

Socialism ‘With Chinese Characteristics’

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When President Richard Nixon visited China in February of 1972 and ended a quarter century of silence in official US-China relations, the assumption on the part of American policy makers was that engagement would lead—slowly but inexorably—to the liberalization of China’s social, economic, and political systems. Opening China, in other words, would normalize China and bring it fully into the global community.

As it happens, this assumption was shared by a significant faction within the leadership of the Chinese Communist Party, who feared economic and political engagement with the liberal democratic West would threaten its hold on domestic power. Members of this ruling clique feared the introduction of Western capital would bring with it an infusion of Western ideals, principles, and values. Moreover, they feared this infusion would not remain passive (i.e., consist merely of the intercultural exchange that is the inevitable byproduct of international economic exchange). Instead, it might prove to be deliberate and purposeful, even

strategic, as the Chinese economy and the Chinese Communist Party that rules over it would become dependent on Western investment. That, in turn, would provide the West with leverage to induce changes in the international and even the domestic behavior of the Chinese party-state.

In short, this faction saw in the opening of China the threat of another century of humiliation, rather than the potential for another path forward in the Hundred-Year Marathon that was supposed to culminate in the realization of the China Dream.¹

Deng’s “Hide and Bide” Strategy

Another Party faction, however – the one that would prevail in China and serve as President Nixon’s partner in opening China to the world – believed this assumption would prove wrong. As Deng Xiaoping, who is now recognized as the Architect of Modern China, correctly argued conversely that opening China’s economy to Western investment would make the West dependent upon China and thus would allow

the Chinese party-state to exert influence on Western powers.

Philosopher Francis Bacon once observed, “a man is more likely to believe something if he would like it to be true”—the prevailing beliefs among Westerners with respect to China are illustrative of the truth of this observation. As Stein Ringen so brilliantly demonstrates in *The Perfect Dictatorship*, “it is as if some have a need to see the regime as more benevolent than it is.”² We would like it to be true that the differences between the social, economic, and political systems of the liberal democratic West, on one hand, and their communist counterparts in China, on the other hand, are bridgeable, subject to compromise and negotiation. We want to believe “that China is moving towards a more socially and politically open society.”³

This desire has generated within the West an enormous amount of good will. “That good will,” according to Michael Pillsbury, “translates into massive foreign investment, the acceptance of Chinese exports, indulgences when government or state-affiliated organizations are caught stealing technology or violating WTO rules, and looking the other way on human rights abuses.”⁴

Exploiting the West’s Cognitive Dissonance

This belief has also led the West to ignore the ideological character of the Chinese party-state and to dismiss its leaders’ self-understanding – i.e., “socialism with Chinese characteristics.” Instead, we substitute our own domesticated conceptions, such as state-directed capitalism or political meritocracy.⁵

This substitution has been strategically reinforced

at important junctures by Chinese leaders who rhetorically invoke “markets,” “private enterprise,” “capitalism,” and other such terms to maintain Western self-delusions regarding the trajectory of China’s social, economic, and political development. Chinese leaders understand both that we will hear only what we want to hear and precisely what it is that we want to hear.

As a result, Chinese leaders, such as Xi Jinping, are free to speak clearly and directly to each other, safe in the knowledge that few if any are listening in the West. But were we actually listening, rather than projecting our own fantasies, what would we hear? We would hear that China is communist, which is to say socialist, and that this socialism with Chinese characteristics is directly derived in theory and practice from Marxism-Leninism.

Obtaining the correct understanding “is in part a matter of ideology, in part a matter of organization, and fundamentally about the intersection of both in the form of the specific practice of organization work within the Chinese Communist Party,” which Morgan Clemens of SOS International argues, shows “the Party remains Marxist in terms of its institutional outlook, its understanding of historical forces, and its basic mode of analysis.

Socialism “with Chinese Characteristics” is Communism

Even more importantly, from the standpoint of the issue at hand, the Party’s organizational principles and practices likewise remain steadfastly Leninist, and it is organization work which makes this Leninism functional.”⁶ The Chinese Communist Party establishes, monitors, and enforces ideological conformity with the thought of its leadership, thought

which is presented by the leaders themselves as directly derived from and consistent with that of previous leadership, stretching all the way back to Marx.⁷ Xi asserts his consistency with Deng, Deng with Mao, Mao with Stalin, Stalin with Lenin, Lenin with Marx.

“Understanding the Marxist-Leninist components of Beijing’s ideas,” according to the Center for Strategic and International Studies’ Daniel Tobin, “illuminates the nature of U.S.-China rivalry in several crucial respects where generic depictions of ‘great power competition’ offer less explanatory purchase.”⁸ In particular, it reveals how the China Dream is “not simply a nationalist project, but a global, historical systems contest between capitalism and socialism”; how “China’s leaders’ strategies reflect long-term, dynamic bureaucratic processes of goal setting, assessing, adjusting, and implementing driven by a dialogue between theory and practice”; and how the contest entails “a collision of political institutions founded on different principles which generate incompatible preferences for the international order.”⁹ In short, there can be no win-win solution as long as China is ruled by the Chinese Communist Party.

While the events of the half-century since Nixon shook hands with Chinese Premier Chou en-Lai on the tarmac of the Peking airport have proven the assumptions of both American policymakers and the losing faction of the Chinese Communist Party to be false, nevertheless for decades the West has labored under the influence of its false assumptions, assumptions that have colored our understanding of the Chinese Communist Party-State and resulted in critical misunderstandings that inhibit and obstruct necessary policy corrections.

Socialism with Chinese Characteristics in Practice

How, then, has socialism “with Chinese characteristics” manifested itself?

Historically, the Chinese Communist Party has proven to be the most egregious killing machine of all time. By some estimates, as many as 100 million Chinese have perished at its hands as a direct result of successive years long and widespread campaigns like the Great Leap Forward and the Cultural Revolution, not to mention the assorted purges and famines, as well as massive slave labor and lao jiao “reeducation camp” operations. In addition, the CCP acknowledges having murdered an additional 400 million babies in utero pursuant to its population control programs (initially, the “One-Child Policy” and subsequently the “Two-Child Policy”).

In recent decades, the Chinese Communists have adapted and enhanced such totalitarian practices to maximize their control at home and project power abroad.

Genocide

On his last full day in office, President Trump’s Secretary of State, Mike Pompeo, formally designated as “genocide” the CCP’s systematic oppression of Uyghur Muslims and other ethnic minorities of the area of western China known to its inhabitants as East Turkistan and to Beijing as Xinjiang. The Canadian and Dutch Parliaments swiftly followed suit likewise declaring the CCP’s conduct as genocide. There are believed to be as many as 1.8 million people¹⁰ from these communities incarcerated in a Chinese gulag archipelago of prisons, concentration camps and reeducation centers across the region.

The CCP's objective is to destroy the culture, language and, to the extent deemed necessary, the native population, replacing each with Han Chinese counterparts. It has been ruthlessly effective thanks to a combination of systematic brainwashing and slave labor.¹¹ The region's women have been subjected to particularly horrific crimes including: state-sponsored rape,¹² forced abortions and sterilizations, and the compulsory insertion of Han men into the homes and beds of Uyghur women whose husbands have been imprisoned.

To date, the Chinese Communist Party has escaped significant penalties for such behavior. To the contrary, U.S. and other Western companies continue to use slave labor from Xinjiang to produce goods for sale in their markets, a source of revenue that effectively helps underwrite the genocide.

Belt and Road Initiative

Xi Jinping has relentlessly pursued an ambitious plan for spreading “socialism with Chinese characteristics” and otherwise facilitating the CCP's access to overseas markets, resources and geography of strategic value. He calls this project the “One Belt, One Road Initiative” or simply “the Belt and Road Initiative,” an homage in part to the fabled Silk Road that Chinese emperors used to move goods to market and dominate the nations through which they passed.

At the moment, some 145 nations have signed up to be part of the BRI, most seduced by the PRC's offer of credit to build much-needed infrastructure. The financial arrangements have, however, been properly characterized as debt-traps (like pay-day loans), frequently resulting in participating nations defaulting and ceding to Chinese control the airports, rail networks, roads and other assets built with PRC

labor and funding. At least some of these countries may forfeit their sovereignty, as well.

The cumulative effect of the Belt and Road Initiative has been to extend the Chinese Communist Party's ability to penetrate, dominate, and project power from country to country. The good news is that some BRI partner nations have begun to experience buyers' remorse and are discussing the need to withdraw, if not actually doing so.

Social Credit System

The Chinese Communists have relentlessly applied a variety of technologies – including, the deployment of many millions of surveillance cameras and the use of facial and gait recognition, Big Data, quantum computing, 5G communications and artificial intelligence – to monitor the movements, activities, transactions, speech and even the thoughts of not just those in East Turkistan and other Captive Nations (Tibet, Southern Mongolia and Hong Kong), but ordinary Chinese nationwide. Never before has a totalitarian regime had such a comprehensive capability to control its population.¹³

This so-called “Social Credit System” allows the targets of such state surveillance to be rewarded or punished for their behavior.¹⁴ For example, offenses as minor as jay-walking, to say nothing of more serious “crimes” (e.g., deviating from the party line, criticizing Xi Jinping, or participating in anti-government demonstrations), can automatically be translated into reduced social credit scores. The resulting penalties can range from fines to denial of authorizations to travel, seek employment, obtain housing or even food.

Unfortunately, the Chinese have begun using the Belt and Road Initiative's physical and digital infrastructure build-outs and the pretext of Covid-19

control measures to export their technology-enhanced authoritarianism to other nations.¹⁵ Inevitably, the result will be CCP access to the personal and other data of untold numbers of foreigners around the world. It will also facilitate the transplanting of “socialism with Chinese characteristics” into the hands of would-be dictators and bodies politic globally, with terrible consequences for the peoples involved.

Military Build-up

The Chinese Communist Party has also relentlessly pursued for decades one of the hallmarks of all totalitarian systems: a massive expenditure on weaponry and other means of exercising absolute control at home and, wherever possible, to project power abroad.

The CCP has used immense capital investments to build a military-industrial complex second to none. For example, its shipbuilding capacity – initially fueled and justified by the construction of vast numbers of commercial cargo and tanker vessels – has enabled in recent years the swift production of multiple classes of modern, blue-water surface combatants, submarines and even aircraft carriers. Today, the People’s Liberation Army Navy is the largest in the world, far larger than the U.S. Navy’s Pacific Fleet and fitted out with weapon systems of comparable, if not superior, quality.

In part, this ominous achievement is the result of the CCP’s aggressive theft of U.S. military secrets and technologies as part of its comprehensive and illegal annual expropriation of, by some estimates, \$600 billion worth of proprietary information from Americans. As a result, the Chinese Communists have been able to deploy advanced weaponry more rapidly than has the Pentagon, and in numbers far in excess

of those being fielded by our armed services.

Financing the Selling of the Rope

In addition to systematic theft of U.S. intellectual property, the Chinese Communist Party has employed another quintessentially redistributionist Marxist technique in their quest for global domination: They have induced Wall Street to make the money of American investors managed by Beijing’s bankers and “old friends” there available to underwrite all of the foregoing, portentous Chinese activities, and more.

To be sure, successive U.S. administrations of both political parties have encouraged this practice as part of their pursuit of “engagement” with the PRC. Particularly noteworthy in this regard was the 2013 bilateral Memorandum of Understanding engineered by then-Vice President Joe Biden that not only gave the CCP’s front companies access to America’s capital markets. It granted them such access on preferential terms, excusing Chinese corporations from having to comply with the statutes and regulations concerning transparency, accountability, and governance to which their counterparts in this country must conform.

The Chinese Communist Party’s fundraising in U.S. capital markets speaks volumes about “socialism with Chinese characteristics.” As noted above, while the Communists in China continue to control much of the means of production through vast state-owned enterprises, the regime has adopted a more fascistic model of state-directed capitalism for dominating key sectors.

U.S. investments in Chinese companies – whether state-owned or nominally private sector ones – amount to enablers of the CCP’s agenda. After all, under Article VII of the National Intelligence Law of China, every company, including foreign-owned

ones, must provide information, proprietary data and anything else sought by the Party.

The practical effect of such an arrangement is that the United States is aiding and abetting the growing threat posed to it and the rest of the world by “socialism with Chinese characteristics.” To its credit, the Trump administration took important steps towards ending this suicidal practice by restricting the funding of People’s Liberation Army-linked companies and their subsidiaries by federal employees’ retirement funds and other U.S. investors. The Biden administration has reportedly affirmed the prohibition on Federal Thrift Savings Plan funds being invested in PLA and other Chinese companies; it remains to be seen whether it will uphold restrictions applied to other U.S. investors by President Trump’s Executive Order 13959.

Ending the practice of underwriting Chinese Communist ambitions is but one of the important course-corrections required to contend with the most dangerous adversary this country has ever faced. Others include: punishing the CCP for its genocidal repression of the people of Western China; designating the Party as the transnational criminal organization it is; rolling up its influence operations and subversive United Front organizations in this country; and decisively countering its Belt and Road empire-building and its threatening military capabilities. These steps and more are all necessitated, and impelled, by an accurate understanding of the danger posed by “socialism with Chinese characteristics.”

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Endnotes

1 See Michael Pillsbury, *The Hundred-Year Marathon: China's Secret Strategy to Replace America as the Global Superpower* (New York: Henry Holt and Company, 2015), and Liu Mingfu, *The China Dream: Great Power Thinking and Strategic Posture in the Post-American Era* (New York: CN Times Books, 2015).

2 See Francis Bacon *The New Organon: Or True Directions Concerning the Interpretation of Nature* (trans. Jonathan Bennett, 2017), #49, <http://www.earlymoderntexts.com/assets/pdfs/bacon1620.pdf>. And Stein Ringen, *The Perfect Dictatorship: China in the 21st Century* (Hong Kong: Hong Kong University Press, 2016), 169.

3 Ringen, 168.

4 Pillsbury, 115.

5 Daniel A. Bell, *The China Model: Political Meritocracy and the Limits of Democracy* (Princeton: Princeton University Press, 2015).

6 Morgan Clemens, "Managing Leninism: Organization Work and Ideology in the Chinese Communist Party," paper prepared for *What's Communist About the Chinese Communist Party* (a panel at the 2020 American Political Science Association annual meeting), p.1.

7 See for instance any number of the speeches or writings contained in Xi Jinping, *The Governance of China* (Beijing: Foreign Language Press, 2014); or Michael Pillsbury, ed., *Chinese Views of Future Warfare* (Washington, DC: National Defense University Press, 1997).

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14 See "Social Credit: Technology-enhanced Authoritarian Control with Global Consequences," by Dr. Samantha Hoffman, Australia Strategic Policy Institute, <https://www.aspi.org.au/report/social-credit>.

15 For example, the CCP has provided elements of its social credit system to the ruling junta of Myanmar with predictable results for the people of that long suffering nation. See: <https://news.trust.org/item/20210318130045-zsgja>.



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