# Yes, Standing Committee
## Promotion under Collective Leadership in CCP
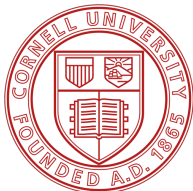
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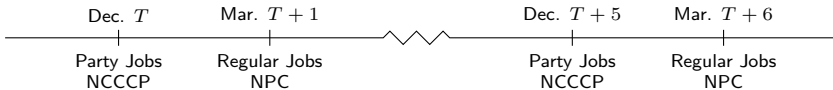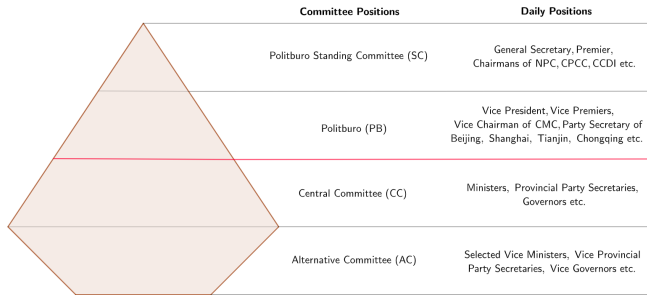
ASSA 2022
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# Introduction
### National Congress of the CCP for Committee Positions

- CCP: single ruling Party in China with 91.91 million members and 4.68 million community-level Party organizations in 2019.
- The Central Committee is the highest political body in the CCP.
- The election system in China:



| Committee Positions | Daily Positions |
|---|---|
| Politburo Standing Committee (SC) | General Secretary, Premier, Chairmans of NPC, CPCC, CCDI etc. |
| Politburo (PB) | Vice President, Vice Premiers, Vice Chairman of CMC, Party Secretary of Beijing, Shanghai, Tianjin, Chongqing etc. |
| Central Committee (CC) | Ministers, Provincial Party Secretaries, Governors etc. |
| Alternative Committee (AC) | Selected Vice Ministers, Vice Provincial Party Secretaries, Vice Governors etc. |

| Dec. $T$ | Mar. $T+1$ | Dec. $T+5$ | Mar. $T+6$ |
|---|---|---|---|
| Party Jobs NCCCP | Regular Jobs NPC | Party Jobs NCCCP | Regular Jobs NPC |

## Motivation and Literature

**Question:**

- Who becomes the Party leaders in China? Are social connections important?
- What are the decision rule inside the PSC?

**Key related literature:**

- Connection Benefits in CCP: Shih et al (2012 APSR), Jia et al (2015 JEEA), Fisman et al (2020, AER), Francois, Trebbi and Xiao (working)...
- Endogenized Social Networks on Decision Making: Battaglini and Patacchini (2018 JPE), Battaglini et al (2020 AJPS), Battaglini et al (REStud forthcoming)...

**Main results:**

- Sufficient connections to the incumbent *PSC* is the key factor determines the election to PB and a better Daily Position assignment.
- Quasi-veto voting rule inside the PSC.

**Contribution:**

- Vertical-horizontal network approach in characterizing the CCP politician election.
- Estimated majority rule in the PSC deliberation game.

# Data

**12th to 19th CCP National Congress**

- Biographic Data
  All PSC, PB, CC and AC members' Gender, Birth Province, Year of Birth, Ethnic, Education Level, College, College Major, Graduate School, Graduate School Major, Study/Work Abroad Experience, Princeling, Personal secretary, Career Beforehand, Work enterprise experience, Year of Joining the CCP, Military experience...

- Party Job and Daily Position Data
  7-tier Daily Position Quality Measure (Jia and Xu (2019, working) and CV-based Career Path.)

# Network Construction
Vertical-Horizontal Network Approach

- For Network $G$, the binary element $g_{ij} = 1$ if agent $i$ and $j$ share either:
  - College attendance within a given window.
  - Hometown province.
  - Before-congress leader position in the same work place (province/ministry) in the same year.
- $G_{it}^V$ is the vertical network adjacency matrix with all incumbent Standing Committee members plus candidate $i$ in congress $t$.
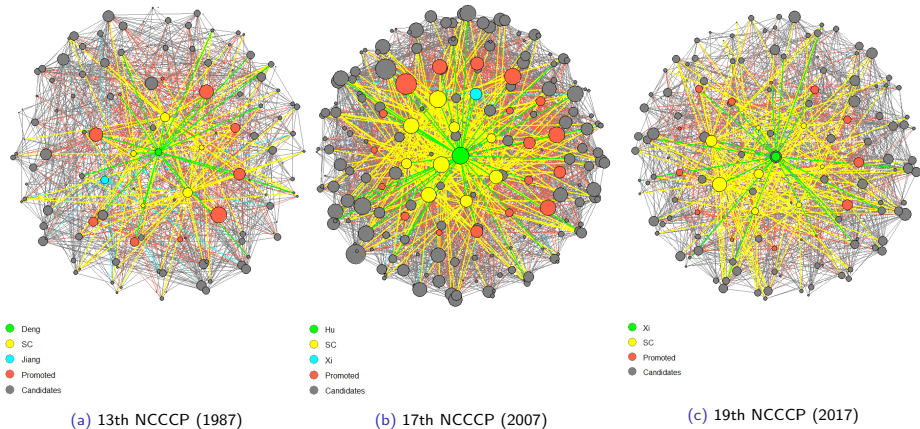- $G_t^H$ is the horizontal network adjacency matrix with all candidates in congress $t$.

# Motivation



(a) 13th NCCCP (1987)

(b) 17th NCCCP (2007)

(c) 19th NCCCP (2017)

Figure: Networks in 13th, 17th and 19th NCCCP

# Reduced Form Estimation

**Eigenvector Centrality**

- Reduced-form within-group Identification:

$$R_{itcp} = \Phi \cdot \zeta(G_{it}^V) + \phi \cdot \zeta(G_{it}^H) + \beta' \mathbf{X}_{itcp} + \gamma_t + \gamma_c + \gamma_p + \epsilon_{itcp}$$

| | Promotion to Politburo | | | | Daily Position | | | |
| | OLS | | Probit | | OLS | | Rank-Logit | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|---|---|---|---|---|---|---|---|---|
| *EV-SC* | 0.126** | 0.144*** | 1.011*** | 1.229*** | 0.960*** | 0.982*** | 0.949*** | 0.947*** |
| | (0.057) | (0.058) | (0.405) | (0.419) | (0.194) | (0.196) | (0.239) | (0.240) |
| *EV-AC&CC* | | -0.094 | | -0.965** | | -0.172 | | 0.229 |
| | | (0.141) | | (0.045) | | (0.215) | | (0.180) |
| *i ∈ PB* | | | | | 1.347*** | 1.335*** | 1.233*** | 1.233*** |
| | | | | | (0.136) | (0.137) | (0.164) | (0.166) |
| *Term FE* | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| *College FE* | Yes | Yes | Yes | Yes | Yes | Yes | - | - |
| *Hometown FE* | Yes | Yes | Yes | Yes | Yes | Yes | - | - |
| *i Control* | Yes | Yes | Yes | Yes | Yes | Yes | - | - |
| *Observations* | 711 | 710 | 551 | 550 | 711 | 711 | 801 | 800 |
| *R − square* | 0.209 | 0.213 | | | 0.396 | 0.396 | | |
| *LogLikelihood* | | | -150.8 | -145.7 | | | -787.2 | -784.6 |

Controlled congress term, college, birth province fixed effects. $i$ Control including gender, age, education level and dummy variables for princelings, provincial party sectaries, governors and military leaders)

# Structural Estimation

Katz-Bonacich Centrality

- NLLSE, assume $\epsilon_t \sim N(0, \sigma_{\epsilon t}^2)$:

$$\mathbf{R}_t = (\mathbf{I} - \phi_v G_t^V - \phi_h G_t^H)^{-1}(\mathbf{X}_t \beta + \epsilon_t)$$

| | Job Assignment $R_{it}$ | | | | |
| | All | Deng | Jiang | Hu | Xi |
| | (1) | (2) | (3) | (4) | (5) |
| $\phi_v$ | 1.032*** | 0.604*** | 1.320*** | 1.160*** | 1.652*** |
| | (0.100) | (0.195) | (0.236) | (0.173) | (0.441) |
| $\phi_h$ | 0.354** | -0.212* | -0.626 | 0.468** | 0.495*** |
| | (0.160) | (0.518) | (0.531) | (0.234) | (0.564) |
| $Individual Con.$ | Yes | Yes | Yes | Yes | Yes |
| $Term FE$ | Yes | Yes | Yes | Yes | |
| $Observations$ | 2,446 | 604 | 708 | 757 | 377 |
| $AIC$ | 6781.03 | 1814.98 | 1977.07 | 1920.58 | 1000.57 |
| $log Lik$ | -3381.52 | -898.49 | -979.53 | -951.29 | -491.28 |

# Exogenous Network Approach
Estimated Majority Rule

| Incumbent GS | (1) $|\bar{N}^I|$ | (2) $\phi_v$ | (3) $\Theta$ | (4) $m/|N^I|$ | (5) $\Theta$ | (6) $m/|N^I|$ |
|---|---|---|---|---|---|---|
| | | | Without FE | | Home-Col FE | |
| All | 8 | 1.032*** | 0.102*** | 0.967 | 0.079*** | 0.986 |
| | | (0.100) | (0.019) | [0.960, 1] | (0.021) | [0.967, 1] |
| Deng | 6 | 0.604*** | 0.271*** | 0.857 | 0.413*** | 0.723 |
| | | (0.195) | (0.048) | [0.635, 1] | (0.072) | - |
| Jiang | 7.5 | 1.320*** | 0.171*** | 0.973 | 0.290*** | 0.952 |
| | | (0.236 | (0.032) | [0.960, 1] | (0.044) | [0.929, 1] |
| Hu | 10 | 1.160*** | 0.077*** | 0.990 | 0.156*** | 0.979 |
| | | (0.173) | (0.021) | [0.985, 1] | (0.033) | [0.969, 1] |
| Xi | 9 | 1.652*** | 0.114*** | 0.989 | 0.276*** | 0.971 |
| | | (0.441) | (0.045) | [0.977, 1] | (0.081) | [0.944, 1] |

## Story

"The minority defers to the majority, lower-level Party organizations defer to higher-level Party organizations, and all organizations and members of the Party defer to the National Congress and the Central Committee of the Party."

– Constitution of CCP

"... Politburo has a Standing Committee, which I am a member. No decisions are made unless all members agree."

– Mike Wallace interview with Jiang Zemin (2000)

# Takeaways and Future Agenda

**Takeaways**

- Connections and working performance are complements in the CCP political elites selection process.

- Combined hometown and college connections, overlapped working experiences with incumbent PSC increase the chance to be promoted into PB and get a better Daily Position assignment.
    - Such a connection with peer members could harm the candidate's opportunity.

- Standing Committee member has quasi-veto rights to deliberate the provincial-ministerial above-level appointment.

**Future Agenda**

- Endogenized the social network.
    - Battaglini, Patacchini, and Rainone (REStud forthcoming) approach
    - Battaglini, Crawford, Patacchini, and Peng (2021 working) approach

# The End

Thank you!