes, much like the relatives of other senior leaders.

The State Department documents released by WikiLeaks included a suggestion that Mr. Wen had once considered divorcing Ms. Zhang because she had exploited their relationship in her diamond trades. Taiwanese television reported in 2007 that Ms. Zhang had bought a pair of jade earrings worth about $275,000 at a Beijing trade show, though the source — a Taiwanese trader — later backed off the claim and Chinese government censors moved swiftly to block coverage of the subject in China, according to news reports at the time.

“Her business activities are known to everyone in the leadership,” said one banker who worked with relatives of Wen Jiabao. The banker said it was not unusual for her office to call upon businesspeople. “And if you get that call, how can you say no?”

Zhang Beili first gained influence in the 1980s, while working as a regulator at the Ministry of Geology. At the time, China’s jewelry market was still in its infancy.

While her husband was serving in China’s main leadership compound, known as Zhongnanhai, Ms. Zhang was setting industry standards in the jewelry and gem trade. She helped create the National Gemstone Testing Center in Beijing, and the Shanghai Diamond Exchange, two of the industry’s most powerful institutions.

In a country where the state has long dominated the marketplace, jewelry regulators often decided which companies could set up diamond-processing factories, and which would gain entry to the retail jewelry market. State regulators even formulated rules that required diamond sellers to buy certificates of authenticity for any diamond sold in China, from the government-run testing center in Beijing, which Ms. Zhang managed.

As a result, when executives from Cartier or De Beers visited China with hopes of selling diamonds and jewelry here, they often went to visit Ms. Zhang, who became known as China’s “diamond queen.”

“She’s the most important person there,” said Gaetano Cavalieri, president of the World Jewelry Confederation in Switzerland. “She was bridging relations between partners — Chinese and foreign partners.”

As early as 1992, people who worked with Ms. Zhang said, she had begun to blur the line between regulator and businesswoman. As head of the state-owned China Mineral and Gem Corporation, she began investing the state company’s money in start-ups. And by the time her husband was named vice premier, in 1998, she was busy setting up business ventures with friends and relatives.

The state company she ran invested in a group of affiliated diamond companies, according to public records. Many of them were run by Ms. Zhang’s relatives — or colleagues who had worked with her at the National Gemstone Testing Center.

In 1993, for instance, the state company Ms. Zhang ran helped found Beijing Diamond, a big jewelry retailer. A year later, one of her younger brothers, Zhang Jianming, and two of her government colleagues personally acquired 80 percent of the company, according to shareholder registers. Beijing Diamond invested in Shenzhen Diamond, which was controlled by her brother-in-law, Wen Jiahong, the prime minister’s younger brother.

Among the successful undertakings was Sino-Diamond, a venture financed by the state-owned China Mineral and Gem Corporation, which she headed. The company had business ties with a state-owned company managed by another brother, Zhang Jiankun, who worked as an official in Jiaxing, Ms. Zhang’s hometown, in Zhejiang Province.

In the summer of 1999, after securing agreements to import diamonds from Russia and South Africa, Sino-Diamond went public, raising $50 million on the Shanghai Stock Exchange. The offering netted Ms. Zhang’s family about $8 million, according to corporate filings.

Although she was never listed as a shareholder, former colleagues and business partners say Ms. Zhang’s early diamond partnerships were the nucleus of a larger portfolio of companies she would later help her family and colleagues gain a stake in.

The Times found no indication that Wen Jiabao used his political clout to influence the diamond companies his relatives invested in. But former business partners said that the family’s success in diamonds, and beyond, was often bolstered with financial backing from wealthy businessmen who sought to curry favor with the prime minister’s family.

“After Wen became prime minister, his wife sold off some of her diamond investments and moved into new things,” said a Chinese executive who did business with the family. He asked not to be named because of fear of government retaliation. Corporate records show that beginning in the late 1990s, a series of rich businessmen took turns buying up large stakes in the diamond companies, often from relatives of Mr. Wen, and then helped them reinvest in other lucrative ventures, like real estate and finance.

According to corporate records and interviews, the businessmen often supplied accountants and office space to investment partnerships partly controlled by the relatives.

“When they formed companies,” said one businessman who set up a company with members of the Wen family, “Ms. Zhang stayed in the background. That’s how it worked.”

Late one evening early this year, the prime minister’s only son, Wen Yunsong, was in the cigar lounge at Xiu, an upscale bar and lounge at the Park Hyatt in Beijing. He was having cocktails as Beijing’s nouveau riche gathered around, clutching designer bags and wearing expensive business suits, according to two guests who were present.

In China, the children of senior leaders are widely believed to be in a class of their own. Known as “princelings,” they often hold Ivy League degrees, get V.I.P. treatment, and are even offered preferred pricing on shares in hot stock offerings.

They are also known as people who can get things done in China’s heavily regulated marketplace, where the state controls access. And in recent years, few princelings have been as bold as the younger Mr. Wen, who goes by the English name Winston and is about 40 years old.

A Times review of Winston Wen’s investments, and interviews with people who have known him for years, show that his deal-making has been extensive and lucrative, even by the standards of his princeling peers.

State-run giants like China Mobile have formed start-ups with him. In recent years, Winston Wen has been in talks with Hollywood studios about a financing deal.

Concerned that China does not have an elite boarding school for Chinese students, he recently hired the headmasters of Choate and Hotchkiss in Connecticut to oversee the creation of a $150 million private school now being built in the Beijing suburbs.

Winston Wen and his wife, moreover, have stakes in the technology industry and an electric company, as well as an indirect stake in Union Mobile Pay, the government-backed online payment platform — all while living in the prime minister’s residence, in central Beijing, according to corporate records and people familiar with the family’s investments.

“He’s not shy about using his influence to get things done,” said one venture capitalist who regularly meets with Winston Wen.

The younger Mr. Wen declined to comment. But in a telephone interview, his wife, Yang Xiaomeng, said her husband had been unfairly criticized for his business dealings.

“Everything that has been written about him has been wrong,” she said. “He’s really not doing that much business anymore.”

Winston Wen was educated in Beijing and then earned an engineering degree from the Beijing Institute of Technology. He went abroad and earned a master’s degree in engineering materials from the University of Windsor, in Canada, and an M.B.A. from the Kellogg School of Business at Northwestern University in Evanston, Ill., just outside Chicago.

When he returned to China in 2000, he helped set up three successful technology companies in five years, according to people familiar with those deals. Two of them were sold to Hong Kong businessmen, one to the family of Li Ka-shing, one of the wealthiest men in Asia.

Winston Wen’s earliest venture, an Internet data services provider called Unihub Global, was founded in 2000 with $2 million in start-up capital, according to Hong Kong and Beijing corporate filings. Financing came from a tight-knit group of relatives and his mother’s former colleagues from government and the diamond trade, as well as an associate of Cheng Yu-tung, patriarch of Hong Kong’s second-wealthiest family. The firm’s earliest customers were state-owned brokerage houses and Ping An, in which the Wen family has held a large financial stake.

He made an even bolder move in 2005, by pushing into private equity when he formed New Horizon Capital with a group of Chinese-born classmates from Northwestern. The firm quickly raised $100 million from investors, including SBI Holdings, a division of the Japanese group SoftBank, and Temasek, the Singapore government investment fund.

Under Mr. Wen, New Horizon established itself as a leading private equity firm, investing in biotech, solar, wind and construction equipment makers. Since it began operations, the firm has returned about $430 million to investors, a fourfold profit, according to SBI Holdings.

“Their first fund was dynamite,” said Kathleen Ng, editor of Asia Private Equity Review, an industry publication in Hong Kong. “And that allowed them to raise a lot more money.”

Today, New Horizon has more than $2.5 billion under management.

Some of Winston Wen’s deal-making, though, has attracted unwanted attention for the prime minister.

In 2010, when New Horizon acquired a 9 percent stake in a company called Sihuan Pharmaceuticals just two months before its public offering, the Hong Kong Stock Exchange said the late-stage investment violated its rules and forced the firm to return the stake. Still, New Horizon made a $46.5 million profit on the sale.

Soon after, New Horizon announced that Winston Wen had handed over day-to-day operations and taken up a position at the China Satellite Communications Corporation, a state-owned company that has ties to the Chinese space program. He has since been named chairman.

**The Tycoons**

In the late 1990s, Duan Weihong was managing an office building and several other properties in Tianjin, the prime minister’s hometown in northern China, through her property company, Taihong. She was in her 20s and had studied at the Nanjing University of Science and Technology.

Around 2002, Ms. Duan went into business with several relatives of Wen Jiabao, transforming her property company into an investment vehicle of the same name. The company helped make Ms. Duan very wealthy.

It is not known whether Ms. Duan, now 43, is related to the prime minister. In a series of interviews, she first said she did not know any members of the Wen family, but later described herself as a friend of the family and particularly close to Zhang Beili, the prime minister’s wife. As happened to a handful of other Chinese entrepreneurs, Ms. Duan’s fortunes soared as she teamed up with the relatives and their network of friends and colleagues, though she described her relationship with them involving the shares in Ping An as existing on paper only and having no financial component.

Ms. Duan and other wealthy businesspeople — among them, six billionaires from across China — have been instrumental in getting multimillion-dollar ventures off the ground and, at crucial times, helping members of the Wen family set up investment vehicles to profit from them, according to investment bankers who have worked with all parties.

Established in Tianjin, Taihong had spectacular returns. In 2002, the company paid about $65 million to acquire a 3 percent stake in Ping An before its initial public offering, according to corporate records and Ms. Duan’s graduate school thesis. Five years later, those shares were worth $3.7 billion

The company’s Hong Kong affiliate, Great Ocean, also run by Ms. Duan, later formed a joint venture with the Beijing government and acquired a huge tract of land adjacent to Capital International Airport. Today, the site is home to a sprawling cargo and logistics center. Last year, Great Ocean sold its 53 percent stake in the project to a Singapore company for nearly $400 million.

That deal and several other investments, in luxury hotels, Beijing villa developments and the Hong Kong-listed BBMG, one of China’s largest building materials companies, have been instrumental to Ms. Duan’s accumulation of riches, according to The Times’s review of corporate records.

The review also showed that over the past decade there have been nearly three dozen individual shareholders of Taihong, many of whom are either relatives of Wen Jiabao or former colleagues of his wife.

The other wealthy entrepreneurs who have worked with the prime minister’s relatives declined to comment for this article. Ms. Duan strongly denied having financial ties to the prime minister or his relatives and said she was only trying to avoid publicity by listing others as owning Ping An shares. “The money I invested in Ping An was completely my own,” said Ms. Duan, who has served as a member of the Ping An board of supervisors. “Everything I did was legal.”

Another wealthy partner of the Wen relatives has been Cheng Yu-tung, who controls the Hong Kong conglomerate New World Development and is one of the richest men in Asia, worth about $15 billion, according to Forbes.

In the 1990s, New World was seeking a foothold in mainland China for a sister company that specializes in high-end retail jewelry. The retail chain, Chow Tai Fook, opened its first store in China in 1998.

Mr. Cheng and his associates invested in a diamond venture backed by the relatives of Mr. Wen and co-invested with them in an array of corporate entities, including Sino-Life, National Trust and Ping An, according to records and interviews with some of those involved. Those investments by Mr. Cheng are now worth at least $5 billion, according to the corporate filings. Chow Tai Fook, the jewelry chain, has also flourished. Today, China accounts for 60 percent of the chain’s $4.2 billion in annual revenue.

Mr. Cheng, 87, could not be reached for comment. Calls to New World Development were not returned.

**Fallout for Premier**

In the winter of 2007, just before he began his second term as prime minister, Wen Jiabao called for new measures to fight corruption, particularly among high-ranking officials.

“Leaders at all levels of government should take the lead in the antigraft drive,” he told a gathering of high-level party members in Beijing. “They should strictly ensure that their family members, friends and close subordinates do not abuse government influence.”

The speech was consistent with the prime minister’s earlier drive to toughen disclosure rules for public servants, and to require senior officials to reveal their family assets.

Whether Mr. Wen has made such disclosures for his own family is unclear, since the Communist Party does not release such information. Even so, many of the holdings found by The Times would not need to be disclosed under the rules since they are not held in the name of the prime minister’s immediate family — his wife, son and daughter.

About 80 percent of the $2.7 billion in assets identified in The Times’s investigation and verified by the outside auditors were held by, among others, the prime minister’s mother, his younger brother, two brothers-in-law, a sister-in-law, daughter-in-law and the parents of his son’s wife, none of whom is subject to party disclosure rules. The total value of the relatives’ stake in Ping An is based on calculations by The Times that were confirmed by the auditors. The total includes shares held by the relatives that were sold between 2004 and 2006, and the value of the remaining shares in late 2007, the last time the holdings were publicly disclosed.

Legal experts said that determining the precise value of holdings in China could be difficult because there might be undisclosed side agreements about the true beneficiaries.

“Complex corporate structures are not necessarily insidious,” said Curtis J. Milhaupt, a Columbia University Law School professor who has studied China’s corporate group structures. “But in a system like China’s, where corporate ownership and political power are closely intertwined, shell companies magnify questions about who owns what and where the money came from.”

Among the investors in the Wen family ventures are longtime business associates, former colleagues and college classmates, including Yu Jianming, who attended Northwestern with Winston Wen, and Zhang Yuhong, a longtime colleague of Wen Jiahong, the prime minister’s younger brother. The associates did not return telephone calls seeking comment.

Revelations about the Wen family’s wealth could weaken him politically.

Next month, at the 18th Party Congress in Beijing, the Communist Party is expected to announce a new generation of leaders. But the selection process has already been marred by one of the worst political scandals in decades, the downfall of Bo Xilai, the Chongqing party boss, who was vying for a top position.

In Beijing, Wen Jiabao is expected to step down as prime minister because he has reached retirement age. Political analysts say that even after leaving office he could remain a strong backstage political force. But documents showing that his relatives amassed a fortune during his tenure could diminish his standing, the analysts said.

“This will affect whatever residual power Wen has,” said Minxin Pei, an expert on Chinese leadership and a professor of government at Claremont McKenna College in California.

The prime minister’s supporters say he has not personally benefited from his extended family’s business dealings, and may not even be knowledgeable about the extent of them.

Last March, the prime minister hinted that he was at least aware of the persistent rumors about his relatives. During a nationally televised news conference in Beijing, he insisted that he had “never pursued personal gain” in public office.

“I have the courage to face the people and to face history,” he said in an emotional session. “There are people who will appreciate what I have done, but there are also people who will criticize me. Ultimately, history will have the final say.”

NYT

# China Blocks Web Access to Times After Article

###### By [KEITH BRADSHER](http://topics.nytimes.com/top/reference/timestopics/people/b/keith_bradsher/index.html)

###### Published: October 25, 2012

HONG KONG — The Chinese government swiftly blocked access Friday morning to the English-language and Chinese-language Web sites of The New York Times from computers in mainland [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) in response to the news organization’s decision to post an article in both languages describing [wealth accumulated by the family of the country’s prime minister](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html).

The authorities were also blocking attempts to mention The Times or the prime minister, [Wen Jiabao](http://topics.nytimes.com/top/reference/timestopics/people/w/wen_jiabao/index.html?inline=nyt-per), in postings on Sina Weibo, an extremely popular mini-blogging service in China that resembles Twitter.

The Foreign Ministry spokesman on duty in Beijing early Friday morning did not immediately answer phone calls for comment.

China maintains the world’s most extensive and sophisticated system for Internet censorship, employing tens of thousands of people to monitor what is said, delete entries that contravene the country’s extensive and unpublished regulations and even write new entries that are favorable to the government.

Rebecca MacKinnon, a senior fellow specializing in Internet free expression and privacy issues at the New America Foundation, a nonpartisan group headquartered in Washington, said that the Chinese interruption of Internet access was typical of the response to information that offended leaders.

“This is what they do: they get mad, they block you,” she said.

The English-language and Chinese-language Web sites of The Times are hosted on servers outside mainland China.

A spokeswoman for The Times, Eileen Murphy, expressed disappointment that Internet access had been blocked and noted that the Chinese-language Web site had attracted “great interest” in China.

“We hope that full access is restored shortly, and we will ask the Chinese authorities to ensure that our readers in China can continue to enjoy New York Times journalism,” she said in a statement, adding, “We will continue to report and translate stories applying the same journalistic standards that are upheld across The New York Times.”

Former President Jiang Zemin of China ordered an end to blocking of The New York Times Web site after meeting with journalists from The Times in August 2001. The company’s Web sites, like those of most other foreign media organizations, have remained mostly free of blocking since then, with occasional, temporary exceptions.

By 7 a.m. Friday in China, access to both the English- and Chinese-language Web sites of The Times was blocked from all 31 cities in mainland China tested. The Times had posted the article in English at 4:34 p.m. on Thursday in New York (4:34 a.m. Friday in Beijing), and finished posting the article in Chinese three hours later after the translation of final edits to the English-language version.

Publication of the article about Mr. Wen and his family comes at a delicate time in Chinese politics, during a year in which factional rivalries and the personal lives of Chinese leaders have come into public view to a rare extent and drawn unprecedented international interest.

The Times’s statement called China “an increasingly open society, with increasingly sophisticated media,” adding, “The response to our site suggests that The Times can play an important role in the government’s efforts to raise the quality of journalism available to the Chinese people.”

The New York Times is not the first international organization to run into trouble with Chinese censors. Google decided to move its servers for the Chinese market in January 2010, to Hong Kong, a semiautonomous Chinese territory outside the country’s censorship firewalls, after the company was unable to reach an agreement with the Chinese authorities to allow unrestricted searches of the Internet.

Bloomberg [published an article](http://www.bloomberg.com/news/2012-06-29/xi-jinping-millionaire-relations-reveal-fortunes-of-elite.html) on June 29 describing wealth accumulated by the family of Vice President Xi Jinping, who is expected to become the country’s next top leader as general secretary of the Communist Party during the coming Party Congress.

Since then, Bloomberg’s operations have encountered a series of problems in mainland China, including the blocking of its Web site, which is in English.

# NYT

# Chinese Premier’s Family Disputes Article on Riches

###### By [KEITH BRADSHER](http://topics.nytimes.com/top/reference/timestopics/people/b/keith_bradsher/index.html)

###### Published: October 27, 2012

HONG KONG — Two lawyers who said they represented the family of Prime Minister [Wen Jiabao](http://topics.nytimes.com/top/reference/timestopics/people/w/wen_jiabao/index.html?inline=nyt-per) of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) have issued a statement disputing aspects of [a New York Times article about the family’s wealth](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html), a rare instance of a powerful Chinese political family responding directly to a foreign media report.



###### Alexander F. Yuan/Associated Press

Prime Minister Wen Jiabao

The statement, published in The South China Morning Post on Sunday, said, “The so-called ‘hidden riches’ of Wen Jiabao’s family members in The New York Times’s report” did not exist.

After criticizing several points in the article, the statement hinted at the possibility of future legal action. “We will continue to make clarifications regarding untrue reports by The New York Times, and reserve the right to hold it legally responsible,” the statement said.

The statement reported in The Post, a Hong Kong newspaper, has not been obtained directly by The Times.

The statement was not a sweeping denial of the article. The statement acknowledged that some family members were active in business and that they “are responsible for all their own business activities.”

While the statement disputed that Mr. Wen’s mother had held assets, it did not address the calculation in the article that the family had controlled assets worth at least $2.7 billion.

Eileen Murphy, a spokeswoman for The Times, expressed confidence in the article. “We are standing by our story, which we are incredibly proud of and which is an example of the quality investigative journalism The Times is known for,” she wrote in an e-mail.

The lawyers’ statement represents an unusual move for the family of a senior Chinese leader. When Bloomberg News published an article in late June describing real estate and other assets held by the family of Vice President Xi Jinping, his family did not respond publicly.

The statement published in The Post was attributed to Bai Tao, a partner in the Beijing office of the Jun He Law Firm, and Wang Weidong, the managing partner of the Beijing office of the Grandall Law Firm.

No one answered phone calls to both lawyers’ offices on Sunday, nor did Mr. Wang respond immediately to an e-mail.

The statement denied an anecdote in The Times article that described how one investment in the name of Mr. Wen’s mother, Yang Zhiyun, was worth $120 million five years ago. “The mother of Wen Jiabao, except receiving salary/pension according to the regulation, has never had any income or property,” the statement said.

Corporate registration records reviewed by The Times showed that in 2007 the prime minister’s 90-year-old mother held about $120 million worth of shares in Ping An, an insurance company, through investment vehicles. A signature bearing her name and her government-issued identity card were included in the registration record, which was obtained from government regulatory filings.

The family’s statement also said that some members had not engaged in business while others “were engaged in business activities, but they did not carry out any illegal business activity. They do not hold shares of any companies.”

The statement also said that Mr. Wen had not been involved in those activities. “Wen Jiabao has never played any role in the business activities of his family members, still less has he allowed his family members’ business activities to have any influence on his formulation and execution of policies.”

The Times article did not allege any illegal business activity, and it said that Mr. Wen did not appear to have accumulated assets. The article also said that there was no evidence that Mr. Wen personally intervened to help family members’ investments. The article pointed out that as prime minister in a country where the state plays a large role in the economy, Mr. Wen oversaw many government officials whose decisions could play a large role in the fortunes of businesses and investors.

Hong Lei, the spokesman for China’s foreign ministry, criticized the article on Friday during a briefing, saying that it “smears China and has ulterior motives.”

The Times posted the article in English on Friday, and in Chinese three hours later, after final edits in English were translated. The Chinese government quickly blocked access from mainland Chinese computers to the Chinese-language and English-language Web sites of The Times before the article was posted in Chinese. But many people in China appear to have used virtual private networks to view the article anyway.

The report on the finances of Mr. Wen’s family has also received heavy coverage in the Hong Kong news media, which has extensive reach inside mainland China.

# China's ruling families

### Torrent of scandal

Oct 26th 2012, 6:28 by J.M. | BEIJING



AT HIS first news conference as China’s prime minister, Wen Jiabao introduced himself to reporters packed into a cavernous room in the Great Hall of the People (as well as to a live television audience) with an unusual reference to his own family history. Chinese leaders normally hide behind the smokescreen of “collective leadership”, downplaying their own attributes. But Mr Wen [waxed lyrical about his own upbringing](http://www.fmprc.gov.cn/eng/topics/3696/t18867.htm): “I am a very ordinary person. I come from a family of teachers in the countryside. My grandfather, my father and my mother were all teachers. My childhood was spent in the turmoil of war. Our home was literally burnt down by the flame of war and so was the primary school, which my grandfather built with his own hands. The untold suffering in the days of old China left an indelible imprint on my tender mind.”

As a [tour de force of investigative reporting by the New York Times](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html?smid=tw-share&_r=0) now reveals, Mr Wen’s family circumstances have changed a lot since those days. It says that the prime minister’s relatives, including his wife, have controlled assets worth at least $2.7 billion. It notes that Mr Wen has “broad authority” over the major industries where his relatives have made their fortunes. Their business dealings have sometimes been hidden in ways that suggest the relatives are eager to avoid public scrutiny, says the report.

That family members of China’s most powerful politicians cash in on their connections comes as no surprise. Over the past two decades, as the country’s economy has ballooned, rumours and occasional bits of evidence of such behaviour have accumulated at a similar pace. In June [Bloomberg shed remarkable light](http://www.bloomberg.com/news/2012-06-29/xi-jinping-millionaire-relations-reveal-fortunes-of-elite.html) on the fortunes of relatives of Xi Jinping, the man who next month will be appointed general secretary of the Communist Party and, in March, president of China. Chinese officials were deeply unhappy with that report: Bloomberg’s entire website has been blocked in China ever since (as has [the Analects story](http://www.economist.com/blogs/analects/2012/06/wealth-and-power) about the Bloomberg report). In the few hours since its exposé of Mr Wen’s family appeared, the New York Times’s website has been subjected to the same treatment (ironically, given Mr Wen’s avowed support for “people’s rights to stay informed about, participate in, express views on and oversee government affairs”: see [his speech to the National People's Congress (NPC), the country’s legislature,](http://english.caijing.com.cn/2012-03-05/111724973.html) in March).

Mr Wen and his fellow leaders would prefer any public attention to the business dealings of the powerful to be focused on the family of Bo Xilai, the former party chief of Chongqing region in the south-west. Coincidentally, just after publication of the New York Times story, [it was announced that Mr Bo had been expelled](http://news.xinhuanet.com/english/china/2012-09/29/c_131881653.htm) from the NPC. This was hardly a shock given that he had already been stripped of every other title, including last month his membership of the party. It prepares the way, however, for Mr Bo to be put on trial (NPC membership confers a token immunity from prosecution). This event will likely be staged some time in the next few months and will be the most sensational of its kind involving a deposed Chinese leader since the trial of the “Gang of Four” in 1980. Managing news coverage of it will be a huge challenge to the “collective leadership”. It will want to convince the public that Mr Bo and family members were engaged in egregious corruption (not least in order to block any possibility of a political comeback by the ambitious Mr Bo). But it will not want gossip to spread about the business affairs of other ruling families (squirrelling money abroad appears a national pastime, as [we explain in our China section this week](http://www.economist.com/news/china/21565277-economic-repression-home-causing-more-chinese-money-vote-its-feet-flight)).

The man all but certain to succeed Mr Wen next March, his deputy, Li Keqiang, will be among those squirming. [In a powerful report](http://www.brookings.edu/research/papers/2012/10/25-china-tobacco-li) just published, Cheng Li of the Brookings Institution in Washington, DC, has exposed the prominent role of Li Keqiang’s younger brother, Li Keming, in the tobacco industry—even as Li Keqiang has been overseeing reform of the health sector. Airing such conflicts of interest is taboo in the Chinese press.

[Our cover this week](http://www.economist.com/printedition/covers/2012-10-25/ap-e-eu-la-me-na-uk) calls Mr Xi “The man who must change China”. Revelations such as those by the New York Times, Bloomberg and Brookings strengthen the case for this. As [we argue in a leader](http://www.economist.com/news/leaders/21565210-xi-jinping-will-soon-be-named-china%E2%80%99s-next-president-he-must-be-ready-break), Mr Xi needs to venture deep into political reform, including setting a timetable for the direct election of government leaders as Deng Xiaoping once suggested should be possible. [Our Banyan column](http://www.economist.com/news/china/21565228-westerners-who-laud-chinese-meritocracy-continue-miss-point-embarrassed-meritocrats) explains why Chinese-style “meritocracy” is not enough to prevent the kind of abuses of power that are rife in China today. [And in a three-page briefing](http://www.economist.com/news/briefing/21565132-china%E2%80%99s-communist-party-preparing-its-ten-yearly-change-leadership-new-team) we look at how Mr Xi is being assailed from all sides by demands for far-reaching change.

## Xi Jinping

### The man who must change China

# Xi Jinping will soon be named as China’s next president. He must be ready to break with the past

Oct 27th 2012 | from the print edition

JUST after the 18th National Congress of the Chinese Communist Party, which starts in Beijing on November 8th, a short line of dark-suited men, and perhaps one woman, will step onto a red carpet in a room in the Great Hall of the People and meet the world’s press. At their head will be Xi Jinping, the newly anointed party chief, who in March will also take over as president of China. Behind him will file the new members of the Politburo Standing Committee, China’s supreme body. The smiles will be wooden, the backs ramrod straight. Yet the stage-management could hardly be more different from the tempestuous uncertainties of actually governing.

As ruler of the world’s new economic powerhouse, Mr Xi will follow his recent predecessors in trying to combine economic growth with political stability. Yet this task is proving increasingly difficult. A slowing economy, corruption and myriad social problems are causing growing frustration among China’s people and worry among its officials.

In coping with these tensions, Mr Xi can continue to clamp down on discontent, or he can start to loosen the party’s control. China’s future will be determined by the answer to this question: does Mr Xi have the courage and vision to see that assuring his country’s prosperity and stability in the future requires him to break with the past?

**Who’s Xi?**

To the rich world, labouring under debt and political dysfunction, Chinese self-doubt might seem incongruous. Deng Xiaoping’s relaunch of economic reforms in 1992 has resulted in two decades of extraordinary growth. In the past ten years under the current leader, Hu Jintao, the economy has quadrupled in size in dollar terms. A new (though rudimentary) social safety net provides 95% of all Chinese with some kind of health coverage, up from just 15% in 2000. Across the world, China is seen as second in status and influence only to America.

Until recently, the Chinese were getting richer so fast that most of them had better things to worry about than how they were governed. But today China faces a set of threats that an official journal describes as “interlocked like dog’s teeth” (see [article](http://www.economist.com/news/briefing/21565132-china%E2%80%99s-communist-party-preparing-its-ten-yearly-change-leadership-new-team)). The poor chafe at inequality, corruption, environmental ruin and land-grabs by officials. The middle class fret about contaminated food and many protect their savings by sending money abroad and signing up for foreign passports (see [article](http://www.economist.com/news/china/21565277-economic-repression-home-causing-more-chinese-money-vote-its-feet-flight)). The rich and powerful fight over the economy’s vast wealth. Scholars at a recent government conference summed it up well: China is “unstable at the grass roots, dejected at the middle strata and out of control at the top”.

Once, the party could bottle up dissent. But ordinary people today protest in public. They write books on previously taboo subjects (see [article](http://www.economist.com/news/books-and-arts/21565145-shocking-chinese-account-chairman-mao%E2%80%99s-great-famine-millennial-madness)) and comment on everything in real time through China’s vibrant new social media. Complaints that would once have remained local are now debated nationwide. If China’s leaders mishandle the discontent, one senior economist warned in a secret report, it could cause “a chain reaction that results in social turmoil or violent revolution”.

But, you don’t need to think that China is on the brink of revolution to believe that it must use the next decade to change. The departing prime minister, Wen Jiabao, has more than once called China’s development “unbalanced, unco-ordinated and unsustainable”. Last week Qiushi , the party’s main theoretical journal, called on the government to “press ahead with restructuring of the political system”.

Mr Xi portrays himself as a man of the people and the party still says it represents the masses, but it is not the meritocracy that some Western observers claim (see [article](http://www.economist.com/news/china/21565228-westerners-who-laud-chinese-meritocracy-continue-miss-point-embarrassed-meritocrats)). Those without connections, are often stuck at the bottom of the pile. Having long since lost ideological legitimacy, and with slower growth sapping its economic legitimacy, the party needs a new claim on the loyalty of China’s citizens.

**Take a deep breath**

Mr Xi could start by giving a little more power to China’s people. Rural land, now collectively owned, should be privatised and given to the peasants; the judicial system should offer people an answer to their grievances; the household-registration, or hukou, system should be phased out to allow families of rural migrants access to properly funded health care and education in cities. At the same time, he should start to loosen the party’s grip. China’s cosseted state-owned banks should be exposed to the rigours of competition; financial markets should respond to economic signals, not official controls; a free press would be a vital ally in the battle against corruption.

Such a path would be too much for those on the Chinese “left”, who look scornfully at the West and insist on the Communist Party’s claim—its duty, even—to keep the monopoly of power. Even many on the liberal “right”, who call for change, would contemplate nothing more radical than Singapore-style one-party dominance. But Mr Xi should go much further. To restore his citizens’ faith in government, he also needs to venture deep into political reform.

That might sound implausible, but in the 1980s no less a man than Deng spoke of China having a directly elected central leadership after 2050—and he cannot have imagined the transformation that his country would go on to enjoy. Zhu Rongji, Mr Wen’s predecessor, said that competitive elections should be extended to higher levels, “the sooner the better”. Although the party has since made political change harder by restricting the growth of civil society, those who think it is impossible could look to Taiwan, which went through something similar, albeit under the anti-Communist Kuomintang.

Ultimately, this newspaper hopes, political reform would make the party answerable to the courts and, as the purest expression of this, free political prisoners. It would scrap party-membership requirements for official positions and abolish party committees in ministries. It would curb the power of the propaganda department to impose censorship and scrap the central military commission, which commits the People’s Liberation Army to defend the party, not just the country.

No doubt Mr Xi would balk at that. Even so, a great man would be bold. Independent candidates should be encouraged to stand for people’s congresses, the local parliaments that operate at all levels of government, and they should have the freedom to let voters know what they think. A timetable should also be set for directly electing government leaders, starting with townships in the countryside and districts in the cities, perhaps allowing five years for those experiments to settle in, before taking direct elections up to the county level in rural areas, then prefectures and later provinces, leading all the way to competitive elections for national leaders.

The Chinese Communist Party has a powerful story to tell. Despite its many faults, it has created wealth and hope that an older generation would have found unimaginable. Bold reform would create a surge of popular goodwill towards the party from ordinary Chinese people.

Mr Xi comes at a crucial moment for China, when hardliners still deny the need for political change and insist that the state can put down dissent with force. For everyone else, too, Mr Xi’s choice will weigh heavily. The world has much more to fear from a weak, unstable China than from a strong one.

## Banyan

### Embarrassed meritocrats

# Westerners who laud a Chinese meritocracy continue to miss the point

Oct 27th 2012 | from the print edition

A CENTURY ago China tried its first experiment with representative government, after millennia of imperial rule. The first president, Sun Yat-sen, soon stepped down. His successor, Yuan Shikai, was a mustachioed military man admired in the West as a progressive conservative. He even asked the American government for help in drafting a new Chinese constitution. A legal scholar from Columbia University, Frank Goodnow, arrived in Beijing in 1913 and advised on the drafting of two versions. The first gave Yuan Shikai nearly unchecked powers over Chinese citizens, the budget and foreign policy. The second, in 1915, would have made him emperor, but Yuan died soon after, in 1916.

Mr Goodnow believed that Chinese conditions and culture were not suited to democracy, and that Yuan was just the sort of autocrat China needed. History judges Yuan less kindly. He stamped on the green shoots of the new republic, while nourishing his own corrupt ambitions. As for the unfortunate Goodnow, he came to be remembered as the foreign stooge of a Chinese dictator. He had, he realised too late, been manipulated by those who found him useful—not the first, nor the last, Western adviser to China to feel this. But he maintained his view that the “efficiency and stability” of an autocratic ruler were more important to China at that point than “liberty and popular government”. The title of a later academic paper on Goodnow labelled him an “embarrassed monarchist”.

Many other Westerners have followed Goodnow in believing China’s unique history or economic backwardness ill suits it for representative or, what Chinese critics call, “Western” democracy. In the 1960s and 1970s some Western intellectuals, smitten with China fever, were persuaded that Mao Zedong had achieved an egalitarian society. They said the Chinese Communist Party rejected selfishness and promoted sacrifice and service to society. In the light of what was later revealed of the Mao-made famine of 1958-62 (see [article](http://www.economist.com/news/books-and-arts/21565145-shocking-chinese-account-chairman-mao%E2%80%99s-great-famine-millennial-madness" \t "_self)) and the turmoil of the Cultural Revolution, those views now appear grotesque. Most of Mao’s erstwhile admirers acknowledged this and some are among the party’s harshest critics today.

Now, thanks to China’s stunning economic rise, a new group of admirers has emerged. Their cheers have grown louder since the global financial crisis laid bare Western shortcomings. Thomas Friedman, a columnist at the New York Times, declared in 2009 that parts of China’s authoritarianism looked more appealing than America’s dysfunctional democracy. “One-party autocracy certainly has its drawbacks,” Mr Friedman allowed. “But when it is led by a reasonably enlightened group of people, as China is today, it can also have great advantages.”

Part of a belief in Chinese enlightenment is built on a conviction that China’s leadership system is increasingly meritocratic. The city-state of Singapore provides the model: clean, efficient and run by Nanny—an enlightened meritocracy, epitomising what used to be called “Asian values”. Kishore Mahbubani, a former Singaporean diplomat and dean of the Lee Kuan Yew School of Public Policy, has long argued that the West does not know best. He asserts that China is fast getting to where Singapore is in terms of governance. “Far from being an arbitrary dictatorial system,” Mr Mahbubani wrote recently in the Financial Times (part-owner of this newspaper), the Communist Party may have succeeded in creating “a rule-bound system that is strong and durable, not fragile and vulnerable.” He suggests that this rule-bound system has thrown up “possibly the best set of leaders that China could produce”. Jim O’Neill, a Goldman Sachs analyst who came up with the “BRIC” acronym for the emerging economies of Brazil, Russia, India and China, says that if China were a football team, you would want to wear its shirt.

Among the shirt-wearers is a Canadian legal scholar, Daniel Bell of Tsinghua University in Beijing, co-editor of “A Confucian Constitutional Order: How China’s Ancient Past Can Shape Its Political Future”. Mr Bell believes that the party’s emphasis has shifted to “the task of good governance led by able and virtuous political leaders.” The scholar-official, it seems, stands in for the gentleman from Whitehall who thought he knew best. The party recruits the best and the brightest, says Mr Bell, and the vetting process for the promotion of top leaders is impressively objective and rigorous, though he admits scope for improvement, especially through more transparency.

But to believe virtue always floats to the top in a system such as China’s is fantasy. Chinese government and society are shot through with corruption. Even official media report about cadres gaining promotion through connections, not merit, and despite the occasional execution of corrupt officials, the government can do little about it. The Confucian ideal of self-cultivation is admirable, but it neglects the crucial detail known as human nature.

**The virtues of law**

The answer to China’s challenges is not a return to some exclusive cultural wellspring of virtue. It doesn’t exist. The lesson of China’s 19th century was that supposedly meritocratic Confucian government, unchallenged and unchecked, had failed. “Western” systems of government have plenty of flaws too. Families and groups with more money or power perpetuate their influence in society. But the door is always open for talented outsiders to gain power and earn wealth and, more importantly, to lose it. Richard Nixon was undone by a free press and by the institutions of his own government, not, as with the Chinese former Politburo member Bo Xilai, by a lieutenant who turned against him and fled to a foreign consulate. What will create more meritocratic government in China is continued economic development; more education for more people; open competition; moving towards a free press; an independent judicial system; and, in time, a representative political system.

## China’s new leadership

### Vaunting the best, fearing the worst

# China’s Communist Party is preparing for its ten-yearly change of leadership. The new team could be in for a rough ride

Oct 27th 2012 | BEIJING AND XIAJIANG VILLAGE | from the print edition



FEW Chinese know much about Xi Jinping, the man who will soon be in charge of the world’s most populous country and its second-largest economy. This makes the inhabitants of the remote village of Xiajiang, nestled by a river amid bamboo-covered hills in the eastern province of Zhejiang, highly unusual. They have received visits from Mr Xi four times in the past decade. Impressed by his solicitude, they recently erected a wooden pavilion in his honour (above). During his expected decade in power, however, Mr Xi will find few such bastions of support. The China he is preparing to rule is becoming cynical and anxious as growth slows and social and political stresses mount.

Mr Xi’s trips to Xiajiang, a long and tortuous journey past tea plantations and paddy fields in a backward pocket of the booming coastal province, were part of his prolonged apprenticeship for China’s most powerful posts. They took place while Mr Xi was the Communist Party chief of Zhejiang from 2002 to 2007. He had just turned 50 when he made his first trip, continuing a tradition started by his predecessor as Zhejiang’s chief, Zhang Dejiang, who now also looks likely to be promoted to the pinnacle of power in Beijing. Mr Zhang’s idea was to visit a backward place in the countryside repeatedly to monitor its progress over time. Xiajiang was the lucky target. When Mr Xi adopted it, villagers found themselves with a sugar daddy of even greater power: the scion of a revolutionary family. His father, Xi Zhongxun, was one of Mao’s comrades in arms, but later fell out with him and spent much of the next 16 years in some form of custody. Since 2007, when Mr Xi was elevated to the Politburo’s Standing Committee, no one has ever seriously doubted that he was being groomed for the very top.

Villagers say Mr Xi helped Xiajiang secure funding and approvals for its projects, which included pooling village land to grow grapes and medicinal plants. It is unclear how much Mr Xi was actively involved, or whether his mere interest in the village inspired lower-level officials. It is known that he took a keen interest in converting the village to the use of biogas. “A master of building methane-generating pits,” Mr Xi jokingly called himself on one visit, referring to his similar efforts back in the 1970s during the Cultural Revolution when he worked in a People’s Commune in northern Shaanxi. Recalling his dusty labours there, he wrote in 1998: “I am a son of the yellow earth”—as if he, a “princeling” of one of Communist China’s most powerful families, was just a common man.

Xi, the new enigma

Mr Xi kept in touch with Xiajiang’s officials even after he became President Hu Jintao’s heir-apparent. A large copy in bronze of one of his letters, written in May last year, adorns the new pavilion. “I hope you will thoroughly implement the concept of scientific development,” he urges them. By this he means development that is fair to all, environmentally friendly and sustainable.

In a room in the village headquarters, Mr Xi’s face is all over the walls. Officials have recently given a few honoured residents large portraits of Mao Zedong to hang in their living rooms, as well as photographs of Mr Xi touring the village. (The two men look fairly similar, with their portly frames and full cheeks.) The exhibition calls the village “Happy Xiajiang”.

At the party’s 18th congress, which begins on November 8th and is expected to last about a week, it is a foregone conclusion that Mr Xi will be “elected” to the party’s new central committee of around 370 people. This will then meet, immediately after the congress, to endorse a list of members of a new Politburo. Mr Xi’s name will be at the top, replacing that of Hu Jintao as general secretary. He might also be named as the new chairman of the party’s Central Military Commission, replacing Mr Hu as China’s commander-in-chief. In March next year, at the annual meeting of China’s rubber-stamp parliament, the National People’s Congress, he will be elected as the country’s new president.

Mr Hu’s speech at the 18th congress will thus be his swansong (even if he keeps his military title for a year or two, as predecessors have done, he will probably stay out of the limelight). It will be suffused with references to the signature slogans of his leadership: “scientific development”, “building a harmonious society”, “putting people first” and generating “happiness”. (Indices measuring which have become a fad among officials in recent years, their credibility somewhat undermined by repeated findings that Lhasa, the troop-bristling capital of Tibet, is China’s happiest city of all.) Xiajiang knows the slogans well. A billboard on the edge of the river urges villagers to “liberate [their] way of thinking, promote scientific development, create a harmonious Xiajiang and bring benefit to the masses”. Mr Hu will proclaim success in endeavours like these across the country. Having presided over a quadrupling of China’s economy since he took over in 2002, he has reason to crow. In the same period China has grown from the world’s fifth-largest exporter to its biggest.

Mr Hu, aided by his prime minister, Wen Jiabao (who is also about to step down), can also point to progress towards helping the poor. During the past ten years fees and taxes imposed on farmers, once a big cause of rural unrest, have been scrapped; government-subsidised health insurance has been rolled out in the countryside, so that 97% of farmers (up from 20% a decade ago) now have rudimentary cover; and a pension scheme, albeit with tiny benefits, has been rapidly extended to all rural residents. Tuition fees at government schools were abolished in 2007 in the countryside for children aged between six and 15, and in cities the following year (though complaints abound about other charges levied by schools).

In urban China there have been improvements, too. These include huge government investment in affordable housing. A building spree launched in 2010 aims to produce 36m such units by 2015 at what China’s state-controlled media say could be a cost of more than $800 billion. Over the past five years more than 220m city-dwellers without formal employment have been enrolled in a medical-insurance scheme that offers them basic protection (though, like the rural one, it provides little comfort for those needing expensive treatment for serious ailments and accidents). This means that 95% of all Chinese now have at least some degree of health cover, up from less than 15% in 2000.

Mr Hu is also likely to highlight China’s growing global status: its rise from a middle-ranking power to one that is increasingly seen as second only to America in its ability to shape the course of global affairs, from dealing with climate change to tackling financial crises. Its influence is now evident in places where it was hardly felt a decade ago, from African countries that supply it with minerals, to European ones that see China’s spending power and its mountain of foreign currency as bulwarks against their own economic ruin. It is even planning to land a man on the moon. In July the People’s Daily, the party’s main mouthpiece, called the last decade a “glorious” one for China. “Never before has China received so much attention from the world, and the world until now has never been more in need of China.”

**The people’s mistrust**

Unfortunately for Mr Hu, as well as for Mr Xi, the triumphalism of the People’s Daily does not appear to be matched by public sentiment. Gauging this is difficult; but the last three years of Mr Hu’s rule have seen the opening of a rare, even if still limited, window onto the public mood.

This has been made possible by the rapid development of social media: services similar to Twitter and Facebook (both of which are blocked in China) that have achieved extraordinary penetration into the lives of Chinese of all social strata, especially the new middle class. The government tries strenuously to censor dissenting opinion online, but the digital media offer too many loopholes. One of the greatest achievements of the Hu era (though he would claim no credit) has been the creation, through social media, of the next best thing to a free press. China’s biggest microblog service, Sina Weibo, claims more than 300m users. This is misleading, since many have multiple accounts. But nearly 30m are said to be “active daily”, compared with 3m-4m copies of China’s biggest newspaper, Cankao Xiaoxi.

Chinese microbloggers relentlessly expose injustices and attack official wrongdoing and high-handedness. They help scattered, disaffected individuals feel a common bond. Local grievances that hitherto might have gone largely unnoticed are now discussed and dissected by users nationwide. Officials are often taken aback by the fervour of this debate. Sometimes they capitulate. In September photographs circulated by microbloggers of a local bureaucrat smiling at the scene of a fatal traffic accident, and wearing expensive watches, led to his dismissal.

Many of the most widely circulated comments on microblogs share a common tone: one of profound mistrust of the party and its officials. Classified digests of online opinion are distributed among Chinese leaders. They pay close attention.

Stemming this rising tide of cynicism will be one of Mr Xi’s biggest challenges. Dangerously for the country’s stability, it coincides with growing anxiety among intellectuals and the middle-class generally about where the country is heading. Even in the official media, articles occasionally appear describing the next ten years as unusually tough ones for China, economically and politically. In August official-media websites republished an article, “Internal Reference on Reforms: Report for Senior Leaders” that was circulated earlier in the year in a secret journal. Its warning about the “latent crisis” facing China in the next decade was blunt. “There are so many problems now, interlocked like dogs’ teeth,” it said, with dissatisfaction on the rise, frequent “mass disturbances” (official jargon for protests ranging in size from a handful of people to many thousands) and growing numbers of people losing hope and linking up with like-minded folk through the internet. It said these problems could, if mishandled, cause “a chain reaction that results in social turmoil or violent revolution”.

The author, Yuan Xucheng, a senior economist at the China Society of Economic Reform, a government think-tank, proposed a variety of remedies. They ranged from the liberal (such as easing government controls over interest rates, which act as a way of subsidising lending to state enterprises at the expense of ordinary savers) to the draconian (beefing up the police and “resolutely” clamping down on dissidents using “the model of class struggle”). The next ten years, argued Mr Yuan, offered the “last chance” for economic reforms that could prevent China from sliding into a “middle-income trap” of fast growth followed by prolonged stagnation.

Mr Xi is likely to share his concerns about the economy. They are similar to those raised in a report published in February by the World Bank together with another government think-tank, the Development Research Centre of the State Council. This rare joint study, produced with the strong backing of Li Keqiang (who is expected to take over from Mr Wen as prime minister next March), also raised the possibility of a “middle-income trap” and called for wide-ranging economic reforms, including ones aimed at loosening the state’s grip on vital industries, such as the financial sector. It gave warning that a sudden economic slowdown could “precipitate a fiscal and financial crisis”, with unpredictable implications for social stability (though World Bank officials tend to be optimistic that China can avoid a slump).

**Dangers pending**

Mr Xi is being besieged from all sides by similar warnings of possible trouble ahead. A recurring theme of commentary by both the “left” (meaning, in China, those who yearn for more old-style communism) and the “right” (as economic and political reformers are often termed) is that dangers are growing at an alarming rate. Leftists worry that the party will implode, like its counterparts in the former Soviet Union and eastern Europe, because it has embraced capitalism too wholeheartedly and forgotten its professed mission to serve the people. Rightists worry that China’s economic reforms have not gone nearly far enough and that political liberalisation is needed to prevent an explosion of public resentment. Both sides agree there is a lot of this, over issues ranging from corruption to a huge and conspicuous gap between rich and poor. Hu Xingdou of the Beijing Institute of Technology says it has become common among intellectuals to wonder whether 70 years is about the maximum a single party can remain in power, based on the records set by the Soviet Communist Party and Mexico’s Institutional Revolutionary Party. China’s party will have done 70 years in 2019.

Chinese intellectuals and officials have a habit of worrying. They did a lot of it after the Tiananmen Square protests, as instability swept the communist world. In the early 1990s many wondered whether China could reach the end of the decade without experiencing another upheaval itself. But the forecasters of looming chaos proved dramatically wrong. They failed to predict the economic spurt in 1992 that propelled China free of its planned-economy moorings. By the turn of the century this momentum began to create a middle class whose members had a stake in keeping the growth-loving party in place.

This middle class, however, is now beginning to worry about protecting its gains from the whims of law-flouting officialdom and the caprices of the global economy. It frets about the environment and food contaminated with chemicals. Even if China’s economy, as some analysts expect, continues to grow at strong single-digit rates for the rest of the decade, most agree that the heady double-digit days of much of the past ten years are over.

China’s media censors do not want the supposed difficulties of the next few years blamed on the outgoing leadership. They were very unhappy with an essay written by one of the party’s own senior theoreticians which was published in September on the website of Caijing, a Beijing magazine. The scholar, Deng Yuwen, who is a senior editor of the party journal, Study Times, wrote that the Hu era had possibly created more problems than it had solved.

The party, he said, was facing “a crisis of legitimacy”, fuelled by such issues as the wealth gap and the party’s failure to “satisfy demands for power to be returned to the people”. Mr Deng’s views were deleted from the website within hours. On his Sina Weibo microblog (with around 6,600 followers: not bad for someone whose job is to write for party insiders) he describes himself as one who “cries out for freedom and struggles for democracy”.

Despite the censors, Mr Deng’s views continue to be echoed by party liberals. In mid-September the National Development and Reform Commission, the government’s economic-planning agency, convened a meeting of some 70 scholars in Moganshan, a hillside retreat once beloved of Shanghai’s colonial-era elite. “I strongly felt that those with ideals among the intelligentsia were full of misgivings about the situation in China today,” said Lu Ting, an economist at Bank of America Merrill Lynch, who took part. Several of the scholars, he wrote for the website of Caixin, a Chinese portal, described China as being “unstable at the grass roots, dejected among the middle strata and out of control at the top”. Almost all agreed that reforms were “extremely urgent” and that without them there could be “social turmoil”.

Liberals have been encouraged by the downfall of Bo Xilai, who was dismissed as party chief of Chongqing, a region in the south-west, in March and expelled from the party in September. Leftists had been hailing Mr Bo as their champion, a defender of the communist faith. They accused the right of inventing allegations of sleaze in an effort to prevent his rise to the top alongside Mr Xi. The authorities have closed down leftist websites which once poured out articles backing him. But they have not silenced the left entirely: on October 23rd leftists published an open letter to the national legislature, signed by hundreds of people including academics and former officials, expressing support for Mr Bo. The question is, what does Mr Xi think? Will he heed the right’s demands for more rapid political and economic liberalisation, maintain Mr Hu’s ultra-cautious approach, or even take up Mr Bo’s mantle as a champion of the left?

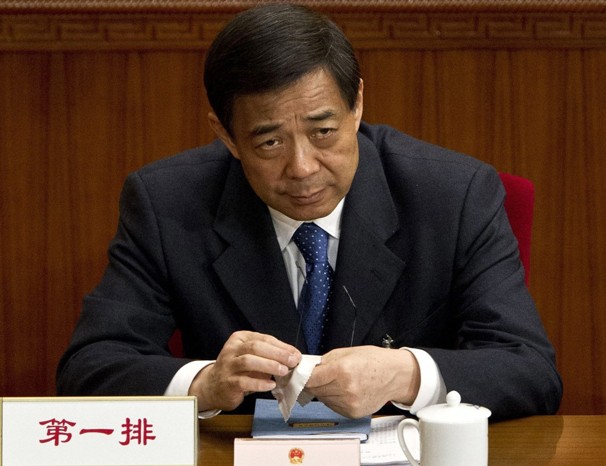
Happy Xiajiang?

There is little doubt that Mr Xi is more confident and outgoing than Mr Hu. His lineage gives him a strong base of support among China’s ruling families. But analysts attempting to divine his views are clutching at straws. A meeting in recent weeks between Mr Xi and Hu Deping, the liberal son of China’s late party chief, Hu Yaobang, raised hopes that he might have a soft spot for reformists. Mr Xi’s record in Zhejiang inspires others to believe that he is on the side of private enterprise (the province is a bastion of it). His late father, some note, had liberal leanings. The Dalai Lama once gave a watch to the elder Mr Xi, who wore it long after the Tibetan leader had fled into exile. This has fuelled speculation that Xi Jinping might be conciliatory to Tibetans. Wishful thinking abounds.

The visitor to Mr Xi’s adopted village, Xiajiang, might be encouraged that it has tried a little democracy. A former party chief there says candidates for the post of party secretary have to have the support of 70% of the villagers, including non-party members. During his apprenticeship, however, Mr Xi has been wary of going too far with ballot-box politics. In a little-publicised speech in 2010 he attacked the notion of “choosing people simply on the basis of votes”. That is not a problem he will face at the party congress.

WP

# Bo Xilai’s family complains of Chinese government obstacles to his defense

[](http://www.washingtonpost.com/world/bo-xilai-and-chinas-transition-of-power/2012/09/28/6d34bc42-096d-11e2-858a-5311df86ab04_gallery.html)

### By [William Wan](http://www.washingtonpost.com/william-wan/2011/03/02/ABlzvmP_page.html), Published: October 24

BEIJING — As the deposed Communist Party leader Bo Xilai sits in prison awaiting criminal charges, friends say his family is struggling against Chinese government obstacles to help him prepare a legal defense.

Bo’s immediate family has been warned not to hire any lawyers, according to two people close to his wife’s family. And two lawyers retained by his mother-in-law on his behalf have been unable to visit the formerly powerful party chief, they said, speaking on the condition of anonymity for fear of government reprisal.

The new details about Bo’s legal struggles came amid a four-day meeting of the National People’s Congress, which is expected to strip him of his legal immunity and clear the way for criminal charges.

One of China’s [most prominent politicians,](http://www.washingtonpost.com/world/egypts-historic-presidential-vote-brings-excitement-and-frustration/2012/05/22/gIQATcVUhU_story.html) Bo was a contender for a seat on the country’s ruling council before scandal derailed his career. His prospects appeared irreparably damaged when his wife, Gu Kailai, and a family aide were convicted this fall in the murder of a British businessman.

His spectacular downfall triggered [the country’s biggest political scandal](http://www.washingtonpost.com/world/asia_pacific/bo-xilai-removed-from-party-posts-wife-accused-in-british-businessmans-murder/2012/04/10/gIQA1jDL8S_story.html) in two decades, and lingering questions about Bo’s fate have cast a pall over China’s [once-a-decade leadership transition](http://www.washingtonpost.com/world/asia_pacific/in-china-will-transition-bring-real-change/2012/02/10/gIQABrkd6Q_story.html), scheduled for next month.

His whereabouts have been kept secret for months. But a family friend of Bo’s wife and a second person closely associated with Gu’s family believe that Bo is being held at Qincheng, a facility famous for its political prisoners.

The prison is an hour north of Beijing and has housed protesters from the 1989 Tiananmen Square demonstrations as well as other purged leaders, most famously Mao Zedong’s widow.

Bo’s brothers and sisters have been instructed not to find lawyers for him, and Bo’s brothers have passed along the warning to his two sons, one living in the United States and the other in Hong Kong, according to the family friend.

But, the family associates said, Gu’s mother, Fan Chengxiu, retained two lawyers for him Oct. 6: Shen Zhigeng, who was hired to represent Gu at her murder trial two months ago, and Li Xiaolin, who was hired to represent Gu’s aide, Zhang Xiaojun, who was convicted and sentenced to prison in the Gu case.

In a brief phone interview, Li confirmed that he was hired to represent Bo by Bo’s mother-in-law but declined to go into detail. Reached separately, the second lawyer declined to comment.

According to others involved, the lawyers plan to go to Bo’s prison in coming days in a last-ditch effort to see him if authorities do not respond to their request for access to him.

Rejecting such face-to-face meetings has become a standard way for the Chinese government to thwart independent representation in politically sensitive cases that could embarrass the party.

When the nephew of blind dissident Chen Guangcheng was arrested this year, authorities told the family’s lawyers, without providing proof, that Chen’s nephew wanted to use a government-  
appointed attorney instead. Bo’s wife was treated similarly at her murder trial last summer.

Authorities have also kept secret Gu’s location ever since [she pleaded guilty](http://www.washingtonpost.com/world/gu-kailai-wife-of-bo-xilai-does-not-contest-murder-charge-at-closed-trial-in-china/2012/08/09/24153ebc-e206-11e1-ae7f-d2a13e249eb2_story.html) to murder in August after proceedings that many Chinese and Western legal critics have likened to a show trial.

According to a prison document shown to Washington Post reporters, Gu was transferred Sept. 12 to a facility called Yancheng in Hebei province, on the outskirts of Beijing. The document — stamped with the Yancheng prison’s official red seal and dated Sept. 17 — was addressed to one of Gu’s sisters, Gu Zhengxie.

Yancheng is China’s only prison directly managed by the central Justice Ministry; all others are managed locally. The prison is rumored to be well furnished with everyday luxuries and, according to descriptions on the ministry’s Web site, is often used to house officials convicted of corruption and international prisoners.

The document could not be independently verified, but the family friend said Gu’s mother and sister tried to visit Gu upon receiving it. They were met by a deputy warden who refused their request, saying Gu first needed two months of “prisoner’s training.”

Relatives of Zhang, Gu’s aide, have been able to visit him since the trial, according to associates of Zhang’s family.

After the failed attempt to see Gu at Yancheng, her mother wrote a letter to China’s justice minister, Wu Aiying, the family friend said. As a former high official and the widow of a general in China’s army, Gu’s mother told the minister, she respected the discipline of the party but still pleaded for a chance to see her daughter.

NYT

October 29, 2012, 3:52 pm[1 Comment](http://thelede.blogs.nytimes.com/2012/10/29/david-barboza-answers-reader-questions-on-reporting-in-china/#postComment)

# David Barboza Answers Reader Questions on Reporting in China

By [DAVID BARBOZA](http://thelede.blogs.nytimes.com/author/david-barboza/)

The Times’s Shanghai bureau chief, [*David Barboza*](https://twitter.com/DavidBarboza2), reported last week that close relatives of Wen Jiabao, the prime minister of China, hold [*billions of dollars in hidden riches*](http://www.nytimes.com/2012/10/26/business/global/family-of-wen-jiabao-holds-a-hidden-fortune-in-china.html). Here are his answers to questions from readers prompted by the article.

Q.

As the NY Times’s Shanghai bureau chief, I assume you are a China old hand. I’m curious about what prompted you to write this article? What was your rationale for the timing of this article? Have you ever got a feeling of being used? — Casablanca

A.

I have been in China since 2004, and as a correspondent for the Business section, I have focused my reporting energies on economic, financial and business issues. Throughout my tenure in China there has been a lot of discussion about whether the families of high-ranking government officials have benefited from the country’s economic transformation by receiving so-called secret shares in corporations. This is a regular topic of dinner conversation when bankers, lawyers and accountants gather in Shanghai and Beijing. I had been told many times that this is typically done by using “nominee investors,” friends or people not easily identifiable in the shareholder records as having ties to politicians. These nominees, I was told, often hold shares for the relatives of powerful politicians, giving them a stake in a company.

About a year ago, as I was reporting a series of articles about China’s state-managed economy, I decided to see if there was any evidence behind the theory. I started looking into the business ties of several high-ranking leaders. Anyone who knows business and finance in China knows that the conjecture about the prime minister’s relatives was particularly persistent, so my focus eventually narrowed on the Wen family. I knew this would be a time-consuming and difficult task, but I was determined to answer this question. I plowed in, and to my great surprise found that there was a tremendous amount of information available in the public record. My reporting did not find illegality or corruption. It did reveal the names of Mr. Wen’s relatives hidden behind dozens of investment vehicles that few people had ever heard of.

Q.

I almost believed all the allegations against Wen in your article (most of the report pointing him as double-handed and heavily involved in the alleged corruptions) until the end of your report, which indicates that he almost divorced his wife because of her questionable business deals, and he was willing to let history judge him. Unfortunately, most people would not finish reading such a lengthy report, or their opinions have been formed based on the first half of your report…. Please enlighten me and other readers how you can justify your strong allegations first and then hinting you may not be sure of the allegations. Let me be clear: We are all fed up with corruptions in China (and elsewhere), but I am afraid your report may cause confusions to the readers, and leading to much tighter government control – meaning more corruptions and left-leaning policies in China in the future. Hope that is not what you are wishing for. — Pacific, USA

A.

I have to disagree with your assertion that I first listed strong allegations and then suggested I wasn’t sure about the allegations.

My goal in undertaking this story was to determine whether the relatives of the prime minister had large stakes in Chinese companies, and to figure out how much wealth they had accumulated. If there were clues as to how these relatives made their fortunes, that would obviously tell us something about how things work in China for the relatives of senior leaders.

I didn’t make allegations, I described my findings: the relatives of the prime minister have controlled a fortune that has had a value of at least $2.7 billion over the last decade, according to the public records I reviewed.

As with all reporting on any given subject, we did not conduct our investigation in a vacuum. We went directly to the people whose names appeared on the documents we tracked. We made repeated efforts to reach the prime minister and his various relatives to give them the opportunity to discuss the documents or to refute our findings. They did not respond or declined to comment. So the next best option was to explore the public record and share with our readers what the prime minister has said publicly about corruption and whether he has sought personal gain. We also cited documents released by the WikiLeaks organization because they also shed light on the subject and might help the reader better understand the context of our findings. There was an [interesting State Department cable from 2007](http://wikileaks.org/cable/2007/09/07SHANGHAI622.html), which refers to the prime minister and his family’s business dealings.

Q.

First of all, thanks for publish the article. It’s an eye opening. My question is what are the implication of your article on the upcoming communist transition on November 8, 2012? Obviously, there’s someone trying to discredit Wen Jiabao and his reformist faction. Who would benefit the most from your article? Is it Wu Bangguo and Zhou Yongkang’s hardline faction?

I have a strange feeling that New York Times has become a tool in a factional struggle between different factions of Communist party. Your article is not exactly surprising, it’s an open secret that nobody’s hand was clean in China’s leadership. The whole government was corrupt. It’s impossible to be an honest government official. Only thing surprising is the scale of corruption, I was thinking hundreds of millions before, thanks to NY Times, now I know it’s in billions. — Jordan, Bend, Ore.

A.

My apologies. I have to confess that I’m a business correspondent and do not cover Beijing politics, nor was the Party Congress a focus of my investigation. So I can’t really tell you the political implications of this article. You may have seen a comment in the article from Minxin Pei, who is at Claremont McKenna College. He believes this will weaken Wen in the last months of his term. There are two other experts who specialize in this area — [Li Cheng](http://www.brookings.edu/experts/lic) and [Kenneth Lieberthal](http://www.brookings.edu/experts/lieberthalk), both at the Brookings Institution in Washington. We may be hearing more from them in the coming weeks about the 18th Party Congress and the transition, which will involve naming the next president, widely expected to be Xi Jinping, and a new prime minister to replace Wen Jiabao, likely to be Li Keqiang. My colleagues in Beijing are in the midst of a fascinating series about that transition called [“Changing of the Guard.”](http://topics.nytimes.com/top/features/timestopics/series/changing_of_the_guard/index.html)

Q.

It is interesting that a few days ago, several Chinese sites reported that a thick bundle of material about Wen’s family wealth was sent to major US news agent by unidentified parties. The speculation was that this was the revenge for people who are sympathetic to Bo Xilai. Could Times tell us why it decided to do this now to Wen even though rumor about it had been going for years. Has the intentional leak played any role in the timing? If yes, I think that Times should mention it. This is a tremendous reporting, but it would be useful for the readers to know the context of this report. We would actually learn more about intricates about Chinese politics. –Joy, Poughkeepsie

A.

Your questions are excellent. Why now? Because it took that long to gather and evaluate the evidence, which involved thousands of pages of corporate and regulatory documents that we obtained through public record requests to various government entities in China.

I began looking into the business dealings of Wen Jiabao’s family late last year. I had been working on a series called [“Endangered Dragon,”](http://topics.nytimes.com/top/news/business/series/endangered_dragon/index.html) which looked at China’s government-managed economy, and wanted to include a piece that would give deeper insight into how China’s capitalism worked at the top. It is a broad subject, which I decided would be made more manageable by focusing on one family. I chose the prime minister’s family because I had heard conjecture about their business dealings for many years. People talked openly about the family’s wealth as if it was fact, but there was really no reporting on the subject that I could find that cited hard evidence backing up the claims. I kept scratching my head about why no one had tried to truth-squad the widespread rumors.

So I got started last year, and within a month or so, I was discovering intriguing things about some of the businesses, but each new discovery required digging deeper and deeper. I expected to finish the project within a month, by working weekends, but it took more than a year!

I have read the speculation that some “insider” gave me information, or that some enemies of the prime minister dropped off a huge box of documents at my office. That never happened. Not only were there no leaked documents, I never in the course of reporting met anyone who offered or hinted that they had documents related to the family holdings. This was a paper trail of publicly available documents that I followed with my own reporting, and if I might hazard a guess, it was a trail that no one else had followed before me.

In short, given the amount of effort this investigation required, I’d be stunned if there were a box of documents sitting somewhere that contained all of this work. If only it were so easy!

Q.

A great article with a lot of details. May I ask you how you can get into such detailed level of information? Did you get any leads from someone inside the Wall? It seems to me it is almost impossible to untangle such a network of secret dealings without any hint from the people in the know, and these are probably people who are Wen’s enemies. Thank you. — Jack, NY

A.

My only real source for this lengthy article was a filing cabinet full of documents I requested from various Chinese government offices over a period of about a year. After having some luck with my initial requests for corporate registration documents from the State Administration for Industry and Commerce bureaus, I went on a reporting spree: requesting and paying fees for the records of dozens of investment partnerships tied to the relatives of Wen Jiabao.

I also began making lists of individuals and companies and trying to figure out who the people were and what their relationships were to one another; and what, I asked, was the purpose of all these partnerships — many of which had similar shareholders lists.

Although S.A.I.C. records are open to the public, few journalists in China have really made good use of them. They are invaluable sources of information about private companies. Two excellent Chinese publications, Caixin and the 21 Century Business Herald, have regularly used S.A.I.C. records. These two publications have done some groundbreaking business reporting here. But government restrictions on writing about the families of senior leaders limits the scope of investigative journalism in China, particularly when the families of high-ranking officials are involved.

So, Jack, there was no person “inside the Wall” helping me. I read the documents, called lawyers, accountants and financial experts for advice about how to make sense of the records. Occasionally I met someone who was able to identify one of the shareholders. But I told very few people that I was working on a story about the prime minister’s relatives. Even my closest friends did not know. I knew talking about my research could be risky, and might derail the project.

NYT

###### Changing of the Guard

# Close Army Ties of China’s New Leader Could Test the U.S.



President Obama in February with Xi Jinping, who is to take power in China at a time when their nations’ ties are adrift.

###### By [JANE PERLEZ](http://topics.nytimes.com/top/reference/timestopics/people/p/jane_perlez/index.html)

###### Published: November 3, 2012

BEIJING — On one of his many visits abroad in recent years, [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), the presumptive new leader of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo), met in 2009 with local Chinese residents in Mexico City, where in a relaxed atmosphere he indirectly criticized the United States.

[](javascript:pop_me_up2('http://www.nytimes.com/imagepages/2012/11/04/world/bull-china.html','bull_china_html','width=720,height=629,scrollbars=yes,toolbars=no,resizable=yes'))

Xi Jinping, center, facing President Hu Jintao, is expected to become China’s leader in just days.

“There are a few foreigners, with full bellies, who have nothing better to do than try to point fingers at our country,” Mr. Xi said, according to a tape broadcast on Hong Kong television.  “China does not export revolution, hunger, poverty nor does China cause you any headaches. Just what else do you want?”

Mr. Xi is set to be elevated to the top post of the Chinese Communist Party at the 18th Party Congress scheduled to begin here on Nov. 8 — only two days after the American election. He will take the helm of a more confident China than the United States has ever known. He will be assuming supreme power in China at a time when relations between the two countries are adrift, sullied by suspicions over a clash of interests in Asia and by frequent attacks on China in the American presidential campaign.

In the last four months, China has forged an aggressive, more nationalistic posture in Asia that may set the tone for Mr. Xi’s expected decade-long tenure, analysts and diplomats say, pushing against American allies, particularly Japan, for what China considers its territorial imperatives. The son of a revolutionary general, Mr. Xi, 59, boasts far closer ties to China’s fast-growing military than the departing leader, Hu Jintao, had when he took office. As Mr. Xi rose through the ranks of the Communist Party, he made the most of parallel posts in the People’s Liberation Army, deeply familiarizing himself with the inner workings of the armed forces.

 Even if Mr. Xi does not immediately become head of the crucial Central Military Commission as well as party leader, he will almost certainly do so within two years, giving him at least eight years as the direct overseer of the military.

This combination of political power as head of the Communist Party and good relations with a more robust military could make Mr. Xi a formidable leader for Washington to contend with, analysts and diplomats in China and the United States say.

“The basic question is whether Xi will suspend the drift in the U.S.-China relationship and take concrete steps to put it on a more positive footing — or will he put it on a different, more confrontational track?” said Christopher K. Johnson, senior adviser at the Center for Strategic and International Studies in Washington, and until recently a China analyst at the Central Intelligence Agency.

The answer appears to lie somewhere in between.

In a speech in Washington in February, Mr. Xi said that China and the United States should forge a “new type of relationship between major countries in the 21st century.”

Mr. Xi offered little specificity beyond respect for each side’s “core interests and major concerns,” “increasing mutual understanding and strategic trust” and “enhancing cooperation and coordination in international affairs.”

But essentially, said Jin Canrong, a professor at the School of International Studies at Renmin University in Beijing, Mr. Xi was challenging the global leadership of the United States by suggesting that Washington needs to make room for China’s rising power.

“China should shoulder some responsibility for the United States and the United States should share power with China,” Dr. Jin said. “The United States elites won’t like it,” he added, “but they will have to” accept it.

Dr. Jin predicted that the Chinese economy would continue to grow at a much faster pace than America’s. “That fact will change their minds,” Dr. Jin said of American attitudes toward sharing power with China.

Before becoming heir apparent — ascending at the last party congress in 2007 to the position of first secretary of the Communist Party and then a few months later to the vice presidency of the Chinese government — Mr. Xi had little exposure to the world beyond  China.

Significantly, though, he spent much of his career before moving to Beijing in the coastal area of Fujian and Zhejiang Provinces across from Taiwan, which China regards as a breakaway province. In that capacity, he nurtured economic ties with Taiwan, and met frequently with Taiwan business leaders who made huge investments transforming the two provinces into one of China’s most powerful economic engines.

In 2003, when he was elevated from provincial governor to party chief in Zhejiang, the top position there, Mr. Xi kept the portfolio of relations with Taiwan, even though Taiwan affairs were usually relegated to the governor, said Joseph Wu, a former representative of Taiwan in Washington and a member of the opposition Democratic Progressive Party. In the medium term, Mr. Wu said, he expects Mr. Xi to be “tougher” in calling for greater integration between Taiwan and the mainland, a policy that Taiwan has resisted so far.

Since becoming vice president, Mr. Xi has visited more than 50 countries, a concerted effort to get to know the world before taking power, said Bo Zhiyue, senior research fellow at the East Asian Institute at the National University of Singapore, who tracks elite politics in China.

In contrast, Mr. Hu made 17 foreign visits during his tenure as vice president, Dr. Bo said.

One of the big changes from the past decade, when China’s foreign policy was focused on securing raw materials from abroad for its soaring domestic economy, will be a stronger emphasis on building up the military to protect China’s interests in Asia and expand its reach abroad. Mr. Xi is perfectly positioned to take on that role.

“The P.L.A. considers he is their man,” said Dr. Jin, the professor at Renmin University.

Mr. Xi will be in charge of a military whose budget almost certainly will grow at a pace with the economy, or even faster. The People’s Liberation Army is awaiting an array of sophisticated weaponry now under development, including space and long-range missiles capable of use against American aircraft carriers in the Pacific and Indian Oceans. The question is how it plans to exploit them.

“There are voices in China saying that now that the military has the capacity, they should use them,” said Phillip C. Saunders, director of the Center for the Study of Chinese Military Affairs at the National Defense University in Washington.

As vice president, Mr. Xi has served as vice chairman of the Central Military Commission since 2010 under President Hu. As part of the brutal factional politics at the top of the Communist Party, Mr. Hu delayed Mr. Xi’s rise to the deputy post by one year, but that did little to undermine his longstanding ties to army leaders, Chinese officials say.

The Chinese military’s new buoyancy comes as America’s allies across Asia — Japan, South Korea, Australia and other friends, particularly Singapore and India — worry whether the United States has the money, and the will, to enhance its military presence in Asia, as President Obama has promised.

In this situation, China will try to make inroads across the region, Asian diplomats say.

But Mr. Xi, with his strong standing with military leaders, may also find himself called on at times to restrain the ambitions of the army. “Xi will have to guide strategy,” Dr. Saunders said. “Then he has to go back to the P.L.A. and say, ‘This is how it will be.’ That is potentially contentious.”

Even before his watch begins, many see the stiffer hand of Mr. Xi in disputes in the South China Sea with the Philippines and Vietnam and in the East China Sea with Japan.

Chinese officials and commentators have alluded recently to what they see as the need for Japan to distance itself from the United States, even forgo the mutual defense treaty with Washington.

When Mr. Xi met with Defense Secretary Leon E. Panetta in Beijing in September, he delivered “an earful,” and left the unmistakable message that the United States should stay out of the way in the standoff between Japan and China over claims to the disputed islands.

Many see that as a harbinger of an effort by Mr. Xi over the next decade to increase the power and presence of China in Asia, a region where the United States has held the upper hand since the end of [World War II](http://topics.nytimes.com/top/reference/timestopics/subjects/w/world_war_ii_/index.html?inline=nyt-classifier).

## Communist Party congress

### Treading water

# President Hu Jintao gives his last state-of-the-nation address as China’s leader, admitting the growing contradictions in Chinese society

Nov 10th 2012 | BEIJING | from the print edition



SUCH is the secrecy in which China’s Communist Party cloaks itself that Hu Jintao, its leader since 2002, has only twice given a live address to the nation setting out his party’s policies in depth. His second, delivered on November 8th, a week before he steps down, was typically vague. Amid a growing chorus of calls for bolder economic and political reform, both he and incoming leaders favour caution.

Intense security in Beijing and to varying degrees across the country on the day he spoke hinted at the party’s nervousness. Despite a decade of breakneck economic growth, discontent is widespread among the less well-off as well as members of a much-expanded middle class, who want more say in how they are governed. Speaking at the opening of a five-yearly, week-long party congress, Mr Hu extolled the party’s achievements since 2002, but repeated what has become a refrain of China’s leaders: that its development is “unbalanced, unco-ordinated and unsustainable”.

As a farewell gift to Mr Hu, the more than 2,200 hand-picked congress delegates are expected to amend the party’s constitution to enshrine his appeal for “scientific development” (eco-friendly and balanced) alongside the other theories that supposedly guide the party: those of Marx, Lenin, Mao Zedong, Deng Xiaoping and Mr Hu’s predecessor, Jiang Zemin. There had been speculation before the congress that Mao might be dropped from this list. But Mr Hu paid ritual tribute to the late chairman and his thinking. Party leaders worry about an attempt by a recently purged Politburo member, Bo Xilai, to boost his popularity by appealing to faintly subversive nostalgia for Mao among the poor. But they worry even more that further steps toward “de-Maoification” might prove dangerously divisive within a party already shaken by Mr Bo’s spectacular downfall amid allegations of corruption and a murder cover-up.

In his 100-minute address, Mr Hu warned that corruption could cause “the collapse of the party and the fall of the state”. Leaders, however, have often used such language before. And the few specific remedies he offered are also old hat, though the party has made glacial progress in implementing them: more open government, more democracy at the grassroots and inside the party, and greater emphasis on the rule of law. Mr Hu stressed the importance of political reform, but also of continued one-party rule. The man poised to succeed him as party chief and as president next March, Xi Jinping (see next story), was in charge of drafting Mr Hu’s speech. It probably reflected a commonly agreed position that will be hard for Mr Xi to change, barring an economic or political crisis that affects the balance of thinking.

In recent weeks articles warning that such a crisis might come in the next decade, and arguing for pre-emptive reform, have appeared even in the official press. People’s Tribune, a fortnightly magazine produced by the party’s mouthpiece, the People’s Daily (and sporting Jiang Zemin’s calligraphy on its cover), published one on the eve of the congress by Yuan Gang of Peking University. It put the warning starkly: “A tightly controlled society in which people only do as they are told, are utterly subservient, and in which there is no freedom of action, will meet a rapid end.”

Mr Hu did admit a need for “greater political courage and vision”, and said the party should “lose no time in deepening reform in key sectors”. He repeated calls for “major changes” in the country’s growth model away from reliance on investment and exports towards greater emphasis on consumption. He said market forces should be given “wider scope”, and urged “steady steps” towards making interest rates and the exchange rate more market-driven. But he also spoke of a need to “steadily enhance” the state sector’s ability to “leverage and influence the economy”. Many liberal economists in China have been calling for a loosening of state control over vital sectors, from financial services to energy and telecommunications. Mr Hu said the private sector should enjoy a “level playing field”, but he also said the state should boost its investment in “key fields that comprise the lifeline of the economy”.

There is unlikely to be fierce debate over these issues at the congress. When it ends on November 14th delegates will dutifully raise their hands to approve Mr Hu’s report. The tightly scripted choreography of this five-yearly event shows no sign of changing. As usual there will be more candidates than seats available in a new central committee of around 370 people to be “elected” by the delegates. But behind the scenes, party officials will work to make sure the right people are chosen.

NYT

# Ending Congress, China Presents New Leadership Headed by Xi Jinping



**‘Princelings’ Reshape China:** November 14, 2012 - China's "princelings" are emerging as an aristocratic class with an increasingly important say in ruling the country.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: November 14, 2012

BEIJING — Completing only its second orderly hand-over of power in more than six decades of rule, the Chinese Communist Party on Thursday unveiled a new leadership slate headed by [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), the son of a revered revolutionary leader and economic reformer, who will face the task of guiding [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) to a more sustainable model of growth and managing the country’s rise as a global power.

###### Multimedia



###### [Graphic: The New Members of China’s Ruling Body](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)

###### [Interactive Feature: The Politburo’s Growing Number of Influential Leaders](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-politburos-growing-number-of-influential-leaders.html?ref=asia)

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China’s top officials during the closing ceremony of the 18th Communist Party Congress at the Great Hall of the People in Beijing on Wednesday. [More Photos »](http://www.nytimes.com/slideshow/2012/11/15/world/asia/20121115china.html)

For this nation of 1.3 billion, the transition culminates a tumultuous period plagued by scandals and intense political rivalry that presented the party with some of its greatest challenges since the student uprising of 1989. Minutes before noon on Thursday, after a confirmation vote by the party’s new Central Committee, Mr. Xi, 59, strode onto a red-carpeted stage at the Great Hall of the People accompanied by six other party officials who will form the new Politburo Standing Committee, the elite group that makes crucial decisions on the economy, foreign policy and other major issues. Before their appearance, the new lineup was announced by Xinhua, the state news agency.

“We have every reason to be proud — proud, but not complacent,” said Mr. Xi, looking relaxed in a dark suit and a wine-red tie. “Inside the party, there are many problems that need be addressed, especially the problems among party members and officials of corruption and taking bribes, being out of touch with the people, undue emphasis on formalities and bureaucracy, and other issues.” He added, “To forge iron, one must be strong.”

The ascension of Mr. Xi and other members of the “red nobility” to the top posts means that the so-called princelings have come into their own as a prominent political force. Because of their parentage, they believe themselves to be the heirs of the revolution that succeeded in 1949, endowed with the mandate of authority that that status confers.

“I think the emphasis is on continuity over change this time around,” said Bo Zhiyue, a scholar of Chinese politics at the National University of Singapore.

Mr. Xi is facing a growing chorus of calls from Chinese elites to support greater openness in China’s economic and political systems, which critics say have stagnated in the last decade under the departing party chief, [Hu Jintao](http://topics.nytimes.com/top/reference/timestopics/people/h/hu_jintao/index.html?inline=nyt-per), despite the country’s emergence as the world’s second-largest economy and a growing regional power.

Mr. Hu, 69, also turned over the post of civilian chairman of the military on Thursday to Mr. Xi, which made this transition the first time since the promotion of the ill-fated Hua Guofeng in 1976 that a Chinese leader had taken office as head of the party and the military at the same time. That gives Mr. Xi a stronger base from which to consolidate his power, even as he grapples with the continuing influence of party elders.

The unveiling came the day after the weeklong 18th Party Congress ended as Mr. Hu made his final appearance as party chief at a closing ceremony and seven standing committee members stepped down.

Mr. Xi is known for shunning the spotlight and being a skilled consensus builder. He spent his childhood in the leadership compounds of Beijing, but was forced to toil in a village of cave homes in Shaanxi Province for seven years during the Cultural Revolution, when his father was purged.

His first job was as an aide to a top general in Beijing. He then rose through the party ranks in the provinces, including Fujian and Zhejiang, two coastal regions known for private entrepreneurship and exchanges with Taiwan. Mr. Xi’s jobs and family background have allowed him to build personal ties to some military leaders. He is married to a celebrity singer, Peng Liyuan, and they have a daughter attending Harvard under a pseudonym.

Mr. Hu’s abdication of the military chairmanship sets an important institutional precedent for future successions and may put his legacy in a more favorable light. In Chinese politics, retired leaders try to maximize their influence well into old age, either by clinging to titles or by making their opinions known on important decisions.

Jiang Zemin, Mr. Hu’s predecessor as party chief and president, did both: he held on to the military post for two years after giving up his party title in 2002, which led to heightened friction within the party. And in recent months, he has worked to get his protégés installed on the standing committee, which is usually assembled through horse trading by party elders and leaders.

The committee was trimmed to seven members from nine. One reason for that change is that some party leaders, including Mr. Xi, believe that an overrepresentation of interests on the committee has led to gridlock in decision making. The smaller committee has also resulted in a downgrading of the party post that controls the security apparatus, which some officials asserted had grown too powerful.

The new standing committee has allies of Mr. Jiang in five of seven seats, reflecting his considerable power despite being hit by serious illness. Li Keqiang, a protégé of Mr. Hu’s, is expected to get the state title of prime minister next spring, when Mr. Xi becomes president. Mr. Li and Mr. Xi were the only members on the departing standing committee who are remaining part of the group.

The other officials on the new committee in order of ranking and their expected portfolios are Zhang Dejiang, head of the National People’s Congress; Yu Zhengsheng, who will run a similar advisory body; Liu Yunshan, vice president and overseer of propaganda; Wang Qishan, the head of an anticorruption agency; and Zhang Gaoli, the executive vice premier, who helps manage the economy.

One princeling said earlier to be a contender for the committee, Bo Xilai, was felled last spring by a scandal after his wife was accused of killing a British businessman.

The lineup is stocked with conservatives and older officials. An unspoken age limit for party leaders means that several of them will retire at the next party congress, in 2017, at which point Mr. Xi might have an opening to get other allies appointed.

Xinhua announced that Mr. Wang is the new head of the party’s Central Commission for Discipline Inspection, a group charged with investigating corruption and other infractions.

For months, there was talk that Mr. Wang would get an economic portfolio, but he appears to have been pushed aside for that job, which some analysts have said bodes ill for further economic liberalization. But Mr. Wang’s network in the finance industry, where he has considerable experience, could be a powerful tool in corruption investigations.

Mr. Wang joins Mr. Xi as one of three or four princelings on the projected committee. The princelings are not a coherent political faction, and their ranks are rife with personal and ideological rivalries. Their family connections may mean a greater confidence with wielding power and pressing for bolder changes. At the same time, that class has grown wealthy off China’s political economy, in which officials and state-owned enterprises work together to reap benefits, often at the expense of private entrepreneurship. Even those princelings who support liberalizing the economy or the political system still believe in the primacy of the party, and their push for various reforms is seen as an effort to ensure the party’s survival.

“These people around Xi Jinping who advise him and with whom he’s close, they do want reform, but on the condition that they maintain the rule of the Communist Party,” said Zhang Lifan, a historian and son of a former minister. “They consider the Communist Party and its rule a heritage from their fathers. So they’re not willing to risk losing it. They have limitations on how far they want reform to go.”

Mr. Xi will have to spend his first years building a power base, limiting the opportunity to make major policy moves. He might, however, support a further opening of the economy in his first five-year term, some political insiders said. If he or other leaders want to experiment with the political system, they would do that in his second term, even though true economic changes need political transformations as well.

Mr. Xi and the incoming leaders will also have to contend with the continuing influence of party elders, including Mr. Hu and Mr. Jiang. With the end of the 18th Party Congress on Wednesday, there are now about 20 retired standing committee members, and many of them want a say in major decisions.

But Robert Lawrence Kuhn, an American businessman who wrote an authorized biography of Jiang Zemin and remains close to senior officials, predicted Mr. Xi would surprise those expecting him to adhere to the status quo. The pressures on China to create a more sustainable economic system — one that relies less on investment in large projects and exports and more on domestic consumption and private business — will compel him to act soon. “The risks of not reforming are now higher than the risks of reforming,” Mr. Kuhn said.

# Corruption in Military Poses a Test for China

###### By [JANE PERLEZ](http://topics.nytimes.com/top/reference/timestopics/people/p/jane_perlez/index.html)

###### Published: November 14, 2012

BEIJING — An insider critique of corruption in [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo)’s military, circulating just as new leadership is about to take over the armed forces, warns that graft and wide-scale abuses pose as much of a threat to the nation’s security as the United States.



Xu Qiliang will be a vice chairman of the 12-member Central Military Commission.

Col. Liu Mingfu, the author of the book, “Why the Liberation Army Can Win,” is not a lone voice.

Earlier this year, a powerful army official gave an emotional speech describing corruption as a “do-or-die struggle,” and days later, according to widely published accounts, a prominent general, Gu Junshan, a deputy director of the logistics department, was arrested on suspicion of corruption. He now awaits trial. The general is reported to have made huge profits on illicit land deals and given more than 400 houses intended for retired officers to friends.

Those excesses may be mere trifles compared with the depth of the overall corruption, the speech by Gen. Liu Yuan, an associate of the new party leader, [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), suggested.

For Mr. Xi, who boasts a military pedigree from his father — a guerrilla leader who helped bring Mao Zedong to power in 1949 — China’s fast modernizing army will be a bulwark of his standing at home and influence abroad.

But the depth of graft and brazen profiteering in the People’s Liberation Army poses a delicate problem for the new leader, one that Colonel Liu and others have warned could undermine the status of the Communist Party.

As part of the nation’s once-a-decade handover of power, Mr. Xi assumed the chairmanship of the 12-member Central Military Commission immediately. Hu Jintao, the departing party leader, broke precedent and did not retain his position atop the body, which oversees the armed forces, for an extended period after his retirement, unlike previous leaders.

Recent territorial disputes with Japan and Southeast Asian neighbors have raised nationalist sentiment in China, and the popular desire for a strong military could make it politically dangerous for Mr. Xi to embark on a campaign that unmasks squandering of public funds.

In his opening speech to the 18th Party Congress, Mr. Hu said China would aim to become “a maritime power.” It was one of the few references in the address about foreign affairs, and one that suggested the government would continue the double-digit increases in expenditures for the military.

But along with the modernization and bigger budgets has come more corruption, a problem that pervades China’s ruling party and its government.

For the first time in the history of the People’s Liberation Army, Chinese analysts say, the land-based army has had to give up its dominance of the military commission.

The former commander of the air force, Xu Qiliang, will be a vice chairman, giving the air force new weight in big decisions, they said. An army general, Fan Changlong, the former commander of the Jinan Military Region, will also be a vice chairman.

These two men will run the day-to-day operations of the military, Chinese analysts said.

In his book, Colonel Liu, a former professor at China’s National Defense University, wrote that the army had not been tested in decades and had grown complacent. “As a military that has not fought a war for 30 years, the People’s Liberation Army has reached a stage in which its biggest danger and No. 1 foe is corruption,” he wrote.

Colonel Liu first became prominent in 2010 with the publication of his book “The China Dream,” an ultranationalist tract arguing that China should build the world’s strongest military and move swiftly to supplant the United States as the global “champion.”

In his new work, the colonel drew a parallel with 1894, when China’s forces were swiftly defeated by a rapidly modernizing Japan, even though the Chinese were equipped with expensive ships from Europe. Historians often attribute the defeat to corruption.

Another retired army officer, and a member of the aristocratic class known as the princelings, said that corruption existed throughout the military but that the new commission would probably refrain from a sustained campaign against it.

“It won’t be a big campaign against corruption,” the retired officer said in an interview. “You can’t do it too much, otherwise the party comes out too black, and the leaders won’t like it.”

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Gen. Fan Changlong, left, and Xu Caihou, also vice chairmen of the Central Military Commission, in Beijing on Wednesday.

Indeed, the arrest of General Gu was probably just another example of sporadic efforts against big names in the army rather than a concerted campaign, argued James Mulvenon, an American analyst of the Chinese military, [in a recent article](http://www.hoover.org/publications/china-leadership-monitor/article/129481) for the China Leadership Monitor.

“Before Gu Junshan’s arrest, there had not been a high-profile P.L.A. corruption case in more than five years, which says more about the political constraints on corruption enforcement than the actual level of corruption in the P.L.A.,” Mr. Mulvenon wrote.

The new lineup of the military commission suggests that being too outspoken about corruption is detrimental to career advancement.

General Liu did not win a seat on the military commission, although supporters had tipped him as a likely new member. Some analysts speculated that General Liu, who is the son of one of China’s former presidents, Liu Shaoqi, may have taken a step too far in his anticorruption speech, and that he had ruffled enough feathers that even his friendship with Mr. Xi was not enough to secure him a berth.

The Chinese military also faced outmoded methods of organization that hamper its ability to fight, said a Western diplomat who specializes in the study of the Chinese Army.

One of the most striking shortcomings of the military, the Western diplomat said, was the failure to develop a system that would give the Chinese a method of joint command to assure overall coordination in war fighting and reduce rivalries among the navy, air force and army similar to that in the United States and other Western countries.

He said Chinese military officials had debated placing four directors on the military commission under a joint commander — something akin to the chairman of the Joint Chiefs of Staff at the Pentagon.

But a joint commander had clearly been rejected as the new commission was formed.

“Why?” the diplomat asked. “Because the individual at the head of a joint command would be more powerful than one person on the Standing Committee,” the innermost decision-making body in China that Mr. Xi will lead as party chairman.

[hanging of the Guard](http://topics.nytimes.com/top/features/timestopics/series/changing_of_the_guard/index.html?8qa)

###### News Analysis

# Family Ties and Hobnobbing Trump Merit at China Helm



Peter Parks/Agence France-Presse — Getty Images

A television screen on a subway train in Shanghai showed Xi Jinping delivering a speech on Thursday. Mr. Xi was elevated to power in China.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: November 17, 2012

BEIJING — To a degree, the new leaders of [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) named just days ago have backgrounds that are as uniform as the dark suits and red ties they wore at their [coming-out ceremony](http://www.nytimes.com/2012/11/15/world/asia/communists-conclude-party-congress-in-china.html?ref=world).

###### Multimedia

[[](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)Graphic](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)

###### [The New Members of China’s Ruling Body](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)

###### [The Saturday Profile: A Star in China Both Rises and Sets](http://www.nytimes.com/2012/11/17/world/asia/peng-liyuan-first-lady-of-china-dimmed-her-star.html?ref=asia) (November 17, 2012)

The seven men on the Politburo Standing Committee have forged close relations to previous party leaders, either through their families or institutional networks. They have exhibited little in the way of vision or initiative during their careers. And most have been allies or protégés of Jiang Zemin, the octogenarian former party chief.

The Communist Party and its acolytes like to brag that the party promotion system is a meritocracy, producing leaders better suited to run a country than those who emerge from the cacophony of elections and partisan bickering in full-blown democracies. But critics, including a number of party insiders, say that China’s secretive selection process, rooted in personal networks, has actually created a meritocracy of mediocrity.

Those who do less in the way of bold policy during their political rise — and expend their energies instead hobnobbing with senior officials over rice wine at banquets or wooing them with vanity-stroking projects — appear to have a greater chance of reaching the ranks of the top 400 or so party officials, the ones with seats on the Central Committee, the Politburo or its standing committee. Instead of pure talent, political patronage and family connections are the critical factors in ascending to the top, according to recent academic studies and analyses of the backgrounds of the leaders.

There are growing doubts, even among party elites, over whether such a system brings out those best equipped to deal with the challenges facing this nation of 1.3 billion people, with its slowing economic growth, environmental degradation and rising social instability. A series of recent scandals and revelations that the families of top officials can hold billions of dollars’ worth of investments have also led to greater scrutiny over the role of patronage.

On Friday, at a seminar in Beijng, Li Rui, a retired official who once served as Mao Zedong’s secretary, said he had urged party leaders to embrace big changes to how they appoint and oversee officials, warning that otherwise there would be more damaging scandals like one that led to the fall this year of Bo Xilai, the once-powerful politician who had risen quickly through the party ranks, largely because his father was one of the party’s “Eight Immortals.”

“Our current model produced the Bo Xilai incident,” he said.

Cheng Li, a scholar of Chinese politics at the Brookings Institution, wrote in a paper published in September that the Chinese political system was one of “weak leaders, strong factions,” and that it suffered from “nepotism and patron-client ties in the selection of leaders.” Susan L. Shirk, a professor and former State Department official, said Thursday on China File, [a Web publication from the Asia Society](http://www.chinafile.com/age-chinas-new-leaders-may-have-been-key-their-selection), that “patronage is the coin of the realm in Chinese elite politics.”

In the United States and other Western countries, some prominent political families have certainly wielded power through successive generations — think of the Kennedys or Bushes — but entrenched dynasties and the influence of elders are becoming particularly noteworthy in China. The increasing prevalence of the so-called princelings, those related by birth or marriage to earlier Communist Party luminaries, is one sure sign that family background plays a decisive role in ascending to power. Four of the new standing committee members, including Xi Jinping, come from the red aristocracy. One of them, Wang Qishan, who seems to prefer blue ties, married into it.

“Xi Jinping himself didn’t come to power because of outstanding political achievements,” said Pu Zhiqiang, a rights lawyer, who added that he believed the new leadership was “quite mediocre.”

Just as important as family connections and demonstrated party loyalty is the ability to cultivate China’s top leaders. Five members of the standing committee are considered allies of Jiang Zemin, the party chief who stepped down in 2002, and the others have ties to his successor and rival, Hu Jintao. At least one, Yu Zhengsheng, is also closely aligned with the family of Deng Xiaoping, the supreme leader who appointed both Mr. Jiang and Mr. Hu.

Mr. Jiang was the dominant force shaping the seven-member standing committee this year. Old loyalists were rewarded with seats, beating out several candidates — Wang Yang and Li Yuanchao among them — who were considered more talented or more charismatic.

Mr. Li, the head of the Organization Department, “did a lot of things and he’s very smart,” said Zhang Xiaojin, a political scientist at Tsinghua University. “But when you do a lot of things, you often have problems.”

The party hierarchy has its defenders. Xinhua, the state news agency, [quoted Xie Chuntao](http://news.xinhuanet.com/english/special/18cpcnc/2012-11/15/c_131977176.htm), a professor at the Central Party School, as saying, “The new leaders are not ossified or conservative.” But other analysts say that most of the standing committee members, whose average age is 63, got there precisely because of their banality, since the system knocks down politicians who stick out too much.

“Normal logic is that based on a meritocracy, whoever is better in terms of performance should be picked,” said Bo Zhiyue, a scholar of Chinese politics at the National University of Singapore. “But in Chinese politics, they have a logic of reverse selection,” he added. “If A is better than B, then A should be eliminated.”

That antimeritocracy logic was at work even in the assigning of portfolios. Many political insiders say that of the seven men, Wang Qishan, with his years of experience in the finance sector, would be the most able to take on day-to-day management of China’s economy. But they said he was shunted aside to be head of an anticorruption commission because Li Keqiang, the second-ranked party member and designated heir to the title of government premier, which carries overall responsibility for the economy, and other leaders feared sharing that power with the confident Mr. Wang would cause friction.

“It’s sort of absurd,” said Wu Jiaxiang, once an adviser to Zhao Ziyang, the party chief purged during the 1989 student uprising. “It shows how power games can distort the arrangements.”

Mr. Li, though well educated, failed to stand out while governing provinces; in fact, as party chief of Henan Province, he was responsible for trying to cover up one of China’s worst health scandals. Yet, through careful cultivation of Mr. Hu, he nimbly climbed the political ladder. Like other ambitious politicians who come from more humble backgrounds, he forged patron links to Mr. Hu after joining the Communist Youth League.

“In China, if I promote you, then on major issues you’re supposed to heed me,” said one former official and Youth League member. “I’ve seen it myself. When people make decisions now, people don’t refer to principles or ideals, but to what will benefit their boss.”

In theory, the Communist Party has a performance-based evaluation system that determines which officials are qualified for promotion. Those include targets on economic growth, extinguishing potential protests and population control for the territories under their watch. But a study by three scholars, published in February in American Political Science Review, found that patronage networks were more important than performance measures. Most surprising was that even meeting the target for economic growth paled in importance next to patron-client ties. The authors wrote that cadre management institutions “delivered promotions to followers of senior party leaders” and that there was “no relationship between growth performance and party ranking, and a strong relationship between factional ties and rank.”

The overwhelming dominance of ethnic Han men in the party’s upper levels also undermines the argument that the cream rises to the top, regardless of gender, ethnicity or family background. Of the 205 full members of the new Central Committee, only 5 percent are women. The 25-member Politburo did double its female representation, though — by going from one to two women.

###### NYT

# Signals of a More Open Economy in China



In November, Xi Jinping made his official debut as party chief at the 18th party congress, which military officers attended.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: December 9, 2012

BEIJING — In a strong signal of support for greater market-oriented economic policies, [Xi Jinping](http://topics.nytimes.com/top/reference/timestopics/people/x/xi_jinping/index.html?inline=nyt-per), the new head of the Communist Party, made a visit over the weekend to the special economic zone of Shenzhen in south [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo), which has stood as a symbol of the nation’s embrace of a state-led form of capitalism since its growth over the last three decades from a fishing enclave to an industrial metropolis.

###### Multimedia

[[](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-politburos-growing-number-of-influential-leaders.html?ref=asia)Interactive Feature](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-politburos-growing-number-of-influential-leaders.html?ref=asia)

###### [The Politburo’s Growing Number of Influential Leaders](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-politburos-growing-number-of-influential-leaders.html?ref=asia)

[[](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)Graphic](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)

###### [The New Members of China’s Ruling Body](http://www.nytimes.com/interactive/2012/11/14/world/asia/the-new-members-of-chinas-ruling-body.html?ref=asia)



###### Pool photo by Ed Jones

Mr. Xi is pushing Chinese nationalism.

The trip was Mr. Xi’s first outside Beijing since becoming party chief on Nov. 15. Mr. Xi visited a private Internet company on Friday and went to Lotus Hill Park on Saturday to lay a wreath at a bronze statue of Deng Xiaoping, the leader who opened the era of economic reforms in 1979, when Shenzhen was designated a special economic zone. Mr. Deng famously later visited the city in 1992 to encourage reviving those economic policies after they had stalled following the violent crackdown on pro-democracy protests in 1989.

“Reform and opening up is a guiding policy that the Communist Party must stick to,” Mr. Xi said, according to Phoenix Television, one of several Hong Kong news organizations that covered the trip. “We must keep to this correct path. We must stay unwavering on the road to a prosperous country and people, and there must be new pioneering.”

In the months before the transition, there were widespread calls, including from people close to Mr. Xi, to adopt more liberal economic policies and even to experiment with greater political openness as a way for the party to maintain its rule. Without much success so far, reformers have long been encouraging the leadership to move toward a more sustainable growth model for China, one that relies more on domestic consumption rather than infrastructure investment and exports, and where state enterprises play less of a role.

Mr. Xi, known as a skillful consensus builder, has kept his ideas carefully veiled throughout his career, but his trip to Shenzhen is the strongest sign yet that he may favor more open policies. In a speech in Beijing on Nov. 29, Mr. Xi spoke of the “Chinese dream” of realizing the nation’s “revival,” which, besides being a call for renewal, also signaled strong nationalist leanings.

Mr. Xi’s father, Xi Zhongxun, was a revered senior official handpicked by Mr. Deng to help shape the new economic policies and oversee the creation of the Shenzhen zone. Mr. Xi’s mother lives in Shenzhen, and he visited her on his trip, according to Hong Kong news reports.

“If he indeed went to Shenzhen, that means he intends to make reform a subject of priority,” said Li Weidong, a liberal political analyst. “That would really be a phenomenon.”

Mr. Li cautioned, though, that the so-called reform policies that followed Mr. Deng’s 1992 southern tour, in his view, “ended up being fake” because China’s boom resulted in widespread corruption and the expansion of state enterprises at the expense of private entrepreneurship.

When Mr. Xi’s predecessor, Hu Jintao, became party chief in 2002, he was seen by many as a potential reformer, but his tenure was marked by conservative policies. For his first trip outside Beijing as party chief, Mr. Hu went in December 2002 to Xibaipo, a hallowed site for the revolution, where he reiterated a speech given by Mao Zedong.

Over the weekend, video footage from Phoenix Television showed a line of minibuses and police cars winding its way through Shenzhen. Mr. Xi and other officials walked outdoors in dark suits. The party’s official news organizations did not immediately report on the trip, but some prominent mainland Chinese news Web sites cited the Hong Kong reports.

Mr. Xi’s early moves as party leader seem aimed at emphasizing national “revival,” a theme he highlighted when he appeared on Nov. 29 with the party’s new seven-man Politburo Standing Committee in a history museum at Tiananmen Square. According to People’s Daily, the party mouthpiece, Mr. Xi stood in front of an exhibition called “The Road to Rejuvenation” and said, “After the 170 or more years of constant struggle since the [Opium](http://topics.nytimes.com/top/reference/timestopics/subjects/o/opium/index.html?inline=nyt-classifier) Wars, the great revival of the Chinese nation enjoys glorious prospects.”

He added: “Now everyone is discussing the Chinese dream, and I believe that realizing the great revival of the Chinese nation is the greatest dream of the Chinese nation in modern times.”

The emphasis on a “Chinese dream” is particular to Mr. Xi, and could prove to be a recurring motif throughout his tenure. The notion of a grand revival — “fu xing” in Mandarin — has been popular with Chinese leaders for at least a century, but Mr. Xi appears to be tapping more deeply into that nationalist vein than his recent predecessors, perhaps recognizing that traditional Communist ideology no longer has popular appeal.

Given China’s many recent accomplishments, it is somewhat surprising that “this narrative, which counterpoises China against Japan and the West, should be becoming more rather than less prominent,” said Orville Schell, a veteran China observer who is writing a book on the country’s modern quest for wealth and power with John Delury, a historian. “And now, as the new Chinese leadership begins to write the script for the next act of their country’s reform, it appears as if Xi Jinping is finding nationalism an irresistible ingredient in his effort to galvanize his people.”

Mr. Xi’s brand of nationalism, analysts say, could mix bolder economic policies with anticorruption campaigns, a vigorous military buildup and a muscular foreign policy. The combination is somewhat reminiscent of the Self-Strengthening Movement in the late 19th century, when some Chinese leaders and intellectuals tried to push institutional reforms to revive a weakening Qing dynasty harassed by Western powers and Japan.

Leaders here know that anti-foreign nationalism, shaped by the state education system and mass media, is a powerful undercurrent in Chinese society. Just weeks before Mr. Xi took power, anti-Japan protests erupted in Chinese cities over a territorial dispute. Under Mr. Xi, China has been assertive with Southeast Asian nations over disputed territory in the South China Sea.

On Wednesday, Mr. Xi met with representatives of the Second Artillery Corps, which oversees China’s nuclear arsenal. That prompted The People’s Liberation Army Daily to say the next day: “In realizing the great dream of the great revival of the Chinese nation, the Second Artillery Corps is duty-bound to take up the task of forging the saber of a great power.”

For many Chinese, calls for revival refer to resurrecting a China strong enough to dictate foreign policy on its own terms, before Western nations humiliated the Qing rulers during the two Opium Wars in the 19th century. The last golden age of China as a great power is often considered to be the late 18th century, after the Qing empire’s ethnic Manchu rulers had expanded China’s geographic reach. Perhaps most telling, the Qianlong Emperor tried forcing George Macartney, the British envoy, to kowtow in the imperial court in 1793.

After the Opium Wars, nationalist intellectuals, including Sun Yat-sen, pushed for rejuvenation. Sun founded the Revive China Society, whose motto was to “expel the Manchus, revive China and establish a unified government.”

In Mr. Schell’s view, “if there is any one sentiment that has tied all the thinkers and leaders of China’s 20th century together, it is certainly nationalism.”

Mr. Delury, the historian, said there was a millennia-old concept of rejuvenation in dynastic China that the party might find relevant now. It was called a “middle revival,” or zhong xing, and was used to describe a period midway through a dynastic cycle when an empire had to revive itself to move past the failings of weak leadership.

“To rally the troops, there’s a call for zhong xing,” Mr. Delury said. “The archetype is you have these strong founding emperors, and then you have an inexorable weakening, and then there’s a crisis, and a strong leader emerges in the middle who pushes the zhong xing. It gives the dynasty a second life.”

NYT

# China Boss’s Fall Puts Focus on Business Ally



Carlos Barria/Reuters

The court where the trial of Bo Xilai will begin on Thursday in Jinan, capital of Shandong Province. He faces corruption charges.

###### By [DAVID BARBOZA](http://topics.nytimes.com/top/reference/timestopics/people/b/david_barboza/index.html)

###### Published: August 21, 2013

SHANGHAI — For years, Xu Ming, once a little-known entrepreneur from northeastern China, worked his way into the good graces of the families of China’s political elite.

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###### China Daily/Reuters

The businessman Xu Ming is now in custody.

He cared for the parents and children of the powerful, accompanied officials on foreign trips and enriched their relatives — as well as himself — through early investments in businesses that eventually went public.

Mr. Xu, however, is now in custody, and one of his most important relationships has become a central piece of evidence in the much-anticipated trial of the former Politburo member Bo Xilai, which begins Thursday.

Mr. Xu, who is 42, funneled millions of dollars in bribes to Mr. Bo and his family, including paying for trips to Europe and perhaps even giving the family a $3.5 million villa on the French Riviera, according to the indictment against Mr. Bo that will be presented when the trial gets under way.

Those charges — along with accusations that Mr. Bo obstructed a murder investigation — could result in a lengthy prison term for Mr. Bo, the son of a Communist revolutionary and once a top Chinese leader whose fall from power last year shook the political establishment.

But the Communist Party’s decision to rely on evidence linked to the businessman could also be risky, analysts say, because Mr. Bo was by no means Mr. Xu’s only political patron.

Although the trial itself is expected to be closed to the public and its proceedings released only selectively by the state news media, judicial scrutiny of how broad political connections can greatly enrich an otherwise obscure businessman could prove delicate to more than one member of the Chinese leadership — and raise questions about whether Mr. Xu’s ties to other leaders should receive legal scrutiny.

There have been no publicly announced charges against Mr. Xu, and there is no evidence that his links to other prominent political clans included the kind of direct payments he was alleged to have made to Mr. Bo. But according to public records obtained by The New York Times, Mr. Xu had close business and personal ties to family members of several senior Chinese officials, including the former prime minister, Wen Jiabao, who was one of Mr. Bo’s chief political rivals.

Mr. Xu had unusual access to the homes of Beijing leaders, offered to care for some of their parents and even traveled with some of them on official visits abroad, according to longtime business partners of Mr. Xu’s and government travel records.

In 2002, for instance, he accompanied Wu Yi, then state councilor, on a trip to the Middle East. Back home, visitors to his company, Dalian Shide, included the Politburo members Huang Ju and Li Changchun, who have since stepped down.

And beginning in the late 1990s, Mr. Xu co-invested in a series of private companies with the relatives of Mr. Wen, who retired last March. Mr. Xu for a time even dated Mr. Wen’s only daughter, Wen Ruchun, according to close associates.

“He was a public relations genius,” said Larry Cheng, one of Mr. Xu’s longtime business partners. “He was helping everyone in the leadership. He knew just who to get close to and how to do it.”

Mr. Xu and members of the Wen family could not be reached for comment. But Mr. Xu’s ability to curry favor with China’s ruling elite shines a light on how some business gets done in this country’s tightly regulated economy.

To get access to land, licenses and capital, Chinese entrepreneurs say they are expected to cater to the needs of Communist Party officials and their families. That can mean paying school tuition, entertaining spouses and giving corporate shares to the relatives of public officials.

But it also makes them vulnerable when an official they are close to gets forced out in a power struggle and is accused of corruption.

“To be a successful businessman in China you need to play the game, and even corrupt an official, which makes you very vulnerable,”said Chen Zhiwu, a professor of finance at Yale University. “If you don’t cooperate with them, you won’t succeed. Those are the choices you have in a system where government power is unchecked.”

Mr. Xu, a paunchy, soft-spoken billionaire, was detained last spring, shortly after the authorities removed Bo Xilai from his post as party chief in the central Chinese city of Chongqing.

“He was a very nice guy when I met him in 2000,” said Hu Kun, a former insurance executive. “He was just about 30 years old, but he was clearly in charge. And when approval was needed for a license, he just picked up the phone and called the Shanghai party secretary’s office. Then he said, ‘It’s done!’ And we ate dinner.”

Xu Ming grew up poor in a village in Liaoning Province in northeast China and studied at a small aerospace college before finding work in Dalian, for a company that exported shrimp to Japan, according to China’s state-run media.

Soon after, in the early 1990s, he formed Dalian Shide and won local government contracts to create landfills and beautify the city under Mr. Bo, who served as mayor between 1992 and 2000.

By the age of 28, Mr. Xu was a multimillionaire and controlled a company that was fast becoming a conglomerate by expanding into plastics, chemicals and real estate.

In Dalian, his connection to Mr. Bo was unmistakable. One of his top executives at Dalian Shide had worked as a close aide to Mr. Bo when he served as Liaoning’s governor. Mr. Xu also had indirect business ties to the family after he formed a consulting firm with a businessman named Larry Cheng. Mr. Cheng was at the same time serving as a business partner to Mr. Bo’s wife, Gu Kailai, a lawyer.

And when Ms. Gu and her young son, Bo Guagua, traveled to Britain to search for a school for the son to attend, Mr. Xu covered all the expenses, according to one of Mr. Xu’s former business partners.

Later, as his ambition grew, Mr. Xu began networking with other powerful political figures in Beijing, according to people who worked with him. None of those relationships has come under legal scrutiny, at least publicly. Associates of Mr. Xu, however, say he generally sought to develop deep personal and financial ties with close relatives of senior leaders, the way he did with Mr. Bo.

In the late 1990s, for instance, he grew friendly with Zhang Beili, a diamond expert and the wife of Wen Jiabao, who was then vice premier. They worked on the same floor in Beijing’s Ping An Insurance building, according to corporate records and interviews with his former business partners.

“Half the office in that Ping An building was Xu Ming, and half was used by Zhang Beili,” one of his former business partners said.

While Mr. Xu was dating Wen Ruchun, Mr. Wen’s daughter, he treated Mr. Wen’s only son, Wen Yunsong, like a close friend, his former business associates said.

His relations with the Wen family also extended into business.

In about 1999, Mr. Xu’s company began making deals with Sino-diamond, a Chinese diamond company that was partly controlled by Mr. Wen’s relatives. Around the same time, Mr. Xu invested in a Dalian diamond mine and in Jiaxing Carbon Fiber, another company partly controlled by Mr. Wen’s relatives, according to shareholder records. (Mr. Xu also served on the Jiaxing’s board of directors with Wen Yunsong.)

Mr. Xu also moved into finance. In 2000, he helped found Sino-Life Insurance with a group of companies partly owned by Mr. Wen’s brother-in-law and his mother. Sino-Life later hired Wen Yunsong’s company as its information technology supplier, according to interviews with people familiar with the deal.

Insurance stakes, including a large public offering holding that he acquired in China Pacific Insurance, became the cornerstone of Mr. Xu’s fortune. Forbes estimated that he was China’s eighth wealthiest businessman in 2005.

Early on, however, he came under pressure to explain his ties to the Wen family. In 2002, the Far Eastern Economic Review published an article saying that Mr. Xu was the son-in-law of Wen Jiabao.

He responded with a terse letter to the editor of the publication, saying: “I am not Vice Premier Wen’s son-in-law. I have no personal relationship with Wen or his family.”

The letter was not accurate, but it reflected the delicacy of political and business relationships even in the early days of China’s economic boom.

Mr. Xu and Ms. Wen eventually broke off their relationship, people familiar with the couple say. And by most accounts, Mr. Xu began drifting closer to Bo Xilai, his longtime patron from Dalian, who had moved to Beijing as commerce minister, before being named party boss of Chongqing in 2007.

When Mr. Bo was detained in March of last year, it was only a matter of time before Xu Ming was also facing detention, given his extensive ties.

“Xu Ming’s case made some people nervous,” said Professor Chen at Yale. “But it wasn’t a watershed. Xu Ming was too tied to Bo Xilai, and many businessmen didn’t like Bo Xilai.”

# Tension Rises for Trial of Ex-Party Leader in China



Police officers marched out of the court in the eastern provincial capital of Jinan on Wednesday, a day before the start of the corruption trial of Bo Xilai.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: August 21, 2013

JINAN, China — As the trial of Bo Xilai, the fallen Communist Party aristocrat, neared its start in this eastern provincial capital, security officers, journalists and some supporters of the charismatic Mr. Bo fanned out in the streets around a downtown courthouse on Wednesday, looking for signs of how the closed-door hearing might unfold.

The scandal that brought down Mr. Bo is arguably the biggest one to shake the party in decades, and China’s leaders have had to take into account powerful competing forces — from liberal party officials who have denounced Mr. Bo to revolutionary families still close to him — while preparing for the trial.

Detained by security officials since March 2012, [Mr. Bo was indicted in late July](http://www.nytimes.com/2013/07/25/world/asia/bo-xilai.html) on charges of corruption, taking bribes and abuse of power. The charges came almost one year after his wife, Gu Kailai, was given a suspended death sentence for murdering Neil Heywood, a British family associate. The trial that starts Thursday is expected to be the final blow to Mr. Bo’s vaunted political career. Until last year he was one of 25 Politburo members and party chief of the municipality of Chongqing; he had even been considered a candidate for one of the very highest party posts, which were handed out in November.

The Bo case has exposed deep-rooted corruption and vindictiveness at the top levels of the party and cast a spotlight on the growing power of the “[princelings](http://www.nytimes.com/interactive/business/princelings.html),” those privileged Chinese who are the children or grandchildren of the Communist revolutionary leaders. Like the obsession with royal families in other countries, many Chinese are alternately fascinated and repelled by the princelings, whose ranks include Mr. Bo and Xi Jinping, China’s top leader.

One Bo family associate said a rehearsal of the trial was held Tuesday in Jinan, with Mr. Bo reportedly in attendance. What Mr. Bo will say — or be allowed to say — in court is one of the central questions hovering over the trial. On Monday, Mr. Bo’s youngest son, Bo Guagua, 25, who is in orientation week at Columbia Law School, said in a statement to The New York Times that he hoped his father would be “granted the opportunity to answer his critics and defend himself without constraints of any kind.”

On Wednesday, police officers in light-blue uniforms stood at the gate outside the courthouse and along a patch of sidewalk across the street, where a holding pen for journalists had been erected with colorful plastic barriers. On occasion, a supporter of Mr. Bo would show up yelling a slogan, or a petitioner with an unrelated grievance would unfurl a banner, and the officers would urge them to move on. Paramilitary police officers in green uniforms stood beneath a nearby overpass, next to a fire truck.

Some of Mr. Bo’s supporters have become more vocal in recent days, against the wishes of party leaders, who presumably want the trial to end quickly and without causing further political rifts.

“The people, of course, will support Bo Xilai, especially the people of Chongqing,” Han Deqiang, a college professor and co-founder of a leftist Web site, said in a telephone interview. “But since our party central has said so, they are unable to do anything about it. Maybe one day in the future, history will rehabilitate this unjust case.”

Mr. Bo, 64, certainly has his critics, including liberals who label his “strike black” anticorruption drive in Chongqing an affront to human rights. And the announcement of the trial date last Sunday indicated that the top ranks of the party had remained united on how to deal with Mr. Bo. One year ago, after the Heywood scandal became public, party leaders and elders agreed to fully end Mr. Bo’s career, despite the fact that he is the son and political heir of one of the “Eight Immortals” of the party, Bo Yibo.

Political analysts said the exact charges and their substance had been calibrated to ensure that the public could accept officials’ handing Mr. Bo a long prison sentence, probably 15 to 20 years or a life term.

# NYT

# Trial Delves Further Into Chinese Politician’s Family Life



image from video at his trial in Jinan, China. The trial is expected to end Saturday.

###### By JONATHAN ANSFIELD and [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: August 24, 2013

JINAN, China — Prosecutors in the trial of Bo Xilai, the former Communist Party star, presented testimony on Friday asserting that he knew about a [villa on the French Riviera](http://www.nytimes.com/2013/08/06/world/asia/cannes-villa-is-expected-to-play-role-in-bribery-case-against-chinese-ex-official.html?pagewanted=al) bought for his family by a tycoon and about demands for compensation from a British businessman managing the villa who was later murdered by Mr. Bo’s wife.

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Gu Kailai, Bo Xilai’s wife, in a video recording of testimony about family finances. “She has become crazy,” Mr. Bo said Friday.

The testimony was aimed at proving that Mr. Bo knew about favors his family was accepting from the tycoon, Xu Ming. But Mr. Bo denied knowledge of such crimes on the second day of his trial, which has been unveiled for the public via an unexpected feed of [titillating official microblog posts](http://www.nytimes.com/2013/08/23/world/asia/china-watches-a-trial-unfold-on-social-media.html?ref=asia) from the court here in northern China. The use of the microblog suggests pressure on the party to make transparent the case against Mr. Bo, a polarizing neo-leftist politician from a powerful Communist revolutionary family, but at the risk of exposing weakness in the prosecution and bolstering public support for Mr. Bo.

Testimony on Saturday delved further into the private lives of the Bo family. Defending against the charge that he had embezzled government money, Mr. Bo gave reasons he would not have needed the money to help support his family. Among them was that he and his wife, Gu Kailai, had separated in 2000 because she had found out about an affair he had had. Out of spite, Mr. Bo said, she took their son to Britain, where they lived until 2007, and where the son attended a private school. Soon after this testimony was posted on the court microblog, the news site of Sina, a popular Web portal, posted the headline: “Bo Xilai admits in court having had an affair, wife took son off to England in a rage.”

Ms. Gu had earned a good living at her law firm, Mr. Bo said, and had assets totaling 20 to 30 million renminbi, or $3.3 million to $4.9 million, by the time she went to Britain. He also said his son was a good student who had received scholarships, so there was no need to embezzle money to pay for his education.

In the afternoon, the court turned to addressing another charge against Mr. Bo, abuse of power, which involved conflicts that Mr. Bo had had with Wang Lijun, then the police chief of Chongqing, over a murder investigation involving his wife.

On Friday, officials had taken measures to temper some of the spectacle surrounding Mr. Bo’s trial. A person briefed on the proceedings said that under orders from the authorities, the day’s transcripts were less comprehensive than those released Thursday, the trial’s opening day. The newer ones were vetted longer before being posted and offered fewer rebuttals from Mr. Bo and his lawyers.

And the party intensified its case against Mr. Bo in the state media, not just in court. On Friday, official news outlets issued a chorus of commentaries that said the evidence against Mr. Bo, once the party leader in the sprawling southwestern metropolis of Chongqing, was overwhelming. The commentaries lauded the trial as fair and open while effectively prejudging Mr. Bo.

“Confronted with the facts, Bo’s attitude was to flaunt his cunning and use a hundred kinds of denial,” said a commentary on the Web site of Guangming Daily, a party newspaper. “The documents are there in black and white, and the evidence is overwhelming. Bo Xilai’s self-defense collapsed instantly before the evidence, so that his sophistry was futile and laughable.”

On Friday, Mr. Bo upbraided the prosecution’s main witnesses, including Ms. Gu, who appeared in a video recording being interrogated about the family’s finances.

“How much of it is believable?” Mr. Bo said of Ms. Gu’s testimony. “She has become crazy, and she often tells lies. She was mentally unstable and under enormous pressure from the investigators to inform on me.”

Witnesses for the prosecution painted a vivid portrait Friday of family life within the Bo clan, which appeared to be awash in favors from Mr. Xu. According to testimony, Mr. Bo’s younger son, Bo Guagua, went to Africa in 2011 at Mr. Xu’s expense, and brought back for his father a slab of meat from a rare animal that he insisted should be eaten raw. The father had it cooked, though, to the young Mr. Bo’s disappointment, and the family feasted on it for a month. The cost of the six-person Africa trip was nearly $131,000 — including $80,000 for a charter jet from Dubai to the Mount Kilimanjaro area.

Mr. Xu also paid for a trip in 2011 to China by Bo Guagua, then a graduate student at Harvard, and 40 of his fellow students. As for the villa, the elder Mr. Bo helped his wife plan the aesthetics — “he’s an expert in home renovation and decoration,” Ms. Gu testified.

In August 2012, Ms. Gu [was convicted](http://www.nytimes.com/2012/08/10/world/asia/murder-trial-of-bo-xilais-wife-concludes.html?ref=boxilai) of the murder of the British businessman, Neil Heywood, and given a suspended death sentence, essentially life in prison. Mr. Heywood’s death and the ensuing scandal led to Mr. Bo’s downfall. He is charged with taking bribes, embezzlement and abuse of power. The embezzlement charge accuses him of taking $800,000 in government money earmarked for a construction project, and the abuse of power charge accuses him of trying to obstruct an investigation into Mr. Heywood’s murder.

Testimony on Friday centered on the villa, which French documents show was owned by Patrick Devillers, a French friend of the Bo family. According to testimony from Mr. Devillers and others read aloud in court, Mr. Devillers was a frontman in the purchase; Ms. Gu bought the villa more than a decade ago as an investment for her son with $3.2 million from Mr. Xu, the tycoon.

Prosecutors said Ms. Gu used different people in the French company that managed the property as fronts to hide her ownership. Mr. Heywood was brought in to hold Ms. Gu’s shares in the villa in 2007, and then removed in 2011. Prosecutors said he then demanded $2.2 million from Ms. Gu and threatened Bo Guagua; she poisoned Mr. Heywood in November 2011 because of the threats.

In a sign of inconsistencies among official accounts, the story spun by prosecutors on Friday was different from the one that officials presented at Ms. Gu’s trial. At that time, officials said Mr. Heywood had demanded $22 million, mostly as compensation for a failed property project in Chongqing. He threatened Bo Guagua in efforts to get that money, those prosecutors said, and that made Ms. Gu fearful.

Bo Guagua, who has just started classes at Columbia Law School in New York, did not respond to an e-mail request for comment on Friday. Family members of Mr. Heywood could not be reached for comment.

Officials from the court, the police and state security met late Thursday in Jinan to review the handling of the trial, according to a person briefed on the case. They determined that it was under control despite the uproar caused by Mr. Bo’s spirited defense. “The authorities did not seem to think that was so unexpected,” the person said.

There was no doubt, though, that the unveiling of testimony on Friday was more tightly managed than it had been on Thursday. Though more than an hour of video testimony from Ms. Gu was played in court, officials posted only an 11-minute clip online, he said. Ms. Gu spoke to an interrogator about expensive items that Mr. Xu had bought for the Bo family, including abalone, airplane tickets and a Segway-like vehicle that the son wanted.

Mr. Bo denied any knowledge of payments by Mr. Xu, which some legal scholars said was smart strategy. “Bo’s defense today is that he was unaware of the bribes Gu took, which stands legally,” said Jiang Tianyong, a liberal lawyer and rights defender. “If he was unaware and took no part in the bribetaking, he has no responsibility, even if he is married to Gu.”

NYT

# Political Staging in Trial of Fallen China Official

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html) and JONATHAN ANSFIELD

###### Published: August 25, 2013

JINAN, China — In the weeks before Bo Xilai, the fallen Communist Party star, went on trial here on corruption-related charges, senior officials from the powerful party investigation agency told him about two officials who had been tried earlier on somewhat similar charges, Mr. Bo said in court.

One, a former vice governor of Anhui Province, was sentenced to death and executed in 2004 for taking bribes and stealing $1.6 million. The other, a former railway minister, received a suspended death sentence — essentially life in prison — in July, mainly for taking $10.6 million in bribes, a much larger amount.

The senior officials’ point, Mr. Bo told the court here in a 10-minute speech on Friday, according to two people briefed on the proceedings, was that the party could mete out any punishment it chose, and that Mr. Bo’s fate rested on whether he chose to cooperate during his own trial on charges of bribe taking, embezzlement and abuse of power.

Mr. Bo’s speech and some other instances in which he railed against threats and hardships during his 17 months in captivity have not appeared in the torrent of court transcripts released publicly since the trial — China’s most closely watched legal theatrics in three decades — began on Thursday. Instead, those transcripts show Mr. Bo cross-examining witnesses, ridiculing the testimony of his wife and former colleagues, and seemingly free to play his part as defendant however he chooses.

But, analysts say, despite the fact that the party, in an unexpected show of relative transparency, has allowed millions of Chinese citizens to witness much of Mr. Bo’s performance through a running court microblog, the trial remains political stagecraft, fashioned around Mr. Bo’s combative character.

The spectacle, they say, is an effort by the party to convince his elite party allies and ordinary supporters that Mr. Bo, a populist politician and the son of a revolutionary leader, had his say in court, and that the long prison sentence he is expected to get is based on evidence of crimes committed, not political payback. State news media highlight daily the evidence presented against Mr. Bo.

“The authorities hope to separate the Bo Xilai case from politics,” said Chen Jieren, a legal commentator. “They want people to think this was only an anticorruption struggle, not a political and ideological struggle.”

While the multimedia gambit may have won Mr. Bo some additional sympathy and exposed cracks in the prosecution, the legal parrying between the defendant and his accusers has also lent considerable credibility to the political theater.

Perhaps most important for the party, what has most captivated ordinary Chinese — thanks to headlines in major state media outlets — is a mountain of testimony that depicts Mr. Bo as the [archetypal corrupt official](http://www.nytimes.com/2013/08/25/world/asia/trial-delves-further-into-chinese-politicians-family-life.html?ref=world), complete with a spoiled son and a wife who murdered a British businessman. (She was convicted in August 2012).

Evidence at Mr. Bo’s trial has shown his wife, Gu Kailai, and son, Bo Guagua, regularly taking favors from a tycoon friend, Xu Ming, including a [$3.2 million villa on the French Riviera](http://www.nytimes.com/2013/08/06/world/asia/cannes-villa-is-expected-to-play-role-in-bribery-case-against-chinese-ex-official.html?pagewanted=all); a $131,000 six-person vacation to Africa in 2011 that included use of a private jet; a $12,000 Segway for the son, who also traveled to Paris, Venice, Argentina, Cuba and, for the 2006 World Cup, Germany.

“It was convenient to call Xu Ming,” Ms. Gu testified. “He used to pay for things.”

Mr. Bo has not denied that cozy relationship and those favors in court — he only disavowed knowledge of their specific costs — and the portrait the testimony paints of his family is likely to condemn him in the eyes of many Chinese citizens who abhor the official corruption so rampant in China. It may also be enough to convince ordinary people and leftist intellectuals, who praised Mr. Bo for pushing neo-socialist economic policies and an anticorruption campaign when he was party chief of Chongqing, that he is a hypocrite. The trial also benefits party leaders by playing to another audience: corrupt party officials. The new party leader, Xi Jinping, is directing a campaign to rein in their lavish living arrangements and bring “tigers and flies” to heel for corruption. State media has trumpeted Mr. Bo as the biggest tiger caged so far.

More salacious details of decadence and conflict in the Bo family emerged over the weekend. Mr. Bo testified Saturday that he had an affair that drove his wife and son to Britain. On Sunday, he quibbled over testimony from a former Chongqing police chief, Wang Lijun, who had said that [Mr. Bo punched him, bloodying his face](http://www.nytimes.com/2013/08/24/world/asia/bo-xilai-trial-china.html?ref=asia), after he confronted him with suspicions that Ms. Gu had murdered the Briton, Neil Heywood. Mr. Bo insisted he had only slapped Mr. Wang: “I’ve never trained in boxing,” he said, “and I don’t have that kind of force.”

In another awkward moment, Mr. Bo insisted Saturday that he had not intended to embezzle $820,000 from a state construction project in the city of Dalian, where he had been mayor, and disputed testimony from a planning official that he had told his wife over a cellphone to take the money. “All those who know me well know that I always tell them to turn off their cellphone first when talking with me,” he said. “I’m quite a cautious person.”

Discussing such matters over cellphones, he added, “doesn’t fit in with the behavior of even the most incompetent corrupt criminal. Even a corrupt criminal with the lowest IQ would ask who else in Dalian knows about the money.”

That kind of testimony has contributed to a less than flattering portrayal of Mr. Bo on the court microblog, which had 540,000 followers by Sunday. Online transcripts show him speaking up against his accusers, but only within limits dictated by the party. “He’s avoided incriminating other leaders or accusing them of the same crimes, and we know he could do that,” said one former corruption investigator. “But he knows not to cross that line.”

One clear indication the party’s strategy seems to be succeeding is that according to a family associate, Mr. Bo’s most loyal supporters — relatives who are watching the trial firsthand — seem appeased simply because he has been allowed to defend himself in court.

“The family is relatively satisfied,” the associate said, “because he has been given ample opportunity to speak.”

Chen Ping, a Hong Kong publisher who knows party leaders, noted that officials were exposing only narrow crimes by Mr. Bo, not the wider abuses liberals accuse him of encouraging during the “strike black” anticorruption campaign in Chongqing. “The party wasn’t willing to try Bo Xilai on the charges that he should have faced — trampling on human rights, trampling on rule of law.” he said. “That’s because those mistakes are also the party’s mistakes.”

Still, some liberal voices have expressed approval of the trial’s transparency and judicial procedure. Caixin, among China’s more independent media outlets, published a commentary on Sunday by Xiao Han, a legal scholar, who said officials deserved credit for steps toward openness, including allowing the transcripts to show Mr. Bo’s insistence on retracting confessions he said were made under mental strain. “This shows that the court record that was uploaded is accurate and credible,” Mr. Xiao wrote.

NYT

# China Debates Effect of Trial’s Rare Transparency



Hotel workers near a screen displaying a photograph from the trial of Bo Xilai in Jinan, China.

###### By [EDWARD WONG](http://topics.nytimes.com/top/reference/timestopics/people/w/edward_wong/index.html)

###### Published: September 2, 2013

BEIJING — The melodramatic trial of Bo Xilai, the former elite Communist Party official, has been trumpeted by the state news media here as a sure sign that Chinese citizens enjoy the benefits of a robust legal system.

On Monday, Study Times, a weekly party journal, published a commentary titled “A Look at Judicial Openness Through the Bo Trial,” which was typical of the line taken by other state news media organizations. It argued that the transparency and process of the five-day trial “displayed China’s confidence: the confidence of the rule of law; confidence of the facts; confidence of the ability to distinguish right from wrong.”

Few legal and political analysts would make such grand assertions. But there is a debate in China over whether the trial, in which Mr. Bo was charged with bribetaking, embezzlement and abuse of power, has contributed to any progress in establishing an independent judiciary with due process in this country, where the party rules the courts, or whether it amounted to little more than [political theater](http://www.nytimes.com/2013/08/26/world/asia/prosecutors-say-chinese-official-bypassed-protocol.html?pagewanted=all).

Perhaps the clearest sign that the trial was a show — if a spectacular one, with [salacious testimony](http://www.nytimes.com/2013/08/27/world/asia/dollop-of-romance-is-added-to-intrigue-at-an-ex-chinese-leaders-trial.html) about a love triangle, a multimillion-dollar French vacation villa and a private jet to Tanzania — came in the form of relentless headlines and articles in the official news media that condemned Mr. Bo even as the trial was still unfolding.

Most Chinese followed the trial through this coverage, and they saw headlines like this one on the Web site of People’s Daily, the party mouthpiece: “Prosecutors: Bo Xilai Pleads Not Guilty, so He Must Be Strictly Punished.”

The party also kept the charges confined mostly to financial transgressions from early in Mr. Bo’s career and did not address the human rights abuses from his recent stint as party chief of Chongqing, because that would have touched on party politics. And political analysts and party insiders say a guilty verdict for Mr. Bo has almost certainly been predetermined.

Some liberal legal scholars, though, have praised the relative transparency of the trial, because party leaders unexpectedly allowed many of the edited court transcripts to be posted on a running court microblog even if crucial testimony that implicated other leaders was kept secret.

“It was open, and the defendant’s rights were well protected,” said Zhang Qianfan, a law professor at Peking University. Another scholar, Tong Zhiwei, said: “The Bo trial was more open than any other corruption trial of high-ranking officials in China.”

The trial could impress on some Chinese the importance of legal procedures, analysts said. Viewed through that prism, the trial was an extraordinary one: several important witnesses for the prosecution appeared in court, giving Mr. Bo the chance to cross-examine them; the judges allowed Mr. Bo to state that he wanted to retract a confession he had made under “mental strain”; and the transcripts gave the public a (somewhat blurred) window into the courtroom.

These are all elements missing from most Chinese criminal trials. The length of the trial also came as a surprise to many — previous trials of this nature, including the related ones last year of Mr. Bo’s wife, Gu Kailai, and the former police chief of Chongqing, [Wang Lijun](http://www.nytimes.com/2013/08/25/world/asia/trial-delves-further-into-chinese-politicians-family-life.html?ref=asia), lasted just one or two days. Ms. Gu was convicted of the murder of a British businessman, and Mr. Wang of defection and other crimes.

One person with contacts in the justice system said on the day the trial ended last week that senior officials were already disseminating internal orders within the nationwide security and justice system that said the process in the Bo trial should be studied. The officials were suggesting that the court proceedings and actions of the judges could serve as a model for enacting proper procedure, the person said.

But it was unclear what this would mean for long-term changes for the judiciary, and how this might overlap with a new attempt at judicial reforms announced last month by Zhou Qiang, president of the Supreme People’s Court.

Even legal scholars who applauded the new style evident in Mr. Bo’s trial recognize that it was an exception and not necessarily a model. Given Mr. Bo’s popularity among ordinary Chinese, which he bolstered by pushing neo-socialist policies in Chongqing, and his revolutionary family’s standing within the party, leaders no doubt felt compelled to allow Mr. Bo his say, within narrow parameters.

The trial could, in theory, win over skeptics who were convinced the purging of Mr. Bo last year was the result of political rivalries. Allowing the public to see Mr. Bo cross-examining witnesses added legitimacy to the trial, and the more impassioned his arguments became, the more the public would believe he had been given a sufficient platform.

That seemed to be the calculation, at least, but many of Mr. Bo’s supporters, especially residents of Chongqing, in southwest China, remain unconvinced.

“We all agree that he is the victim of a political power struggle, that his fall had absolutely nothing to do with a paltry 20 million renminbi,” said Li Meishu, a young elementary school music teacher in Chongqing, referring roughly to the amount in bribes that Mr. Bo and his family are accused of taking.

Many others have echoed Ms. Li’s sentiments. Party leaders had obviously hoped that ordinary Chinese had become so upset at endemic corruption that attaching a $3.5 million figure to the bribes Mr. Bo was accused of taking would be enough to tar him. But corruption has become so widespread that many Chinese see the figure as a hypocritical cover for a political purge.

Legal scholars say the Bo trial is unlikely to be replicated wholesale across the justice system, even if the party leader, Xi Jinping, has pledged to bring down “tigers and flies” in an anti-corruption drive. Since the investigation into Mr. Bo, there have been notable inquiries into other so-called tigers accused of corruption, including [Jiang Jiemin](http://www.nytimes.com/2013/09/02/world/asia/senior-chinese-official-is-investigated-for-graft.html), the Central Committee member close to Zhou Yongkang, the former security chief and ally of Mr. Bo. Mr. Jiang was fired from his job overseeing state-owned corporations on Tuesday.

But none of those figures have a grip on the public imagination like Mr. Bo does, and their cases, if they went to trial, would not necessarily demand as many trappings of legal legitimacy.

Likewise, there is little in the way of due process to be seen in the recent clampdown on free speech, which includes detentions of liberal Chinese citizens. Xu Zhiyong, a prominent rights lawyer, was formally arrested last month on charges of “assembling a crowd to disrupt order in a public place,” which many see as a pretense to silence him.

Such criticism has also swirled around the recent arrest of Charles Xue, a Chinese-American businessman who has been detained on suspicion of soliciting prostitutes. Rather than cinch his guilt, the state television broadcast of his confession has raised questions for many about legal rights; the same has been asked of a televised confession by Peter Humphrey, a British financial investigator.

Mr. Bo was given leeway to speak in court, but there were obvious limits. He commented mainly on his family’s lifestyle and finances. The public transcripts did not show him raising questions about the political infighting that many say led to his downfall. According to unofficial written records from a court observer, he spoke of rivalry for top positions and of [taking orders from a party agency](http://www.nytimes.com/2013/08/31/world/asia/in-document-fallen-chinese-official-says-he-was-obeying-orders.html) run by Zhou Yongkang in a cover-up plan, but those remarks were kept out of the official transcripts, as were instances when he talked about specific threats made by investigators.

“Bo Xilai served the party very well in the trial,” Chongyi Feng, an associate professor of China studies at the University of Technology, Sydney, said in an e-mail. “He ‘demonstrated’ the progress of the rule of law in China with his rigorous defense. He also toed the bottom line and protected the party by not revealing any scandals of his former Politburo colleagues. Understandably the verdict negotiated before the trial will be released in due course, irrespective of the court procedures.”

# NYT

# Chinese Official at Center of Scandal Is Found Guilty and Given a Life Term



Jinan Intermediate People's Court, via Agence France-Presse — Getty Images

Bo Xilai was found guilty Sunday of bribetaking, embezzlement and abuse of power.

###### By [ANDREW JACOBS](http://topics.nytimes.com/top/reference/timestopics/people/j/andrew_jacobs/index.html) and CHRIS BUCKLEY

###### Published: September 21, 2013

BEIJING — [Bo Xilai](http://topics.nytimes.com/top/reference/timestopics/people/b/bo_xilai/index.html?inline=nyt-per), the pugnacious Chinese politician whose downfall shook the Communist Party, was sentenced to life in prison on Sunday after a court found him guilty of bribetaking, embezzlement and abuse of power in a failed attempt to stifle murder allegations against his wife.

The sentence means Mr. Bo, the son of a Communist revolutionary leader, is unlikely to ever return to public life, unless there is an extraordinary reversal in his political fortunes.

Given the Communist Party’s tight control of the judiciary, there was never much doubt that the Jinan Intermediate People’s Court in eastern [China](http://topics.nytimes.com/top/news/international/countriesandterritories/china/index.html?inline=nyt-geo) would find Mr. Bo guilty. Even before the verdict, commentaries in state-run news media declared that Mr. Bo’s guilt was clear.

Yet until the end, Mr. Bo remained defiant, pleading not guilty and contesting nearly every aspect of the prosecutors’ case during his trial in August. Family associates have said Mr. Bo would most likely appeal his sentence.

Party leaders under President Xi Jinping had hoped that prosecuting Mr. Bo, once an ambitious member of the elite Politburo, would demonstrate the party’s determination to tame the rampant official corruption that has stoked public ire, posing a potential threat to their hold on power. The government orchestrated an unusually public and lengthy trial for Mr. Bo lasting five days, and a court microblog gave the public selective but plentiful and salacious details of the proceedings, which included allegations of adultery by both Mr. Bo and his wife, Gu Kailai.

But the courtroom drama also let the public peer into a privileged world of dizzying wealth and nonchalant excess. Prosecutors described a casual rapport between Mr. Bo’s family and a businessman, Xu Ming, who paid for the travel and the extravagant purchases of Mr. Bo’s wife and younger son, including a $3.2 million villa in France, a $12,000 Segway and a flight aboard a private jet to Tanzania. During the trial, the prosecution said Mr. Bo had taken $4.4 million in bribes and embezzled money. Mr. Bo countered that he had been unaware of the gifts and payments.

The court gave Mr. Bo a small victory. Although it found him culpable for taking bribes worth $3.2 million, it said there was insufficient evidence concerning the air travel, which it said was worth about $218,000.

But many Chinese citizens believe that that lavish lifestyle is typical for families of senior officials, not the depraved aberration presented in state-run news media. And Mr. Bo’s supporters, who have remained vocal despite censorship, have argued that he is the victim of a political vendetta aimed at thwarting his populist ambitions. “The stupidest TV writers couldn’t come up with plots like that,” Mr. Bo said at his trial, responding to the prosecution’s claims.

In a recent letter that he wrote to his family from jail and that has been circulating among his close associates, Mr. Bo asserted his innocence and maintained his trademark defiance, declaring that his name would one day be cleared — much like that of his father, [Bo Yibo](http://www.nytimes.com/2007/01/17/world/asia/17bo.html), who was jailed at least twice by his enemies but emerged to become one of the Communist Party’s most revered luminaries.

Details of the letter, [first published](http://www.scmp.com/news/china/article/1312577/bo-xilai-jail-letter-my-name-will-be-cleared-one-day) by the South China Morning Post, were confirmed by two family associates. “I will follow his footsteps,” Mr. Bo wrote of his father’s rehabilitation. “I will wait quietly in the prison.”

Tong Zhiwei, a professor at East China University of Political Science and Law in Shanghai, said the life sentence was to be expected, given that Mr. Bo remained combative to the end and because he offered little of the contrition expected of fallen officials.

“The fact that he didn’t plead guilty probably led to a heavier sentence” Mr. Tong said. “But on the other hand, it was also relatively lenient, because in the past, not pleading guilty to bribetaking on this scale has been very rare and could bring a death penalty.”

He added that Mr. Bo’s sentence could later be reduced if he showed contrition and behaved well. “There’s that possibility, but he’ll probably have to serve at least a dozen or more years before that’s even possible,” he said.

Like the trial, the hearing during which Mr. Bo was sentenced was closed to foreign journalists, and there was no video feed of the proceedings. According to the Jinan court’s microblog, those allowed inside the courtroom on Sunday included three family members, two associates and 22 members of the news media. “Not only must justice be done; it must also be seen to be done,” the microblog feed said on Saturday.

Before reading out the sentence, the judge, Wang Xuguang, rejected Mr. Bo’s defense, including claims that his long hours of interrogation were abusive and thus illegal. He also brushed away the defendant’s assertion that Ms. Gu had psychological problems that rendered unreliable her testimony against her husband.

Mr. Bo, 64, was removed from his post as Communist Party secretary of Chongqing, in southwest China, in March 2012, more than a month after his former police chief, Wang Lijun, took refuge in a nearby United States Consulate for nearly 36 hours. There, and later under questioning by Chinese investigators, Mr. Wang implicated Mr. Bo’s wife in the murder of a British businessman, Neil Heywood, who was fatally poisoned in a Chongqing hotel villa in November 2011.

Ms. Gu was convicted in August 2012 and given a suspended death sentence, which is tantamount to life in prison. In September, Mr. Wang was convicted of defection and other crimes and given a 15-year sentence.

The judge said the court had established that Mr. Bo’s conduct was the main reason the murder of Mr. Heywood “was not dealt with promptly and according to the law” and why Mr. Wang fled to the consulate in what he described as a treasonous act. The court said of these episodes: “They created particularly malign social consequences, and brought major harm to the interests of the state and the people.”

After Mr. Bo was expelled from the Politburo and Communist Party, he was handed over to the authorities for a criminal investigation on several charges, including allegations of corruption, as well as charges that he tried to stymie an inquiry that threatened to expose Ms. Gu’s role in Mr. Heywood’s death.

A more complete version of what Mr. Bo said during his trial revealed the lengths to which the government sought to stage-manage the narrative, especially comments he made that could raise questions about the government’s tactics or damage the party’s public standing. According to testimony from the court proceedings obtained by The New York Times, Mr. Bo said interrogators threatened his family during hundreds of hours of interrogations that caused him to faint more than dozen times.

He also parried the abuse-of-power allegations against him by implicating the party agency he said had ordered him to cover up the emerging scandal over Mr. Heywood’s murder. He said the Central Politics and Law Commission told him to create a fake medical report attributing Mr. Wang’s decision to seek refuge inside the United States Consulate to a mental breakdown. At the time, the commission was led by Zhou Yongkang, a recently retired member of the Politburo Standing Committee who had been cultivating Mr. Bo as a potential successor.

In recent weeks, several senior figures who rose to power under Mr. Zhou’s tutelage have been detained by anticorruption investigators in what analysts say could be an effort to extinguish his lingering influence.

Despite the revelations at the trial, Mr. Bo has retained support among Chinese people who see him as a charismatic advocate of left-leaning policies.

Some said Mr. Bo would remain a symbolic leader, even in prison.

“This was a stiff sentence. He should have been found not guilty, if the law was truly applied,” said Han Deqiang, a professor at the Beijing University of Aeronautics and Astronautics who has been among Mr. Bo’s most passionate defenders. “This shows that power is bigger than the law, that politics is bigger than the law.”

But Fang Hong, a resident of Chongqing who was sent to a labor camp because he had mocked Mr. Bo, said the court and government had erred in failing to confront Mr. Bo’s broader misdeeds as that city’s party secretary, especially the abuses he unleashed during his crackdown on alleged organized crime.

“Actually, this was a relatively light sentence, compared to what other officials might get,” said Mr. Fang, whose sentence was overturned last year after Mr. Bo’s downfall. “If the government doesn’t confront these problems, they can happen again.”