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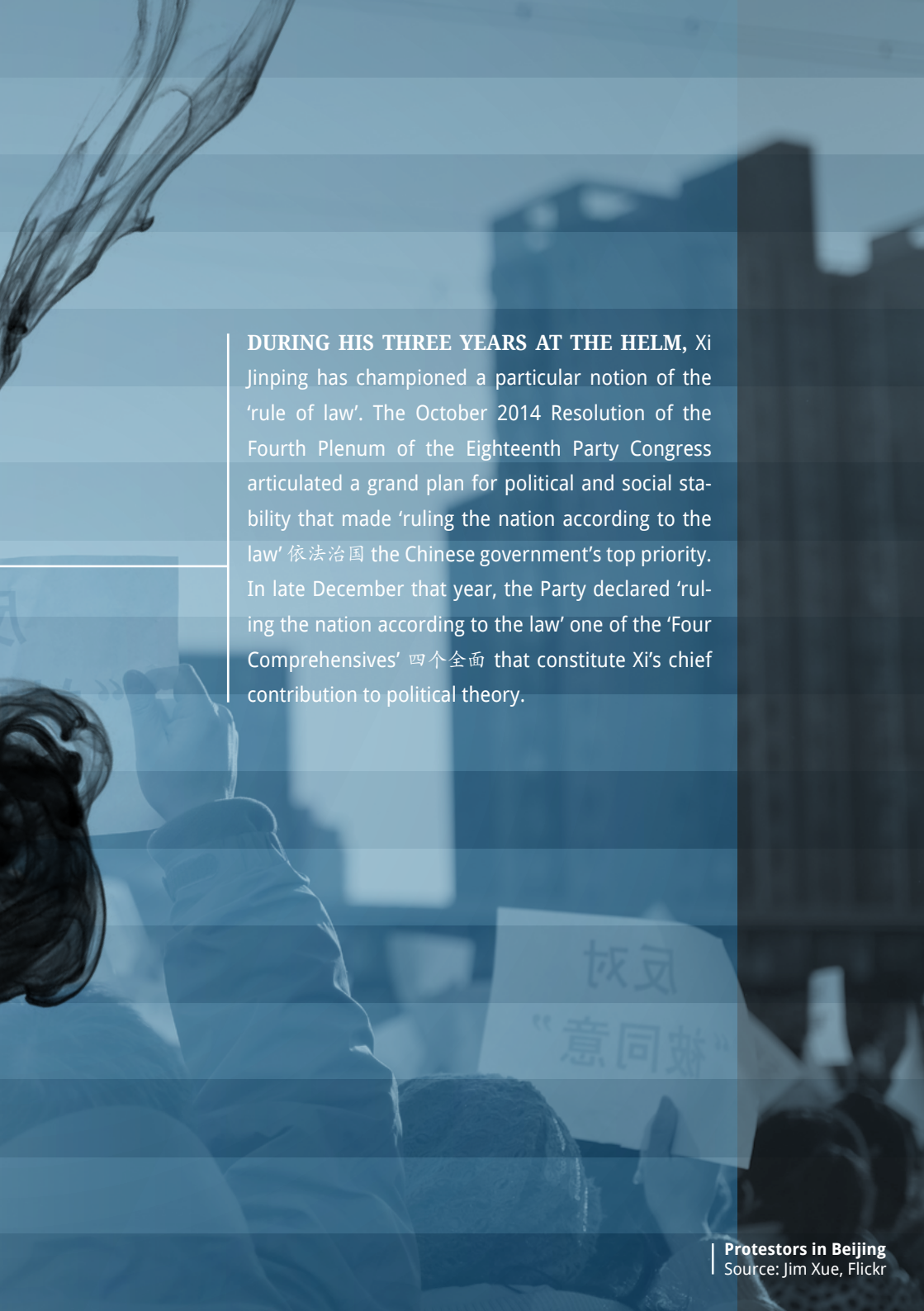
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THE FOG OF LAW

Susan Trevaskes and Elisa Nesossi



DURING HIS THREE YEARS AT THE HELM, Xi Jinping has championed a particular notion of the 'rule of law'. The October 2014 Resolution of the Fourth Plenum of the Eighteenth Party Congress articulated a grand plan for political and social stability that made 'ruling the nation according to the law' 依法治国 the Chinese government's top priority. In late December that year, the Party declared 'ruling the nation according to the law' one of the 'Four Comprehensives' 四个全面 that constitute Xi's chief contribution to political theory.



According to the multilingual animated music video, *The Four Comprehensives*, 'the rule of law is guaranteed'
Photo: thenanfang.com

To understand what the rule of law actually means, we need to look closely at the October 2014 Resolution, because it states that Party leadership and the rule of law are identical. It also describes the rule of law as integrating two ancient traditions of law and governance: the Legalist tradition of 'ruling the nation according to the law' with the Confucian principle of 'ruling the nation by morality' 以德治国. The latter associates political order with the moral authority of a nation's leaders. The interests of a morally upright leadership are identical to those of the people they govern—and so, by this logic, the law can and should be used to sustain the power of the ruling (Communist) party. Hence, the rule of law can be understood to mean Party-Rule-Through-Law.

Given China's increasingly heterogeneous society, in which people may find their needs and interests at odds with those of the Party, the rule of law serves the practical function of controlling dissent as well. As we have written in previous *China Story Yearbooks*, over the last fifteen years or more, there have been many tens of thousands of public protests

annually against corruption and abuses of power—what the Party calls ‘mass incidents’. President Hu Jintao and Premier Wen Jiabao responded to such unrest by mounting campaigns to ‘maintain stability’: policing and judicial measures known as ‘stability maintenance’. Now, with his rule of law agenda, Xi Jinping has put ‘stability maintenance’ on steroids.

Pruning the Political Tree

For two years, Xi’s anti-corruption campaign has targeted party officials accused of moral and/or material corruption. Xi has wielded the rule of law—in this case the Party’s internal disciplinary rules—like a blade with which to prune the unruly branches at the top of the political tree. These ‘branches’ include mid-ranking party officials as well as higher-ups in Beijing whom he considers a potential threat to his leadership; not all the corrupt officials are targeted. Still, with at least one senior official in every province under arrest, this campaign has turned into the most comprehensive attack on graft since the Cultural Revolution.

In 2015, its focus turned to the business sector, including some of China’s biggest corporations: CNP, Sinopec, and Chinalco. The Washington-based Eurasia Group, the world’s largest consultancy specialising in political risk, suggests that in 2015, no less than eighty-three Chinese entities—including state-owned enterprises (SOEs), and institutions such as the China Securities Regulatory Commission—have fallen under investigation, compared with twenty in 2013 when the campaign began.



29 June 2015: A ‘mass incident’ in Jinshan district, Shanghai. Thousands of protestors gathered to protest against the construction of a chemical plant

Photo: Twitter



Zhou Yongkang
Photo: Caixin

The ‘leniency’ of the suspended death sentence handed to Zhou Yongkang 周永康 in June 2015 was read by some analysts as signalling that the campaign was winding down. Zhou, the former secretary of the Central Political and Legal Affairs Commission, was the most senior political figure in decades to be expelled from the Party and charged with capital offences—in his case

bribery and abuse of power. The suspended death sentence may eventually be commuted to a long custodial sentence. With many observers expecting that Zhou would face immediate execution, the lighter punishment appeared to be a message that Xi was prepared to end the anti-corruption campaign before it could seriously threaten powerful figures, particularly within the military, who might have gone down fighting.

The campaign continues to target corrupt officials who have fled the country. Since April 2015, five government departments—the People’s Bank of China, the Ministry of Public Security, the Supreme People’s Court, the Supreme People’s Procuratorate, and the State Administration of Foreign Exchange—have worked jointly to track down fugitive officials and their illicit assets.

Criminalising Unruliness

The 2015 Amendment to the 1997 Criminal Law, passed in August, listed nine types of crimes that will no longer be subject to the death penalty. Smuggling weapons or ammunition, smuggling nuclear materials, smuggling counterfeit money, counterfeiting, investment fraud and fraudulent

fundraising, organising prostitution, forcing females into prostitution, obstructing military affairs, and spreading rumours, and undermining morale during wartime are no longer punishable by death. This brings down the number of capital crimes in China to a total of forty-three. The revised Criminal Law also extends protection to some of society's more vulnerable or previously ignored groups. New criminal offences include rape committed against males, the purchase of children even if there is no evidence of abuse, and actions by guardians and caretakers that harm those under their care.

The Criminal Law has introduced twenty new criminal offences and the amendment has increased the seriousness of selected other offences. Among the newly listed crimes are contempt of court as evidenced by 'insulting a judge', 'disrupting court orders', 'reporting or revealing information about cases not made public', and even bringing a civil case that is based on 'a distorted version of the truth'. In addition, the law targets forms of dissent including 'fabricating or deliberately transmitting false information' online, 'forcing someone to wear extremist clothing or tokens', 'disrupting the work of public bodies', and 'organising or aiding illegal gatherings.' The new crime of 'forcing someone to wear extremist clothing or tokens' appears to be aimed at discouraging Uyghur men and women in Xinjiang from wearing clothing such as the hijab, or Muslim headscarf that expresses devotion to their faith.



The 2015 Amendment to the Criminal Law
Photo: Xinhua

THE NATIONAL SECURITY LAW & THE COUNTERTERRORISM LAW, by Oma Lee

The National People's Congress approved new National Security and Counterterrorism laws. Foreign media, technology companies, foreign civil society organisations, and governments have widely criticised the laws for conferring Chinese authorities with even greater powers to restrict and control the activities of non-state actors especially when coupled with the Law on Managing Foreign Non-Governmental Organisations and Cybersecurity Laws.

The National Security Law effectively grants the National Security Commission domain over China's national security encompassing politics, the military, finance, cyberspace, culture, environment, ideology, and religion. It sets out the principles of security management, including intelligence collection, risk assessments, national security reviews, emergency responses, and so on, and lays out the responsibilities of citizens and companies to assist the authorities in protecting national security and reporting potential threats. This applies to Hong Kong and Macau as well.

The law also requires Internet and information technology, information systems and data to be 'secure and controllable'. The National Security Commission has the power to conduct reviews of foreign commercial investment, special technologies, Internet information technology products and services, and all other projects involving national security matters (Article 59). A broad spectrum of foreign governments, businesses, and civil society groups see the law as legitimising stronger restrictions on foreign business, social and political interests in China.



Chinese Internet café

Photo: thecomingcrisis.blogspot.com



A Chinese soldier takes part in a counterterrorism military drill

Photo: people.com.cn

The Counterterrorism Law, meanwhile, proposes the establishment of a national body in charge of identifying terrorist activities and co-ordinating nationwide counterterrorist work. The first draft, issued for public comment in November 2014, drew widespread criticism for its vague definition of terrorism and the requirement that foreign tech companies provide their encryption keys to authorities and keep their servers and user data in China. Foreign companies and leaders, including US President Obama criticised the law and its potential effect on the Chinese business environment, making it less attractive to foreign companies. China has argued that many Western governments have similar requirements and that Chinese companies operating overseas are subjected to heavy security checks. Still, the final draft removed, inter alia, the clauses about encryption keys and foreign businesses keeping servers and user data in China.

The law still requires companies to provide encryption information upon the request of the government. Telecommunications and Internet service providers in particular are also required to monitor, report, and prevent dissemination of information on terrorism and extremism (including activities, such as peaceful agitation for greater autonomy for Xinjiang or Tibet, that are not considered either terrorist or extremist outside China). (Article 19).

The Chinese government has claimed that the laws will help strengthen the Party-state's ability to prevent, handle, and punish threats to both national and international security. How it will affect foreign business activities and data security in practice remains to be seen.



25 June 2015: Xi Jinping and Li Keqiang shake hands with groups and individuals being honoured for their contributions to the country's antidrug campaign in Beijing

Photo: news.cn

Resurrecting Mao

The rule of law agenda makes use of the revolutionary language of the 'mass line' and 'political struggle' 斗争. By drawing on what Qian Gang 钱钢 at the China Media Project in Hong Kong, calls 'deep red' Maoist discourse, Xi Jinping is signalling that he expects local authorities across the nation to crack down hard on certain types of criminals and (criminalised) dissenters who are characterised as 'enemies of the people'.

For example, speaking at the start of a new 'People's War on Drugs' campaign launched on 26 June 2015, Xi Jinping used classic Maoist language: 'We will not recall our army until we have achieved total victory' 不获全胜绝不收兵. Another Maoist slogan, 'strengthening the democratic dictatorship of the people' 加强人民民主专政 was displayed on a banner

at a sentencing rally to publicly shame drug offenders before an audience of primary school children. In the post-Mao era it has been almost unheard of to conduct rallies in schools. But this is what happened on 26 June in Dingan county in Tianjin, where offenders convicted of trafficking relatively small amounts of drugs (ten grams of heroin) were sentenced to eight years imprisonment in front of young children.

Xi also followed Mao's example when he issued a special pardon to a limited group of imprisoned criminals to mark the seventieth anniversary of the end of World War II. Those he pardoned included those who had fought in the War Against the Japanese Occupation, for the Communist Party during China's civil war or who had served in the People's Liberation Army in other wars. They also included those who were disabled, over seventy-five years old or who were under eighteen when they committed the crime. This pardon was only the eighth since the founding of the PRC; Mao was responsible for the first seven. So while more optimistic commentators saw in the amnesty a positive development towards the realisation of human rights and the rule of law, others interpreted it as display of extreme confidence and power on the part of Xi.

In September 2015, Xi Jinping declared that 'Communism is not ethereal and unattainable' but the very goal towards which the Party should be working. Reaffirming the end-game of Communism after thirty-eight years of silence on the issue is part of Xi's plan to revive the 'Party's nature' 党性. In this context, applying the rule of the law—including to the Party itself through new Party disciplinary rules 中国共产党纪律处分条例 announced in November 2015—is one of the means by which Xi plans to realise Communism. The use of the expression 'improper discussion of [the policies] of the Central Party' 妄议中央 that appears in Article 46 of the rules has raised some eyebrows within the Party as it further institutionalises intolerance of internal political dissent.

Legislating for Stability Over Society

In April 2015, the National People's Congress released the second draft of a new law on Managing Foreign Non-Governmental Organisations (NGOs). It establishes procedures for foreign organisations to formally register with the government and conduct activities within China. It also puts NGOs under the supervision of public security departments within the State Council and imposes restrictions on Chinese NGOs that receive money from overseas.

International NGOs and representatives of other foreign bodies with interests in or ongoing exchanges with Chinese counterparts, including universities, professional organisations, and business groups, submitted letters to the National People's Congress expressing grave concern about these provisions, as well as suggestions for amendments. They worry that the ambiguously-worded law, which fails to provide clear definitions of non-profit activities, could jeopardise many kinds of foreign operations within China, including those of universities and think tanks involved in academic and cultural exchanges.



Chinese officials answer questions about a new law regulating foreign NGOs during a press conference at the Great Hall of the People in Beijing

Photo: Weibo

Another controversial law, passed on 1 July 2015, is the National Security Law (see Information Window ‘The National Security Law and The Counterterrorism Law’, pp.72–73). In the view of Professor Fu Hualing 傅華伶 of the University of Hong Kong, what is most significant about the new law is that it shifts the focus from punishment to prevention in such a way that justifies even more pervasive surveillance, particularly over people’s expressed opinions on the basis of safeguarding the country’s ‘core interests’ 核心利益. As defined in Article 2 of the new law, these are: maintenance of the political system under the rule of the Communist Party, the defence of national sovereignty and territorial integrity, and economic development.



Professor Fu Hualing
Photo: law.hku.hk

In its preamble, the law states baldly that safeguarding the political regime ranks above sovereignty, national unification, territorial integrity, and the people’s welfare. The implication is that any activities alleged to endanger the rule of the Communist Party may now be interpreted as a threat to national security. Vague wording makes it easier for the party-state to act against its internal and external ‘enemies’ on issues ranging from cultural and ideological heterodoxy to cybersecurity and even China’s interests in space.

Pruning Other Parts of the Tree

As suggested above, the Party central leadership is extending what it calls the ‘struggle’ from crime to political dissent in general. David Bandurski from the China Media Project has quoted from a full-page *People’s Daily* article in February: ‘China cannot and must not ... slavishly copy the systems of the West. Such copying is a means proposed by unspecified ‘hostile forces’ that hope to upset the ‘leadership of the Chinese Communist Party’.

Not surprisingly, 2015 was a particularly bad year for civil society and human rights activism. The authorities have moved strongly to suppress public expressions of dissent, including those that fall within the legal or constitutional rights of Chinese citizens. Lawyers, labour activists, and people working for NGOs have all felt the heat, and there were hundreds of arrests of lawyers over several months in the summer of 2015 alone.

The year began with a series of arrests and detention of a number of prominent civil society activists. Among the first prominent victims of the campaign against local NGOs and civil society activism was Guo Yushan 郭玉闪, a Chinese scholar and the founder of the well-known think tank Transition Institute 传知行. Guo had helped the blind rights activist Chen Guangcheng 陈光诚 escape from house arrest in 2012 and had expressed support for the pro-democracy movement in Hong Kong. He was first detained in October 2014. In May 2015, the Beijing Public Security Bureau recommended that the procuratorate indict Guo Yushan and his colleague He Zhengjun 何正军 for ‘illegal business operations’, following a pattern by which the Party-state, rather than directly accusing someone of ‘thought crimes’ and leaving itself open to the accusation that China has political prisoners, finds some dubious crime to pin on the accused, one that may be difficult to defend and which has the additional benefit of smearing their public reputation. In September, just ahead of Xi’s visit to the US, Guo and He were released on bail, a gesture seen by many observers as a way of smoothing Xi’s path in the US by pre-empting complaints about human rights violations.



Guo Yushan
Photo: Pan Haixia



Chen Guangcheng
Photo: wikipedia.com



He Zhengjun
Photo: Pan Haixia

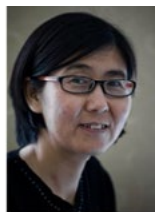


‘Occupy Men’s Toilets’ Campaign in 2012
Photo: english.cntv.cn

But Guo was far from the only case that drew the attention of human rights advocates in 2015. Just days before International Women’s Day on 8 March, public security forces detained five feminist activists in connection with anti-sexual harassment demonstrations they were planning. The five women had led a campaign in 2012 to ‘occupy’ men’s toilets in an effort to persuade the government to build more public loos for women. Police had warned the women that further activism could get them into trouble. Their arrest in March made them a popular cause among human rights advocates at home and abroad, who used the Twitter hashtag #Free-TheFive. In early April, Hillary Clinton tweeted that their detention was ‘inexcusable’, and called for their release. On 13 April, the ‘Feminist Five’ were released en masse.

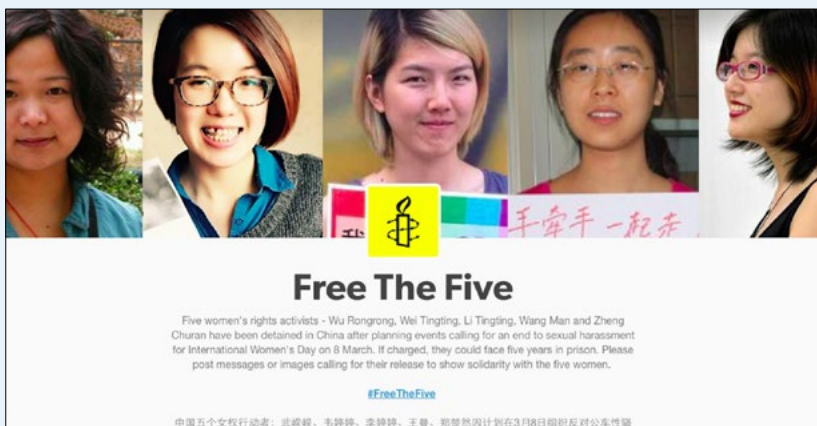
That same month, however, Gao Yu 高瑜, a seventy-one-year-old journalist, was sentenced to seven years in prison for leaking state secrets abroad—in her case, by disclosing a Communist Party directive called ‘Document No. 9’ to the *Minjing News*, an overseas news media group (see the *China Story Yearbook 2014: Shared Destiny*, p.319 and p.334). The document laid out the Party’s plans to quash liberal political ideas and values.

While past years have seen numerous arrests and harassment of lawyers who defend people's rights 维权律师, the scale and ferocity of the attacks on this group in 2015 were unprecedented. The crackdown began on 9 July 2015 with the seizures of lawyers Zhou Shifeng 周世锋 and Wang Yu 王宇 and other staff of the Beijing Fengrui Law Firm 北京锋锐律师事务所. During the previous months, members of the law firm, including Wang Yu herself, had been involved in a number of cases deemed sensitive by the government, including a case in Heilongjiang of a petitioner shot dead by the police and the case of the 'Jiangxi 4', where four villagers had been wrongly convicted of a double murder in 2000. Involvement in these cases and in other prominent cases in the previous years—the defence of Falun Gong practitioners, of journalist Cao Shunli 曹顺利, and of the Uyghur professor Ilham Tohti 伊力哈木·土赫提—made Wang Yu an easy target. Without exception, those who spoke out and defended Zhou or Wang have been harassed or detained. In the case of the law firm headed by Li Heping 李和平, everyone, including Li Heping's brother, lawyer Li Chunfu 李春富, has disappeared without trace.



Arrested lawyers: (from top left) Pu Zhiqiang, Zhou Shifeng, Wang Yu (from bottom left) Li Heping, Wang Quanzhang, Sui Muqing

Photo: molihuazh.blogspot.com



Amnesty International's appeal for the Feminist Five

Photo: Tumblr

FEMINIST FIVE, by Siodhbhra Parkin

As discussed in this chapter, the Feminist Five 女权五姐妹—Li Tingting 李婷婷, Wu Rongrong 武嵘嵘, Zheng Churan 郑楚然, Wei Tingting 韦婷婷, and Wang Man 王曼—were arrested in the middle of the night on 6 March 2015, two days before International Women's Day. The arrests took place on the eve of the Five's planned public campaign to raise awareness about sexual harassment on public transportation; they were charged with 'gathering a crowd to disrupt public order' despite not having had the chance to gather the crowd in the first place.

Previously Li Tingting and others had organised a movement called 'Occupy Men's Toilets' that involved staging sit-ins at male toilets to draw attention to the relative lack of facilities for women. 'Occupy' attracted widespread international and domestic media attention. Another one of the women, Wu Rongrong had founded Weizhiming 蔚之鸣, a legal centre specialising in women's rights, and often organised public education events. Both Li Tingting and Wei Tingting have also played extremely public roles in LGBT rights activism.

The Feminist Five were released on bail within twenty-four hours of each other on 13 April 2015. They had spent thirty-seven days at the Haidian District Detention Centre. All five are still officially criminal suspects, though no court dates have been set. Some of them have already been briefly re-detained and questioned. They also face travel restrictions, and are prohibited from speaking to the media. *Weizhiming*, the women's legal centre, was forced to shut its doors in the summer of 2015, followed by the closure of the internationally recognised Beijing Zhongze Women's Legal Counselling Service Centre 众泽妇女法律咨询服务中心 not long afterwards. 'I'd like to thank the Chinese government for arresting me,' feminist activist Li Tingting remarked in a recorded statement released on the one-year anniversary of her arrest. 'Without their involvement, I think many fewer people would be aware of the current Chinese feminist movement.'

THE RISE OF PUBLIC INTEREST LITIGATION, by Siodhbhra Parkin

A record number of public interest litigation cases was accepted for hearing by China's courts in 2015

Photo: Caixin

In a country where the 'rule of law' remains an embattled concept, the role of public interest litigation 公益诉讼 is severely limited by the government. However, this might be about to change. In the past few years, legislative and policy shifts have signalled a gradually widening space for the role of public interest litigation, and in 2015, a record number of such cases was accepted for hearing 受理 by China's courts.

The term 'public interest litigation' refers to lawsuits brought on behalf of the general public against government agencies, private companies, or other

During July and August, public security officers took into custody more than 250 lawyers and professional legal staff, interrogating them about both their own activities and those of their colleagues. A number of lawyers were kept in police custody for extended periods; others were placed under 'residential surveillance at a fixed location' 指定居所监视 without access to their own lawyers. While some were released within days or months according to the terms of the law, others have been charged with the crime of 'picking quarrels and provoking troubles' 寻衅滋事罪 or 'endangering state security' 危害国家安全罪.

To support the campaign, Chinese official media published articles outlining the threats that such lawyers allegedly posed to social stability. In the weeks leading up to and following the crackdown, the *People's Daily* described human rights lawyers as a dangerous criminal 'gang' 圈子 that has been undermining the social order since 2012. The articles resurrect Maoist tactics of public shaming to justify repression against alleged dissenters. As of 11 December 2015, twenty-five lawyers and their associates remained under 'residential surveillance at a fixed location', the majority held in unknown locations without the ability to access either legal advice or make contact with their families.

organisations whose actions have violated the interests of society through environmental pollution, for example. Until 2012, the courts did not accept most public interest suits filed by public interest lawyers or NGOs.

However, as pollution and consumer protection scandals increased in frequency and severity, along with public outrage, things began to change. In 2011, a Chinese court in Yunnan province accepted the first environmental public interest lawsuit in China. In 2012, the Chinese government added a provision to the Civil Procedure Law that permitted 'lawful agencies and related organisations' to file public interest lawsuits; the definition of lawful agencies was later expanded to include certain types of environmental and consumer protection NGOs. Yet that first public interest case filed back in 2011 remains unresolved, and continues to navigate its way through a complex legal landscape. Whether public interest litigation will prove genuinely effective or yet another social management tool co-opted by the government remains to be seen.

Police also harassed the lawyers' families and peers. They repeatedly interrogated Wang Yu's sixteen-year-old son and confiscated his passport. In October, the boy crossed the border into Myanmar, but was arrested there and taken back to China, where he was put under house arrest. Many lawyers and activists have been prevented from leaving the country under the pretext that their going abroad would endanger the security of the state or the like. At the same time, China arranged for the deportation back to the country from Thailand of two veteran Chinese dissidents, who were registered as refugees there, in a covert security operation that involved co-operation between the two countries in violation of international legal standards.

'Picking quarrels and provoking troubles' is the official phrase used to criminalise dissent. In November 2014, lawyer and human rights activist Guo Feixiong 郭飞雄, arrested in August 2013 on suspicion of 'gathering crowds' was tried, convicted, and sentenced to six years in prison. To the surprise of Guo and his defence team and in violation of procedural rules, the judge announced during the trial that 'picking quarrels' had been added to the initial charge, which resulted in the addition of two more years of imprisonment to the original sentence of four years. In December, the



Middle: the Chairperson of the UN Committee against Torture, Claudio Grossman
Photo: UN photo/Loey Felipe

Beijing Second Intermediate People's Court found lawyer Pu Zhiqiang 浦志强, one of the most outspoken of the human rights lawyers of the group detained in May the previous year (see the *China Story Yearbook 2014: Shared Destiny*, p.265, pp.278–279, p.290, and p.335), guilty of 'inciting ethnic hatred' 煽动民族仇恨罪 and 'picking quarrels and provoking troubles'. They sentenced Pu, who had already been detained for eighteen months, to a three-years 'suspended' 缓刑 jail sentence, which he will most probably spend outside jail, and suspended his licence to practice law.

Nearly thirty international associations of lawyers and jurists and numerous international organisations including the UN Office of the High Commissioner for Human Rights, the International Bar Association and the Law Council of Australia have condemned the actions of the Chinese authorities. The United Nations Committee against Torture, in its fifth periodic report on China, which was released in December 2015, strongly denounced the crackdown. It also requested a 'prompt, thorough and impartial investigation of all the human rights violations perpetrated against lawyers'.

Conclusion

Developments in 2015 make it difficult to argue that there has been a shift to a rule of law, at least as understood in countries such as Australia or the US. Mao's legacy is clearly visible in the party-state's approach to the administration of justice and criminal punishment under Xi Jinping, particularly in the politico-legal language it is using, with its references to struggles, wars, and social contradictions.

GREEN GOOD NEWS,

by Susan Trevaskes and Elisa Nesossi

At the end of October 2015, two green NGOs won China's first environmental public interest case. The Nanping Intermediate People's Court of Fujian Province issued a judgment in favour of the two environmental NGOs, Friends of Nature and Fujian Green Home. The case, which concerned an illegal mining site, was heard under China's new Environmental Protection Law, which took effect on 1 January 2015.



On the one hand, political and judicial authorities are promoting the rule of law as a way of strengthening what they call 'institutional credibility' 公信力, openly implying that it is legitimacy that is sorely lacking in the legal system following a decade of Stability Maintenance in the Hu Jintao era. They have made some improvements to increase the credibility of the courts such as making court rulings more transparent (see the *China Story Yearbook 2014: Shared Destiny*, Chapter 6 'The Sword of Discipline and the Dagger of Justice', pp.260–283) and introduced laws to protect some of society's more vulnerable citizens—an impressive and much needed development.

On the other hand, Xi is using Party-Rule-Through-Law to impose a clear political agenda on both the Party machinery and criminal justice agencies. Both internal Party regulations and criminal laws place a priority on protecting the state and preserving political stability (i.e. the continued rule of the Communist Party). They aim to thwart corruption, improve the efficiency of government, and enhance judicial fairness—but also to suppress dissent, even when it is in the form of arguing for the rights of citizens under China's own laws and constitution. As a result, Xi's years in power will almost surely be remembered far more for his intolerance of discordant voices than for any rule of law.

A YEAR OF DISAPPEARING BUSINESS EXECUTIVES, by Lorand Laskai

In 2015, China's anti-corruption drive reached China's business class. Many executives were taken unannounced, what the media and their staff described as *shilian* 失联, 'losing contact'. A number of top Chinese executive from both private and state-owned enterprises 'lost contact', taken abruptly to 'assist in investigations', leaving empty boardrooms and panic-stricken investors. Some reappeared after a period of time as if nothing ever happened; others faced corruption charges; still others remain missing in action.

Many disappearances were the work of the Central Commission for Discipline Inspection (CCDI), the secretive and ruthless body charged with carrying out President Xi Jinping's anticorruption drive. However, since many disappearances in 2015 occurred without public notice or explanation, the connection between many disappeared businessmen and the CCDI's anti-corruption efforts are often tenuous and unclear. Often, the businessmen are just disposable pawns, brought in suddenly for interrogations; authorities looking to build a case against a political patron or high-up Party members often target the businessmen they support. Soon after Fosun Group's chairman Guo Guangchang 郭广昌 'lost contact', another prominent business executive, Feng Lun 冯仑 of Vantone Holdings 万通, wrote on his blog: 'A private tycoon once said, "In the eyes of a government official, we are nothing but cockroaches. If he wants to kill you, he kills you. If he wants to let you live, he lets you live."' "



Mao Xiaofeng
Photo: china.dwnnews.com

Mao Xiaofeng 毛晓峰—president of Minsheng Bank 中国民生银行

In late January, the CCDI detained Mao Xiaofeng, the youngest president of a publically listed Chinese bank, in relation to the ongoing investigation of Ling Jihua 令计划, a former high-ranking official, for corruption. Mao resigned from his post a few days later, citing personal reasons. Mao had served in the Community Youth League prior to joining Minsheng. Chinese media reported that he had close ties to Ling Jihua's wife as well as the wife of another official under investigation, Su Rong 苏荣.

Lei Jie 雷杰—chairman of Founder Securities 方正证券

In late January, Founder Securities announced that it had lost contact with its chairman Lei Jie, who had asked for sick leave through relatives. Founder Securities is a joint venture between Swiss Credit Suisse Group AG and state-owned Founders Group. In light of Lei's continued absence, the board of Founder Security appointed a replacement CEO in February. In November, international media reported that Lei Jie had been released by authorities. Lei was not reappointed as CEO and his current relationship to Founder Security is unknown.



Lei Jie
Photo: english.caixin.com

Wang Yaoting 王耀庭—vice president of Hua Xia Bank
华夏银行

On 4 May, state-owned Hua Xia Bank announced that its deputy chief Wang Yaoting was under investigation for ‘violating discipline’. Media reports at the time pointed to Wang’s role in the restructuring of Shanxi Liansheng Energy 陕西联盛能源. Another Chinese media outlet reported that the investigations were in fact related to Wang’s outsourcing of IT support for Hua Xia’s online banking operations. Wang’s current whereabouts and the status of his case are unclear.



Wang Yaoting
Photo: english.cri.cn

Guo Guangchang 郭广昌—chairman of Fosun Group
复星集团

The disappearance in December of Guo Guangchang, the CEO of Fosun Group and China’s seventeenth richest man, often referred to as ‘China’s Warren Buffet’, was especially shocking given his status as one of China’s most prominent business figures. Chinese media reported on 10 December that Fosun executives had ‘lost contact’ with their CEO. The same day the company said Guo was ‘assisting in an investigation’ and suspended trading of its shares on the Hong Kong Stock Exchange. After four days, Guo resurfaced without explanation. One day later, he was spotted dining at a restaurant in New York. Fosun’s stock dropped ten percent once trading resumed.



Guo Guangchang
Photo: forbes.com

Li Yifei 李亦非—chairman of Man Group’s China unit

At the time of the 2015 stock market crash, news circulated that Li Yifei, the Chinese head of the international hedge fund Man Group, had been taken into custody. A week later she wrote on social media that she had gone on holiday to ‘meditate’. A subsequent comment by her husband indicated that she had been meeting with authorities.



Li Yifei
Photo: youtube.com

A YEAR OF DISAPPEARING BUSINESS EXECUTIVES (cont'd)



Cheng Boming
Photo: china.org.cn



Chen Jun
Photo: finance.caixin.com



Yan Jianlin
Photo: finance.caixin.com

Cheng Boming 程博明, **Chen Jun** 陈军, and **Yan Jianlin** 闫建霖—**CITIC Securities** 中信证券

In mid-September, officials launched a probe into Cheng Boming, the president of China's biggest brokerage firm CITIC Securities, for financial wrongdoings in connection to that summer's stock market crash. While the specific nature of the probe remains unclear, Cheng's detention came weeks after a report on Xinhua implicated high-level executives at CITIC Securities in inflaming stock market turbulence earlier that summer through insider trading and short selling. The allegations led to a series of executive departures. On 6 December, CITIC said it had 'lost contact' with two senior executives, Chen Jun and Yan Jianlin. The status of the cases against Cheng and other CITIC executives is unclear, though they were removed from their positions at CITIC.



Zhao Dajian
Photo: finance.sina.com.cn

Zhao Dajian 赵大建—**honorary chairman, Minzu Securities** 民族证券

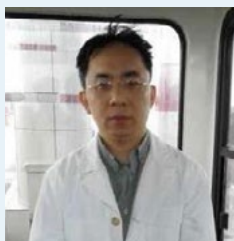
Founder Group was struck again by investigators when director of Founder Securities Zhao Dajian, who served simultaneously as the chief executive of Minzu Securities, was detained at the end of September. Founder Securities reported that they had lost contact with their director on 22 September. The reason for his detention remains unclear, though state media reported that an official probe had been launched into the embezzlement of two billion yuan by Minzu executives.

Chen Hongqiao 陈鸿桥—president of Guosen Securities
国信证券

Chen Hongqiao, the president of state-owned Guosen Securities, was found dead from an apparent suicide in his Shenzhen house on 22 October. His death came little over a month after the CCDI announced that his former boss Zhang Yujun 张育军, the former assistant chairman of the China Securities Regulatory Commission 中国证监会, had been put under investigation for 'severe violation of discipline'. Chen had served as a deputy general manager of the Shenzhen Stock Exchange before joining Guosen Securities in 2014.



Chen Hongqiao
Photo: eng.wdforum.org



Xu Xiang
Photo: baike.sogu.com

Xu Xiang 徐翔—general manager Zexi Investment 泽熙投资

Nicknamed 'Hedge Fund Brother No. 1', the head of the wildly successful hedge fund Zexi Investment, Xu Xiang, was arrested in November on the G15 Expressway over the Hangzhou Bay Bridge. Authorities stopped Xu's car and arrested him for insider trading and stock manipulation. The preternaturally good performance of Xu's hedge fund, which yielded on average 249 percent annual returns had led to suspicion that Xu was engaging in insider trading or had powerful political connections which helped him manipulate stocks for gain, a relationship of convenience that ultimately went awry. In April 2016, Xu was formally charged with 'stock market manipulation and insider trading', according to Xinhua.

Yim Fung 阎峰—chairman of Guotai Junan International
国泰君安国际

Shares of Hong Kong-listed Guotai Junan International dropped seventeen percent in mid-November after the brokerage firm announced it could not reach its chairman Yim Fung. Yim surfaced more than a month later after 'assisting in certain investigations' in the Mainland and resumed work. The Guotai Junan's stock rallied in the wake of Yim's return, though the company's share price did not fully recover from the blow of Yim's lengthy disappearance.



Yim Fung
Photo: asianfinancialforum.com

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