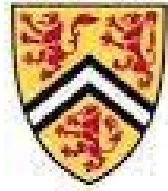


UNIVERSITY OF WATERLOO



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PSCI 450

FALL 2022

RESEARCH ESSAY

WHY HAS CHINA'S PERFORMANCE LEGITIMACY DURING COVID-19 LED TO
REGIME INSTABILITY? WHY HAS AMERICA'S POOR COVID-19 RESPONSE NOT
JEOPARDIZED THE AMERICAN REGIME?

WORD COUNT: 3203 (Including Bibliography)

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INTRODUCTION

For the purpose of the research essay, I have chosen to compare China's response to the COVID-19 outbreak with that of America's. Using the concepts of *risk* and *complex dynamic systems* the paper will demonstrate how China's 'exemplary' response to COVID has undermined regime stability. In a stark contrast, the paper will compare how America's poor handling of COVID-19 has not threatened the American regime.

This research question is interesting for two reasons. Firstly, it helps us understand the true value of legitimacy through democracy as opposed to economically driven performance. Next, the comparison helps us understand how complex dynamic systems can undermine performance legitimacy in the long run. The paper will begin with the background of the COVID-19 outbreak. It will then address how each country handled the virus followed by a brief analysis. Finally, the paper will draw a conclusion based on a comparison of both countries.

BACKGROUND AND THE DISCOVERY OF THE VIRUS

On December 31, 2019, China alerted the World Health Organization (WHO) of a pneumonia like disease caused by the 'severe acute respiratory syndrome–coronavirus 2' (SARS-CoV-2) virus which originated in Wuhan City, Hubei province, China (Al-Jazeera, 2020).

The first reported death from the virus was reported on January 11, 2020 (Al-Jazeera, 2020). The Chinese government responded rapidly by stopping the flow of people into and out of Wuhan (Tian et. al, 2020).

Unfortunately, the virus spread to 262 Chinese cities within a mere span of 50 days (Tian, 2020). On January 30, 2020, after multiple cases were reported globally, the WHO declared a global health emergency. On February 11, 2020, the virus was given the name COVID-19 (Al-Jazeera, 2020).

RISKS AND COMPLEX DYNAMIC SYSTEMS

The biggest challenge to our interdependent, hyperlinked, and integrated world comes from a disruption of global magnitude, such as COVID-19. The world today is dependent on a new phenomenon called complex dynamic systems (Galaz et al., 2014). These systems are characterised by the fact that they cannot be understood by the sum of their components (Helbing, 2013). When a disruption takes place, the underlying risks to the system become evident. Complex dynamic systems are subject to three kinds of underlying risks: systemic risk, hyper risk, and connected risk (Galaz et al., 2014; Helbing, 2013). COVID-19 began by disrupting the complex dynamic health and social systems.

China's exemplary rise as a global leader in the financial market and manufacturing has come with its own challenges. As China opened to the world under the Communist Party of China, China has relied on performance legitimacy and managed to stay in power 'based on economic performance' (Yang, 2015).

The USA and China are major global economic hubs that have integrated the world in a non-hierarchical, node-based fashion. These complex dynamic systems evolved, and the world

integrated their economies into a harmonious capitalist symbiosis making the system vulnerable at all scales (Helbing, 2013).

COVID-19 exposed the risks that the complex dynamic systems housed causing a cascading series of global disruptions, disequilibrium, and bear unintended consequences. This paper will focus on the impacts on the local level only.

CHINA'S RESPONSE TO COVID-19

China's response to COVID was two-pronged. First, China had to curtail COVID internally, to ensure their regime's stability. Next, China had to solidify its position on the global scale by being a leader in managing COVID. The Chinese Communist Party under the leadership of Xi Jinping was extremely quick to take aggressive measures against the spread of the virus. China addressed the spread of COVID-19 on two fronts.

INTERNAL RESPONSE

On the internal front, China adopted many policies that ensured short term regime stability.

1. CENTRALIZED RESPONSE AND ZERO-COVID POLICY

Ironically, one of the few positives of living under an authoritarian regime is the center's ability to implement a centralized, ubiquitous response to an evolving situation quickly. In one such instance, China formulated its Zero-COVID policy (Chung, 2021).

Zero COVID is a public healthy policy in China that is aimed at eradicating COVID-19 and resume 'normal' socio-economic activities (Chung, 2021). The policy built upon the

successful management of COVID in Wuhan. Features of the policy include, but are not limited to, mass lockdowns, mass testing, and contact tracing for COVID patients. The policy is made with an objective to “find, test, trace, isolate, and support (FTTIS)” areas with COVID-19 outbreaks (Chung, 2021).

2. INVESTING IN URBAN CENTERS

China’s COVID policy was heavily focused on the urban centers such as Wuhan, Beijing, and Shanghai for two main reasons. Firstly, the high density of population in urban areas could make the virus spread more easily and strain the Chinese healthcare system. Out of 1.4 billion people in China, only 600 million live in rural areas (Tian, et. al, 2020). This amounts to almost half of the entire population. On the other hand, authoritarian regimes face political opposition in urban centers (Wallace, 2013). Urban bias strengthens the regime in the short term, at the expense of the long term (Wallace, 2013). In the short term, the zero-COVID policy seemed to be quite effective.

3. BIO-SECURE BUBBLES

The 2022 Winter Olympics and Paralympics were hosted in Beijing as the pandemic resurfaced in various parts of China (Reuters, 2022). The Chinese authorities issued strict protocols for the protection of the athletes and to manage the events. One of many COVID protocols was the introduction of bio-secure bubble and spectator limit capacity. There was also a lot of controversy on athletes able to ‘mingle’ with each other outside their bio-secure bubble (Reuters, 2022).

4. DIGITAL AUTHORITARIANISM AND THE DIGITAL SILK ROAD

The internet in China is heavily censored. Narratives that can cause uprisings by promoting content that goes against the state's narrative has consequences (Polyakova and Meserole, 2019). China has blocked off global apps, such as WhatsApp, and instead have created their own versions such as WeChat to constantly monitor and crush any disinformation campaigns that goes against the state's narrative (Polyakova and Meserole, 2019; Leng et al, 2021).

China has also developed indigenous digital technologies for social engineering and control of its own populations (Venkatesha, Reddy, and Chandavarkar, 2021). This includes the use of state-of-the-art artificial intelligence (AI), and social credit systems centrally integrated with apps to repress populations and enable the CCP to rule with little resistance (Farrell, Newman, and Wallace, 2022; Carney, 2018; Kendall-Taylor, Frantz, and Wright, 2020). These technologies have also been exported to help promote China's Digital Silk Road (Frankopan, 2019).

EXTERNAL RESPONSE

China has also used COVID-19 as the biggest opportunity to expand its influence to likeminded and liberal regimes.

1. EXPORT OF PERSONAL PROTECTIVE EQUIPMENT

China is the manufacturing hub of the world. Since COVID-19 was an event that no country was prepared for, few countries had indigenous manufacturing capabilities or capacities of protective equipment such as gloves, facemasks, face shields, hazmat suits etc.

Populist leaders throughout the world such as Donald Trump prioritised their countries and gained a reputation for being unreliable partners in such a pressing crisis. China was able to see this as both a great business opportunity and an opportunity to exert itself as a reliable partner on the global stage causing a global tilt in its favour (Verma, 2020).

2. TECHNOLOGY EXPORT

China exported many of its home-grown technologies to allies of authoritarian regimes. The technology explored was used for surveillance, to control the movement of people, and to monitor COVID symptoms without human intervention (Gupta, Kumari, Tanwar and Kumar, 2020). The UAE's 'Police without Policemen' program, a panopticon software, rests on Chinese technology and was used to maintain 'law and order' during these pressing times (Polyakova and Meserole, 2019; Farrell and Newman, 2019). China also exported drones to minimize human interventions in COVID screening of citizens (Gupta, Kumari, Tanwar, and Kumar, 2020)

3. VACCINE DIPLOMACY

Global health was a pressing issue for all regimes at the time. When companies such as Pfizer and Moderna could not meet the demands of their allies quick enough, the Chinese made their own vaccines and began exporting them to allies. Chinese companies Sinopharm and Sinovac were amongst the first vaccines to reach the developing world (Baraniuk, 2021).

Chinese vaccines helped like minded regimes cement their rule and quell fear in their countries. Allies of many liberal regimes in Eastern Europe moved closer to China and started to view them as a reliable partner (Verma, 2020).

AMERICA'S RESPONSE TO COVID-19

When COVID-19 hit the USA, many in the country initially dismissed it as a flu being blown out of proportion (Louis, 2021). Things began to be taken seriously when the infection toll reached 29 million and the death tolls crossed 0.5 million (Louis, 2021).

INTERNAL RESPONSE

1. DECENTRALIZED RESPONSE

The structure of the American Government enabled states and local leaders to implement their own COVID strategies which lacked national coordination and cohesion. The structure of the government was inadequate to suppress the spread of the virus causing massive spikes in various localities and straining their local health systems (Louis, 2021).

2. FLAWED TESTING, POOR PREPAREDNESS AND RISE OF AN INFODEMIC

The USA was not prepared at all for a pandemic. America's Food and Drug Administration's (FDA) protocols to approve testing kits made by private companies was slow. In addition, the Centers for Disease Control and Prevention (CDC), along with the WHO initially ruled that masks were only necessary for people who had COVID symptoms, and not for the general public (Louis, 2021). The CDC also developed a version of test kits that showed flawed results (Louis, 2021).

The lack of censorship in the USA transformed the pandemic into an ‘infodemic’ (Tworek, 2020). Disinformation and misinformation campaigns were propagated by conspiracy theorists, content creators, and storytellers allowing for unbridled, far right, ‘alternative’ movements to flourish (Almeida and Chase-Dunn, 2018; The Current, 2020).

3. ECONOMIC RESPONSE

When COVID-19 hit the USA, many localities such as Puerto Rico went into lockdown (USA Today, 2022). The bottom-up creation of wealth was stopped. Just like China, people started to use their savings to get by. One of the first things that the United States did to keep the economy afloat was to pump cash into the economy (Congressional Budget Office, 2022). The Federal Reserve introduced a quantitative easing program which dropped interest rates, hence incentivising people to borrow, spend, and invest money. The USA printed over \$3 trillion in 2020 causing a devaluation of currency and triggering inflation in the quarters to follow (Milstein and Wessel, 2021). The US government also offered stimulus checks to various individuals during 2020 (IRS, 2022).

The excess amount of cash artificially pumped into the economy is now having consequences globally, exposing underlying systemic risk. The Federal Reserve is raising rates to bring the economy back to equilibrium. This policy risks stagflation, a phenomenon where money keeps getting devalued and prices increasingly get out of hand (Congressional Budget Office, 2022).

4. INADEQUATE CONTROL PROCEDURES

The USA had inadequate tracing, isolating, and quarantine procedures in place. A debate about personal freedoms soon became common with anti-mask rallies taking place all over the country (Louis, 2021).

5. STRUCTURAL RACISM

Structural racism in the USA can be attributed as the cause of the health inequality that the pandemic brought to the USA. Black and Hispanic Americans died in disproportionately higher numbers as compared to any other community in the country (Louis, 2021).

6. PUBLIC RESPONSE

Given a weak national strategy, many people in the USA were forced to make their own decisions on how they felt comfortable dealing with the pandemic. Many employers in the USA had mandatory vaccination and return-to-office policies. This triggered the Great Resignation, a move to remote work, and an exodus from states with 'dystopian' policies to more 'free' states (Liu, 2022).

EXTERNAL RESPONSE

1. RESEARCH AND DEVELOPMENT

American companies Pfizer and Moderna were amongst the first to make vaccines and supply them to allies. However, they soon entered into a vaccine war with China over

exercising soft power. America also made some personal protective equipment but failed to export it as effectively as China.

ANALYSIS

While China's short-term response to COVID seemed exemplary, the complex dynamic system began showing cascading effects earlier this year. The CCP fell prey to urban bias by focusing relief efforts heavily on its urban population (Wallace, 2013). The Chinese system has begun to falter under socio-economic stress as performance legitimacy has begun to chip away at civil liberties.

Social unrest has begun in China for several reasons. Firstly, the Zero-COVID policy, along with China's digital authoritarianism, has raised fears of a digital dystopia. Many areas of Xinjiang until recently were in a record 100-day lockdown with some people not even allowed to open their windows (Feng, 2022). People are demanding Xi Jinping to step down along with other fundamental rights such as freedom of expression, and freedom of movement (Jett and Agarwal, 2022; Held, 2009).

Secondly, in the second quarter of 2022, Chinese banks began freezing payments of its citizens. Soaring bad debts related to the COVID-19 pandemic are attributed to be the cause major (He, 2022). People who would tap into their savings accounts to get by have lost their savings amid 'repressive' lockdowns. Declining economic activity during lockdowns in local economies has resulted people to default on bad debt (He, 2022). Another major issue on the

horizon is China's real estate crisis with the Evergrande Group becoming illiquid and having over \$300 billion in liabilities (BBC, 2022).

The 'friction' caused by the polarizing management approaches could have tipped the outcome in either direction for either country (Tsing, 2005). Despite there being little causality between the actions and the outcomes for either government, America's political system managed to stay stable during COVID-19. This is interesting, as few countries in the developed world performed worse than the USA when it came to managing COVID-19 (Diamond, 2020). People began to take collective action as they deemed appropriate (Almeida and Chase-Dunn, 2018).

The fascinating characteristic about complex dynamic systems is that the outcome of these systems is often inexplicable over the long term. The cascading effects of COVID economic policy in the USA are manageable as of yet. Although China managed the pandemic well, it ended up losing in long term as the complex dynamic systems did not favour China's Zero-COVID policy. America, conversely, handled the pandemic terribly in the short term, but surprisingly the regime remained stable as the bad policies did not have cascading effects. America's way of managing the pandemic was a consequence of preserving values of personal liberties, freedoms, and choice, albeit to an arguably unreasonable level.

CONCLUSION

In light of the cascading failures, China's repressive policies in pursuit for performance legitimacy have backfired and undermined their own regimes stability. On the other hand,

despite the USA's sub-par COVID management, ensuring that civil liberties prevail and providing grass-root governance opportunities has helped America maintain regime stability.

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