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Xi Versus the Street

The Protests in China Could Herald a Turbulent New Era

By Ian Johnson

Over the past week, as more than a dozen cities have been engulfed by large protests, China has seemed more unsettled than at any previous point in Xi Jinping's ten-year reign. By November 29, after a weekend in which people sometimes openly directed their ire at the country's leadership, authorities had sent out a small army of police in Beijing, Shanghai, and other cities to restore order, arrest protesters, and try to put the movement to rest. But as the government reasserts control, it must also now contend with the reality that large swaths of the general public have begun to question the wisdom not just of local officials but of Xi's leadership in Beijing. That raises a once unimaginable question: Has Xi, newly installed for an unprecedented third term in office, lost the Chinese street?

Right up until the fall of 2022, such a possibility seemed implausible. After all, throughout Xi's first decade in office, when he shuttered independent film festivals, closed history journals, and generally made life difficult for free-thinking people, observers usually had to concede that he could count on the backing of ordinary Chinese. Of course, such mainstream support was impossible to prove, given the lack of independent polling in China. Yet many indications made clear that he was popular among the lower- and middle-income population. Many of these people were fed up with the widespread corruption and growing inequality that had taken hold during the administrations of Xi's immediate predecessors.

Xi, by contrast, was prepared to take on party corruption and the robber barons who had profited from it. He had a gravelly voice and a popular singer as a wife, and pushed China's interests vigorously on the international stage. When the COVID-19 lockdown began nearly three years ago in Wuhan, a few protests erupted, but most people embraced Beijing's stringent "zero COVID" lockdown policies as reasonable—especially as they watched the United States and other developed countries that Chinese assumed were better run succumb to successive waves of overflowing hospitals and high death counts.

But as the rest of the world seemed to put the pandemic behind it, many Chinese began to bridle at these once lauded measures. For many Chinese, lockdowns and nearly daily swab tests became a kind of forever war that had no end in sight. In October, when the Chinese Communist Party's massive 20th Party Congress came and went with no signs of easing of the policy, they took to the streets.

Small-scale protests are not unusual in China. But until now, nearly all have been limited to local issues such as pollution or unpaid wages. By contrast, the protests that have gathered force over the past year have been nationwide and increasingly aimed at Xi himself. Public demonstrations against zero-COVID strictures began in late 2021 in Xi'an, then spread to Shanghai during that city's prolonged lockdown in the spring. And they undergirded last week's violent protests by tech employees at a gargantuan iPhone factory in Zhengzhou, which had recently imposed lockdown measures of its own amid difficult working conditions. Finally,

after ten people in the western city of Urumqi were killed in a November 24 fire—implying that authorities were putting anti-COVID policies ahead of human life—many had had enough. Over the next few days, protests spread to more than a dozen cities across the country.

Of course, given Beijing's powerful tools of surveillance and control, it seems unlikely that these events pose a direct threat to the regime. Xi may well stay in power another five or ten years, and perhaps even longer. But in challenging the government, the protests have raised far-reaching questions about how Xi's second decade in power will play out.

If Xi is weakened at home, is he likely to embark on adventuresome policies abroad or pull in his horns to face down domestic challengers? Will he be forced to backtrack not only on his signature zero-COVID strategy but also on his state-driven economic model? And could factions even reemerge in China, perhaps coalescing around a younger leader seen as more pragmatic? These questions will be all the more pressing given that Beijing now confronts other challenges, ranging from a rapidly aging population to a stagnating economy. Judging China's mood is always difficult, but it is beyond doubt that a significant change has taken place among usually apolitical people, one that may carry significant consequences for China and the world.

ILL FARES THE LAND

Based on my surveys of working-class people in Beijing between 2018 and the present, as well as follow-up conversations I have had over the past week, many Chinese want a return to normal life. And they seem to define normal as a time when people traveled freely around the country and even overseas on vacation, a time when passports were issued automatically, foreigners were part of the Chinese landscape, and China seemed to have close ties to the rest of the world. Take the contrast between the 2008 Olympics, which for many Chinese were a genuine outpouring of excitement and fun, and the 2022 Winter Olympics, which unfolded under extreme lockdown conditions and which few foreign visitors were able to attend.

In fact, lifting China's formal travel restrictions is the easy part. The Communist Party could pivot away from its zero-COVID strategy by revaccinating the population with more effective messenger RNA (mRNA) vaccines, protecting vulnerable groups, and preparing the population for the fact that the virus could spread widely for a time and that some COVID deaths will occur. This policy shift would be challenging but not impossible for Beijing to implement. A path away from zero COVID exists, if Xi wants it.

But the trouble is that such a shift would still leave China's underlying social and economic predicament unresolved. Conditioned for decades by Beijing itself, the public has come to expect that China will grow continuously richer and more developed. They want a return to this kind of ever-increasing prosperity. That would be difficult even under the most competent leadership but is especially unlikely under Xi.

LOST YOUTH

Popular anxieties about China's future began to take hold in the 2010s. For much of that decade, China's economic growth remained respectable, but it lost the firepower it had maintained earlier in the century and was trending downward. For young people in particular, this has translated into eroding economic security. Take the country's housing stock. In a multiyear survey in the late 2010s for a project on folk religious groups in China, many working-class families reported that the days were gone when their children could find an apartment of their own. Back in the 1990s, many of these families had benefited when the state privatized the

housing stock, with some ending up with multiple apartments. But that was a one-off. Two decades later, it was hard for young people to imagine affording the astronomical sums that are required to own anything within the urban core of most Chinese cities—and this was despite a housing slump. Meanwhile, China's unemployment rate for 16-to-24-year-olds has soared to more than 18 percent.

These challenges have grown dramatically since the pandemic began and worsened further this year with China's GDP forecast for 2022 now revised downward to a dismal 3.2 percent, versus the official target of 5.5 percent. Beijing has blamed faltering growth on the pandemic and the global economic slowdown. Chinese authorities are clearly aware that their lockdowns are significantly contributing to China's economic woes. But they are wrong to think that this is the primary or only cause of the country's sclerosis. The reality is that the slowdown has exposed deeper-seated structural problems, the fixing of which will require great vision and daring on the part of China's leaders. And both qualities are singularly lacking in the current administration.

As Chinese and Western scholars have documented, for example, China is facing an acute education crisis that has left huge swaths of the population inadequately prepared for the future. Over half of China's population comes from rural areas where they are served by second-rate schools and largely precluded from pursuing a university education. And many of the unskilled jobs that these people could once count on have been replaced by automation or outsourced to other countries.

Other structural problems include debt-driven growth, a population that is aging even faster than had been assumed, and an increasingly state-controlled economy in which state enterprises suck up huge amounts of capital. Meanwhile, Beijing has made huge outlays on lavish defense systems and prestige projects, such as the Chinese space program, while embarking on a costly industrial policy aimed at making the country less reliant on foreign technology.

Collectively, these problems have put a powerful drag on the economy, which has increasingly stymied the upward mobility of many Chinese. Most of the population probably doesn't see it this way, however, because many of these state-driven projects are embraced as part of China claiming its rightful place in the world order. But people are directly affected by these policies because they are slowing down the economy.

THE TURBULENCE TO COME

Staring down the largest popular challenge he has yet encountered, Xi has reached a crucial turning point. To truly reverse China's downward trajectory, his administration would likely have to embark on a new round of large-scale economic reforms, equivalent in scale to the ambitious measures launched in the late 1990s and the first decade of this century by then party leader Jiang Zemin, who died on November 30, and his premier, Zhu Rongji. Back then, this economic liberalization kept China's economic rise on course. In many respects, the country has been living off those reforms ever since, while using massive infrastructure spending to keep its growth figures superficially respectable. But that is no longer enough. Needed reforms include giving rural residents full rights to move to cities and to send their children to better schools. The country also needs policies that favor private enterprise and reformed equity markets that send capital to worthy companies rather than state champions. And China probably needs to go through a new round of breaking up state monopolies to inject more competition into the economy.

Nothing in Xi's biography, however, suggests that he will embrace such bold measures. Instead, he is much more comfortable as a status quo policymaker who keeps the population under control through ever-growing surveillance measures and ideology, especially nationalism and appeals to traditional Chinese values. As long as China was able to maintain high growth rates and the country appeared to be heading in the right direction, most people didn't care about Xi's lack of reforms—no wonder, because reform usually involves painful changes. Instead, ordinary Chinese were appeased by his crackdown on corruption, his nationalistic foreign policy, and his revival of traditional religions. But the mounting costs of zero-COVID lockdowns seemed to have awakened a growing part of the population to the larger challenges the country faces and to their own diminishing expectations. In other words, the tight pandemic controls have become an easy way for people to explain why standards of living are stagnating.

This is Xi's conundrum. Even if he lifts the zero-COVID restrictions, the economy is likely to get only a temporary bounce. Barring a sudden conversion to reforms, Xi is likely to find that his next five, ten, or more years in power are plagued by increased unease in the population and further outbursts of protest spurred by other crises that will inevitably arise. Just last month, Xi seemed poised to rule unchallenged for years to come. But his frittering away of his first decade in power on control measures instead of forward-looking reforms means that China's problems have become tangible for ordinary people. This is the real meaning of the COVID protests: they are not simply cries for personal freedom but signal the start of a more turbulent era in Chinese politics.

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