

Implications of SARS Epidemic for China's Public Health Infrastructure and Political System

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The Return of the God of Plagues

Since November 2002, a form of atypical pneumonia called SARS (Severe Acute Respiratory Syndrome) has spread rapidly from China to Southeast Asia, Europe, and North America, prompting World Health Organization (WHO) to declare the ailment "a worldwide health threat." According to the organization, as of May 10, 2003, a cumulative total of 7,296 cases and 526 deaths have been reported from 33 countries or regions. The country that is particularly hit by the disease is China, where the outbreak of SARS has infected more than 4,800 people and killed at least 235 nationwide (excluding Hong Kong and Macao). The worst-hit city is China's capital Beijing, which has more than 2,200 cases - nearly half China's total - and 116 deaths. History is full of ironies: the epidemic caught China completely off guard forty-five years after Mao Zedong bade "Farewell to the God of Plagues."

The SARS epidemic is not simply a public health problem. Indeed, it has caused the most severe social-political crisis to the Chinese leadership since the 1989 Tiananmen crackdown. Outbreak of the disease is fueling fears among some economists that China's economy might be headed for a serious downturn. It already seems likely to wipe out economic growth in the second quarter and possibly reduce the growth rate for the entire year to about six percent, well below the level the government says it required to absorb millions of new workers who need jobs. The disease has also spawned anxiety, panic and rumormongering, which has already triggered a series of protests and riots in China.¹ Meanwhile, the crisis has underscored the tensions and conflicts among the top leadership, and undermined the government's efforts to create a milder new image in the international arena. As Premier Wen Jiabao pointed out in a recent cabinet meeting on the epidemic, at stake were "the health and security of the people, overall state of reform, development, and stability, and China's national interest and international image." How to manage the crisis has become the litmus test of the political will and ability of the fourth generation of Chinese leadership.

Given the political aspect of the crisis, this testimony will consider not only problems in China's public health infrastructure but also dynamics of its political system. It proceeds in three sections. The first section focuses on the making of the crisis, and discusses how problems in the health and political systems allowed SARS to transform from a sporadic nuisance to an epidemic that now affects hundreds of millions of people across the country. The next section considers the government crusade against SARS, and examines how the state capacity in controlling the disease is complicated and compromised by the health infrastructure and political system. The last section concludes with some policy recommendations for the Commission to consider.

The Making of A Crisis (November 2002-April 2003)

Information Blackout in Guangdong

With hindsight, China's health system seemed to respond relatively well to the emergence of the illness. The earliest case of SARS is thought to occur in Foshan, a city southwest of Guangzhou in Guangdong province, in mid-November 2002. It was later also found in Heyuan and Zhongshan in Guangdong. This "strange disease" alerted Chinese health personnel as early as mid-December. On January 2, a team of health experts were sent to Heyuan and diagnosed the disease as an infection caused by certain virus.² A Chinese physician, who was in charge of treating a patient from Heyuan in a hospital of Guangzhou, quickly reported the disease to local anti-epidemic station.³ We have reason to believe that the local anti-epidemic station alerted the provincial health bureau about the disease, and the bureau in turn reported to the provincial government and the Ministry of Health (MoH) shortly afterwards, since the first team of experts sent by the Ministry arrived at Guangzhou on January 20 and the new provincial government (who took over on January 20) ordered an investigation of the disease almost at the same time.⁴ A combined team of health experts from the Ministry and the province was dispatched to Zhongshan and completed an investigation report on the unknown disease. On January 27, the report was sent to the provincial health bureau and, presumably, Ministry of Health in Beijing. The report was marked "top secret," which means that only top provincial health officials could open it.

Further government reaction to the emerging disease, however, was delayed by the problems of information flow within the Chinese hierarchy. For three days, there were no authorized provincial health officials available to open the document. After the document was finally read, the provincial bureau distributed a bulletin to hospitals across the province. Yet few health workers were alerted by the bulletin, because most were on vocation for the Chinese New Year.⁵ Meanwhile, the public was kept uninformed about the disease. According to the 1996 Implementing Regulations on the State Secrets Law (1988), any such diseases should be classified as a state secret before they are "announced by the Ministry of Health or organs authorized by the Ministry." In other words, until such time the Ministry chose to make public about the disease, any physician or journalist who reported on the disease would risk being persecuted for leaking state secrets.⁶

In fact, until February 11, not only news blackout continued, but the government failed to take any further actions on the looming catastrophe. Evidence indicated that the provincial government in deciding whether to publicize the event considered more about local economic development than about people's life and health. The Law on Prevention and Treatment of Infectious Diseases enacted in September 1989 contains some major loopholes. First, provincial governments only after being authorized by MoH are obliged to publicize epidemics in a timely and accurate manner (Article 23). Second, atypical pneumonia was not listed in the law as an infectious disease under surveillance, thus local government officials legally were not accountable for the disease. The law allows addition of new items to the list, but it does not specify the procedures through which new diseases can be added. All this provided disincentives for the government to effectively respond to the crisis.

To be sure, the media blackout and the government's slow response are not only the sole factors leading to the crisis. Scientists until today are still not entirely clear about the pathogen, spread pattern and mortality rate of SARS.⁷ Due to the lack of knowledge about the disease, the top-secret document submitted to the provincial health bureau did not even mention that the disease was highly contagious, neither did it call for rigorous preventive measures, which may explain why by the end of February, nearly half of Guangzhou's 900 cases were health care workers.⁸ Indeed, even rich countries, like Canada, were having difficulty controlling SARS. In this sense, SARS is a natural disaster, not a man-made one.

Yet there is no doubt that government inaction resulted in the crisis. To begin with, the security designation of the document means that health authorities of the neighboring Hong Kong SAR was not informed about the disease and, consequently, denied the knowledge they needed to prepare for

outbreaks.⁹ Very soon, the illness developed into an epidemic in Hong Kong, which has proved to be a major transit route for the disease. Moreover, the failure to inform the public heightened anxieties, fear, and widespread speculation. On February 8, reports about a “deadly flu” began to be sent via short messages on mobile phones in Guangzhou. In the evening, words like bird flu and anthrax started to appear on some local Internet sites.¹⁰ On February 10, a circular appeared in the local media acknowledged the presence of the disease and listed some preventive measures, including improving ventilation, using vinegar fumes to disinfect the air, and washing hands frequently. Responding to the advice, residents in Guangzhou and other cities cleared pharmacy shelves of antibiotics and flu medication. In some cities, even the vinegar was sold out. The panic spread quickly in Guangdong, and had it felt even in other provinces.

On February 11, Guangdong health officials finally broke the silence by holding press conferences about the disease. The provincial health officials reported a total of 305 atypical pneumonia cases in the province. The officials also admitted that there were no effective drugs to treat the disease, and the outbreak was only tentatively contained.¹¹ From then on until February 24, the disease was allowed to report extensively. Yet in the meantime, the government played down the risk of the illness. Guangzhou city government on February 11 went as far as to announce the illness was “comprehensively” under effective control.¹² As a result, while the panic was temporally allayed, the public also lost vigilance about the disease. During the run-up to the National People’s Congress, the government halted most reporting. The news blackout would remain until April 2.

Beyond Guangdong: Ministry of Health and Beijing

Under the Law on Prevention and Treatment of Infectious Diseases, MoH is obliged to accurately report and publicize epidemics in time. The Ministry learned about SARS in January and informed WHO and provincial health bureaus about the outbreak in Guangdong around February 7. Yet no further action was taken. It is safe to assume that Zhang Wenkang, the health minister, brought the disease to the attention of Wang Zhongyu (Secretary General of the State Council) and Li Lanqing (the vice premier in charge of public health and education). We do not know what happened during this period of time; it is very likely that the leaders were so preoccupied preparing for the National People’s Congress in March that no explicit directive was issued from the top until April 2.

As a result of the inaction from the central government and the continuous information blackout, the epidemic in Guangdong quickly spread to other parts of China. Since March 1, the epidemic has raged in Beijing. Yet for fear of disturbance during the NPC meeting, city authorities kept information about its scope not only from the public but also from the Party Center. MoH was reportedly aware of what was happening in the capital. The fragmentation of bureaucratic power, however, delayed any concerted efforts to address the problem. As one senior health official admitted, before anything could be done, the ministry had to negotiate with other ministries and government departments.¹³ On the one hand, Beijing municipal government apparently believed that it could handle the situation well by itself and thus refused involvement of MoH. On the other hand, the Ministry did not have control of all health institutions. Of Beijing’s 175 hospitals, 16 are under the control of the army, which maintains a relatively independent health system. Having admitted a large number of SARS patients, military hospitals in Beijing until mid-April refused to hand in SARS statistics to the Ministry. According to Dr. Jiang Yanyong, medical staff in Beijing’s military hospitals were briefed about the dangers of SARS in early March, but told not to publicize what they had learned lest it interfere with the NPC meeting.¹⁴ This might in part explain why on April 3, the health minister announced that Beijing had seen only 12 cases of SARS, despite the fact that in the city’s No. 309 PLA hospital alone there were 60 SARS patients. The bureaucratic fragmentation also created communication problems between China and World Health Organization. WHO experts were invited by the Ministry to China but were not allowed to have access to Guangdong

until April 2, eight days after their arrival. They were not allowed to inspect military hospitals in Beijing until April 9. By that time, the disease had already engulfed China and spread to the world.

What is to blame?

The crisis revealed two major problems inherent in China's political system: cover-up and inaction. Existing political institutions have not only obstructed the information flow within the system but also distorted the information itself, making misinformation endemic in China's bureaucracy. Because government officials in China are all politically appointed rather than elected by the general populace at each level of administration, they are held accountable only to their superiors, not the general public. This upward accountability generates perverse incentives for government officials in policy process. For fear that any mishap reported in their jurisdiction may be used as an excuse to pass them over for promotion, government officials at all levels tend to distort the information they pass up to their political masters in order to place themselves in a good light. While this is not something unique to China, the problem is alleviated in democracies through "decentralized oversight," which enables citizen interest groups to check up on administrative actions. Since China still refuses to enfranchise the general public in overseeing the activities of government agencies, the upper-level governments are easier to be fooled by their subordinates. This exacerbates the information asymmetry problems inherent in a hierarchical structure and weakens effective governance of the central state.

Nevertheless, a functionalist argument can be made to explain the rampant underreporting and misreporting in China's officialdom. In view of the dying communist ideology and the official resistance to democracy, the legitimacy of the current regime in China is rooted in its constant ability to promote social-economic progress. As a result of this performance-based legitimacy, "government officials routinely inflate data that reflect well on the regime's performance, such as growth rates, while under reporting or suppressing bad news such as crime rates, social unrest and plagues."¹⁵ In this sense, manipulation of data serves to shore up the regime's legitimacy.

In explaining the government's slow response to tackling the original outbreak, we should keep in mind that the health system is embedded in an authoritarian power structure in which policies are expected to come from the political leadership. In the absence of a robust civil society, China's policy making does not feature a salient "bottom-up" process to move a "systemic" agenda in the public to a "formal" or governmental agenda as found in many liberal democracies. To be sure, the process is not entirely exclusionary, for the party's "mass line" would require leading cadres at various levels to obtain information from the people and integrate it with government policy during the policy formation stage. Yet this upward flow of information is turned on or off like a faucet by the state from above, not by the strivings of people from below.¹⁶ Under this top-down political structure, each level takes its cue from the one above. If the leadership is not dynamic, no action comes from the party-state apparatus. The same structure also encourages lower-level governments to shift their policy overload to the upper levels in order to avoid taking responsibilities. As a result, a large number of agenda items are competing for the upper level government's attention. The bias toward economic development in the reform era nevertheless marginalized the public health issues in the top leaders' agenda. As a matter of fact, prior to the SARS outbreak, public health had become the least of the concerns of Chinese leaders. Compared to an economic issue a public health problem often needs an attention-focusing event (e.g., a large-scale outbreak of a contagious disease) to be finally recognized, defined, and formally addressed. Not surprisingly, SARS did not raise the eyebrows of top decision makers until it had already developed into a nationwide epidemic.

Another problem that bogged down government response is bureaucratic fragmentation. Because Chinese decision-making emphasizes consensus, the bureaucratic proliferation and elaboration in the post-Mao era requires more time and effort for coordination. With the involvement of multiple actors in multiple

sectors, the policy outcome is generally the result of the conflicts and coordination of multiple sub-goals. Since units (and officials) of the same bureaucratic rank cannot issue binding orders to each other, it is relatively easy for one actor to frustrate the adoption or successful implementation of important policies. This fragmentation of authority is also worsened by the relationship between functional bureaucratic agency (*tiao*) and the territorial governments (*kuai*). In public health domain, territorial governments like Beijing and Guangdong maintain primary leadership over the provincial health bureau, with the former determining the size, personnel, and funding of the latter. This constitutes a major problem for the Ministry of Health, which is bureaucratically weak, not to mention that its minister is just an ordinary member of CCP Central Committee and not represented in the powerful Politburo. A major policy initiative from the Ministry of Health, even issued in the form of a central document, is mainly a guidance document (*zhidao xin wenjian*) that has less binding power than one that is issued by territorial governments. Whether they will be honored hinges on the “acquiescence” (*liangjie*) of the territorial governments. This helps explain the continuous lack of effective response in Beijing city authorities until April 17 (when the anti-SARS joint team was established).

China’s Crusade against SARS (April 2003 – present)

Reverse Course

Thanks to strong international pressure, the government finally woke up and began to tackle the crisis seriously. On April 2, the State Council held its first meeting to discuss the SARS problem. Within one month, the State Council held three meetings on SARS. An order from the MoH in mid-April formally listed SARS as a disease to be monitored under the Law of Prevention and Treatment of Infectious Diseases and made it clear that every provincial unit should report the number of SARS on a given day by 12 noon on the following date. The party and government leaders around the country is now held accountable for the overall SARS situation in their jurisdictions. On April 17, an urgent meeting held by the Standing Committee of the Politburo explicitly warned against the covering up of SARS cases and demanded the accurate, timely and honest reporting of the disease. Meanwhile, the government also showed a new level of candor. Premier Wen Jiabao on April 13 said that although progress had been made, “the overall situation remains grave.”¹⁷ On April 20 the government inaugurated a nationwide campaign to begin truthful reporting about SARS.

The government also took steps to remove incompetent officials in fighting against SARS. Health minister Zhang Wenkang and Beijing mayor Meng Xuenong were discharged on April 20 to take responsibilities for their mismanagement of the crisis. While they were not the first ministerial level officials since 1949 who were sacked mid-crisis on a policy matter, the case did mark the first sign of political innovation from China’s new leadership. According to an article in *Economist*, unfolding of the event (minister presides over policy bungle; bungle is exposed, to public outcry; minister resigns to take the rap) “almost looks like the way that politics works in a democratic, accountable country.”¹⁸ The State Council also sent out inspection teams to the provinces to scour government records for unreported cases and fire officials for lax prevention efforts. It was reported that since April, 120 government officials have lost their jobs.

The crisis also speeded up the process of institutionalizing China’s emergency response system so that it can handle public health contingencies and improve interdepartmental coordination. On April 2, the government established a leading small group led by the health minister and an inter-ministerial roundtable led by a vice secretary general to address SARS prevention and treatment. This was replaced on April 23 by a task force known as the SARS Control and Prevention Headquarters of the State Council, to coordinate national efforts to combat the disease. Vice Premier Wu Yi was appointed as command-in-chief of the task force. On May 12, China issued Regulations on Public Health Emergencies (PHEs). According to the regulations, the State Council shall set up an emergency headquarters to deal with any

PHEs, which refer to serious epidemics, widespread unidentified diseases, mass food and industrial poisoning, and other serious public health threats.¹⁹

Meanwhile, the government increased its funding for public health. On April 23, a national fund of two billion *yuan* was created for SARS prevention and control. The fund will be used to finance the treatment of farmers and poor urban residents infected with SARS and to upgrade county-level hospitals and purchase SARS-related medical facilities in central and western China. The central government also committed 3.5 billion *yuan* for the completion of a three-tier (provincial, city, and county) disease control and prevention network by the end of this year. This includes 600 million for the initial phase of constructing China's Center for Disease Control and Prevention (CDC).²⁰ The government has also offered free treatment for poor SARS patients.

The government also showed more interest in international cooperation in fighting against SARS. In addition to its cooperation with WHO, China showed flexibility in cooperating with neighboring countries in combating SARS. At the special summit called by ASEAN and China in late April, Chinese premier Wen Jiabao pledged 10 million *yuan* to launch a special SARS fund and joined the regionwide confidence-building moves to take coordinated action against the disease.

Problems and Concerns

These measures are worth applauding, but are they going to work? The battle against the disease can be compromised by China's inadequate public health system. One of the major problems here is the lack of state funding. Already, the portion of total health spending financed by the government has fallen from 34 percent in 1978 to less than 20 percent now.²¹ Cash-strapped local governments whose health-care system is underfinanced would be extremely hard pressed in the process of SARS prevention and treatment. It is reported that some hospitals have refused to accept patients who have affordability problems.²² The offer of free treatment for poor SARS patients is little consolation to the large numbers with no health insurance, particularly the unemployed and the millions of ill-paid migrant workers, who are too poor to consider hospital treatment when getting sick. According to a 1998 national survey, about 25.6 percent of the rural patients cited "economic difficulties" as the main reason that they did not seek outpatient care.²³

The lack of facilities and qualified medical staff to deal with the SARS outbreak also compromises government efforts to contain the disease. Among the 66,000 health care workers in Beijing, less than 3000, or 4.3 percent of them are familiar with respiratory diseases.²⁴ Similarly, hospitals in Guangdong are reported to face shortage in hospital beds and ambulances in treating SARS. This problem is actually worsened by the absence of referral system and the increasing competition between health institutions, which often leads to little coordination but large degrees of overlap. As SARS cases increase, some hospitals are facing the tough choice of losing money or not admitting further SARS patients. In Beijing, the government had to ask for help from the military.

Tremendous inequalities in health resource distribution posed another challenge to the Chinese leadership. To the extent that health infrastructure are strained in Beijing, the situation would be much worse in China's hinterland or rural areas. Compared with Beijing, Shanghai, and Jiangsu and Zhejiang provinces, which receives a full quarter of health-care spending, the seven provinces and autonomous regions in the far west only get 5 percent.²⁵ The rural-urban gap in health resource distribution is equally glaring. Representing only 20 percent of China's population, urban residents claim more than 50 percent of the country's hospital beds and health professionals. So far, a large-scale epidemic has not yet appeared in the countryside. The percentage of peasants who are infected, however, is high in Hebei, Inner Mongolia, and Shanxi, which points to the relatively high possibility of spread to the rural areas.²⁶

Some other concerns also complicate the war on SARS. In terms of the mode of policy implementation, the Chinese system is in full mobilization mode now. All major cities are on 24-hour alert, apparently in response to emergency directions from the central leadership. So far, all indications point to decisive action for quarantine. By May 7, 18,000 people had been quarantined in Beijing. Meanwhile, the Maoist “Patriotic Hygiene Campaign” has been revitalized. In Guangdong, 80 million people were mobilized to clean houses and streets and remove hygienically dead corners.²⁷ By placing great political pressure on local cadres in policy implementation, mobilization is a convenient bureaucratic tool for overriding fiscal constraints and bureaucratic inertia whilst promoting grassroots cadres to behave in ways that reflect the priorities of their superiors. Direct involvement of the local political leadership increases program resources, helps ensure they are used for program purpose, and mobilizes resources from other systems, including free manpower transferred to program tasks. Yet in doing so a bias against routine administration was built into the implementation structure. In fact, the increasing pressure from higher authorities, as indicated by the system that holds government heads personally responsible for SARS spread under their jurisdiction, makes strong measures more appealing to local officials, who find it safer to be overzealous than to be seen as “soft.” There are indications that local governments overkill in dealing with SARS. In some cities, those who were quarantined lost their jobs. Until recently, Shanghai was quarantining people from some regions hard hit by SARS (such as Beijing) for 10 days even if they had no symptoms.²⁸ While many people are cooperating with the government measures, there is clear evidence suggesting that some people were quarantined against their will.²⁹

The heavy reliance on quarantine raises a question that should be of interest to the committee: will anti-SARS measures worsen human rights situations in China? This question of course is not unique to China: even countries like the U.S. are debating whether it is necessary to apply dictatorial approach to confront health risks more effectively. The Model Emergency Health Powers pushed by the Bush administration would permit state governors in a health crisis to impose quarantines, limit people’s movements and ration medicine, and seize anything from dead bodies to private hospitals.³⁰ While China’s Law on Prevention and Treatment of Infectious Disease does not explicate that quarantines apply to SARS epidemic, Articles 24 and 25 authorize local governments to take emergency measures that may compromise personal freedom. The problem is that unlike democracies, China in applying these measures excludes the input of civil associations. Without engaged civil society groups to act as a source of discipline and information for government agencies, the state capability is often used not in the society’s interest. Official reports suggested that innocent people were dubbed rumor spreaders and arrested simply because they relayed some SARS-related information to their friends or colleagues.³¹ According to the Ministry of Public Security, since April public security departments have investigated 107 cases in which people used internet and cell phones to spread SARS-related “rumors.”³² Some Chinese legal scholars have already expressed concerns that the government in order to block information about the epidemic may turn to more human rights violations.³³

The lack of engagement of civil society in policy process could deplete social capital so important for government anti-SARS efforts. As the government is increasingly perceived to be incapable of adequately providing the required health and other social services, it has alienated members of society, producing a heightened sense of marginalization and deprivation among affected populations. These alienated and marginalized people have even less incentive than they would ordinarily have to contribute to government-sponsored programs. The problem can be mitigated if workers and peasants are allowed to form independent organizations to fight for their interests. Unfortunately, China’s closed political system offers few institutional channels for the disadvantaged groups to express their private grievances. The government failure to publicize the outbreak in a timely and accurate manner and the ensuing quick policy switch caused further credibility problems for the government. *Washington Post* reported a SARS patient who fled quarantine in Beijing because he did not believe that the government would treat his disease free of charge. This lack of trust toward the government contributed to the spread of rumors even after the government adopted a more open stance on SARS crisis. In late April, thousands of residents of

a rural town of Tianjin ransacked a building, believing it would be used to house ill patients with confirmed or suspected SARS, even though officials insisted that it would be used only as a medical observation facility to accommodate people who had close contacts with SARS patients and for travelers returning from SARS hot spots. Again, here the lack of active civilian participation exacerbated the trust problems. In initiating the project the government had done nothing to consult or inform the local people.³⁴ Opposition to official efforts to contain SARS was also found in a coastal Zhejiang province, where several thousand people took part in a violent protest against six people who were quarantined after returning from Beijing.³⁵

Last but not least, policy difference and political conflicts within the top leadership can cause serious problems in policy implementation. The reliance on performance legitimacy put the government in a policy dilemma in coping with the crisis. If it fails to place the disease under control and allows it to run rampant, it could become the event that destroys the Party's assertions that it improves the lives of the people. But if the top priority is on health, economic issues will be moved down a notch, which may lead to more unemployment, more economic loss and more social and political instability. The disagreement over the relationship between the two was evidenced in the lack of consistency in official policy. On April 17, the CCP Politburo Standing Committee meeting focused on SARS. In a circular issued after the meeting, the Party Center made it clear that "despite the daunting task of reform and development, the top priority should be given to people's health and life security. We should correctly deal with the temporary loss in tourism and foreign trade caused by atypical pneumonia, have long-range perspective in thinking or planning, and do not concern too much about temporary loss."³⁶ Eleven days later, the Politburo meeting emphasized Jiang Zemin's "Three Represents" and, by calling for a balance between combating SARS and economic work, reaffirmed the central status of economic development.³⁷ This schizophrenic nature of central policy is going to cause at least two problems that will not help the state to boost its capacity in combating SARS. First, because the Party Center failed to signal its real current priorities loud and clear, local authorities may get confused and face a highly uncertain incentive structure of rewards and punishments. Given the central government's inability to perfectly differentiate between simple incompetence and willful disobedience, local policy enforcers may take advantage of the policy inconsistency to "shirk" or minimize their workload, making strict compliance highly unlikely. Second, the policy difference will aggravate China's faction-ridden politics, which in turn can reduce central leaders' policy autonomy so important for effectively fighting against SARS. A perceived crisis can precipitate state élites to fully mobilize the potential for autonomous action. Yet power at the apex in China inheres in individual idiosyncrasies rather than institutions. This lack of institutionalization at the top level, coupled with the pretensions of a centralized bureaucracy, sets the stage for a very constrained form of politics, limiting what passed as national politics to relations among the top elite. A general rule in Chinese elite politics is that policy conflicts will be interwoven with factionalism. Former President Jiang's allies in the Politburo Standing Committee seemed to be quite slow to respond to the anti-SARS campaign embarked on by Hu Jintao and Wen Jiabao on April 20. Wu Bangguo, Jia Qinglin, and Li Changchun did not show up on the front stage of SARS campaign until April 24. The absence of *esprit de corps* among key élites would certainly reduce state autonomy needed in handling the crisis. It is speculated that the fall of Meng Xuenong, a protégé of Hu, was to balance the removal of Zhang Wenkang, a Jiang follower. Given that a health minister, unlike a mayor of Beijing, is not a major power player, this seems to send a message that the former president is still very much in control. The making of big news Jiang's order on April 28 to mobilize military health personnel only suggests the lack of authority of Hu Jintao and Wen Jiabao over the military. Intraparty rivalry in handling the crisis reminded people political upheavals in 1989, when the leaders disagreed on how to handle the protests and Deng Xiaoping the paramount leader played the game between his top associates before finally siding with the conservatives by launching a military crackdown.

III. Policy Recommendations

The above analysis clearly points to the need for the Chinese government to beef up its capacity in combating SARS. Given that a public health crisis reduces state capacity when ever-increasing capacity is needed to tackle the challenges, purely endogenous solutions to build capacity are unlikely to be successful, and capacity will have to be imported from exogenous sources such as massive foreign aid.³⁸ In this sense, building state capability also means building more effective partnerships and institutions internationally. As I summarized somewhere else, international actors can play an important role in creating a more responsible and responsive government in China.³⁹ First, aid from international organizations opens an alternative source of financing health care, increasing the government's financial capacity in the health sector. Second, international aid can strengthen the bureaucratic capacity through technical assistance, policy counseling, and personnel training. Third, while international organizations and foreign governments provide additional health resources in policy implementation, the government increasingly has to subject its agenda-setting regime to the donors' organizational goals, which can make the government more responsive to its people. The recent agenda shift to a large extent was caused by the strong international pressures exerted by the international media, international organizations, and foreign governments. There is indication that Internet is increasingly used by the new leadership to solicit policy feedback, collect public opinions and mobilize political support. Starting February 11, Western news media were aggressively reporting on SARS and on government cover-up of the number of cases in China. It is very likely that Hu Jintao and Wen Jiabao, both Internet users, made use of international information in making decisions on SARS. In other words, external pressures can be very influential because Chinese governmental leaders are aware of the weakness of the existing system in effectively responding to the crisis, and have incentives to seek political resources exogenous to the system.

From the perspective of international actors, helping China fighting SARS is also helping themselves. Against the background of a global economy, diseases originating in China can be spread and transported globally through trade, travel, and population movements. Moreover, an unsustainable economy or state collapse spawned by poor health will deal a serious blow to the global economy. As foreign companies shift manufacturing to China, the country is becoming a workshop to the world. A world economy that is so dependent on China as an industrial lifeline can become increasingly vulnerable to a major supply disruption caused by SARS epidemic. Perhaps equally important, if the SARS epidemic in China runs out of control and triggers a global health crisis, it will result in some unwanted social and political changes in other countries including the United States. As every immigrant or visit from China or Asia is viewed as a Typhoid Mary, minorities and immigration could become a sensitive domestic political issue. The recent incident in New Jersey, in which artists with Chinese background were denied access to a middle school, suggests that when SARS becomes part of a national lexicon, fear, rumor, suspicion, and misinformation can jeopardize racial problems in this country.⁴⁰

Given the international implications of China's public health, it is in the U.S. interest to expand cooperation with China in areas of information exchange, research, personnel training, and improvement of public health facilities. But it can do more. It can modify its human rights policy so that it accords higher and clearer priority to health status in China. Meanwhile, it could send a clearer signal to the Chinese leadership that the United States supports reform-minded leaders in the forefront of fighting SARS. To the extent that regime change is something the U.S. would like to see happening in China, it is not in the U.S. interest to see Hu Jintao and Wen Jiabao purged and replaced by a less open and less humane government, even though that government may still have strong interest in maintaining a healthy U.S.-China relationship. The United States simply should not miss this unique opportunity to help create a healthier China.

* Beginning September 2003, the author will be an assistant professor of the John C. Whitehead School of Diplomacy and International Relations at Seton Hall University and inaugural director of Global Health Studies Center.

[1] Anthony Kuhn, "China's Fight Against SARS Spawns Backlash," *Los Angeles Times*, My 6, 2003.

[2] "Guangzhou is fighting an unknown virus," *Southern Weekly*, February 13, 2003.

[3] Renmin ribao, overseas edition, 22 April 2003.

[4] <http://www.people.com.cn/GB/shehui/47/20030211/921420.html>.

[5] John Pomfret, "China's slow reaction to fast-moving illness," *Washington Post*, 3 April 2003, p. A18.

[6] Li Zhidong, et al, *Zhonghua renmin gonghe guo baomifa quanshu* (Encyclopedia on the PRC State Secrets Law) (Changchun: Jilin renmin chubanshe, 1999), pp. 372-374. I thank Professor Richard Baum for bringing this to my attention.

[7] On February 18, the Chinese CDC identified chlamydia bacteria as the cause of the disease. At the end of the month, WHO experts believed the disease was an outbreak of bird flue. They did not identify it as a new infectious disease until early March.

[8] Pomfret, "China's slow reaction to fast-moving illness."

[9] *Ibid.*

[10] *South China Morning Post*, February 11, 2003.

[11] *Southern Weekly*, February 13, 2003.

[12] <http://www.people.com.cn/GB/shehui/47/20030211/921422.html>.

[13] John Pomfret, "China's Crisis Has a Political Edge," *Washington Post*, April 27, 2003.

[14] Susan Jakes, "Beijing's SARS Attack," *Time*, April 8, 2003.

[15] Minxin Pei, "A Country that does not take care of its people," *Financial Times*, April 7, 2003.

[16] Jean Oi, *State and Peasant in Contemporary China* (Berkeley: University of California Press, 1989), p. 228.

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