

# Bo Xilai Takes On Organized Crime

Joseph Fewsmith

Although the 18<sup>th</sup> Party Congress remains two years away, competition among officials for seats on the all-important Politburo Standing Committee appears to be heating up. Over the past nine months, Bo Xilai, Party secretary of Chongqing, has been carrying out a high-profile campaign against organized crime that has catapulted him into the limelight. Because his predecessor in that position was Wang Yang, currently Party secretary of Guangdong Province and seemingly a valued protégé of General Secretary Hu Jintao, there has been much speculation over the possible rivalry between these two contenders for power. This speculation has been fueled in part because Bo Xilai, son of senior political leader Bo Yibo, is a “princeling” while Wang Yang, with no special family background but with a long history in the Communist Youth League, appears to be favored by Hu Jintao. Although one must be cautious about drawing conclusions, it is a situation that bears watching as preparations for the congress continue.

Chinese political leaders do not usually attract attention for their style and policy positions, preferring a more staid, consensus-building approach to their jobs. In recent years, however, a new wave of “officials with personality” (*gexing guanyuan* 个性官员) has emerged and begun to shake up that dour image of officialdom. *CLM* reported on one such official, Qiu He, who used strong measures to rebuild the poor city of Suqian (宿迁) in northern Jiangsu and to clean up rampant corruption and crime in the city.<sup>1</sup>

Another such official is Bo Xilai, Party secretary of Chongqing, the sprawling southwestern metropolis of 30 million people carved out of Sichuan Province in 1997. Bo Xilai is the son of Bo Yibo, one of the “eight immortals” at the time of Tiananmen. He previously served as mayor of Dalian city and then as governor of Liaoning Province, 2003–2004. He was then minister of commerce from 2004–2007, in which position he developed a reputation as a media-savvy politician. In 2007 he was named to the Politburo but then sent to Chongqing. Many people speculated that this move would end Bo’s political career; being 58 years of age and away from the capital, it seemed unlikely that he would have time to rise further (the 18<sup>th</sup> Party Congress will take place in 2012 when Bo is 63).

Defying these predictions, Bo has used his post to raise his profile. Not long after coming to Chongqing, he got high praise in Chinese media for his handling of a taxi strike. In November 2008 taxi service in Chongqing ground to a halt as taxi drivers protested high management fees, the prevalence of unlicensed “black taxis,” low fares, and fuel shortages. On November 6, Bo Xilai met with some 40 taxi drivers and citizen

representatives to listen to their complaints. The session was broadcast live and was a relaxed give and take, which garnered high praise for Bo as someone who was willing and able to meet unhappy citizens and defuse a volatile situation.<sup>2</sup>

It appears that there is a direct connection between this taxi strike and Bo Xilai's subsequent decision to take on local gangs. According to *China Daily*, Li Qiang, one of the kingpins arrested in the crackdown, "had hired men to threaten taxi drivers into taking part in a protest over new government regulations that would allow cabbies to pay 50 yuan less in management fees, affecting his and other taxi firm owners' profits."<sup>3</sup> A Hong Kong report later declared that Li had been the "mastermind" behind the strike.<sup>4</sup> In the event, Bo transferred in Wang Lijun, a police official he had known well in Liaoning, to be director of the Public Security Bureau in Chongqing and head the investigation into the highly unusual killing of a PLA sentry in March 2009. In order to make room for Wang, or perhaps to prepare the ground for what was coming, Bo moved Wang's predecessor, Wen Qiang, to become director of Chongqing's Bureau of Justice. Wen would subsequently be arrested as the "protective umbrella" of organized gangs in the city, which move was apparently meant to "sideline" this long-serving police official.<sup>5</sup>

Although the crackdown on organized crime began in June, it was only on August 7, when Wen Qiang was arrested, that the extent of corruption started to become clear. Wen's arrest came in a dramatic moment when he returned from a meeting in Beijing. When Wen's plane landed, Wang Lijun and a detachment of police were on hand to take him into custody—in front of a photographer.<sup>6</sup> A month later Wen was formally arrested.<sup>7</sup> Wen was himself well known as a crime buster. In September 2000 he had arrested Zhang Jun, a notorious gang leader responsible for a number of bank robberies and murders.<sup>8</sup>

Obviously, the arrest of Zhang Jun did not halt organized crime in Chongqing or inhibit Wen Qiang from becoming involved with it. Although some reports have suggested that he "degenerated" after his 2000 crime-fighting victory, there have been no detailed reports that would support that conclusion. Indeed, the depth of his involvement and the numbers of gangs operating in Chongqing would suggest that Wen's ties with organized crime may have been of long standing.

As more were arrested and trials got under way, the extent of corruption and organized crime in Chongqing was gradually revealed. By August, the *Economic Observer* noted that 1,544 people had already been arrested, over 50 of whom were government officials. One was Li Qiang, the businessman who had apparently tried to manipulate the taxi strike the previous year. Li was believed to be the second richest person in Banan District, south of the central city. Besides running a fleet of taxis, Li ran over 20 companies and was chairman of the Banan Chamber of Commerce, a member of the Chongqing Municipal People's Congress, and a member of the standing committee of the Banan District Chinese People's Political Consultative Congress (CPPCC). He had previously had a reputation as a model businessman, according to the *Economic Observer*, championing local welfare and fighting against rules that discriminated against

private businesses. Police investigators, however, charged that he had used gangsters to threaten competitors and carve out market share in various sectors.<sup>9</sup>

Other kingpins were reported to include Chen Mingliang, who ran entertainment establishments in the city, Chen Kunzhi, a “slick financier,” and Wang Tianlun, who oversaw more than 70 percent of Chongqing’s pork products. On October 21, Chongqing’s First Intermediate Court convicted one Yang Tianqing, age 35, of leading a criminal organization and sentenced him to death. Among other things, Yang was convicted of orchestrating the killing of a club owner by the name of Liang Yiping. Yang had been paid 250,000 yuan by a former business partner of Liang’s to carry out the killing.<sup>10</sup> At the same time, it sentenced Yang’s accomplice, Liu Chenghu, to death for murder, running a secret-society type organization, and managing an illegal coal mine.<sup>11</sup> *China Daily* reported that of the 19 criminal gangs then being targeted, Yang’s 22-member organization was the only one the courts believed did not have police protection.<sup>12</sup> Yang and Liu were executed in January.<sup>13</sup>

One of the first to go on trial was Xie Caiping, sister-in-law of Wen Qiang, and the alleged operator of some 80 casinos from which she made a fortune of some 100 million yuan.<sup>14</sup> Xie drew sensational reporting not just because she was the only female among the alleged crime bosses, but because of her apparent taste in younger men. *Southern Metropolis Daily* headlined its story, “She paid for 16 handsome young men; Let’s see how obscene and violent Wen’s sister-in-law is at today’s hearing!”<sup>15</sup> One of her lovers, her driver, was later sentenced to four and a half years in jail, while Xie herself got 18 years.<sup>16</sup>

Wen Qiang finally went on trial February 2, charged with rape, protecting organized crime, and taking over 16 million yuan in bribes, though media reports suggested that he had accumulated far more than that amount in assets. Wen’s wife, who was also charged with accepting bribes, turned state’s evidence, testifying against her husband after police showed her videos of Wen visiting underage prostitutes.<sup>17</sup> Prosecutors charged that 60 percent of the bribes Wen took were related to efforts to secure official positions.<sup>18</sup> Shortly thereafter, Wen’s former subordinate, Peng Changjian, went on trial, denying that he had protected organized crime, but admitting that he had accepted, among other bribes, 300,000 yuan from two mid-ranking police officers seeking promotion. He only denied that he had ever asked for bribes.<sup>19</sup>

By the time the campaign ended in March 2010, officials claimed that 63 criminal syndicates and their protectors had been “crushed” and 3,348 people arrested.<sup>20</sup> Some 2.1 billion yuan of assets were seized.<sup>21</sup> The crackdown ended with an announcement that all mid-level police positions were declared vacant; officials were allowed to reapply for their positions, but there was no guarantee.<sup>22</sup>

## Arrest of Lawyer Li Zhuang

On December 12, the crackdown on organized crime took a bizarre twist when Li Zhuang, a lawyer from Beijing who had come to Chongqing to defend one of the accused kingpins, was arrested. Li was accused of instructing his client, Gong Gangmo, to say that his confession had been coerced through torture. Gong had turned on Li, giving statements to the court.<sup>23</sup> Li was subsequently put on trial and convicted for giving false evidence and inciting others to bear false witness on January 8.<sup>24</sup> Initially set at two and a half years in jail, Li's time in jail was reduced to one and a half years on February 2 after he withdrew his original innocent plea and confessed to helping Gong fabricate a story.<sup>25</sup> The rapid arrest and conviction of Li Zhuang suggests political intervention and has had China's legal community talking about the apparent railroading of Li. Gong was subsequently sentenced to life imprisonment.<sup>26</sup>

But no case in China, it seems, is free from political implications. Li Zhuang works in the Beijing law firm Kangda, which is headed by Fu Yang, son of Peng Zhen. So, after seemingly embarrassing CYL leaders by going after organized crime in such a high-profile way, Bo turned against a prominent princeling. Was this strategic move intended to show that he was "evenhanded"?

## Defending the Campaign

The campaign in Chongqing attained a high profile in August with the arrest of Wen Qiang, but there were no statements from Beijing until Zhou Yongkang, head of China's Politics and Legal Leadership Small Group, spoke up in late October. Zhou praised Bo's crackdown as a "project to win people's hearts" and later said that police would "put every gang boss into jail."<sup>27</sup> As speculation mounted that Bo was perhaps freelancing, he put out vigorous defense of the campaign and cited central leaders' statements to support his efforts. He declared that the campaign against organized crime was necessary to build a "harmonious society in Chongqing" and cited Hu Jintao's call for launching special operations against organized crime. He cited Meng Jianzhu, minister of public security, as calling for striking hard on evil forces and removing "protective umbrellas." He went on to invoke the words of Jiang Zemin, Zhu Rongji, and Luo Gan and modestly suggested that Guangdong's campaign against organized crime was even more far-reaching than Chongqing's. Guangdong, Bo said, had "smashed" 1,341 criminal gangs and arrested 8,139 criminals.<sup>28</sup>

Indeed, there had been a major crackdown on corruption and organized crime in Guangdong that had had a major impact but did not seem to capture the same public attention as Bo Xilai's campaign in Chongqing. In January, Zheng Shaodong, former deputy head of public security in the province, was placed under "*shuanggui*," a form of detention that requires a person to be ready for questioning at any time.<sup>29</sup> In April, Chen Shaoji, former chairman of the Guangdong CPPCC, was similarly placed under "*shuanggui*,"<sup>30</sup> and the mayor of Shenzhen, Xu Zongheng, was similarly removed from office and investigated for corruption.<sup>31</sup> Although these cases predated those in

Chongqing and were similarly high-level, they did not seem to capture the public's imagination in the same way.

## Political Implications of the Chongqing Crackdown

Although the sordid details of the Chongqing crackdown on organized crime are enough to attract attention, most people following the case are speculating wildly about its possible political repercussions. Bo Xilai's predecessor as CCP secretary in Chongqing was Wang Yang, currently Party secretary in Guangdong, who is reportedly close to Hu Jintao and is widely believed to be a rising star in Chinese politics. Wang's predecessor was He Guoqiang, currently head of the Central Discipline Inspection Commission (CDIC). Bo's uprooting of such widespread and serious criminal activity is clearly embarrassing for his predecessors; people wonder out loud how his predecessors could have missed such criminal activity and not noticed that Wen Qiang was deeply involved. It is, of course, impossible to know if He Guoqiang or Wang Yang were aware of what was going on in their own Public Security Bureau and throughout the city, but even the brief description of Bo's efforts set out above suggests that tackling organized crime is difficult at best. Bo brought in Wang Lijun, someone without connections in Chongqing, to lead the investigation, and, of course, Bo's family background gives him support in Beijing that simply was unavailable to either He Guoqiang or Wang Yang. One might speculate that without that support, or, perhaps one might say, without the ability to play to that powerful constituency, neither He nor Wang would have dared to take on entrenched gangs backed by much of the local police establishment.<sup>32</sup> Still, Bo's attack on organized crime appears to embarrass Wang Yang, and through Wang, the Communist Youth League (CYL) group in Chinese politics with which he is closely associated.

Speculation has been further fuelled further by Wang's reaction. Guangdong media quoted Wang as saying that local efforts to combat organized crime had become permanent and therefore would not have the same sensational effect as Chongqing's.<sup>33</sup> More interesting was a long profile of Wang Yang that appeared on the *People's Daily* website called "The Path of 'Young Marshal' Wang Wang's Official Career." It declares Wang's future prospects to be "unlimited" (*wu ke xianliang* 无可限量) and reports that the young Wang came to Deng Xiaoping's attention (reportedly when Deng was returning from his Southern Journey to Shenzhen, he stopped in Hefei to meet local officials and specifically requested to meet Wang Yang, then mayor of Tongling city). Zhu Rongji also noticed Wang's talent and said, "His age is not great, but his courage is not small" (*nianji buda, danzi buxiao* 年纪不大, 担子不小). It also reports briefly on his tenure as Party secretary of Chongqing, giving him credit for managing successfully the resettlement of over one million people from the site of the Three Gorges dam. Perhaps meaningfully it notes the detention of Chen Shaoji, Wang Huayuan, and Xu Zongheng in Guangdong for corruption, noting that this crackdown was due to Wang's strong opposition to corruption and support from Zhongnanhai.<sup>34</sup>

The article that has stirred the most speculation is that penned by Premier Wen Jiabao that ran in *People's Daily* on April 15<sup>th</sup>, the 21<sup>st</sup> anniversary of former general

secretary Hu Yaobang's death.<sup>35</sup> Hu Yaobang had been removed as general secretary in January 1987 for his reputed laxity in dealing with "bourgeois liberalization." His death in 1989 led to widespread mourning and, eventually, the June 4 suppression. Liberals within the Party and society have always felt that Hu Yaobang was treated unfairly and have wanted his reputation rehabilitated, but doing so is difficult both because Deng Xiaoping made the decision to remove Hu Yaobang and because Hu's fate is so closely connected to the June 4 crackdown. The June 4 suppression may eventually be "rectified" but not until all the beneficiaries of it (including Jiang Zemin and Li Peng) have passed from the scene.

Mentions of Hu Yaobang in the PRC press remain relatively rare. There was an official commemoration of him, presided over by Zeng Qinghong, in November 2005 that marked the 95<sup>th</sup> anniversary of his birth.<sup>36</sup> Last year, the 20<sup>th</sup> anniversary of Hu's passing was marked by an article by his son, Hu Deping, in *Southern Weekend*, and by a special issue of *Yanhuang chunqiu*, the liberal journal managed and mostly read by retired cadres.<sup>37</sup> There was also a eulogy carried by *China News Weekly (Zhongguo xinwen zhoukan)*<sup>38</sup>. There have also been several recent articles about Hu in *Southern Weekend* and *Southern Metropolis Daily*.

The recent article by Wen Jiabao, however, stands out against this background because of Wen's seniority as a leader, the article's publication in the central party newspaper (though not on the first page), and because it is the 21<sup>st</sup> anniversary of Hu's passing, an anniversary not normally commemorated. The political importance of the article is thus unmistakable, though the interpretation of its meaning is less obvious.

The article does seem to highlight the relationship between Hu Yaobang and Hu Jintao (and, to a lesser extent, Wen Jiabao, despite the description of Wen accompanying Hu). In 1984 Hu Yaobang had appointed Hu Jintao as first secretary of the CYL (apparently after the recommendation of Song Ping). A year later, Hu Jintao was appointed as Party secretary of Guizhou, the poor southwestern province. In 1986, as Wen's article describes, Hu Yaobang visited Guizhou over Spring Festival to again show his concern for the impoverished people of the area and perhaps to show his support for Hu Jintao. Hu was well known for showing care for his subordinates and he seems to have thought highly of Hu Jintao. In any case, the article indirectly reminds people of the connection between Hu Yaobang and Hu Jintao and perhaps the CYL.

Where interpretation gets difficult is understanding the implications for Chinese politics. With preparations for the 18<sup>th</sup> Party Congress (scheduled for 2012) heating up, and with provincial leaders like (but not limited to) Bo Xilai and Wang Yang contending for political position, it is difficult not to think of Wang Yang as a prominent CYL leader and close protégé of Hu Jintao. And Bo Xilai's father, Bo Yibo, presided over the "party life" meeting that ousted Hu Yaobang. Given the various rivalries between "princelings" and the "tuanpai" (the CYL) that Cheng Li has laid out in several articles for *China Leadership Monitor*, it seems possible, even probable, that events played out many years ago will influence the distribution of power and position coming out of the 18<sup>th</sup> Party Congress.

## Notes

- <sup>1</sup> *China Leadership Monitor*, no. 17 (Winter 2006).
- <sup>2</sup> “Chongqing 8000 liang chuzuche bayun fengbo” [Storm over 8,000 taxis in Chongqing not driving], <http://www.caijing.com.cn/2008-11-08/110027060.html>.
- <sup>3</sup> Ma Wei and Wang Huazhong, “At War with the Gangs” *China Daily*, October 22, 2009.
- <sup>4</sup> He Huifeng, “Chongqing Billionaire Jailed over Gang Crimes,” *South China Morning Post*, December 30, 2009.
- <sup>5</sup> Ng Tze-wei, “How Crime Busters Reined in Justice Chief,” *South China Morning Post*, August 20, 2009; for “sidelined” reference, see Choi Chi-Yuk, “PLA Murder Probe Officer Gets Top Job,” *South China Morning Post*, March 27, 2009.
- <sup>6</sup> Ng Tze-Wei: “How Crime-Busters Reined in Justice Chief,” *South China Morning Post*, August 20, 2009.
- <sup>7</sup> “Chongqingshi sifaju yuan juzhang Wen Qiang be daibu” [Former justice bureau chief of Chongqing, Wen Qiang, arrested], [http://news.xinhuanet.com/legal/2009-09/28/content\\_12118755.htm](http://news.xinhuanet.com/legal/2009-09/28/content_12118755.htm).
- <sup>8</sup> Liu Haiqing, “Tuoshi Zhongguo hei shehui” [Examining China’s organized crime], *Fazhi ribao*, December 24, 2000.
- <sup>9</sup> Yang Xingyun, “The War Against Chongqing Triads,” *Jingji guancha Wang*, August 25, 2009, available at [http://www.eeo.com.cn/ens/biz\\_commentary/2009/08/25/149222.shtml](http://www.eeo.com.cn/ens/biz_commentary/2009/08/25/149222.shtml).
- <sup>10</sup> Ma Wei and Wang Huazhong, “At War with the Gangs,” *China Daily*, October 22, 2009.
- <sup>11</sup> *Chongqing ribao*, October 22, 2009; and *China Daily*, October 22.
- <sup>12</sup> Wang Huazhong and Hu Yanan, “Gang Bosses Get Death Terms,” *China Daily*, October 22, 2009.
- <sup>13</sup> Choi Chi-Yuk, “Gang Boss and His Aide Executed in Chongqing,” *South China Morning Post*, January 10, 2010.
- <sup>14</sup> Choi Chi-Yuk, “‘Godmother’ Jailed for 18 Years,” *South China Morning Post*, November 4, 2009.
- <sup>15</sup> Fiona Tam, “Sex Beats Violence in Chongqing Triad Trial,” *South China Morning Post*, October 15, 2009.
- <sup>16</sup> Choi Chi-Yuk, “‘Godmother’ Jailed for 18 Years,” *South China Morning Post*, November 4, 2009.
- <sup>17</sup> He Huifeng, “Ex-Security Official Will Face Slew of Graft Charges Today in Chongqing,” *South China Morning Post*, February 2, 2010.
- <sup>18</sup> He Huifeng, “Chongqing’s Ex-Justice Chief Faces Court,” *South China Morning Post*, February 3, 2010.
- <sup>19</sup> Choi Chi-Yuk, “Ex-Deputy Police Chief Stands Trial,” *South China Morning Post*, February 9, 2010.
- <sup>20</sup> Choi Chi-Yuk, “Chongqing Blitz on Triad Crime Ends with 3,348 snared,” *South China Morning Post*, March 2, 2010.
- <sup>21</sup> Choi Chi-Yuk, “Chongqing’s Bo Denies Blitz Fuelled by Ambition,” *South China Morning Post*, March 31, 2010.
- <sup>22</sup> Ng Tze-Wei and Choi Chi-Yuk, “Reapply for Your Jobs, Chongqing Police Told Amid Graft Crackdown,” *South China Morning Post*, March 17, 2010.
- <sup>23</sup> “Guangdong fanhei: zhuanxiang xingdong zhuanwei changtaihua daji” [Guangdong’s striking organized crime has become permanent] retrieved from <http://china.gansudaily.com.cn/system/2009/10/27/011322313.shtml>; and Wang Huazhong, “Alleged Gang Leader Rats Out Attorney,” *China Daily*, December 15, 2009.
- <sup>24</sup> Xinhua English, January 8, 2010.
- <sup>25</sup> Xinhua English, February 2, 2010.
- <sup>26</sup> “Gang Leader Sentenced To Death With Reprieve,” *China Daily*, February 11, 2010.
- <sup>27</sup> Dai Juan, “Dahei chu’e, zhongyang kending qunzhong yonghu” [Central government reaffirms people’s support for cracking down on organized crime and weeding out evil], *Chongqing ribao*, October 27, 2009; and Stephen Chen, “Police Will Jail Every Gang Boss in the Country, Top Officer Promises,” *South China Morning Post*, October 31, 2009.
- <sup>28</sup> “Yifa banan, shishi qiushi, bukuang bucong” [Handle cases according to law, seek truth from facts, be neither overzealous nor lax], *Chongqing ribao*, October 29, 2009.
- <sup>29</sup> “Guangdong Cases Uncover Years of Abuse, Sources Say,” *South China Morning Post*, April 16, 2009.
- <sup>30</sup> *Nanfang Dushi bao*, May 28, 2009.
- <sup>31</sup> Cui Xiaohuo, “Shenzhen Mayor Sacked Over Corruption Allegations,” *China Daily*, June 12, 2009.
- <sup>32</sup> He Guoqiang did preside over the 2000 crackdown on gang activity in Chongqing that resulted in the arrest of Zhan Jun and others.

<sup>33</sup> Cited in Wang Xiangwei, "Party's Young Guns Ready for a Showdown," *South China Morning Post*, January 4, 2010. I have been unable to locate the original articles.

<sup>34</sup> "'Shaoshuai' Wang Yang shitu gui" [The path of 'Young Marshal' Wang Wang's official career] retrieved from <http://news.sohu.com/20091231/n26930985.shtml>.

<sup>35</sup> Wen Jiabao, "Zai hui Xingyi yi Yaobang," *Renmin ribao*, April 15, 2010, p. 2.

<sup>36</sup> Xinhua, November 18, 2005.

<sup>37</sup> Hu Deping, *Nanfang zhoumo*, April 2, 2009. *Yanhuang chunqiu*, April 2009.

<sup>38</sup> Xu Qingquan, "Putongren weishenma huainian Hu Yaobang" [Why do the common people miss Hu Yaobang?], *Zhongguo Xinwen zhoukan*, April 20, 2009.