

The End of Fragmented Authoritarianism?  
Evidence from Military-Civil Fusion Policy under Xi Jinping

LIM Jaehwan

Professor, School of International Politics, Economics and Communication,  
Aoyama Gakuin University

**Policy process under Xi Jinping's administration**

It is a widely held belief that Chinese politics have undergone a dramatic transformation, ever since Xi Jinping took office in November 2012. An often-cited example is the top-down leadership style and decision-making structure known as “top-level design.” Of course, the hierarchical structure of China’s political system, which has been in place under the rule of the Chinese Communist Party (CCP or the party), has remained fundamentally unchanged till the present day. Here, “top-down” refers to the features of the leadership’s situational awareness and policy implementation, which involves getting an *overall* grasp of the problem, then solving it in its entirety under the reinforced guidance of the party. Such a method of pushing for sweeping reforms through the strengthening of the coordinating role of the party center differs from that of the previous reform efforts during Deng Xiaoping’s era, when the focus was placed on trial-and-error in individual policy areas, while allowing for a significant level of local autonomy.<sup>1</sup>

These changes, observed across various reform areas, cast doubts on a powerful analytical framework that has, for a long time, been used to explain China’s policy process: the fragmented authoritarianism (FA) model that puts the spotlight on the plurality of China’s policy process during the reform era. Some contend that the reforms under Xi’s leadership show the limitations of this model, with others going so far as to advocate the adoption of an entirely new perspective.<sup>2</sup> How radically, then, has China’s policy process been transformed? Does the change indicate that the powerful FA model is no longer valid? This essay attempts to answer these questions by examining one of Xi’s signature policy initiatives, the military-civil fusion (MCF) policy.

**What is the fragmented authoritarianism model?**

---

<sup>1</sup> Masaharu Hishida, Takashi Suzuki, *Chotaikoku Chugoku no Yukue 3 Kyosanto to Gabanansu (The Chinese Superpower 3 – The Communist Party and Governance)*, University of Tokyo Press, 2016, pp. 173-174.

<sup>2</sup> Andrew Mertha and Kjeld Erik Brodsgaard, “Introduction,” in Kjeld Erik Brodsgaard, ed., *Chinese Politics as Fragmented Authoritarianism: Earthquakes, Energy, and Environment*, Routledge, 2018, pp. 4-5.

The FA model identifies a decentralized structure of authority as the greatest characteristic of the Chinese bureaucratic system. Contrary to the “official stance” that emphasizes the central role of the CCP in all areas of governance, the model argues, **actual policies are developed and implemented within a complex vertical and horizontal system entangling the bureaucratic organizations of the party, government, and military.** As a result, **the policy process in reality places greater importance on negotiation rather than coercion, and is more incremental than sweeping.** This is the main implication of the FA model, suggesting that the conventional view of a centralized, efficient policy process under the guidance of the party is no more than an illusion.

Accordingly, leaders who wish to promote a new policy initiative must form a broad consensus within the massive bureaucratic organization. This effort needs to take a vertical direction as well as a horizontal direction, because subordinate organizations also have resources that are important for the policy implementation. Hence, the policy process is characterized as a **continuous process of negotiation** that advances in both the vertical and the horizontal directions, and making revisions to the contents of the policy during this process tends to be regarded as normal.<sup>3</sup>

The FA model was formulated in the late 1980s, and its validity in explaining policy process has been widely recognized at least until the era of Hu Jintao’s administration. Rather, with regard to the plurality of the policy process, it has been argued that the scope and reach of this model has been further extended through the globalization of the Chinese economy. Indeed, it was in 2009 when Andrew Mertha presented the “FA2.0” model, which expands the conventional FA model to regime outsiders, including mass media and non-governmental organizations.<sup>4</sup>

In summary, if the FA model is retaining its persuasiveness, it would mean that China’s policy process remains, in substance, as a gradual process that is advanced through negotiations between various actors. How far then has the policy process under Xi strayed from the predictions of this theory?

### **The policy process of the Military-Civil fusion policy**

The MCF policy is one of the most ambitious industrial policies that the party-state has put forward in recent years to reform the sectoral structure of the economy. The aim of this policy is to **strengthen the overall competitiveness of selected industries, particularly in the high-tech sectors, through cooperation and**

---

<sup>3</sup> Kenneth Liberthal and Michael Oksenberg, *Policymaking in China: Leaders, Structures, and Processes*, Princeton University Press, p. 23.

<sup>4</sup> Andrew Mertha, “Fragmented Authoritarianism 2.0: Political Pluralization of the Chinese Policy Process.” *The China Quarterly*, 200, 2009, pp. 995-1012.

**competition between the military and civilian sectors.** Seen in this light, enhancing the sophistication of weapons production by expanding the market to the civilian sector, for example, is only a partial element of the initiative. The MCF policy targets multiple industrial sectors and aims to realize sweeping reforms of research and development, as well as of the production and procurement systems, within each sector. Of course, in order to bring such a large-scale to fruition, it is necessary to mobilize a wide range of state and market actors, as well as actors spanning both these areas.

To be clear, the idea of promoting industrial upgrading through military-civilian cooperation did not begin with Xi's administration. In terms of restructuring military-civilian relations with a view to economic development, the origins of the policy can be found in the early years of the reform era. Moreover, if we were to focus on the motivation to reform the defense industrial sector, we could also say that the policy has inherited the state sector reform at the end of the 1990s. Most notably, many of the individual policies that are currently being implemented were presented during the Hu Jintao administration, alongside the then new slogan of "military-civil fusion."<sup>5</sup>

However, stressing the continuity with the previous periods does not deny the groundbreaking nature of the MCF policy promoted by Xi Jinping. One of the key characteristics of the MCF policy currently underway is its changed status; Xi redefined the existing concept of military-civilian integration as a new **"development model."** Specifically, the party center promulgated an "Opinion on the Integrated Development of Economic and Defense Construction" in July 2016, positioning MCF policy as a new strategy of governing the relationship between economic and military development.

A second characteristic of the MCF policy in Xi-era is the **restructuring of the policy implementation system.** Of particular note in this respect is the establishment of the Central Commission for Military-Civil Fusion Development (CCMCFD) in January 2017, which Xi Jinping chairs. This move represented a major step forward in the sense that it demonstrated the party leader's public commitment to the initiative, standing in a considerable contrast to the Hu Jintao period that did not even succeed in establishing a coordinating organization that links the government and the military. Furthermore, the establishment of the CCMCFD was also significant in showing which actors would take the lead in driving the implementation of the policy. For example, the forum organized by this Commission in October 2018 was attended by leaders and key personnel of the National Development and Reform Commission (NDRC), the State-owned Assets Supervision and Administration

---

<sup>5</sup> With regard to the contents of the military-civil fusion policy developed by Hu Jintao's administration, and the concrete challenges and issues of policy implementation, refer to "Civil-Military Integration Development Strategy of the National People's Congress," edited by the Financial and Economic Affairs Committee of the National People's Congress (China Financial and Economic Publishing House, 2010), for a quality report that sets out an analysis from the respective perspectives of the responsible departments of the People's Liberation Army and the government.

Commission of the State Council (SASAC), the All-China Federation of Industry and Commerce, the Office for Strategic Planning of the Central Military Commission, Tsinghua University, Shaanxi Province, Qingdao City, and the Aviation Industry Corporation of China. Such moves by the central administration are followed by the provincial governments, leading to the spread of the movement to establish corresponding entities across the nation, and the gradual formation of a diverse cooperative system between the military and civil sectors.<sup>6</sup>

From this perspective, the unfolding of the MCF strategy appears to be showing the aspects of the ‘radically’ reinforced top-down policy process during the Xi-era. In particular, the establishment of the CCMCFD certainly represents an organizational innovation, providing grounds for domestic and foreign observers to forecast the forceful execution – and success – of the policy. Then, does the MCF policy development since Xi Jinping’s assumption of office negate the validity of the FA model?

To put it simply, it is not possible to draw a conclusion from the current status of policy implementation. First, questions remain over the extent to which Xi’s attempts to redefine the problem and restructure the organizational configuration has brought about real changes to the policy implementation. Specifically, it is hardly clear whether or not the decentralized structure of authority has been eliminated. If we were to consider the inertia of the conventional system, it does not seem possible that the complex and intricately interwoven interests of the numerous “interest groups” involved can be coordinated easily. An example would be the reform of defense corporations, which is arguably the largest stakeholder of the MCF policy. The reform of state-owned enterprises at the end of the 1990s created a structure within the defense sector in which a dozen conglomerates control all the processes, from research and development to production to procurement, in each area such as shipbuilding, weapons, and aviation, among others.<sup>7</sup> The MCF policy is clearly a move that challenges this “independent system” of defense corporations, but as far as we can see from the specific policy measures at the current point in time, NDRC, SASAC, and the military, for example, do not appear to have unified preferences.<sup>8</sup>

Second, even if central defense corporations could be reformed,<sup>9</sup> there would still be the problem of how to integrate the regional expansion of the MCF policy as it spreads rapidly through the localities. If the strength of

---

<sup>6</sup> Mei Yang, Ji Jianqiang, “Governance under Vertical Lines and Horizon Lumps: Local Government in Civil-Military Integration Development,” *Journal of Beijing Institute of Technology (Social Science Edition)*, Vol. 23, No. 3, 2019, pp.133-142.

<sup>7</sup> Financial and Economic Affairs Committee of the National People’s Congress, ed., *ibid.*, pp.22-24.

<sup>8</sup> Tai Ming Cheng and Eric Hagt, *China’s Efforts in Civil-Military Integration, Its Impacts on the Development of China’s Acquisition System, and Implications for the U.S.* Acquisition Research Program Sponsored Report Series. Monterey, CA: Naval Postgraduate School, 2020, pp. 24-27, 31-32.

<sup>9</sup> With regard to trends on the strengthening of corporate control by the Party, refer to Jude Blanchett, “From ‘China Inc.’ to ‘CCP Inc.’: A New Paradigm for Chinese State Capitalism” *China Leadership Monitor*, No. 66, Winter 2020, pp. 1- 12. Particularly in relation to defense corporations under the direct control of the Central Committee, the number of senior officials in the Central Committee has doubled since the start of Xi Jinping's administration.

“the China model,” which Xi recently emphasizes in public, stems from the creative responses of the local governments, the central leadership may think that it would not be effective to impose regulations and strengthen controls indiscriminately. Thus, while it is likely that efforts will be made to align the preferences of the local leaders with the intents of the central policies as far as possible by preventing the overheating of the relevant businesses while offering the appropriate incentives, a common guideline on this has not yet been presented.

### **Toward version 3.0 of the fragmented authoritarianism model**

In summary, Xi Jinping’s approach to MCF differs substantially from the previous efforts, particularly in terms of the underlying rationale, key objectives, and institutional arrangements for policy implementation. On the other hand, however, based on the status of the policy implementation so far, it is difficult to determine that the dynamism of the policy process as envisioned by the FA model is completely eliminated. Of course, this does not mean that Xi’s new approach, and the MCF policy itself, have failed. To begin with, it may be difficult to completely eradicate the uncertainties in the policy implementation process given the differences in local conditions. It may also be the result of a deliberate effort to refrain from excessive control and regulation in order to draw out the proactive attitude and initiative of those in the field.

In any case, it is certain that structural changes have been taking place in China’s policy process since the start of the Xi Jinping era, and what is required is to incorporate such changes and further improve the FA model. For the present, there are two possible pathways. Firstly, there is a need to integrate, more clearly and explicitly, the hierarchy that is inherent in the negotiation process among bureaucratic organizations. The objective of central organizational reforms in recent years is ultimately to strengthen the power and authority of the party, and the impact that such reforms have on the overall policy process must be further studied. Another related point is that we must reconsider how to sophisticate the model in ways that can better assess the “human” element in the policy process. Given that the FA model has been criticized for its inadequacy in explaining the relationship between the political elite and the bureaucracy, the refinement of the related theories is to be anticipated.