

**“Nauseating” Displays of Loyalty: Monitoring the Factional Bargain through  
Ideological Campaigns in China<sup>1</sup>**

Victor Chung-Hon Shih  
Assistant Professor  
Department of Political Science, Northwestern University  
206 University Place  
Evanston IL 60004  
(847) 491-6712

[vshih@northwestern.edu](mailto:vshih@northwestern.edu)

5/24/2008

### *Abstract*

Autocrats, as factional patrons, only find out the true loyalty of clients during a serious political challenge, when they are least able to enforce the factional bargain. In autocracies with norms against cults of personalities, public, exaggerated praises may constitute an alternative way for clients to signal loyalty credibly. By suffering the social cost of being despised by others, sycophants credibly signal their affinity to a particularly leader, thus deterring factional rivals from recruiting them into an alternative coalition. This article develops a measure of such “nauseating” displays of loyalty in China through content analysis of provincial newspapers between 2000 and 2004. OLS and PCSE estimations are used to inquire whether provincial faction members were more likely to echo an ideological campaign launched by their patron. Further analysis explores whether faction members in rich and poor localities echoed the campaign in different ways. The findings suggest that ideological campaigns function as radars that allow senior leaders to discern the loyalty of faction members.

Shih

"Comrade Jiang Zemin's thought concerning the "Three Represents" is like a giant building that overlooks the whole situation and contains rich content and deep meanings. It is a creative usage and development of Marxist theory and is strongly theoretical, scientific, creative, and practical."—Yang Yongliang, the vice-secretary of Hubei (Yang 2000)

In authoritarian regimes—and indeed even in democratic polities—senior politicians cultivate networks of patron-client relationships, or factions, in order to maintain and expand power within their political parties or ruling juntas (Nathan 1973; Cox and Rosenbluth 1996; McAllister 1991). Dictators, however, confront a major challenge in that they are the least able to enforce the factional bargain when they have the greatest knowledge of whether their subordinates are fulfilling their end of the factional bargain. That is, they are often in the dark about the loyalty of their subordinates until attempts are made to remove them from power (Wintrobe 1998; Iqbal and Zorn 2006). Given this fundamental fragility of authoritarian regimes, observers have been surprised at the resilience and stability of some dictatorships nearly two decades after the end of the Cold War (Way and Levitsky 2002; Nathan 2003). One key to their success may be mechanisms that allow rulers to obtain knowledge of the subordinates' loyalty before an attempted usurpation of power. Such mechanisms may allow some regimes to avoid destabilizing political conflicts, thus increasing their longevity.

This paper hypothesizes that where there is even a relatively weak norm against personality cults, junior officials who shamelessly praise a senior leader send credible signals by violating this norm, which incurs a social and-- more important-- political cost on the groveler. In Communist China, top leaders engaged in factional politics encourage

Shih

subordinates to pander to them by launching personalist ideological campaigns. These campaigns provide junior officials with groveling opportunities while allowing senior leaders to maintain a norm against them. This paper further develops a measure of such pandering activities through content analysis of provincial newspapers, the main mouthpieces of the provincial party committees. Focusing on Jiang Zemin's "Three Represents" campaign, this paper tests whether economic development, fiscal dependence, professional expertise of the provincial leadership, or the need to signal factional loyalty explains the degree to which provincial leaders echoed Jiang's ideological campaign. The empirical findings suggest that economic backwardness, professional experience in propaganda work, and past affiliation with Jiang constitute the main factors motivating provincial officials to heap praises on Jiang's ideology. Moreover, followers of Jiang in impoverished regions show a much stronger tendency to use the press to demonstrate their loyalty.

The strategic use of ideological campaigns in China sheds light on the general existence of sycophants in many organizations. Why do leaders in so many organizations maintain sycophants or boot-lickers around, even though pure boot-licking provides no useful information for the productivity of an organization? Where there are unregulated conflicts and where one's support base is not readily observable, groveling serves as a useful technology through which followers can credibly signal their loyalty to their patron and the patron can gain useful knowledge of his or her support base even before a serious challenge. By inviting the contempt of others, the sycophants prove their worth by showing that they have no choice but to support their patron.

### **Enforcing the Factional Bargain**

Shih

In democracies, the bargain underlying factions, or a network of reciprocal patron-client relationships, is fairly straight-forward and relatively easy to enforce. In exchange for support during crucial intra-party votes, such as the election of party chairman or the selection of the party's candidate for prime minister, the patron of a faction bestows on followers-- often junior parliamentary members-- party endorsements, campaign funds, and cabinet posts (Cox et al. 2000; Golden and Chang 2001). This exchange logic plays an even larger role in authoritarian politics because by definition the autocrat relies on a relatively small winning coalition to stay in power and officials retain their offices at the pleasure of the autocrat (Bueno de Mesquita et al. 2003). At the same time, autocracies tend to lack constitutionally guaranteed mechanisms for leadership transitions, which increase the premium of loyal followers who would come to the autocrat's aid during challenges to his or her power. Thus, in patrimonial regimes, rentier states, and communist regimes, the dictator or the ruling junta shows a great willingness to allocate generous payoffs to followers, which decrease the followers' incentive to defect to a rival coalition (Snyder 1992; Boone 1990; Gregory and Harrison 2005; Nathan 1973).

Although the factional bargain is generally a mutually beneficial one, it suffers from a serious weakness. Unlike a contract, the factional bargain generally does not have an outside enforcer beyond the factional patron.<sup>1</sup> Clients in any event become vulnerable to patrons reneging on implicit promises of promotions and subsidies, but they are assured by the patron's continuous stream of largesse and can always vote with their feet if they fail to receive the promised payoffs. The patrons, however, face the formidable problems of monitoring and enforcing the bargain. Unlike the clients, who receive a

Shih

continuous stream of payoffs from the patron over time, the patron's payoff realizes only when he or she needs the support of the clients during political challenges.

In democracies, the regularity with which elections and votes occur mitigates the bargain enforcement problem by periodically providing patrons with payoffs, as well as new, credible information about the loyalty of clients (Cox and Rosenbluth 1996).

Voting provides credible information because votes are scarce "goods" that can be exchanged for political favors with a rival faction. By forgoing that option, clients reveal their loyalty by fulfilling their end of the factional bargain. If clients renege and vote against their patrons, democracies typically afford political patrons another chance to compete, which also allows patrons to retaliate against disloyalty. Furthermore, opinion polls, campaign contributions, and the voting records of clients in the legislature give patrons a continuous stream of information about their support base. In Japan, published membership lists for factions further ease the burden of monitoring factional clients since membership lists recording the seniority of faction members deter them from defecting to another faction. Defection would wipe out their seniority-- the basis of allocating valuable cabinet posts (Cox et al. 2000).

In contrast, although dictators normally have great discretion to punish disloyal clients, even to the point of condemning them to death, they are least able to do so when they have the most clarity about their clients' loyalty and when they need to enforce the factional bargain the most, i.e. during a serious political challenge. In a typical authoritarian regime, there is only a handful—if that-- of meaningful opportunities in which clients can clearly demonstrate their loyalty, for example during a crucial Politburo vote or a coup. Because of the lack of regular votes and the absence of the free media,

Shih

the patron does not know the loyalty of clients until a crisis. During a power struggle, a client who joins the bandwagon when the outcome is all but certain has little credibility, whereas someone who comes to the aid of the patron under dire circumstances demonstrates loyalty much more clearly. However, the dictator's greatest fear is that one's clients are in fact not loyal and would fail to show up at the crucial moment; the patron then falls from power and may not ever have a chance to punish clients for renegeing on the factional bargain.

For this reason, there is dire need in autocracies to monitor the loyalty of faction followers in the absence of coups and serious political challenges. Historically, autocrats relied on a few common means of ensuring followers' loyalty, none of which ideal. First, followers can pledge their loyalty to a leader in private audiences or ceremonies. Private conversations between followers and a leader, however, typically are not credible because private conversations are not costly, which create strong incentives for followers to lie in order to obtain more favors (Austen-Smith 1992). If there were only cheap talk, a "babbling" equilibrium would emerge in which followers' empty pledges are completely ignored by the patron (Farrell and Rabin 1996; Banks 1990).

In addition to loyalty pledges, some authoritarian leaders take hostages to ensure loyalty, but such a tactic is less useful in large authoritarian regimes with thousands of functionaries. Finally, the twentieth century saw the rise of police states with networks of informants, the secret police, and labor camps. However, in addition to the cost of maintenance, the police state also slows economic growth and imposes higher costs on future repression through spreading the culture of criminality in the gulags (Gregory and Harrison 2005). Furthermore, repression elevates the level of fear, which decreases the

Shih

probability that subordinates would tell the truth (Wintrobe 1998: 20). Over time, a police state produces very little credible information to the dictator because everyone has a reason to lie.

Cheap talk, however, can be converted to credible talk if the sender of the signal incurs some cost by doing so. In Banks' (1990) campaign promise model, for example, as the cost of lying during a campaign increases, candidates-- depending on their position on the issue space-- have fewer incentives to lie about their preferred positions. Likewise, judges in authoritarian Argentina sent credible signals of their willingness to conform to the incoming democratic regime by ruling against the incumbent military regime and risking its wrath (Helmke 2002). Similarly, in more institutionalized authoritarian regimes where the cult of personality is formally discouraged, public, exaggerated displays of adulation toward a particular leader constitute a credible way through which followers can signal their devotion to a leader. The senders of exaggerated praises bear two significant and related costs. First, although everyone is expected to express a certain amount of tribute, those who go out of their way to aggrandize a particular leader suffer the social cost of being seen as a bootlicker.

The social cost of groveling, even if mild, leads to a much more serious political cost. By publicly throwing one's lot with a particular leader, a follower closes off the possibility of joining another faction if his or her patron falls from power. That is, by announcing one's affinity to a patron, even if this announcement is only slightly credible due to weak norms against bootlicking, a rival faction would shun the announcer when it constructs an alternative winning coalition.<sup>2</sup> The stronger the norm against bootlicking, the more credible is the signal sent by the sycophant, and the more a rival faction would

Shih

shun the sycophant in favor of a non-sycophant. The intentional forgoing of alternative political opportunities is precisely the kind of signal a patron desires in authoritarian politics because it self-enforces the factional bargain.

For the autocrat, however, the challenge then becomes the conflict between the need to cultivate some norm against sycophancy and the need to provide followers with some means of displaying their loyalty credibly through boot-licking. Without social norms that impose a cost on groveling, bootlickers would not suffer a political cost because a rival faction would ignore the groveling as cheap talk and would recruit the bootlicker into an alternative winning coalition. However, if the norm against groveling is too strong, factional followers may find it too costly to signal their loyalty in this way. Communist regimes may have solved this dilemma by discouraging cults of personalities while at the same time pursuing ideological campaigns heavily tinged with the “thoughts” of particular leaders.

### **Party Norms and Ideological Campaigns in Communist China**

In China, a norm of party unity and collective leadership, which Teiwes calls the “Yan’an Roundtable,” was established in the 1950s to discourage cults of personality (Teiwes 1993). This norm was eroded over the course of the next twenty years as Chairman Mao increasingly relied on personal charisma to substitute for policy failure, culminating to the Cultural Revolution, which escalated Mao to demigod status. After the Cultural Revolution, this norm was revived by Deng Xiaoping during his attack against Hua Guofeng’s theory of “Two Whatever” (Deng 2000). Both he and Chen Yun further reiterated the norm against personality cults in their drive to speed up the retirement of the revolutionary generation (Manion 1993). After the passing of the

Shih

revolutionary generation, the norm against personality cults and factionalism was maintained by the younger generation of leaders in all of the public policy announcements.

Despite this norm, CCP leaders from time to time built up personalist followings by launching national ideological campaigns. Mao himself launched a series of ideological campaigns, culminating to the Cultural Revolution (MacFarquhar 1997; MacFarquhar and Schoenhals 2006). Personalist ideological campaigns seemingly came to an end in the 80s when the Long March generation retook the helm. However, the post-revolutionary generation brought back the practice with a vengeance after the passing of the Long March generation. Jiang Zemin launched the “Three Emphasis” (*San Jiang*) and the “Three Represents” (*Sange Daibiao*) campaigns successively, while Hu Jintao launched the “Maintain the Advanced Nature of CCP members” campaign and the “Harmonious Society” drive during the first three years of his tenure.

How are we to understand the contradictory coexistence of the norm against personality cults and the increasing frequency of personalist ideological campaigns in contemporary China? In early studies of the CCP regime, China scholars tended to emphasize the legitimizing role of Marxist-Leninist-Maoist thoughts in China (Schwartz 1960). After the Cultural Revolution violently unsettled Western perception of a unified party, Western scholars began to conceive ideological campaigns as more than legitimizing devices, but also a way to reduce the cost of transforming society (White 1989). More recent treatments of ideology and ideological campaigns continue to analyze them as legitimizing devices for the CCP, although they also lament the decline of ideology and the resulting rise of organizational pathologies (Lu 2000).

Shih

Yet, ideological campaigns involving a barrage of government instructions, a long series of meetings, and a forest of articles, pamphlets, and textbooks continue to be a regular feature of Chinese politics. Moreover, unlike the rectification campaigns of the 80s and the mid-90s, which were manufactured by veteran conservative ideologues, these new campaigns bear the marks of their “authors,” the individual leaders themselves.<sup>3</sup> In the case of the “Three Represents” (*Sange Daibiao*), Jiang Zemin and his advisor Zeng Qinghong mobilized a group of trusted theoreticians to formulate the ideology and closely supervised the propagation of the ideology until it was officially endorsed by the Central Committee in September 2001 (Wu 2004).

The persistence of ideological campaigns in the CCP’s political process suggests that they continue to play an important role in reform era China. First, despite doubts about their effectiveness, party leaders show every sign of believing that ideological campaigns continue to buoy the party’s legitimacy and party members’ dedication to the principles of the party. Indeed, Secretary General Jiang Zemin pointed out in a speech at the Central Party School that only the “Three Represents” can fulfill “the demands (of) the changing and developing world...” (People's Daily 2002). Moreover, ideological campaigns also may be products of institutional inertia. The millions of propaganda cadres across the country surely have an interest in launching major propaganda undertakings. While propaganda officials benefit, the recent ideological campaigns were major undertakings involving central leading groups, numerous meetings, and the mobilization of thousands of propaganda units. Without a worthwhile reason, senior party leaders would hardly support such major undertakings with such zeal.

Shih

In terms of strategic, political uses of ideological campaigns, many observers of China argue that recent ideological campaigns represent the leaders' attempt to consolidate their own legacies in the party and to strengthen their post-retirement influence. Indeed, China watchers observe that the addition of the "Three Represents" theory into the CCP Party Constitution, along side with Marxist-Leninism, Maoism, and Deng Xiaoping thoughts, ensured Jiang's status as an "immortal" even after his retirement at the 16<sup>th</sup> Party Congress (Fewsmith 2003). This explanation does not account for the high frequency with which ideological campaigns have been launched because enshrining one ideology would have been sufficient.

The earlier discussion suggests that personalist ideological campaigns may serve the purpose of providing information about the loyalty of faction followers to the patron of the dominating faction. The *publicly observable* responses of lower officials to ideological campaigns signify the degree to which they wish to grovel to the leaders launching the campaigns. This particularly may be true if the campaign stems from the "thoughts" of a particular leader. In interviews in Beijing, party officials revealed that many officials looked down on those who displayed a "nauseating" (*e'xin*) fawning attitude toward a party leader.<sup>4</sup> Yet, it is precisely the norm of despising sycophants that gives them credibility.

If this is the case, a personalist ideological campaign provides the perfect opportunity for faction members to display their loyalty. First, though personalist by nature, these ideological campaigns are officially sanctioned by the party, so heaping praises on the campaign, however excessive and "nauseating," does not violate any formal party rules. Second, it greatly reduces the monitoring cost for the patron since an

Shih

ideological campaign serves as a coordination device for all faction members to send their loyalty signals at the same time. Finally, to foreshadow the empirical findings, if it turns out that ideological campaigns constitute a “technology” which gauges the loyalty of faction members, elite patrons have an incentive to *both* launch personalist campaigns *and* to maintain a norm against personalist cults in order to maintain the effectiveness of the “technology.”

### **Measuring Public Displays of Loyalty**

In order to discern whether credible signaling is one of the *raison d’etre* of ideological campaigns in China, we first need to derive a measure of how various junior officials respond to ideological campaigns launched by senior leaders. Several features of the Chinese Communist system make constructing an indicator possible. First, we are only interested in public displays of adulation toward ideological campaigns for both theoretical and practical reason. Second, ideological campaigns in the Chinese Communist Party are typically condensed to short, key phrases, which are widely used in the media. Key phrases from past campaigns include “Let a Hundred Flowers Bloom” (*baihua qifang*) and “Anti-Confucius, Anti Lin Biao”( *pikong pilin*). Third, every province in China has at least one newspaper that is directly controlled by the provincial propaganda department. The content of these newspapers is closely supervised by the provincial propaganda department and by members of the provincial standing committee (Wu 1994).<sup>5</sup> Not only would these newspapers publish editorials and articles about a particular ideological campaign, they are required to publish all major official documents and report on all major official events. Therefore, content analysis of these newspapers covers the activities of the entire provincial party committee.

Shih

Given these facts, it becomes a simple question of recording the frequency with which key phrases from ideological campaigns appeared in the various provincial newspapers. This indicator would capture how enthusiastically each province sought to echo national ideological campaigns. Because China continues to be an authoritarian country that closely monitors the content of major provincial newspapers, we can be certain that every mentioning of a key phrase denotes support of the particular ideological campaign.<sup>6</sup> The larger issue is the technical feasibility of reading and counting articles in 30 provincial dailies over the course of 20 years of reform. At this point, this undertaking presents an insurmountable barrier. However, the China National Knowledge Infrastructure (CNKI) operated by the Qinghua Tongfang Company provides a full-text searchable database of 350 Chinese newspapers from 2000 to 2004. This database contains all but three of the major provincial newspapers in this time period.<sup>7</sup>

Because this database only contains articles after 2000, I am only able to focus on one particular ideological campaign, the “Three Represents” (*sange daibiao*) campaign launched by Jiang Zemin in early 2000. The campaign was launched at the beginning of 2000 when Party Secretary General Jiang Zemin toured Guangdong. In essence, the “Three Represents” (TR) called for the Chinese Communist Party to transform itself from just the representative of workers and peasants to the representative of “all advanced social productive forces,” including private entrepreneurs and highly skilled professionals. After an unrelenting campaign trumpeting the ideology, TR was ultimately appended into the CCP Party Constitution at the 16th Party Congress in the fall of 2002. After one last round of campaigns to trumpet the ideology in 2003, the TR ideology was incorporated into Hu’s “Maintain the Advanced Nature” campaign in 2004, when Jiang stepped down

Shih

from the chairmanship of the Central Military Commission, his last formal position of power (Xinhua News Agency 2003).

Using the CNKI database, I collect an annual count of the number of articles in provincial newspapers that contain the phrase “*Sange Daibiao*” (Three Represents) between 2000 and 2004, which covers the life of the campaign. Two major issues arise from this count. First and foremost, what does this indicator capture? At the basic level, it captures the willingness of a given newspaper to publish items related to the TR. These items include the republication of TR articles from national-level publications like the *People’s Daily*, original editorials and articles about the campaign, the publication of provincial regulations and policy statements mentioning the campaign, coverage of local and national meetings and activities about the campaign, and publication of speeches given and articles written by local leaders on the campaign.<sup>8</sup> Because provincial newspapers are the mouthpieces of local governments, content analysis of these newspapers captures the widest range of official activities related to TR.

Second, because the campaign experienced both ebbs and flows depending on actions taken at the highest level, there is substantial annual fluctuation in the average number of articles mentioning “Three Represents.” As seen in Figure 1, the median number of articles mentioning TR, which is marked by the horizontal line in the middle of the boxes, began humbly in 2000. This number rose significantly in 2001 presumably because of Jiang’s July 1 speech and climbed even higher in 2003 *after* Jiang Zemin had stepped down from the position of Party Secretary General. Therefore, a count of, for example, 200 articles in 2000 has a very different meaning than the same count in 2003. If we use the article count variable without adjustments, we would get grossly incorrect

Shih

findings because much of the variation would in fact be explained by annual differences in the article count. Thus, I use the within-year standard score, or z score of the article count, which I derive by the following equation. Although this is equivalent to adding year dummies, I derive the standard score instead to maintain a higher degree of freedom. I call this transformed variable TRART-Z<sub>it</sub>.

$$\text{TRART} - Z_{it} = \frac{\text{TRART}_{it} - u_t}{\sigma_t}$$

In the above equation, subscript *i* is province, while *t* is year.  $\text{TRART}_{it}$  is the actual count of TR articles in a given province-year observation, while  $u_t$  is the mean number of TR articles in a given year across all provinces. Finally,  $\sigma_t$  is the standard deviation of the article count in a given year across all provinces. Essentially, the mean of the article count for a given year is subtracted from an observed provincial count and divided by the standard deviation of the article count for a given year, producing a standardized count of TR articles with a mean of zero and a standard deviation of 1. The transformed variable measures how much each provincial newspaper departs from the annual norm in publicizing the TR. Because the standardized count takes into account annual differences, it is comparable across years.

**Figure 1 around here**

### **Hypotheses and Methodology**

Given this data, I test whether signaling loyalty is one of the factors driving ideological campaigns by examining variables that explain the variation in the standardized count of TR articles. To test the strategic value of ideological campaigns, I would need to show that provincial leaders' factional memberships drove the extent to

Shih

which provincial presses echoed ideological campaigns, all else being equal. In addition to the main hypothesis, I also test alternative hypotheses explaining the variation in TR articles in provincial newspapers.

**Hypothesis 1-Null Hypothesis:** According to this hypothesis, none of the observed independent variables explain the variation in TR articles. Instead, randomness or omitted variables explain this variation. The implication of this hypothesis is that strategic political consideration is not a reason why ideological campaigns are launched.

**Hypothesis 2—level of development:** According to this hypothesis, the appearance of TR articles is purely explained by the level of development in a province.

**Hypothesis 2a:** Since the campaign mainly sought to legitimize the role of entrepreneurs and skilled professionals in the party, one would expect more propagation of the ideology in affluent areas along China's east coast, which has a higher concentration of the target audience. If this is the case, one would expect a positive relationship between the level of development and the number of TR articles.

**Hypothesis 2b:** At the same time, however, advertisement space tends to be more valuable in richer provinces, pressuring editors to include more interesting articles to increase advertisement revenue.<sup>9</sup> Furthermore, party secretaries in poorer provinces may be more enthusiastic about pandering to Jiang Zemin because they need more subsidies from the central government. These two dynamics may work together in the sense that the propaganda departments in impoverished regions are much more willing to forgo what little advertisement revenue they receive in order to pander, which potentially produces more revenue in the form of subsidies. This would produce a negative relationship between GDP per capita ( $GDPCAP_{it}$ ) and TR articles.

Shih

**Hypothesis 3—Fiscal Dependence:** This hypothesis proposes that a province's fiscal dependence on central subsidies explains the frequency of "Three Represents" articles. Similar to hypothesis 2b, a fiscally strapped province needs to grovel to the Party Secretary General in order to receive the needed fiscal transfers from the central government. One weakness of the groveling story outside of the factional context is that if the sycophants' groveling gives the Secretary General no clear strategic benefits, why should he give anything in return? Knowing that, why would fiscally dependent provinces pander in the first place? This dynamic is represented by  $DEFICIT_{it}$ , which is local revenue minus local expenditure divided by local revenue in a given year. Because official deficit is not tolerated at the provincial level, the fiscal deficit reflects the amount of transferred central subsidies for that year.

**Hypothesis 4—Professional Experience/Personal Preference:** The variation in TR articles may simply be a product of the provincial leadership's preference for or professional experience in propaganda work. It is perfectly natural for a provincial leader whose career has been steeped in propaganda work to focus more on propaganda regardless of who launches the ideological campaign. Although we cannot observe the preference of individual cadres, we can observe the total number of years that the top two officials in a province—the party secretary and governor-- have spent in propaganda work prior to their current positions.<sup>10</sup> This variable ( $PROPSUM_{it}$ ) captures both preference and professional expertise to the extent that they influence one another. A positive and significant coefficient for this variable would also suggest that human capital constitutes an important input in the production function for propaganda.

Shih

**Hypothesis 5—Signaling Loyalty:** As suggested earlier, provincial enthusiasm to echo national ideological campaigns is a function of factional clients' desire to signal their loyalty to factional patrons.

**Hypothesis 5a:** As suggested by the discussion above, provincial officials who are initially identified by the patron as members of his or her faction are expected to heap praises on the ideological campaign in order to demonstrate their loyalty. In essence, the patron of a faction uses ideological campaigns as periodical “maintenance” checks of the protégés' loyalty. In order to reap benefits from factional membership, provincial officials are expected to signal in a costly manner by groveling to the factional chief during these ideological campaigns. If this hypothesis is true, we would expect a positive and significant relationship between an alternative indicator of factional membership and the density of TR articles in provincial newspaper.

**Hypothesis 5b:** Factional membership's influence on article frequency might also work in the opposite manner. It could be that identified members of a faction already have other ways of showing their loyalty, such as voting in the Central Committee or helping the faction promote even more junior officials into important positions. In this framework, those without previous ties with the party secretary general would take the opportunity of the campaign to flatter the patron, demonstrating his or her willingness to become an ostracized sycophant. If this is true, we would expect a negative and significant correlation between a factional identifier and the frequency of TR articles. Though compelling, our discussion above suggests that monitoring the loyalty of faction members constitute a greater challenge for authoritarian leaders than recruiting new members.

**Hypothesis 5c:** If we assume that officials have more than one means of expressing their loyalty, they should, depending on their mix of endowment, have different needs to signal their loyalty through ideological campaigns. For one, officials in affluent regions may have a lesser need to pander through the press because they have other means of showing their loyalty. For example, they can prepare extravagant receptions for visiting patrons, which would soon become common knowledge in the grapevines. Faction members in poor regions, on the other hand, are forced to pander through ideological campaigns because the dearth of economic resources prevents them from signaling through other means. Therefore a possible corollary of Hypothesis 5 is that junior officials (whether they be existing faction members or non-members) overseeing affluent regions have a lesser need to signal through ideological campaigns than their colleagues in poor regions.

Fortunately for this analysis, a factional identifier based on coincidences in the biographies of provincial leaders and Politburo Standing Committee members is readily available. In this approach, a provincial party secretary or a governor and a Standing Committee member are identified as members of the same faction if they were born in the same province, attended the same university, or simultaneously worked in the same unit within three administrative steps of each other (Shih 2004). Moreover, if a Standing Committee member was born in a province, he is presumed to have ties with the party secretary and governor of that province. Because we are only interested in Jiang Zemin's faction, I developed a dummy variable, Ties with Jiang Zemin ( $JZM_{it}$ ), which records a "1" whenever the party secretary or the governor of a province has the above connections with Jiang Zemin, zero otherwise.<sup>11</sup>

Shih

Table 1 describes the core characteristics of all the relevant variables. For TRART-Z, the mean and the standard deviation were obviously 0 and 1 respectively. From the table, we see that around 255 articles mentioning “Three Represents” appeared in the average provincial newspaper between 2000 and 2004. On average, GDP per capita among our observations was just over 10000 *yuan*, while the standard deviation was almost 8400 *yuan*. A few observations, those representing Shanghai, had GDP per capita well over 40000 *yuan*, while the poorest provinces had GDP per capita around the 2500 *yuan* range. Table 1 further reveals that the average province ran a 142.7% fiscal shortfall (DEFICIT) in a given year. In other words, the average province spent almost one and half times more than it collected in a given year and required central subsidies of the same magnitude. The pervasiveness of fiscal shortfall stemmed from the 1994 tax restructuring, after which the central government collected and retained the most lucrative revenue sources (Wong 2000). In the average province, the governor and the party secretary combined had around 1.36 years of experience in propaganda work. However, there was enormous variation in this variable. While many provinces did not have a governor or a party secretary experienced in propaganda work, Heilongjiang, which was at the top end of the spectrum, had a leadership with a combined 15 years of experience in the propaganda field. Finally, the mean of the Ties with JZM dummy variable tells us that the provincial leadership in 38% of the observations (province-year) had existing ties with Secretary General Jiang Zemin.

**Table 1 around here**

In order to discern the effect of all of these variables, I employ both ordinary least squared (OLS) estimations and estimations with panel-corrected standard errors and first

Shih

order autocorrelation (PCSE-AR1). Because of the panel nature of the dataset, the independent and identically distributed (IID) and spherical error assumptions of OLS are likely violated (Beck and Katz 1995). I thus use Beck and Katz's PCSE to correct within-group heteroskedasticity and cross-section correlation of errors (Beck and Katz 2004). Furthermore, when there is more than one time period, the errors between time periods may be correlated as well. To deal with serial correlation, I also estimate the first-order autocorrelation coefficient in the PCSE models. In the case of the TR campaign, estimating the AR1 process is reasonable since the campaign in one time period likely built momentum for the campaign in the next period across the board. Serial correlation artificially decreases the standard error of the coefficients and gives us false confidence in the significance of the coefficients. One potential problem I do not directly address is the possibility of an omitted variable bias, which is typically dealt with by including fixed effects of the cross-sectional units (Beck and Katz 2004). Nonetheless, since I only examine five time periods and since GDPCAP does not fluctuate much over the five years, it already accounts for much of the fixed effects of the provinces. To test for robustness, I also estimate the main variable of interest, Ties with Jiang Zemin, with just GDP per capita as control.

## **Findings**

Table 2 reveals several robust and striking patterns. First, there is little doubt that membership in Jiang Zemin's faction leads provincial leaders to significantly increase their zeal to echo the "Three Represents"(TR) campaign. If at least one of the provincial leaders had past work experience or primordial ties with Jiang Zemin, the main provincial newspaper on average produced roughly 0.3 standard deviation more TR articles, all else

Shih

being equal.<sup>12</sup> This finding is robust at the 0.05 level across equations 1 through 4 on Table 2. Even if we remove all other control variables save GDP per capita, the relationship remains robust at the 0.05 level. In Figure 2, I take the results from equation 2 of Table 2 to predict the standardized count of TR articles (TRART-Z) for both Jiang faction members and non-Jiang faction members. The predicted count is then plotted on GDP per capita along with the 95% confidence intervals, producing two downward sloping shaded areas. As seen in Figure 2, the predicted values of the article count for Jiang faction members (darker shade) are significantly higher than those of non-members (lighter shade). Furthermore, the 95% confidence intervals of the two groups do not coincide, except at GDP per capita above 20,000 *yuan*—well above the mean. We explore this seeming convergence in signaling tactics between Jiang followers and non-followers at high levels of development in the next section.

**Table 2 around here, Figure 2 around here**

The positive coefficient of Ties with JZM denotes that ideological campaigns played a “maintenance” role rather than a “recruitment” role in factional politics. In other words, the TR campaign gave the patron—PS Jiang Zemin—an opportunity to observe who among his existing clients were still willing to grovel at their own expense. The findings do not suggest that ideological campaigns provided non-members opportunities to join a faction through costly signaling.

Beyond factional affiliation, the level of economic development clearly had a significant effect on provincial newspapers’ tendencies to propagate the TR ideology. A one standard deviation increase in GDP per capita—8,377 *yuan*-- resulted in 0.25 standard deviation fewer TR articles.<sup>13</sup> The downward slope of the two shaded areas in

Shih

Figure 2 illustrates the negative influence of GDP per capita. The findings here do not support the view that the TR campaign was sincerely implemented to target affluent areas with higher concentration of private entrepreneurs and skilled professionals. Instead, the findings suggest that higher advertisement revenue from a thriving economy systematically discouraged newspapers from wasting space on ideological campaigns.

Provincial fiscal deficits also had a statistically significant impact on TR articles, but the effect was relatively small. Looking at the PCSE-AR1 coefficient in equation 2, even a 100% surge in provincial deficits only resulted in a 0.07 standard deviation increase in articles mentioning “Three Represents.” Thus, although positive and significant, deficit level did not exert a substantial impact on provincial-level signaling. The small coefficient can be interpreted as a “pleasing” effect. That is, although fiscally strapped provinces in general had nothing of strategic importance to offer the Party Secretary General, they nonetheless wanted to appease Jiang in the hopes of receiving additional subsidies. However, as we can see, this effect was minimal because unless one was Jiang’s follower, groveling produced no obvious strategic advantage to anyone.

Finally, the provincial leadership’s previous experience in propaganda work (SUMPROP) exerted a robustly significant relationship on the dependent variable. A standard deviation increase (3 years) in the provincial leadership’s experience in propaganda bolstered the number of TR articles by roughly 0.3 standard deviation. If anything, this finding reveals that propaganda work was not simply a hollow job filled by unmotivated officials. This robust finding suggests that human capital was important in the production of propaganda. Without some degree of professionalism, someone who had spent years in the propaganda network would be no more able to coordinate an

Shih

ideological campaign than the average leader. This was clearly not the case. Of course, a more cynical interpretation would suggest that provincial leaders with deep propaganda experience tended to find followers in the provincial propaganda network. By launching massive propaganda efforts, the provincial leader channeled funding and prestige to his or her followers in the provincial propaganda apparatus. Unfortunately, our data do not allow us to distinguish between these two dynamics.

In sum, the statistical analysis presented in Table 2 suggests that intra-factional signaling, the level of economic development, and professional experience played the most substantial role in determining how zealously provincial newspapers echoed the “Three Represents” campaign. An important implication of this finding is that ideological campaigns are by no means obsolete. Their legitimating function aside, ideological campaigns also serve as important tools through which factional patrons surmise the loyalty of factional clients. Similar to the functioning of radars, ideological campaigns send out strong signals and detect the strength of the echoes.

### **Differentiated Signaling**

Although members of Jiang’s faction generally had a stake in signaling their loyalty during ideological campaigns, they did not need to signal with equal zeal in the press to send credible signals. Members of Jiang’s faction serving in cash-strapped regions likely had few other means of sending signals of loyalty to Jiang besides words of praise. In contrast, members of Jiang’s faction in affluent regions likely had other means of showing their loyalty that were perhaps even more “nauseating” than echoing ideological campaigns. Thus, they may be no more prone to echo ideological campaigns than their non-member colleagues in affluent regions.

Shih

Since the reform, affluent areas, including Guangdong (especially Shenzhen), Shanghai, and Jiangsu have served as favorite “inspection” destinations of senior party leaders. In the 80s, Deng took numerous tours of southern China, especially to Guangdong and Shanghai. Chen Yun’s favorite destinations were Shanghai and Hangzhou. Leaders of affluent areas took the task of hosting senior leaders (*jiedai gongzuo*) very seriously. In a 2002 speech, party secretary Hui Liangyu of Jiangsu pointed out the benefits of good hospitality: “if we perfect welcoming work.....we can bring both concrete and soft benefits to our reform and development. We additionally increase our quality, heighten internal coherence and leave our guests with wonderful memories”(Lu and Han 2002). “Hospitality” specialists in the Jiangsu party committee made an even clearer case:

Because Jiangsu is a prosperous southern coastal province, ...central party and state leading comrades often inspect Jiangsu and undertake research here....Therefore, conscientious and meticulous completion of these major welcoming missions (*renwu*) would allow these leading comrades to understand work in Jiangsu from a certain vantage point, which creates a good image for Jiangsu ...(Lu and Han 2002).

Less than a year after emphasizing hospitality work in Jiangsu, Hui Liangyu was promoted to the vice-premier position. In Guangdong, party secretary Zhang Dejiang went as far as convening an all-province hospitality work conference in which he gave the following instruction: “(hospitality work) isn’t just receiving and seeing someone off, eating and drinking, but is an important political mission. Hospitality work is an important media, a bridge, and a guarantee for the provincial committee and government”(Sun 2004). To fulfill this “political mission,” the Guangdong party committee alone operated four hotels, which in 2003 received some 600 groups of visitors (Sun 2004).

Shih

Besides extravagant receptions, leaders in affluent provinces had more subtle--and more credible-- means of demonstrating their loyalty. For example, Shanghai provided a friendly environment in which Jiang's son, Jiang Mianheng, established a series of successful business ventures with both domestic and foreign investors (Gilley 2004). Guangdong in the 80s likewise served as the playground of enterprising children of senior leaders, known as "princelings" (He and Gao 2000). Although not widely publicized in the press, these "favours" were well-known in the official circles and formed the basis of reputation for various provincial leaders. Some of them were clearly known as willing facilitators of dubious princeling dealings, thereby sending costly signals by exposing themselves to charges of corruption and rule-breaking. Faction members serving in poor regions with little investment prospects, in contrast, had fewer opportunities to signal in this way and must resort to signaling through the press.

To capture the different tendency to signal through the press among Jiang faction members, I split the sample into four groups first by adding a dummy variable which records a "1" when an observation has GDP per capita above the annual median, "0" otherwise.<sup>14</sup> This dummy variable is labeled "RICH<sub>it</sub>." Then, I create an interaction variable that multiplies the "RICH" dummy with the "Ties with JZM" dummy, which is labeled as "JZMIRICH<sub>it</sub>." This interaction variable, JZMIRICH, only estimates the JZM effect when an observation has GDP per capita above the annual median. In the mean time, the Ties with JZM dummy estimates the effect of Jiang followers in relatively poor areas that have GDP per capita below the annual median. In this manner, I split the sample into four groups of observations: rich provinces with Jiang followers (JZMIRICH), rich provinces without Jiang followers (RICH), poor provinces with Jiang

Shih

followers (JZM), and poor provinces without Jiang followers (the null case). Again, the model with the new specification is estimated with PCSE and AR1 processes. I also test for robustness by excluding the control variables in a separate regression.

**Table 3 around here**

On Table 3, one can discern a different tendency to echo the TR campaign between Jiang followers in affluent regions and poor regions. The coefficient for Ties with JZM—the extent to which Jiang followers in less affluent regions echoed the campaign—is positive and significant at the 0.05 level in both equations 1 and 2 on Table 3. Examining that coefficient for Jiang followers in less well off regions, one notes that the coefficient is higher than the Ties with JZM effect for all Jiang followers presented in Table 2. This suggests that much of the campaign echoing was done by Jiang followers in less affluent regions. Jiang followers in less affluent regions ordered the provincial party press to produce 0.4 to 0.5 standard deviation more articles praising the TR than non-Jiang officials in poor regions—a striking contrast considering that both groups were poor. This inference is further confirmed when one examines the coefficients and standard error of the JZMIRICH interaction term on Table 3. Unlike Jiang followers in poorer regions, Jiang followers in above-median income observations appeared to have a lower tendency to echo the TR campaign than officials in non-Jiang poor provinces, although the results are by no means clear. The coefficients of the RICH variable, which records observations of non-Jiang followers in rich regions, show no sign of being significantly different from non-Jiang followers in poor regions. In terms of the control variables, GDP per capita's effect is weakened due to the inclusion of the affluent province dummy variable, which co-varies with GDP per capita. Otherwise, both local

Shih

deficit and propaganda experience exhibit similar effects on the dependent variable as those shown on Table 2.

**Figure 3 around here**

These findings are shown more clearly on Figure 3, which presents the predicted TR article counts for Jiang and non-Jiang followers in both rich and poor regions plotted over GDP per capita along with 95% confidence intervals. Figure 3 produces four sets of confidence intervals that allow a better comparison of the four sub-groups. The null case—poor provinces without Jiang connections—is represented by the darkly shaded region that clusters around 0 on the y-axis. Relative to the null case, poor regions with Jiang connections, represented by the lightly shaded region directly above the null region, exhibits a significantly stronger tendency to echo the TR campaign. The predicted values of TR articles among this group of provinces are roughly 0.5 standard deviation above the annual mean with some predicted values well above 0.5 standard deviation. There are then two lines that extend downward from the null region representing affluent regions with and without Jiang connections. The lightly shaded region with a solid line represents affluent regions with Jiang connections, while the transparent region with a dotted-line represents affluent regions without Jiang connections. As Figure 3 reveals, on average affluent Jiang regions still exhibited a stronger tendency to publish TR articles than non-Jiang affluent regions. However, the 95% confidence intervals intersect with each other to a considerable extent such that the two groups are difficult to distinct. Also, as GDP per capita increases, the two affluent regions show a marked tendency to publish fewer TR articles than the null case. This effect is not apparent on the regression table because most of the observations are clustered around the median per capita GDP level

Shih

around 10,000 yuan, where the difference between poor and rich regions remains unclear.

The clearest insight from Figure 3 is that Jiang followers in poor regions exhibited a strong tendency to produce more TR articles than any of the other groups. For Jiang followers in affluent regions, they still have a slightly higher tendency to produce TR articles than affluent regions without any ties to Jiang, but their motivation to produce more TR articles is much weaker than their factional brethren in poor regions.

These findings strongly suggest that Jiang followers, depending on the economic strength of the regions they administered, deployed disparate means of sending credible signals to their factional patron. For leaders administering poor regions, they were forced to pander publicly through the press to gain credibility, whereas followers in affluent regions had other means of signaling loyalty and thus were much less prone to signal through the press. Pandering through the press was probably a less costly way of signaling loyalty than protecting the corrupt dealings of a leader's off-springs. This makes sense as well since the loyalty of factional followers overseeing affluent regions was probably more important than the loyalty of someone governing a poor region.

### **Sycophancy and Credible Signaling**

This paper postulates that in addition to legitimizing the CCP regime, contemporary ideological campaigns also serve the purpose of allowing members of factions to signal their loyalty to their patrons. Empirical tests reveal that signaling factional loyalty indeed appeared to be one of the factors driving the provincial presses to echo national ideological campaigns. Furthermore, faction members serving in provinces with different levels of development employed divergent strategies of signaling their loyalty. Faction members in poor provinces had the strongest incentive to signal their

Shih

loyalty to the patron through ideological campaigns because their limited resources made it difficult for them to signal otherwise. The high advertising revenue and the ability to signal loyalty in other ways rendered faction followers in affluent regions much less eager to signal loyalty through the provincial presses.

The strategic use of ideological campaigns in China sheds light on the general existence of sycophants in many organizations. Why do leaders in so many organizations keep sycophants or boot-lickers around, often to the detriment of the overall mission of the organization? This is especially puzzling given that sycophants provide information that is orthogonal to the productivity of the organization. If an organization has a unitary principal who is maximizing some objective (profit, for example), he or she would ignore all such pandering, and such pandering would probably not occur in the first place. In this situation, the unitary principal would be the target of “influence activities” whereby an agent lies about something in order to obtain a promotion, but the principal listens to the agent only to the extent that he or she believes the agent is providing some useful information relevant to the productivity of the organization (Milgrom 1988). Likewise, the principal may listen to the advice of biased or neutral advisors in order to update beliefs about the payoffs of various policy choices (Calvert 1985). In both of these cases, information provided by subordinates or advisors contributes toward the overall mission of an organization.

Pure pandering and boot-licking, which provide no useful information for the organization, likely occur when there is more than one principal in charge of an organization and when the rules of decision-making are unclear between the various principals. In this environment, unregulated conflicts and power struggles can arise when

Shih

senior members of an organization employ means outside of formally sanctioned procedures to unseat or undermine other senior members of an organization. Spreading negative rumors, countermanding or contradicting the instructions of a fellow senior colleague, and sending secretive, negative reports to a higher authority are all standard tools of unregulated power struggles in a conflictive organization. In such an environment, a senior member of the organization would likely need trusted allies or followers to help deal with the conflict. However, without any enforceable contract between a patron and a client, one's friend can become one's enemy at any time, leaving one vulnerable to attacks. Therefore, the cultivation of sycophants constitutes a "technology" whereby trusted followers are produced to support oneself in the power struggle.

By nurturing sycophants and by elevating them to important positions, one gains trusted allies in important positions. The chosen sycophants prove their worth by making themselves despised by everyone around them, which prevents their defection to another coalition and assures the patron of their loyalty. The implication of this is that the more an organization is plagued by unregulated internal conflict, the more members of the organization have an incentive to cultivate their boot-licking skills, since this particular skill gains currency as the level of conflict intensifies in an organization. Over time, however, rampant boot-licking will decrease the signaling value of bootlicking since, as a virtue, it does not incur any cost on the boot-licker. Thus, in organizations where there are unregulated conflicts—but also dominant factions benefiting from a sizable proportion of the benefits--, the dominant factions have an incentive to provide the public good of preserving some norm against sycophancy itself, in order to preserve the

Shih

signaling value of boot-licking. This is likely the reason why post-Mao leaders in China have consistently denounced cults of personalities in public, even though some of them launched personalist ideological campaigns at the same time.

In the general comparative literature, scholars are re-examining the factors that allow dictatorships to survive. Reasons that emerge include loosening control (Way and Levitsky 2002), establishing legislative or consultative institutions (Svolik and Boix 2007), and a meritocratic bureaucracy (Nathan 2003). Although China today arguably has a meritocratic bureaucracy, the CCP continues to maintain a tight grip on the political system, except for some electoral reform at the grassroots level (Pei 2006). A key to China's ability to maintain a tight grip on society has been relative stability at the top level since 1989, which does not allow the opposition to take advantage of elite division (O'Donnell et al. 1986). One explanation may be that the increasing frequency of propaganda drives raised the amount of information in the political system, allowing incumbents and challengers alike to assess their standing before making a destabilizing political move. The relative clarity about Jiang's support base may have prompted two of his challengers, Qiao Shi and Li Ruihuan, to give up and go quietly into early retirement. This is an advantage that not even Chairman Mao enjoyed as his personality cult rendered pandering meaningless babble. As Cuba and North Korea struggle with potentially destabilizing succession politics after the passing of the founding generation, the ability to launch informative propaganda drives may prove significant. In the case of Cuba, this may mean campaigns to spread the "thoughts" of Raul Castro, while in North Korea, it may do well for Kim Jong-Il to relax the personality cult surrounding him.

Shih

For China, ideological campaigns, as much as some find them meaningless, will not be obsolete in the foreseeable future because the post-revolutionary generation relies on them to monitor the loyalty of faction members. Because the revolutionary generation cultivated their followers over years of military struggle and internal political strife, they had much better information about the loyalty of their followers-- whether they would be reliable in a political conflict. Although post-revolutionary leaders also cultivated followers throughout their careers, they are less certain about their loyalty since there have been fewer opportunities to test it. Therefore, they have to find other means of credibly testing their loyalty.

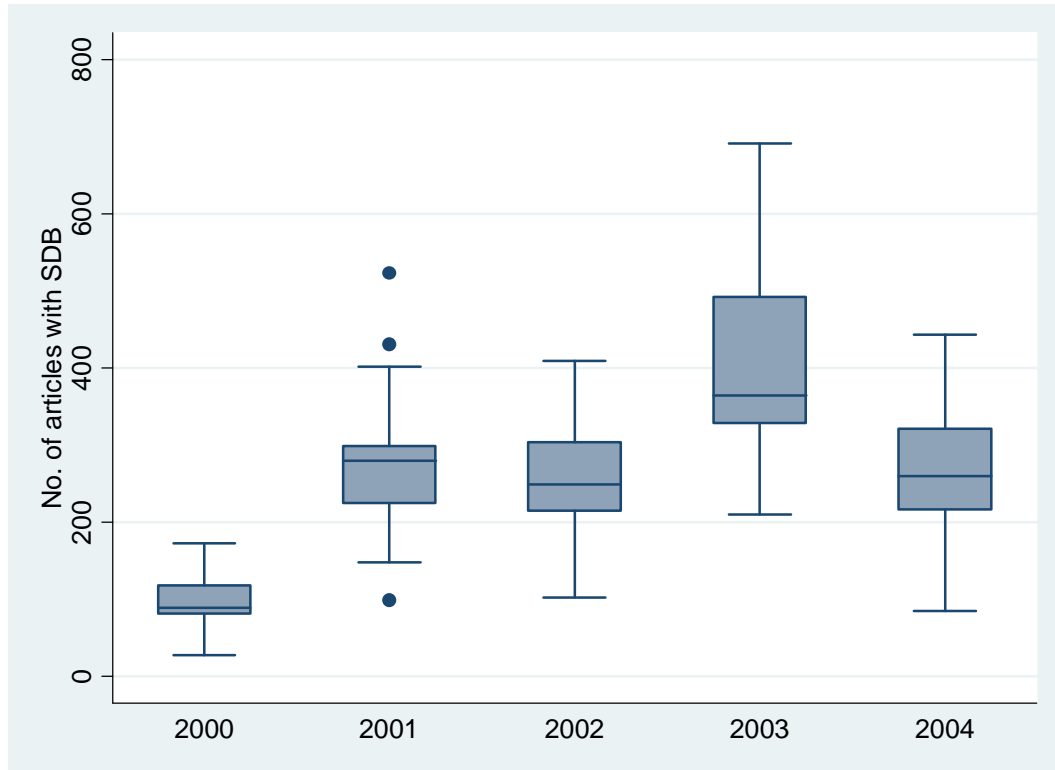
The strategic function of ideological campaigns also explains why dominant factions emerge in Chinese politics. Because only the party secretary general can legitimately launch a full-scale ideological campaign, the faction headed by the party secretary general has a unique advantage in that it can more effectively monitor the loyalty of a large number of followers. This does not mean that the secretary general's faction would wipe out the other factions. Over time, however, this "technology" allows the secretary general's faction to absorb more members than rival factions. This further supports Nathan's point that factions are trellis that grows on the formal structure (Nathan 1973).

Finally, going beyond the findings of this paper, it is plausible that the persistence of factionalism itself is a product of the dominant faction's wish to preserve an informational mechanism for detecting disloyalty. Without rival factions, such as the case during the height of the Cultural Revolution, the dictator has little information about the loyalty of his or her follower, leading to grave suspicion of even one's closest

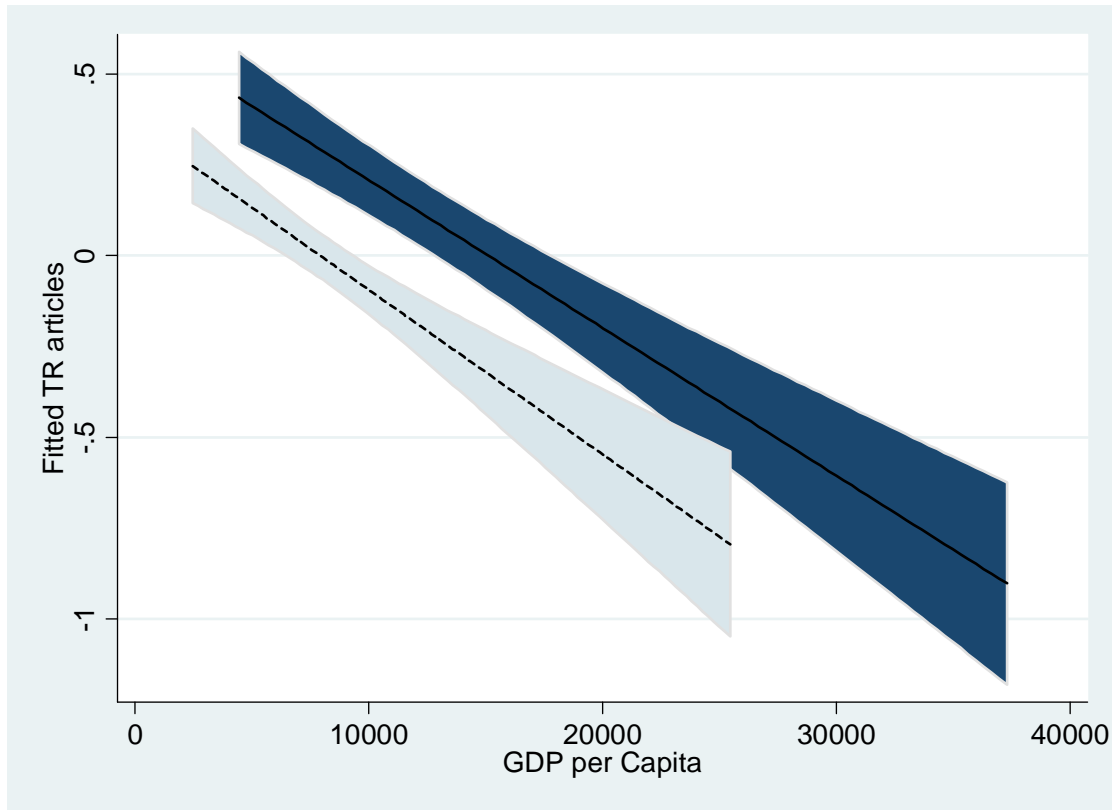
Shih

follower (Teiwes and Sun 1996). By allowing rival factions, a factional patron can test followers' loyalty by requiring them to sacrifice something that makes them vulnerable to attacks by rival factions. Public pandering and corruption constitute credible signals only because rival factions can use them as leverage against junior officials, forcing them to seek the protection of the patron. Without these rivals, a dictator remains in the dark about the true extent of his or her power.

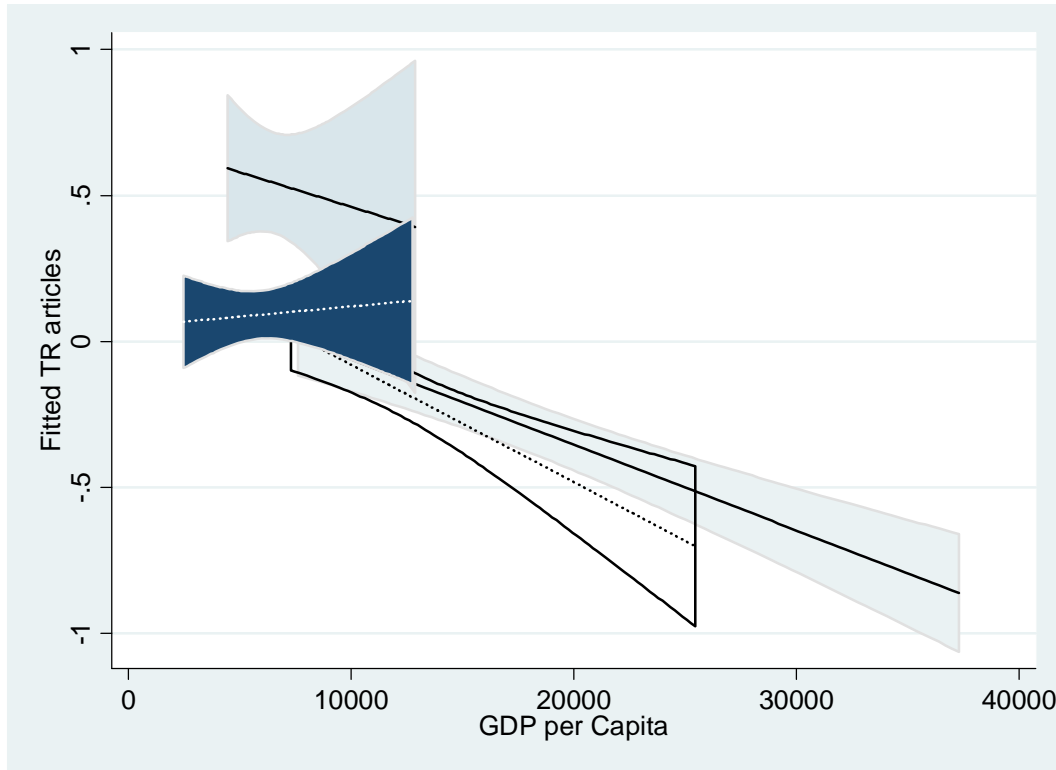
**Figure 1: Median Number of Articles Mentioning “Three Represents:” 2000-2004**



**Figure 2: Predicted TRART-Z for Members of Jiang's Faction and Non-members Along with 95% Confidence Intervals**



**Figure 3: Predicted TRART-Z for Members and Non-Members of Jiang's Faction in Rich and Poor Regions along with 95% Confidence Intervals**



**Table 1: Summary Statistics of Relevant Variables**

<b>Variable</b>	<b>Obs</b>	<b>Mean</b>	<b>Std. Dev.</b>
<b>TRART-Z</b>	132	0	0.99
<b>TRART</b>	132	254.47	129.04
<b>GDPCAP</b>	152	10412	8377
<b>DEFICIT</b>	155	147.24	249.32
<b>SUMPROP</b>	155	1.36	3.18
<b>Ties with JZM</b>	155	0.38	0.49

**Table 2: The Impact of Ties with Jiang Zemin on the Standardized Frequency of “Three Represents” Articles in Provincial Newspapers—2000-2004**

	(1)OLS	(2)PCSE-AR1	(3)OLS	(4)PCSE-AR1
<i>Dependent Variable: TRART-Z</i>				
<b>GDPCAP</b>	-0.000036 (0.000009)	-0.00003 (0.00002)	-0.00005 (0.000001)	-0.00004 (0.00002)
<b>DEFICIT</b>	0.0007 (0.0003)	0.0007 (0.0003)	--	--
<b>SUMPROP</b>	0.08 (0.02)	0.1 (0.01)	--	--
<b>Ties with JZM</b>	0.36 (0.16)	0.26 (0.12)	0.41 (0.17)	0.32 (0.14)
<b>CONSTANT</b>	0.018 (0.14)	-0.03 (0.26)	0.32 (0.13)	0.3 (0.2)
	N=130 Adj. R <sup>2</sup> =0.24	N=125 R <sup>2</sup> =0.22 Rho=0.31	N=130 Adj. R <sup>2</sup> =0.15	N=125 R <sup>2</sup> =0.08 Rho=0.40

Note: Standard errors are in parentheses. Gray shade denotes  $P(B=0) \leq 0.05$ .

**Table 3: The Impact of Ties with Jiang Zemin on the Standardized Frequency of “Three Represents” Articles in Rich and Poor Regions—2000-2004**

	(1) PCSE-AR1	(2) PCSE-AR1
<i>Dependent Variable: TRART-Z</i>		
<b>GDPCAP</b>	-0.00003 (0.000015)	-0.00003 (0.00001)
<b>DEFICIT</b>	0.0007 (0.0003)	--
<b>SUMPROP</b>	0.10 (0.01)	--
<b>RICH</b>	0.10 (0.20)	-0.02 (0.22)
<b>Ties with JZM</b>	0.42 (0.21)	0.5 (0.24)
<b>JZMIRICH</b>	-0.4 (0.33)	-0.42 (0.32)
<b>CONSTANT</b>	-0.8 (0.22)	0.23 (0.17)
	N=125 R <sup>2</sup> =0.23 Rho=0.30	N=125 R <sup>2</sup> =0.11 Rho=0.35

Note: Standard errors are in parentheses. Gray shade denotes  $P(B=0) \leq 0.05$ .

## **Bibliography**

- Achen, Christopher H. 1984. "Proxy Variables and Incorrect Signs on Regression Coefficients." *Political Methodology* 11:299-316.
- Austen-Smith, David. 1992. "Strategic Models of Talk in Political Decision Making." *International Political Science Review* 13 (1):45-58.
- Banks, Jeffrey. 1990. "A Model of Electoral Competition with Incomplete Information." *Journal of Economic Theory* 50:209-325.
- Beck, Nathaniel, and Jonathan N. Katz. 1995. "What To Do (And Not To Do) with Time-series Cross-section Data." *American Political Science Review* 89 (3):634-47.
- . 2004. "Time-series-cross-section Issues: Dynamics, 2004." Typescript. New York University and California Institution of Technology.
- Boone, Catherine. 1990. "The Making of Rentier Class: Wealth Accumulation and Political Control in Senegal." *Journal of Development Studies* 26 (3):425-50.
- Bueno de Mesquita, Bruce, Alastair Smith, Randolph M. Silverson, and James D. Morrow. 2003. *The Logic of Political Survival*. Cambridge, Mass.: MIT Press.
- Calvert, Randall L. 1985. "The Value of Biased Information: a Rational Choice Model of Political Advice." *Journal of Politics* 47 (2):530-55.
- Cox, Gary, and Frances McCall Rosenbluth. 1996. "Factional Competition for the Party Endorsement: the Case of Japan's Liberal Democratic Party." *British Journal of Political Science* 26 (2):259-69.
- Cox, Gary, Frances McCall Rosenbluth, and Michael Thies. 2000. "Electoral Rules, Career Ambitions, and Party Structure: Comparing Factions in Japan's Upper and Lower Houses." *American Journal of Political Science* 44 (1):115-22.

Shih

- Deng, Xiaoping. 2000. "'Liangge Fanshi' bu Fuhe Makesi Zhuyi ('Two Whatever' Does Not Accord with Marxism)." In *Deng Xiaoping Wenxuan (The Collected Works of Deng Xiaoping)*, ed. Central Committee. Beijing: Central Document Publisher.
- Farrell, Joseph, and Matthew Rabin. 1996. "Cheap talk." *The Journal of Economic Perspectives* 10 (3).
- Fewsmith, Joseph. 2001. *China since Tiananmen :The Politics of Transition*. Cambridge ; New York: Cambridge University Press.
- . 2003. "Studying the Three Represents " In *China Leadership Monitor*, ed. L. Miller. Stanford, CA: Hoover Institution.
- Gilley, Bruce. 2004. "China's Princelings." *Wall Street Journal*, 27 August.
- Golden, Miriam, and Eric Chang. 2001. "Competitive Corruption: Factional Conflict and political malfeasance in postwar Italian Christian Democracy." *World Politics* 53 ( 4).
- Gregory, Paul, and Mark Harrison. 2005. "Allocation under Dictatorship: Research in Stalin's Archives." *Journal of Economic Literature* 43 (3).
- He, Yi, and Xin Gao. 2000. *The 'Princeling Faction' in the Chinese Communist Party (Zhonggong 'Taizidang' )*. Taipei: Shibao Wenhua Publisher.
- Helmke, Gretchen. 2002. "The Logic of Strategic Defection: Court-Executive Relations in Argentina under Dictatorship and Democracy." *American Political Science Review* 96 (2):291.
- Imai, Kosuke, and Teppei Yamamoto. 2008. "Causal Inference with Measurement Error: Nonparametric Identification Analysis of a Field Experiment on Democratic Deliberations." typescript.

Shih

Iqbal, Zaryab, and Christopher Zorn. 2006. "Sic Semper Tyrannis? Power, Repression, and Assassination since the Second World War." *Journal of Politics* 68 (3).

Lewbel, Arthur. 2007. "Estimation of Average Treatment Effects with Misclassification." *Econometrica* 75 (2):537-51.

Lu, Jun, and Qinghua Han. 2002. "Renzhen Shiqian 'Sange Daibiao' Zhongyao Sixiang, Nuli Shixian Jiedai Gongzuo Chuangxin (Conscientiously Realize the Important Thought of "Three Represents," Work Hard to be Inventive in Reception Work)." *Xinhua Ribao (Xinhua Daily)*, 3/3/02.

Lu, Xiaobo. 2000. *Cadres and Corruption: the Organizational Involution of the Chinese Communist Party*. Stanford, CA: Stanford University Press.

MacFarquhar, Roderick. 1997. *The Coming of the Cataclysm, 1961-1966*. Edited by R. MacFarquhar. Oxford ; New York: Published for the Royal Institute of International Affairs Studies of the East Asian Institute by Oxford University Press and Columbia University Press.

MacFarquhar, Roderick, and Michael Schoenhals. 2006. *Mao's Last Revolution*. Cambridge, Mass.: Belknap Press of Harvard University Press.

Manion, Melanie. 1993. *Retirement of Revolutionaries in China : Public Policies, Social Norms, Private Interests*. Princeton, N.J.: Princeton University Press.

McAllister, Ian. 1991. "Party Adaptation and Factionalism within the Australian Party System." *American Journal of Political Science* 35 (1).

Milgrom, Paul. 1988. "Employment Contracts, Influence Activities, and Efficient Organization Design." *Journal of Political Economy* 96 (1).

Shih

Milgrom, Paul, and John Roberts. 1988. "An Economic Approach to Influence Activities in Organization." *The American Journal of Sociology* 94:154-79.

Nathan, Andrew. 1973. "A Factionalism Model for CCP Politics." *The China Quarterly* 53:33-66.

———. 2003. "Authoritarian Resilience." *Journal of Democracy* 14 (1):6-19.

O'Donnell, Guillermo A., Philippe C. Schmitter, Laurence Whitehead, and Woodrow Wilson International Center for Scholars. Latin American Program. 1986. *Transitions from Authoritarian Rule*. Baltimore: Johns Hopkins University Press.

Pei, Minxin. 2006. *China's Trapped Transition: the Limits of Developmental Autocracy*. Cambridge MA: Harvard University Press.

People's Daily. 2002. "Gaoju Deng Xiaoping Lilun Weida Qiji, Quanmian guanqie 'Sange Daibiao' Yaoqiu (Raise High the Great Banner of Deng Xiaoping Theory, Comprehensively Implement the Demands of the 'Three Represents' " *Renmin Ribao (People's Daily)*, 2 June.

Schwartz, Benjamin. 1960. "The Legend of the "Legend of 'Maoism'". " *China Quarterly* 2:35-42.

Shih, Victor. 2004. "Factions Matter: Personal Networks and the Distribution of Bank Loans in China." *Journal of Contemporary China* 13 (38).

Snyder, Richard. 1992. "Explaining Transitions from Neopatrimonial Dictatorships." *Comparative Politics* 24 (4):379-99.

Sun, Yunchao. 2004. "Guifan Jiedai Shuxingxiang, Zhoudao Fuwi Ying Koubei (Regulated Reception Makes an Impression, Perfect Service Wins Reputation)." *Guojia Jiguan Houqin (State Agencies Logistics)* 2004 (3).

Shih

Svolik, Milan, and Carles Boix. 2007. "Non-tyrannical Autocracies." In *Working Paper*.  
Washington, DC and Champai.

Teiwes, Frederick. 1993. *Politics and Purges in China : Rectification and the Decline  
Party Norms, 1950-1965*. Armonk, N Y: M E Sharpe.

Teiwes, Frederick C., and Warren Sun. 1996. *The Tragedy of Lin Biao: Riding the Tiger  
during the Cultural Revolution, 1966-1971*. Honolulu: University of Hawaii Press.

Tirole, Jean. 1999. "Incomplete Contracts: Where Do We Stand?" *Econometrica* 67  
(4):741.

Way, Lucan, and Steven Levitsky. 2002. "Elections without Democracy: The Rise of  
Competitive Authoritarianism." *Journal of Democracy* 13 (2):51-67.

White, Lynn T. 1989. *Policies of Chaos : the Organizational Causes of Violence in  
China's Cultural Revolution*. Princeton, N.J.: Princeton University Press.

Wintrobe, Ronald. 1998. *The Political Economy of Dictatorship*. Cambridge, UK ; New  
York, NY: Cambridge University Press.

Wong, Christine. 2000. "Central-local Relations Revisited: The 1994 Tax Sharing  
Reform and Public Expenditure Management in China." ed. W. Bank.  
Washington DC: World Bank.

Wu, Guoguang. 1994. "Command Communication: The Politics of Editorial Formulation  
in the People's Daily." *The China Quarterly* 137:194-211.

Wu, Kegang. 2004. *Zeng Qinghong--Zhonggong Gang'ao Daganjia (Zeng Qinghong--  
the Head Manager for Hong Kong and Macau)*. 2nd ed. Hong Kong: Xinhua  
Caiyin Publisher.

Shih

Xinhua News Agency. 2003. "'Sange Daibiao' Zhongyao Sixiang Lilun Yantaohui Zaijing Kaimo (A Discussion Meeting on the Important Thought of 'Three Represents' Convenes in Beijing)." *Beijing Xinhua*, 7/1/03.

Yang, Yongliang. 2000. "Quanmian Tuijin Dangde Jianshe Xinde Weida Gongcheng de Xingdong Zhinan (Comprehensively Promote the Building of a New Guideline to the Party's Great Construction)." *Dangzheng Ganbu Luntan (Forum for Party and State Cadres)* 2000 (7):4-9.

Endnotes

---

<sup>1</sup> I am grateful for the Northwestern University Research Grant Committee for providing funding to support this research and Jiangnan Zhu for valuable research assistance. I also would like to thank Yu-Shan Wu and Kellee Tsai for providing helpful suggestions at the 2005 APSA Annual Meeting. Members of the Harvard Post-Communist Workshop, including Gerry Easter, Andy Kydd, and Yoshiko Herrera, provided helpful suggestions. Jonathan Wand generously parted with methodological suggestions. Of course, all mistakes are my own.

<sup>1</sup> There is an extensive literature on incomplete contract in economics, but this is a more serious problem of lacking enforcer. See (Tirole 1999)

<sup>2</sup> This is an extension of the Bueno de Mesquita et al. model, which sees affinity as a small, but important parameter because it determines who would stay with the incumbent when a rival leader tries to form an alternative winning coalition. By extension, if affinity can be announced through groveling, even a low level of credibility is enough to dissuade the rival from recruiting the boot-licker to the alternative winning coalition. See (Bueno de Mesquita et al. 2003: 62).

<sup>3</sup> These earlier campaigns include the anti-spiritual pollution campaign in 1983, the campaign against bourgeois liberalization in 1986-7, and the spiritual civilization campaign in 1996. See (Fewsmith 2001)

<sup>4</sup> Interviews in Beijing: 10/26/04; 7/30/05. In one colorful story recounted by an interviewee, the then mayor of Dalian and current Party Secretary of Chongqing Bo Xilai erected a five-story high display of Jiang Zemin in Dalian's main square. This degree of pandering was seen as highly unusual and drew wide-spread muttering by government officials all over China.

<sup>5</sup> Telephone interview with a senior editor of a provincial newspaper: 4/22/2005.

<sup>6</sup> Disagreement with the "Three Represents" did appear in obscure theoretical journals run by leftist ideologues, but the criticism was stopped after Jiang's 7/1/2001 speech.

<sup>7</sup> The three missing provincial units are Tianjin, Guangdong, and Guizhou; some observations are missing for other provinces as well.

<sup>8</sup> Telephone interviews with senior editors at a provincial newspaper: 4/22/2005, 5/27/2005.

<sup>9</sup> Telephone interviews with senior editors at a provincial newspaper: 4/22/2005, 5/27/2005.

---

<sup>10</sup> Propaganda work here means time spent working in propaganda units (*xuanchuan danwei*) or time spent as a vice-secretary in charge of propaganda work.

<sup>11</sup> Because this variable is a binary one, any measurement error in this variable necessarily violates the assumption that the error is orthogonal to the true value (Imai and Yamamoto 2008). Nonetheless, Lewbel (2007) shows that if the measurement error is independent of the true expected outcome (outcome conditional on the true value of the treatment variable and the other observed independent variables) and there is positive correlation between the true values of the treatment variable and the measured values, the estimated treatment effect of the observed treatment variable is similar to the lower bound of the effect of the true treatment variable. These conditions allow researchers to interpret measurement errors in binary variables in similar ways as they do for classical measurement errors in non-binary variables (Achen 1984). Because the errors arising in this variable stem from the researcher's ignorance rather than any processes that cause the outcome variable to be correlated with the measurement error, the above conditions are reasonable in this case, as long as the researcher is not too ignorant about the processes that give rise to factional ties.

<sup>12</sup> Note, the standard deviation mentioned here and in subsequent discussion refers to annualized standard deviation measuring the extent to which a provincial press departed from the annual mean of a given year. Please refer to the discussion on TRART-Z above.

<sup>13</sup> 0.25 is not the regression coefficient of GDPCAP but is the product of GDPCAP's coefficient and the standard deviation of GDPCAP, which is 8377 *yuan*.

<sup>14</sup> I would like to thank Jonathan Wand for this valuable suggestion.