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How China's Quest for Political Reform Is Undercut by the China Model

By Yawei Liu



At the 13th National Congress of the Chinese Communist Party, Secretary General Zhao Ziyang laid out an executable plan to launch China's political reform. If implemented, this plan would have put Deng Xiaoping's dual-track reform into action. After all, Deng Xiaoping believed that without political reform, all other reforms would eventually fail. The 1989 incident derailed the plan, sent Zhao Ziyang into political exile, and almost terminated China's economic reform. Deng's Southern Tour in 1992 managed to revive the economic reforms, but Deng was never able to put political reform back on track. He had neither the political capital nor the determined personnel to help realize his vision.

In the next 15 years, through Jiang Zemin and Hu Jintao, despite a very brief trial with direct elections of township magistrates, political reform was largely shelved. Meanwhile, the economy has roared, and China is now the 3rd largest economy in the world. This tremendous

economic growth, accomplished without tinkering with the political system, has changed China's discourse on the necessity of political reform and emboldened many Chinese officials and scholars to declare that the China model (or the Beijing consensus) is not only a solution for China but can be the key for development for all developing countries. This developmental hubris will further delay China's long overdue political reform and may eventually make the glorious China model unsustainable.

This paper argues that a political reform plan was always part of the initial reform package, but that its priority on the CCP agenda has been in decline as China's economic lot continues to prove. When Joshua Cooper Ramos introduced the Beijing consensus, the Chinese who have always been suspicious about political reform seized upon the concept and turned it into a perfect weapon of idea slaughter. While Westerners are largely dubious about the meaning and

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significance of the China model, many Chinese scholars have joined the efforts in molding and publicizing it. The campaign to pitch the China model to both domestic and overseas audiences is so intense and effective that the need to debate political reform has been swept aside.

The slow decline of CCP's interest in political reform

By the time Mao Zedong passed away in 1976, China was inching toward a general political and economic paralysis, if not a dire collapse. Its economic development was at a standstill, its universities admitted only those who were born “red,” regardless of the fact that they were conducting no research, and its political system was as byzantine as one could imagine. Mao’s successor, Hua Guofeng, realized that China’s modernization must be put on the front burner, but he was not able to move away from the “two whatevers.” In a series of shrewd political maneuvers, through the help of some old guards of the Chinese Communist Party (hereafter as CCP) and progressive elements in the media and propaganda apparatus, Deng Xiaoping managed to assert himself into the decision-making process of the Party, the state, and the military.¹

With senior CCP leaders coming to a tentative consensus, Deng Xiaoping presided over the historic Third Plenum of the 11th National Congress of the CCP in December 1978 and made the momentous decision to disengage in irrational class struggle and focus on economic development. The foundation for the launch of

the so-called reform and opening up [gaige kaifang] in December 1978 was the gigantic effort to swing back to pragmatism, although this effort was still couched in the rhetoric of building a new socialist country with Chinese characteristics. The next 10 years saw phenomenal economic development and impressive improvement in the living conditions of the Chinese people.

Deng Xiaoping had another reform agenda on his mind. He wanted to couple economic reform with political reform. He believed all reform efforts would eventually be bottled up if political reform was not initiated. Deng saw the relationship between economic development and political reform as that between the superstructure and economic foundation, as was argued by Karl Marx in many of his books. Deng had a strong feeling that without reforming the political structure: 1) the accomplishments of the economic reform could not be protected; 2) further deepening of the economic reform could not be secured; 3) productivity would be blunted; and 4) the four modernizations of China would be not achieved.²

But Deng Xiaoping also understood how important a politically correct ideological façade was in order to widen the reform. To move forward, he had to put himself in a politically unassailable position first. On March 3, 1979, in a speech to CCP’s theoretic work, he introduced the concept of insisting on four cardinal principles, namely: 1) insisting on the socialist road; 2) insisting on the proletarian

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dictatorship; 3) insisting on the leadership of the CCP; and 4) insisting on Marxism, Leninism, and Mao Zedong Thought. This was as good a political cover as one could ever get, but to make each and every decision in accordance with the “four cardinal principles” alone would be self-defeating. A new framework had to be developed; it was called “one core and two fundamentals.” The core was “developing the economy is the top priority” and the two fundamentals were: 1) “four cardinal principles will always be adhered to,” and 2) “reform and opening up cannot be abandoned.”³

... Not only was Deng's political reform tabled, his economic reform was to be frozen as well.

By the fall of 1986, Deng Xiaoping began his push for political reform. At the 6th Plenum of the 12th National Congress of the CCP, details of the political reform package began to emerge. One Chinese scholar believes that Deng had identified two main areas for the proposed political reform, namely the separation of the CCP and the state in decision-making and the transformation of the role of the government. Another scholar lists three areas that were of extreme concern to Deng: sources of legitimacy, concentration of power in the hands of the CCP, and the lack of a system of checks and balances.⁴ The final package was put out by Zhao Ziyang, general secretary of the CCP, at the first session of the 13th CCP National Congress. In the political report submitted to the Congress on October 25, 1988, Zhao listed eight tasks in the soon-to-be-launched political reform. Four of the eight were the most important: 1) initiate separation of the CCP and the state appa-

ratus; 2) improve cadre selection procedures; 3) establish mechanisms for societal consultation; and 4) perfect the system of democratic politics.⁵

The Tiananmen Square incident in 1989 derailed the long-planned political reform. Zhao Ziyang was removed from his position and put under house arrest. Jiang Zemin was abruptly promoted to General Secretary of the CCP. Jiang would be in this position until 2002, for a total of thirteen years. Busy consolidating his power and scrambling to deflect attacks from the left, Jiang made a hard turn to the left. Collapse of the communist regimes in Eastern European countries and the disintegration of the Soviet Union convinced the CCP top leadership that the train of reform had to be slowed down. Not totally sidelined but losing political clout as a result of the crackdown, Deng felt powerless, and he was unable to intervene and reverse the rising tide of political conservatism. Not only was Deng's political reform tabled, his economic reform was to be frozen as well.⁶

In 1992, at the age of 87, isolated and not often consulted in Beijing, Deng Xiaoping headed south, visiting Wuhan, Shenzhen, Zhuhai and Shanghai, where he talked to local officials. Initially, his tour was not even reported by the media outlets of the central government. When newspapers in Shenzhen and Shanghai began reporting Deng's visits and his remarks, the top Chinese military leadership vowed to support reform and opening up. This “southern tour” jump-started the stalled reform.⁷ This was the second time that Deng pulled the government back to the middle from the left using a pragmatist approach. He said there were only three measures that could determine if a policy was right or wrong: 1) if it was beneficial

to increase socialist productivity; 2) if it was conducive to increase the comprehensive power of the nation; and 3) if it was helpful in improving the living conditions of the people. Deng's tour caused a panic in Beijing. Jiang and his supporters stopped their turn to the left and decided to come back to the center, returning to the reform and opening up started by Deng Xiaoping back in 1978.⁸ Unfortunately, Deng Xiaoping was no longer in a position to oversee the launching of the political reform. His ideas, well defined by Zhao Ziyang in 1988, were diluted beyond recognition. China moved into a new era of economic liberalization and political tightening, a development that later would be a salient component of the so-called China model.

Political reform did not come to a complete stop. They were continued in ways that could not and would not even leave a dent on the supremacy of the CCP. According to Xu Yansong, a Tsinghua University political scientist, political reform since 1992 has followed four trajectories: 1) improving the administrative efficiency of the government through restructuring; 2) introducing a civil servant system; 3) extensive research on source of power and its legitimacy; and 4) promoting rule of law.⁹ At the same time, direct village elections were mandated by the Organic Law of the Villager Committees of the PRC, promulgated on a provisional basis by the National People's Congress (NPC) in 1986 and made into a basic law in November 1998.¹⁰

Jiang Zemin presided over three CCP National Congresses, but no new political

platform was ever introduced. The 14th CCP Congress was held in 1992 after Deng Xiaoping's southern tour. It pledged to continue the reform. Five years later, in the political report of the 15th CCP Congress, Jiang Zemin declared that the CCP would build a socialist China with rule of law.¹¹ Before and after the 16th CCP Congress, there was a flurry of activities. First, Jiang invented "the three represents," effectively changing the mission of the CCP, which used to be to represent the industrial workers and farmers in China. Second, there were talks of adding "political civilization" to the two existing civilizations that the CCP had vowed to build, namely "materialistic civilization" (economic activities) and "spiritual civilization" (ideological purification). In his political report delivered on November 18, 2002, Jiang Zemin outlined the tasks of political reform as the following: 1) adhere to and perfect the socialist democratic system; 2) strengthen the construction of the socialist rule of law; and 3) reform and improve CCP ship. Jiang further added that political reform means "perfecting the democratic system, enriching democratic formats, expanding channels for citizens' orderly participation in politics, guaranteeing people's entitlement to democratic election, democratic decision-making, democratic management and democratic supervision, making more rights and freedom available to the people, and respecting and defending human rights." He also said that only by adhering to and perfecting the People's Congress system could laws and decisions represent the will of the people. Lastly, he said that other democratic parties in China

There were talks of adding "political civilization" to the two existing civilizations that the CCP had vowed to build.

could only provide consultation under CCP leadership.¹²

After Jiang delivered his swan song report, Hu Jintao was “elected” by members of the CCP Central Committee as the new Party Secretary. In March 2003, he was “elected” by deputies to the NPC as president of China. This was the first smooth power transition in the CCP history, a sign of political progress. However, not until 2004 was Hu able to assume the chairmanship of the CCP Central Military Commission (CMC). What many had hoped to be a new deal began to emerge quickly. Hu Jintao acted quickly to deal with the case of Sun Zhigang, abolishing an old regulation designed to detain and deport migrants in the cities and enforced accountability through removing the mayor of Beijing for failing to prevent the SARS epidemic. However, the long anticipated political reform was not launched. Of the two public faces of the new leadership, Hu Jintao and Wen Jiabao, the premier of the State Council, the latter was more vocal and specific in talking about details of political reform. It is also true that the two rarely touch on the topic unless they are meeting with foreign visitors.¹³

Observers of Chinese politics tended to believe Hu could not do anything in the area of political reform until he was able to consolidate his power. Since he was not able to obtain the CMC chairmanship until 2004, he did not have the time and resources to prepare for a systemic overhaul of China’s political system. All hope was pinned on the 17th CCP Congress. A group of officials and scholars from various government agencies and think tanks in Beijing were assembled in the western suburbs of Beijing to draft the political

report to be delivered by Hu in October 2007.

The 17th CCP Congress came and went. There was no big bang proposal in Hu’s report. In terms of the significance of conducting political reform, Hu said that expanding socialist democracy was to serve the purpose of defending people’s interests and maintaining social fairness and justice. Without political reform, China would become politically disoriented, the Party and the state would lose their vitality, and the initiative of the people could not be unleashed. On how to proceed with political reform, Hu listed a total of seven tasks, including expanding people’s democracy, promoting grassroots democracy, implementing rule of law, and building a service-oriented government.¹⁴

... Hu could not do anything until he was able to consolidate power.

Parallel to the increasingly vague discourse on political reform in China, a new concept began to emerge. This is concept of “heping jueqi” [peaceful rise]. In 2003, at the Boao Forum, Zheng Bijian, former secretary of Hu Yaobang and vice president of the Central Party School, gave a speech entitled “The New Road of China’s Peaceful Rise and the Future of Asia.” In the speech, Zheng described the nature of China’s development. First, China has 1.3 billion people, which will make China a developing nation for a long time to come. Second, in the 25 years since the launching of reform and opening up, China has invented a new model of development. Third, this new model could be characterized as actively participating in globalization, being independent, and not seeking conquest and

hegemony. China's peaceful rise will not only solve the development issue for the most populous nation in the world but will also make an enduring contribution to world peace and prosperity. However, in order for China not to deviate from this path, there are three strategies that have to be adopted. 1) Economic and political reform had to move forward simultaneously because the market economy and political democracy are the twin engines of China's growth. 2) There must be courage and vision in absorbing all advanced achievements of mankind, since China's rise needs spiritual pillars. 3) Maintaining

Political reform is not only needed; it is a must for China to sustain its growth.

the balance of different interests groups, keeping the harmony between mankind and nature and reducing friction between domestic political need and international demand are all too important to be neglected.¹⁵ It must be noted that Zheng was giving equal emphasis to both the market economy and political democracy. In other words, political reform is not only needed; it is a must for China to sustain its

growth.

Two years later, in an article that appeared in the overseas edition of the *People's Daily*, Zheng Bijian tried to define the nature and orientation of the CCP. First, he stated, the CCP is different from the Communist Party of the former Soviet Union. It does not seek conquest; rather, it denounces wars. Second, it is economic globalization that has contributed to the China miracle. Therefore, destroying the existing power balance and challenging the United States are not in the interests of the CCP. Third, seeking three “和 s”

[peace] is the paramount mission of the CCP: pursuing peace outside China, building harmony domestically, and seeking reconciliation across the Taiwan Strait. Zheng emphasizes that Moscow and Beijing took divergent roads largely because it was against the very essence of Chinese culture to use force or violence to expand territorially, develop economically, and influence ideologically. Yes, China is a socialist nation, but its unique socialism is to increase productivity at home and wage peace abroad. The CCP's mission does not go beyond protecting territorial integrity and securing development and modernization for China.¹⁶

To a certain extent, Zheng advanced what later became a trademark of Hu Jintao: the idea of harmony. Obviously, one of Zheng's goals was aimed at dismissing the China threat theory in general and disarming the Americans who felt uneasy about China's growth in particular. In the process, he actually hit upon something that greater. His treatise on China's peaceful rise was the first step toward defining an emerging China model, building a new consensus and identifying the uniqueness of China's development.¹⁷ However, Zheng did not discredit the necessity of political reform. He was one of a few CPP thinkers that have had access to the top leadership. Like all leaders at the top, they are only absorbing ideas from their advisors selectively. Hu Jintao likes the idea of harmony but appears to dislike Zheng's emphasis on the urgent need to carry out political reform and economic development with same force and determination. In October 2006, at the 6th Plenum of the 16th CCP Congress, a resolution was adopted to go all out in pursuit of social harmony.

The idea of harmony is a new turning point for the CCP engineered by Hu Jintao. The first generation of the CCP leaders applied the ideas of continuous revolution and class struggle in pursuit of harmony. They ran into a dead end with enormous social and human costs. Deng Xiaoping put the brakes on that frenzied quest for a Communist utopia and swung the nation onto a path of creating material wealth for the people. His efforts to secure economic development through political reform were derailed by an unforeseen event. After a few years of wavering and hesitation, Jiang Zemin began to deepen the economic reform without giving too much thought to political reform. China's GDP soared. Hu Jintao and Wen Jiabao came in with a new playbook. They understand reckless pursuit of revolution was as bad as reckless pursuit of GDP. While it was glorious to be rich back when Deng first started the reform, it is prohibitively dangerous when the gap between the haves and have-nots becomes too wide. The resolution of the 6th Plenum of the 16th CCP National Congress adopted a six-point package, including: 1) a people-focused policy-making orientation; 2) adoption of the outlook of scientific development; 3) no retreat from reform and opening up; 4) moving toward democracy and rule of law; 5) balancing the relationship between development and stability; and 6) maintaining CCP supremacy.¹⁸ Although democracy was still part of the package, it was moved to the backburner.

All in all, there has been a precipitous decline of interest in political reform on the

Hu's achievement is to inject a notion of social justice and equitable development into Deng's formula.

part of the CCP's top leadership.¹⁹ Rhetoric on political reform can still be found on the lips of CCP leaders and in the articles penned by scholars from think tanks and universities. However, as the CCP is completing its historic transition from "war and revolution" to "peace and development," less and less attention is being given to political reform. Deng's success was to instill the CCP with the idea that development is the hard truth. Hu's achievement is to inject a notion of social justice and equitable development into Deng's formula. Deng had intended to use political reform to prepare

the CCP and the government for new challenges down the road. Hu may believe the same goal can be attained without overhauling the political system. All he needs to do is make small adjustments, get CCP officials to pay more attention

to people's concerns, and make people feel happy, indebted to the CCP, and thankful to the top leadership for everything.

The China model/Beijing consensus talk surfaced against this backdrop. It has become increasingly high-pitched since 2008. In January 2008, there was a severe snowstorm that paralyzed most of Southern China, but the Chinese government responded quickly and no riots took place. In May, the Chinese nation rallied to provide relief to the people victimized by the disastrous earthquake in chuan. Throughout the spring, the negative response to China's Olympic torch relays in Europe and the United States triggered an unprecedented patriotic fervor. In August, the Beijing Summer

Olympic Games awed the world. China's economy has not sunk too low as has occurred elsewhere in the aftermath of the collapse of Lehman Brothers on September 15, 2008. These events have provided the sustenance that feeds the China model frenzy.

The origin of “the Beijing consensus”

Chinese officials, scholars, and reporters are very adept at inventing new terms to describe and define the CCP or state policies, but they did not invent the terms “Beijing consensus” and “China model.”

When Chinese officials describe the China model, they go far beyond Ramo's initial definition.

“Beijing Consensus” was coined by Joshua Cooper Ramo, a partner at the consulting firm Kissinger Associates, founded by former Secretary of State Henry Kissinger, who was instrumental in bridging ties between China and the United States when China was facing the unsavory prospect of having to fight a two-front war with both Moscow and Washington. In 2004, Ramo wrote a paper entitled “The Beijing Consensus.” The

paper was published by the Foreign Policy Center of the United Kingdom, a country that pushed China into a century long era of humiliation back in 1840 during the Opium War.

In this paper, Ramo identifies three underlying grids of the Beijing Consensus, namely: 1) a strong commitment to innovation and experimentation; 2) a nice combination of increasing per capita GDP and sustainable and equitable distribution of wealth; and 3) a firm adherence to national self-determination, which guards against Western financial encroachments

and adopts an asymmetrical military strategy. A blurb at Ramo's web site declares that the paper is “based on more than 100 interviews with Chinese officials, scholars and businesspeople. The Beijing Consensus offers a new look at what China has accomplished in 30 years of reform and of the complex puzzles that lie ahead. Ramo's analysis shows how the country's emergence is unique in history, while highlighting the challenges China's rapid rate of change poses for both China and the rest of the world.”²⁰

It seems Ramo coined the term “Beijing Consensus” to deliberately offer an alternative to the so-called Washington Consensus. He writes, “China is marking a path for other nations around the world who are trying to figure out not simply how to develop their countries, but also how to fit into the international order in a way that allows them to be truly independent, to protect their way of life and political choices in a world with a single massively powerful center of gravity.”²¹

The goods in the Beijing consensus basket

When Chinese officials and scholars describe the China model/Beijing consensus, they go far beyond Ramo's initial definition. They simplify the Washington consensus as a combination of liberal democracy and a market economy and frame the China model as the very opposite of that mixture. During a recent interview, Ma Zhengang, China's former ambassador to the United Kingdom and president of the Chinese Institute of International Affairs, said the core of the Western model is political democratization and economic liberalization, along with promotion of the idea that without political democratization, economic development cannot be se-

cured. China has taken a different path and scored big successes. That was why Westerners are dumbfounded, upset and scared. Ma then said that two very important components of the China model are a strong and firm CCP leadership and the people's keen desire to see the rise of China.²² Fang Ning, director of the Institute of Political Science under the Chinese Academy of Social Sciences (CASS) said that two fundamental characteristics of the China model are: 1) protecting people's right to pursue happiness; and 2) centralizing power at the top. The first has unleashed people's energies and initiative, and the second is the key in improving decision-making process and marshaling resources to achieve predetermined goals.²³ Some scholars go as far as saying that the shaping of the China model is merely the outcome of applying Marxist theory to the special circumstances of China. Xu Chongwen, a senior researcher at CASS, said in a recent interview that China's contribution to the world is to have "sinified" Marxism and solved problems that cannot be effectively dealt with by any other ideology or political system in the world. This is a new path in pursuing progress, producing a developmental alternative to the one offered by developed nations whose rise was built on hurting other nations politically and economically and securing global harmony and world peace. What else can explain China's achievement in becoming the third largest economy and reducing poverty in such a dramatic manner?²⁴

Hu Wei is more interested in examining the political component of the China model. He outlines two Western theories in his recent article. One, according to Hu Wei, is that China is doing relatively well economically but that its political development is quite backward. The other

theory is that China cannot sustain its economic growth without liberalizing politically. He uses Nesbit's recent book to buttress his view that China has not only managed to adapt to economic globalization but has also weathered the political challenge from the West. Where Western nations have horizontal democracy, China has introduced vertical democracy. Since all democratic nations have different formats of democracy, China is by all means entitled to have its own democratic system. The China model should not be narrowly defined as one-dimensional. It includes a unique political system that will enrich the arsenal of democracy in the world.²⁵

Some scholars see the China model as an epic battle to crush the Western monopoly on the discourse of development and human progress and to secure a safe place for the Chinese development experience that can be easily identified and understood by other developing nations. Wang Hui, a Tsinghua University professor, feels the key to the success of this battle is the CCP's courage in maintaining independence and focus on developing China in its own unique way.²⁶ Zhang Wei-wei summarizes the China model as "strong government," "pragmatic approach," "people focused," and "gradual reform." He even challenges both Chinese scholars and Western experts to identify a single nation that has used the Western political system to have successfully turned itself into a more advanced nation. In his views, there are two benchmarks to measure if a nation is successful: elimination of corruption and

The China model should not be narrowly defined as one-dimensional.

achieving modernization. He sees three major trends in the world in the past thirty years. The first is the rise of radical Islam, which has led the current war on terrorism. The second is the so-called third wave of democratization. Countries that have become democratic during this wave, particularly Eastern European nations, are now facing serious challenges. The third trend is the modernization drive led by China. It has triggered seismic reactions and will eventually impact the political landscape of the world.²⁷

Other scholars see other unique aspects of the China model. He Xuefeng, an influential researcher on China's rural development, believes that China's economic takeoff is due to the artificial and deliberate division of urban centers and the countryside. Farmers can migrate to the cities when jobs are available and return home when life becomes unbearable. The availability of this large army of cheap labor and the fact that their land provides a safety valve give China a unique master key to open the door of development without paying too high a price.²⁸ Zhang Yu, an economics Professor of Renmin University of China, defines the China model as: 1) combining strong and large state owned businesses with a vibrant private sector; 2) running a market economy that is subject to tough state regulations; and 3) opening to the outside world gradually with state control.²⁹

Many believe the China model is a comprehensive tool box that can solve different problems, a set of experiences and practices that can be borrowed and ap-

plied by different nations facing different challenges, and a new paradigm shift whose impact is going to be felt in many years to come. Pan Wei, who early this year called Chinese scholars to declare war on Western civilization, divides the China model into three sub-models: social, economic and political. The four pillars that support the political sub model are: 1) the adept application of populist democracy; 2) a leadership group that is progressive, unselfish, and unified; 3) a meritocratic civil servant system; and 4) a system of effective checks and balances and efficient self-corrective capacity. These four pillars make up the brain of modern-day China. China's different social structure constitutes the body. The economic sub model provides two strong feet and huge wings for China.³⁰

The China model/Beijing consensus is not something that suddenly burst into China and became the beacon for its development.

Finally, the China model/Beijing consensus is not something that suddenly burst into China and became the beacon for its development. It is the cumulative learning, adaptation and exploration

by several generations of CCP leaders. It began with Mao's heroic effort to choose and pick what was useful for China from the classics of Karl Marx and Vladimir Lenin. It moved a step further with Deng Xiaoping placing bricks of pragmatism in Mao's theoretical warehouse. Jiang Zemin came along and supplied "the three represents" to the CCP inventory. Hu Jintao introduces the outlook of scientific development and harmony to this development treasure house. None of the four have severed the relationship with Marxism, but all have made creative and positive adjustments and contributions.³¹ As indicated by the CCP Resolution adopted

on September 18, 2009, at the 4th Plenum of the 17th CCP National Congress, 88 years after it was founded, 60 years after it came to power, and 30 years after it launched reform, the CCP has transformed China from a weak, poor and pathetic country into a great power of peace, prosperity and harmony. Without the CCP, there would have been no new China, no socialist road of Chinese characteristics. In other words, the China model is undeniably a CCP invention.³²

Tentative conclusions

The China model is neither a sound theory nor a good set of benchmarks...

If we compare the Soviet reform model to the Chinese reform model, the key difference is that Moscow began its reform in the political arena and Beijing refused to put political reform ahead of economic reform. From the Chinese perspective, that is exactly why the Soviet Union quickly collapsed and China has been able to maintain territorial integrity, one-party supremacy, and its economic development miracle. However, this priority shift only occurred after 1989. When reform and opening was launched in 1978, Deng had a two-step plan in mind, and he believed the success of all reforms would hinge on the success of political reform. The pivotal year of 1989 saw not only the plan of political reform dashed but also witnessed a hard left turn in the economic sector. This retreat from reform was finally reversed by Deng in 1992, by which time he was too old and too tired to push forward his plan for political reform. As China's economic performance continues to shine year after year, the CCP, whose top leadership and many rank and file

members are afraid of any real political reform, has begun to push political reform to the side. The China model/Beijing consensus provides a perfect theoretical framework and a practical excuse to postpone political reform or even to declare it totally unnecessary. This is something Joshua Cooper Ramo perhaps never expected when he first introduced the concept of the Beijing Consensus in 2004.

The China model/Beijing consensus is neither a sound theory nor a good set of benchmarks to design reform and measure its success. It is a highly effective system under the domination of one political party, through which resources can be marshaled, dissent silenced or crushed, land grabbed, lakes and rivers dammed, international events paid and organized without looking into any human or ecological cost, as long as the outcome of the activity makes the state and the Party look good. It is a system whose declared mission is to serve the people but whose possible abuse of power cannot be checked and balanced. It is a system responsive to the people when pressured, but it always blames the people for all the problems in society. It is a system whose output has awed many foreigners, delighted millions of Chinese, and appealed to leaders and elites in other developing countries, but the cost of this "miraculous" output is staggering and long-term. It is a system that does not acknowledge the existence of universal values, trashes democratic arrangements to hold government officials accountable, and sees a constant Western conspiracy to destroy China. It is a system that recognizes constant talent at the top, demands total obedience at the bottom, and uses incentives or fear to rein in those in the middle. It is a system that may elevate China to the global stage of national wealth and power, but it will not

be able to make China a country in which individual pursuit of happiness is guaranteed and protected. It is a system that cannot resolve the tension between an autocratic government and people who want more say in their quest for individual rights. The China model is an effective weapon to shatter political reform need into pieces. The Beijing consensus is an artificial consensus that democratization will bring about harm and even destruction to China.

Scholars and the media both inside and outside China have played a very important role in building the myth of the China model/Beijing consensus. We praise those who constantly question the validity and applicability of the China model and raise doubts about its usefulness. We are appalled by those who have joined the China model chorus without sound judgment or with no judgment at all. When scholars are working with the state and party apparatus to advance something that may eventually hurt the wellbeing of the nation and erode the liberty of the people, they are colluding with power in a reckless way. Many Chinese and Western scholars are trumpeting the China model which, unless it is modified significantly down the road, will hurt both China and those nations that decide to experiment with it.

The China miracle is not just an outcome of the China model, of China's unique political, economic, social and cultural peculiarities. To a large extent, China's successes, as pointed out by Zheng Bijian, are due to existing economic globalization and rule of law, all achievements of the

West currently under the leadership of the United States. The China model should not be the opposite of this system, defined by the Washington Consensus. The two development models should complement each other and benefit from each other. Many Chinese scholars have shown a rare arrogance in describing the significance of the China model and downgrading the usefulness of the Washington consensus. What they may not be aware of is that China's political system and treatment of its people cannot be easily accepted as it is by the developed Western nations and even by developing countries. China may never collapse, but

its way of life can pose a threat to Western countries and their values. In other words, if China does not change course and deviate from the now fixed path called the Beijing consensus, it may certainly be on a collision course with the Washington consensus. It is difficult to predict the fallout of this collision but it is not going to be pretty. It will be an economic confrontation, a cultural clash, and a war between political systems. For China to avoid this clash, it is necessary to revive the political reform that was on the CCP agenda but rendered inactive by the China model. Yes, China will have a democratic system different from the United States, the United Kingdom, France, South Africa, Japan, and South Korea, but it has to have a system that can be defined as truly democratic.

The China miracle is not just an outcome of the China model, of China's unique political, economic, social and cultural peculiarities.



Notes:

¹ “Two whatevers” refers to Hua Guofeng’s declaration that 1) Whatever Mao has decided we will carry through and 2) whatever Mao has said we will obey”. For details of Deng and his supporters’ epic battle to move China away from old ideology and quest for socialist purity, see Su Shuangbi, “Liangge fanshi shi zenme bei fouding de” [How the “two whatevers” were negated], Beijing Ribao [Beijing Daily], July 21, 2008.

² See Deng Xiaoping wenxuan [Selected works of Deng Xiaoping], Vol. III, p. 164 and 176.

³ For the Chinese language description of the pillars of Deng’s reform, please see “Sixiang jiben yuanze” [Four cardinal principles] at http://news.xinhuanet.com/ziliao/2003-01/20/content_698005.htm; accessed September 18, 2009.

⁴ See Xu Yansong, “Zhongguo zhengzhi tizhi gaige zhihou de yuanyin fenxi” [Analysis of the lack of progress of China’s political reform], August 20, 2003 in the China elections & governance web site at <http://www.chinaelections.org/NewsInfo.asp?NewsID=18837>; accessed September 17, 2009. For details of Deng’s political reform agenda, Xu cites Deng Xiaoping wenxuan [Selected works of Deng Xiaoping], Vol. II, p. 176 and p. 213. The second scholar, Cao Youqin’s article is entitled “Chaozhe deng Xiaoping sheji de zhengzhi1gaige fangxiang qianjin” [March

toward goals of political reform set by Deng Xiaoping], Zhonggai luntan [China Reform Forum], at <http://www.chinaelections.org/NewsInfo.asp?NewsID=103302>; accessed September 5, 2009. Cao cites Deng Xiaoping wenxuan, Vol. II, p. 328 and Vol. III, p. 131,

⁵ The section on political reform in Zhao Ziyang’s historic political report is available at <http://www.chinaelections.org/NewsInfo.asp?NewsID=157257>; accessed on September 17, 2009.

⁶ See Xu, “Analysis of the lack of progress of China’s political reform”.

⁷ For details of Deng Xiaoping’s talking points during his southern tour, see “Deng Xiaoping nanxun tanhua yaodian” [Summary of Deng Xiaoping’s talks during the southern tour], People’s Daily online, February 6, 2006, <http://www.chinaelections.org/NewsInfo.asp?NewsID=39777>; accessed on September 23, 2009.

⁸ See Qin Xiaoying, “Deng Xiaoping lilun yu hexie shehui” [Deng Xiaoping’s theory and the harmonious society], Ta Kung Pao, January 26, 2007.

⁹ See Xu, “Analysis of the lack of progress of China’s political reform”.

¹⁰ For details of the history of direct village elections in China, see Yawei Liu, “Consequences of village elections,” China Perspective, Fall Issue, 2000.

¹¹ For details for China's slow move toward political reform in terms of changing ideas and adopting new thinking, see Yu Keping, "Sixiang Jiefang yu zhengzhi jinbu" [Mind emancipation and political progress], Beijing Ribao [Beijing Daily], September 17, 2007.

¹² For details of political reform advanced by Jiang Zemin at the 6th CCP Congress, see <http://www.chinaelections.org/NewsInfo.asp?NewsID=17193>; accessed September 17, 2009.

¹³ For a brief chronology of Wen Jiabao's remarks on political reform to foreign visitors, see Guan Zhongren, Wen Jiabao yu waiguoren taolun minzhu quanjiu [Complete record of Wen Jiabao's democracy talk to foreigners], February 4, 2009, <http://www.chinaelections.org/NewsInfo.asp?NewsID=142630>; accessed September 6, 2009. In September 2005, both Hu Jintao and Wen Jiabao met with foreign participants at the World Law Conference that was held in Beijing. When Hu talked about political reform, he said the Chinese government would guarantee people's entitlement to democratic elections, democratic decision making, democratic management and democratic supervision. Wen Jiabao was very colorful and specific in painting China's political reform picture. He told the same group, "Look, when Chinese have learned how to govern a village, they will then try to learn how to govern a township. 'Elections' will move upward as planned." See Guan Zhongren, "Hu Wen jiang minzhu baixing ting yuyin" [Hu and Wen discuss democracy; the common people listen to the residual sound], <http://chinadigitaltimes.net/2005/09/hu-and-wen-discuss-democracy-the-common-people-listen-for-the-residual-sounds->

[guanzhongren/](http://www.chinaelections.org/NewsInfo.asp?NewsID=120321); accessed September 22, 2009. When Wen Jiabao met with the Brookings Institution delegation in 2006, he spent a long time describing China's specific plan to conduct political reform. He talked about elevating direct elections from lower levels to higher ranks of the government, building an independent judicial branch, and introducing a checks and balances system through a free press and other mechanisms. See John Thornton, "Assessing the next phase of a rising China", trip report of the Brookings Institution, December 24, 2006.

¹⁴ Hu Jintao's report at the 17th CCP National Congress is at <http://www.chinaelections.org/NewsInfo.asp?NewsID=120321>; accessed September 20, 2009. To see differences of the political reform agenda of the 13th CCP Congress and 17th CPP Congress, see Wang Xiao, "Shisanda baogao yu shiqida baogao de bijiao" [Comparing the political reports of the 13th CCP Congress and the 17th CCP Congress], <http://www.chinaelections.org/NewsInfo.asp?NewsID=118807>, November 16, 2007; accessed September 16, 2009.

¹⁵ Zheng Bijian, "Zhongguo heping jueqi xindaolu he yazhou de weilai" [The new road of China's peaceful rise and the future of Asia], November 23, 2003, <http://www.chinaelections.org/newsinfo.asp?newsid=157366>; accessed September 22, 2009.

¹⁶ Zheng Bijian, "Zhongguo gongchandang zai ershiyi shiji de zouxiang", Renmin ribao [People's Daily], November 22, 2005, <http://www.chinaelections.org/newsinfo.asp?newsid=42130>; accessed September 19, 2009.

¹⁷ See Hong Zhaohui, “Zhongguo tesulun yu zhongguo fazhan lujing” [China uniqueness and China’s path of development], *Dangdai zhongguo yanjiu* [Journal of Contemporary China], Issue 2, 2004 at <http://www.chinayj.net>.

¹⁸ The Resolution of the 16th Plenum of the 16th CCP National Congress, <http://www.chinaelections.org/NewsInfo.asp?NewsID=126270>; accessed September 20, 2009.

¹⁹ Qian Gang wrote in his article “Where is ‘political reform’ that one of the most prominent developments was the disappearance of the term “political reform” in current CCP rhetoric. Qian came to this conclusion through looking at the use and frequency of key words related to political reform in the Party reports, resolutions and speeches. According to him, “political reform” appeared in the political reports of the 13th, 14th, 15th and 16th CCP National Congresses but was replaced by “democratic politics” in the political report of the 17th CCP National Congress. See Qian Gang, “Zhengzhi tizhi gaige zai nali”, <http://www.chinaelections.org/NewsInfo.asp?NewsID=118562>, November 11, 2007, accessed September 21, 2009.

²⁰ See details at <http://joshuaramo.com/beijing-consensus/>; accessed September 1, 2009.

²¹ Quoted in http://www.salon.com/tech/htww/2006/09/15/beijing_consensus/; accessed September 10, 2009.

²² See Tang Yaoguo.

²³ Ibid.

²⁴ Ibid.

²⁵ See Hu Wei.

²⁶ See Zhi Zhengfeng and Zang Li.

²⁷ See Zhang Wei-wei.

²⁸ See Zhi Zhengfeng and Zang Li.

²⁹ Ibid.

³⁰ Ibid.

³¹ Yan Shuhan, “Zhongong daolu de shijie yingxiang” [The global impact of the Chinese Road], *Liaowang* [Outlook news-weekly], September 8, 2009.

³² CCP Central Committee, “Guanyu dangjian luogan zhongda wenti de jue ding” [Several major decisions on CCP construction], September 18, 2009, <http://politics.people.com.cn/GB/1026/10128293.html>; accessed September 27, 2009.



RULE OF LAW AND THE CHINA MODEL: REFORM, THE LAW, AND THE FUTURE

By Jason Kyriakides



China's remarkable ability to weather the 2009 global economic downturn made many believers of its development model, even among its many critics. At the end of 2009, as the

United States faced a national unemployment rate of nearly 10 percent, a figure not seen since the Great Depression, economically weaker European states like Greece and Ireland experienced massive economic shrinkage, real-estate giant Dubai suddenly faced an economic implosion, and Japan faced its harshest economic situation since the 1997 Asian financial crisis, China's growth rate exceeded the expectations of even its own leaders, cementing it as a "leader of the global economic recovery." Not only was China's economy growing, but its economic reach in the level of its own investment abroad reached record levels, and China became the world's largest lending power. China's investments around the world, particularly in developing African and Middle Eastern countries, suggested the ambitious reach of a global power rather than the more conservative introspection of a developing nation. Economic growth and investment were accompanied by China's unveiling of its modernized military during its 60th anniversary National Day parade, and new action on global disaster relief and peacekeeping.

Despite China's growing role on the international stage, China's internal politics have not become more open in the past five years.

These signs of a China that is increasingly active and ambitious on the global stage due to the apparent success of a "China Model" of national development have drawn the interest or alarm of Westerners facing economic decline and political gridlock (such as in the ongoing failure as of February 2010 of the United States Congress to pass needed health care reform). They have also emboldened some developing nations looking for an alternative to the current models of development promoted by many Westerners, as the China

model is more amenable to governments looking to retain control of the political reins instead of transitioning to or building a more democratic system. However, many of the most ardent China model supporters within China are quick to remind would-be imitators that the Chinese model of development has led to many problems, such as environmental degradation, official corruption, and a growing gap in income, and that the model needs a mechanism to resolve social tensions caused by these issues. Many are looking to rule of law and a strengthened legal system to fill this role. This paper will analyze the various issues necessitating development of a strengthened rule of law within the China model and outline what a Chinese version of rule of law might entail.

Societal demands for a new means of resolving conflict

Despite China's growing role on the international stage, China's internal politics have not become more open in the past five years. In some regards, the political system has become more restrictive, leading to the emergence of certain social pressures. China has the largest community of netizens in the world, with over 300 million Internet users, a community that faces growing challenges to its ability to access and transmit information without restriction on the Web. Rural Chinese must confront the growing political insecurity of local leaders, who fear the threat that mass protests pose to their careers, and who are therefore often careful to manage or block out negative public sentiment before it evolves into large-scale unrest. Some ethnic minorities, most vis-

ibly the Uighurs and Tibetans of western China, grapple with cultural decline due to the influx of Han immigrants into their home territories and to growing economic disparities between the Han majority and minority populations. Migrant workers to the metropolises of the East continue to struggle to subsist on meager wages. These are only some of the internal problems that the central government faces while creating a development strategy. While the central government does respond to a certain degree to public pressure, as shown by its attempts to appease the public with compensation and limited increases in openness after the riots in Shishou, Ürümqi and Baoji, to name just three last year – it is still determined to maintain a development regime that is centrally-controlled and resistant to external influence.

As a result of these pressures, the central government increasingly seeks to release the steam of popular resentment and create a way to institutionalize dispute resolution between state and society. One possibility is to increase the capacity of China's legal system to handle the growing number of claims being made on a range of issues. Whereas at the beginning of the reform period in 1978 China's legal system was in shambles, China's legal system of today is modernizing and growing. However, it remains to be seen whether the legal system, as part of the so-called China Model, will become similar, as many commentators and observers demand, to common law legal systems found in the West – in which the law historically has tended to expand rights for the individual and restrict expansion of the state – or something else that more closely considers China's political history and aims more at achieving societal goals.

Pan Wei (2006 32-40), a professor at the Beijing University School of International Studies, famously made the claim that China can continue to thrive as an authoritarian power long into the future by creating a “consultative rule of law regime,” which would essentially strengthen the independence of the civil service and judiciary, and increasing independent government oversight in order to strengthen institutional checks on power without ceding much power to another political party. Pan Wei suggests that the ideal models for this “consultative rule of law” are Hong Kong and Singapore, two wealthy ethnically-Chinese cities that enjoy a high level of economic development and internal stability, but lack democracy.

... A strong legal system could potentially resolve a significant number of ongoing problems.

While some criticize Pan Wei's proposal because it rules out alternatives to the current system of governance in China, the basic principle of using China's growing system of law rather than political change (which would likely require nothing less than a serious upset within the Party) to reform China's institutions and promote increased equity is worth close consideration. If the legal system were strengthened by increasing the number, quality and independence of its lawyers and courts, it would likely become a key part of the “China Model” of development by acting as an oversight mechanism to state-led reforms and as an intermediary for those affected by such reforms. In this way, a strong legal system could potentially resolve a significant number of ongoing social problems present under the China model.

Establishing a check on the Party's power would help to reduce the dangerous lack of cohesion between the center and local governments, which has been a persisting problem in China. Murray Scott Tanner and Eric Green (2007 114-6) recently discussed a study of central influence over local officials, focusing on the police force to develop claims about how power structures and political circumstances influence relations. Their analysis concluded that despite central control over regulations, police organization, and quotas, the center

China maintains a strictly single-party authoritarian approach to development.

fails to maintain local police discipline due to local control over hiring, cadre management, and money that flows into and out of the local Public Security Bureaus. In other words, because the center doesn't have a way to adequately monitor and control local police, local police serve the goals of the local elites that fund them. The development of an independent body to monitor and report on these local police, so distant politically from the central government, could ostensibly reduce problems caused by the center-local divide.

George Washington University's Bruce J. Dickson (2006 21-51) writes that the Party has unsuccessfully tried "repairing relations with society" by other means. The most visible change has been village elections for village committee leaders, which have been steadily implemented in many villages across China but have little hope of being moved up, as they face conflict with unelected township government above them. The Party has also shifted its class emphasis since the 1990s from one based on elite leadership to one that seeks

to better address the problems of the poor and middle class Chinese. Jiang Zemin attempted to develop Party ties with the elites, who had been isolated in Chinese society since the 1950s but were vital to China's economic and technological revival; Hu Jintao and Vice Premier Wen Jiabao, on the other hand, have focused their attention on disadvantaged populations through reforms, issuing a number of directives to ease the explosion of social problems--such as pollution and lack of job security--associated with the country's economic transition. Finally, the Party's realization that corruption threatens both national stability and the Party legitimacy has resulted in harsh anti-corruption programs, including increased monitoring of Party members' families and overseas activity (for example, "CPC pushes Party leaders to report family information to stem corruption" *Xinhua* Jan 13, 2010).

However, these measures have simply been reactive approaches to the ongoing problem of lack of accountability in the system. The far-branching cracks in the system – such as the broad reach of corruption, renegade local leaders, a judiciary that still is weak and closely linked to Party political preferences for its rulings despite growing caseloads – suggest that a systematic approach implementing a more highly developed system of rule of law is necessary to increase political accountability and restore political legitimacy.

Elements of the China Model

The "China Model," or alternately the "Beijing Consensus," as coined by Joshua Cooper Ramo, suggests an alternative to the Washington Consensus of the West, which has for decades pushed free-market development, liberal democracy, and a

high level of participation by institutions such as the World Bank in developing nations. While there is disagreement between scholars about the details of what the China Model is or what purpose it serves, it basically combines export-led economics, single-party politics, and an emphasis on territorial sovereignty. The model manifests itself in three areas of Chinese policy – governance, science and technology, and economics, which together form a strongly self-determined Chinese model of development.

First is the idea that China must continuously innovate to be successful. The essence is that by implementing cutting-edge programs or technologies in key sectors or industries, those industries should grow and help lift up related industries, leading, in theory, to a rapid expansion of technological capability and professional skills. Ramo (17-18) cites the outbreak of SARS (Severe Acute Respiratory Syndrome) in 2003, which led to a shutdown of the country, as a central event requiring the Chinese to innovate. Despite the fact that the country largely came to a halt, the SARS epidemic ended up producing many unexpected benefits, as it enabled the government to show that it could handle a major crisis and exposed problems of media cover-ups and the deficient health care system.

Second, China maintains a strictly single-party authoritarian approach to development, insisting on “stable reform” - development that does not allow influence from outside the Chinese government - to prevent protest of salary issues, corruption, pollution or other side effects of the post-

Mao reforms from spilling over into large-scale disorder. The stability and certainty supposedly guaranteed by authoritarian government is appealing to foreign companies looking to invest places where they can be guaranteed cheap labor and a high quality of capital. In order for this political model to work, the CCP must maintain party discipline. However, power in China is not well-centralized - the divide between central government initiatives and local government plans is often great, and some local leaders act slowly or simply ignore directives from the center in order to consolidate political power. Furthermore, corruption and pet projects of local leaders divert funds away from the center's national programs. These were problems anticipated by Deng Xiaoping

... power in China is not well-centralized - the divide between central government initiatives and local government plans is often great.

when he began the reforms; with the growth of CCP power and a lack of a checks-and-balances system, he and others worried how the Party would deal with popular pressure. Rowan Callick (2007) of *The American* suggests that the Party's primary

solution was to guarantee a low rate of taxation (which is collected laxly), which in theory makes for a looser social contract between citizens and the government, and to continue working on economic rather than social development, with the anticipation that social welfare will “trickle down” from wealthy cities and industries. The drawback of this approach has been that development has been, as is traditional in China, heavily focused on urban centers and on key industries, leaving many citizens behind as others have prospered.

Regarding economics, the China Model promotes a strategy of *kai fang* (开放), or “opening up.” This is essentially an outward-focused strategy of keeping China's markets mostly free and attracting foreign investment and companies to China. In order to garner foreign investment, China has pegged its currency to the U.S. dollar and uses its central bank as a powerful management tool to prevent its currency from inflating, thereby keeping input prices for foreign businesses low. This has earned the criticism of economists around the world. One economist that continues to gain the spotlight on this issue is 2008 Nobel Prize in Economics winner Paul Krugman (2010), who wrote on January 1st:

Short-term interest rates are close to zero; long-term interest rates are higher, but only because investors expect the zero-rate policy to end some day. China's bond purchases make little or no difference. Meanwhile, that trade surplus drains much-needed demand away from a depressed world economy. My back-of-the-envelope calculations suggest that for the next couple of years Chinese mercantilism may end up reducing U.S. employment by around 1.4 million jobs. (Krugman 2010)

This is the last in a series of editorials (see also “The Chinese Disconnect,” *New York Times* Oct. 22; and “World Out of Balance,” *New York Times* Nov. 15) Krugman wrote claiming that China's monetary policy threatened to destabilize the global economy and slow recovery from the global recession by “siphoning much-needed demand away from the rest of the world into the pockets of artificially competitive Chinese exporters.”

China's protective economic policy has, for the most part, served it well in the past

30 years and has enabled foreign firms to prosper there. During the 1997 economic crisis in Asia, the highly managed nature of the Chinese economy may have played an important role in China's ability to weather the crisis successfully. As Rowan Callick (2007) argues, strong control at the top and an inward focus has enabled the Chinese economy to adapt more quickly to changing global economic circumstances, especially shifts in the ability to secure credit internationally. The stability of the Chinese yuan, ensured by the national bank's intensive management of the currency, assured foreign investors who observed the massive fluctuations in other East Asian currencies at the time.

Economic growth continues to be China's strength. As will be discussed shortly, China's legal system after the political reforms of the 1970s was restructured largely with economics in mind, in an attempt to draw in foreign investment and foreign companies. The drawback of this approach was that social and political concerns that are often addressed by law – such as the previously mentioned post-reform economic divide and minority concerns about protection from majority interests – were largely neglected. As a result, the Chinese conception of what “rule of law” means has historically differed from the meaning found in Western common law.

The 1982 constitution declared the supremacy of law over the Party.

What is meant by “rule of law”?

In order to develop an idea about what “Chinese rule of law” would look like, it is necessary to first look at what “rule of

law” means to the Chinese and analyze the progression of the debate on legal systems since the concept was first introduced in the early Deng Xiaoping years. Chinese and Western conceptions of the role of law in society differ considerably, and this difference has altered considerably the developmental path for their respective legal systems.

Randall Peerenboom, UCLA School of Law professor and advisor to several law firms and organizations in China, describes the historical development of contemporary Chinese law in *China's Long*

March toward Rule of

Law. During the Mao years, the legal profession was largely discredited and isolated due to its historical position among the elites in society, and lawyers were declared bourgeois enemies of the new “socialist” society. However, after the economic reforms of the late 1970s were instituted, it became quickly apparent to the Party leadership that it would be necessary to establish

The basic purposes of thin theories of law are to improve social stability and improve predictability.

a modern legal framework to attract foreign investors looking for a stable, legally-protected environment for their capital. This led to the first philosophical debates in the 1970s over what such a system would look like – whether China would have “rule of law” *fazhi* (法治), in which even top leaders would be subject to law, or whether China would continue with Maoist “rule of man” *renzhi* (人治). The 1982 constitution nominally made “rule of law” the official position by declaring the supremacy of law over the Party and all government organs.

The debate evolved once law gained official legitimacy, proceeding from discussions of feasibility to disagreements about what the purpose and scope of the law should be. These disagreements are exemplified by the difference between the homophones “building a legal system,” *fazhi* (法制), and “rule of law,” *fazhi* (法治). As this debate continued, the Party began to give the new rhetoric on the importance of law some teeth. With the Cultural Revolution having ended only three years prior, the Criminal Procedure Law was passed in 1979 to give defendants more power in litigation with the state. Defendant rights were further expanded in the 1980s, and the Criminal Procedure Law was followed by the Administrative Litigation Law and the Administrative Supervision Regulations (Peerenboom 2002, 57).

While on the surface this was a real step in the right direction, in practice, these new regulations actually afforded defendants little protection from the government. Because the legal system is still at least partially subservient to the political goals of the Party, if a defendant finds himself or herself on the wrong side of politics – e.g., over a politically sensitive issue like separatist movements in western China, religious freedom of groups that have not registered with the government, and democracy – he or she will likely be shuffled quickly through the system rather than receive a truly fair trial. In their research on litigating against the state in rural communities, Kevin O'Brien and Lianjiang Li (2004 81) found that,

Party Committees may issue internal orders forbidding courts to accept suits concerning sensitive matters. As a result, in some locations "the people's court simply doesn't have the nerve to accept cases re-

lated to 'hot issues' such as excessive financial burdens, violations of enterprise autonomy, unlawful birth control enforcement, land expropriation and illegal demolition of homes." Even when such prohibitions do not exist, a local court will often consult the Party Committee and government at the same level before it accepts litigation on a hot-button issue. (O'Brien and Li 2004, 81)

This limiting of the types of cases that can even be heard, in addition to continuing intervention in decisions by non-judicial figures, ensures that public faith in the justice system is low, leading many Chinese to believe that bringing cases before the court is hopeless. However, legal reforms to protect the investment climate for foreign companies entering China, while incomplete, have progressed considerably further than similar reforms to laws governing individual rights and criminal law and are more than sufficient to foreign companies working in China.

Given this context, does the China model demand a different kind of law than that which is found in the West? Randall Peerenboom makes an important distinction (Peerenboom 2002, 65) between "thick" and "thin" theories in his discussion of the purpose of law in society. Thin theories of law require that laws be established by a set procedure, transparent and accessible to the public, applied fairly, enforced consistently, and accepted by a majority of the public. The basic purposes of thin theories of law are to improve social stability, improve predictability for individuals and organizations, and improve the legitimacy of the regime. They leave out complicated discussions of morality and are "procedural" - focused on "generality and rationality" rather than moral claims (Peerenboom 2002, 68). As Chi-

nese leaders still recall with fear the extremes of the Cultural Revolution, when legal justice lost most of its formal structure and instead followed lines of personal relations or personal moral claims, they prefer the amoral legalism of thin theories.

The disadvantage of these thin theories is that they do not necessarily provide for "good laws." Thick theories, on the other hand, are based on moral claims about how law should be used to improve society (Peerenboom 2002 68). Thick theories of law are intended to be part of a larger social context and depend on a shared culture of values, as different cultures will have different ideas about the nature of natural justice. In the case of China, the diversity of the South and the West, where Chinese ethnic minorities sometimes make up more than half of the population, complicate majority social norms and ideals due to competing ideas about religion, divergent cultural traditions, and the desire of the central government to appease these ethnic groups with special treatment - for example, lax birth control policies or affirmative action programs at the university level - to keep them politically supportive. As a result, creating inclusive rule of law based on shared cultural norms (as in British common law) is more difficult. The other problem is that the idea of the supremacy of the law is still new to China, making the transition from a system of "rules" to a system of "ideals" unlikely in the short term.

Creating inclusive rule of law based on shared cultural norms is more difficult.

Reforms that suggest a shift in China's conception of law

In spite of the tendency in China's legal system toward a thin rather than a thick conception of the law, Benjamin Liebman (2007), director of the China Center for International Law at Columbia University, suggests that the internet is playing an important role as a motivator for the kind of reform we might expect from a "thick" legal system. First, the past decade's growth of internet as an investigative and networking tool have enabled little-known cases that might have otherwise been

"swept under the rug" to be brought to light and discussed by journalists. After the suspicious death of migrant university graduate Sun Zhigang in 2003, journalists and concerned citizens circumvented a government ban on discussion of Sun to bring light to his case through internet forums, which led lawyers and legislators to call for the reform of laws covering arrest and detention of illegal migrant workers. The central government gave in, and replaced the arrest and detainment system with a new system designed to give migrant workers services (Liebman 2007, 272-3).

Since legal reform began in 1979, China's judiciary has remained far less educated.

Second, internet discussions have placed pressure on courts to improve scrutiny of high-ranking citizens and officials, who have traditionally been characterized as being above the law. In 2003, an intermediate court sentenced crime boss Liu Yong to be executed, but the provincial High People's Court reduced his sentence to life in prison after Liu appealed the decision. The public protested the reduction,

suggesting it was the result of Liu's political ties to officials. The Supreme People's Court then retried the case and reversed the sentence reduction (Liebman 2007 281-2). While the execution of Liu Yong in itself does not carry any obvious benefit, the fact that the sentence was turned around by means of citizen pressure on the SPC not to give Liu a "free pass" is significant.

The use of the internet by netizens both to improve the fairness of judicial decisions on the disadvantaged and to help keep the powerful from escaping punishment has led courts to proactively change their own practices in order to minimize potential public outrage and the possibility of unrest. Liebman argues (Liebman 2007 290-2) that while judges have relied traditionally on "vertical" information flows (from political superiors) for their decision-making, they increasingly look "horizontally" to see how similar cases were decided in other cities. This has led to the gradual establishment of an informal system of legal precedent. Despite the fact that this system lacks legal roots to govern its existence, it still plays an important role in how cases are decided, especially in rural courts, which look to more experienced urban courts for guidance.

Other than the growing use of legal precedent, another important development has been the growing professionalization of the judiciary and legal profession. Since legal reform began in 1979, China's judiciary has remained far less educated and trained than its Western counterparts. At the beginning of reform, in order to create a judiciary from essentially nothing, most judges were imported from other professions that often had nothing to do with the law – many were appointed by political loyalty to powerful

members of the Party (Zhang 2006, 145). Furthermore, law school graduates do not move into judicial posts; from 1984 to 1998, only 20 percent of graduates from schools specializing in law worked in courts after graduating due to low salaries and low professional integrity (2002 145). 2005 was the first year that more than 50 percent of the judiciary had a university degree, and of those, most held only the bachelor's degrees required for judges since 2002 (Liebman 2008, 71-2). Judges who were appointed before 2002 were not required to pass the national bar examination but were required to receive supplemental training. There is strong political incentive for judges to improve their legal training; when issuing court opinions, judges that are able to support their decisions with legal backing encounter fewer problems with popular interference in the results of the case.

He Haibo, associate professor of law at Tsinghua University, makes the case that the legal concept of due process – a key element of Western systems of law – is also showing up in Chinese legal decisions. According to He, this “process” was absent from legal language in China until the Public Security Administrative Law of 1986, which described a “four-step process” of administrative detention (He 2008, 60). The traditional view, he says, was for courts to only “correctly examine administrative acts based on laws and regulations,” not to be “flawless.” Essentially, courts were expected to confine their decisions to existing rules (which could only be changed by legislative bodies) rather than review based on a on a larger, more vague principle of due process (He 2008, 62-3). This changed in 1992, when the Supreme People's Court (SPC) ruled the arrest of Chen Yingchun illegal due to the failure of the police to adhere to the cor-

rect “process” of arrest, detention, and court summons (He 2008, 70-1). Due process became even more critical in the 1996 case of *Tian Yong v. University of Science and Technology Beijing (USTB)*, in which student Tian Yong attempted to graduate from USTB after having been expelled for misconduct. As the Haidian Court of Beijing trying the case had no existing regulations on which to base their decision, they ruled in favor of Tian on the basis of Tian's “right to education” and the failure of the university to give him an explanation of his expulsion. The Chief Justice called the ruling “based on the spirit of the law” – in other words, based on general principles of law rather than China's existing legal code (He 2008, 77). The Tian Yong case and others like it prompted further explorations into due process. For example, in 2004, the Intermediate Court of Xuzhou City, Jiangsu Province restored the property rights of a woman over her home after her deed was terminated by the municipal government, stating that the fact that she had not been allowed to participate in a review of her right to the deed constituted a “violation of statutory process (He 2008, 98-9).”

There is strong political incentive for judges to improve their legal training.

Challenges to the expansion of “rule of law” in China

If Dr. He is right about the emergence of “due process” in China, the potential for a more flexible, the establishment of an independent judiciary that is able to interpret the law and go beyond a mere enforcement of existing rules is increasingly likely. However, there are significant hur-

dles remaining to the emergence of a judiciary and legal profession independent from the state, says Randall Peerenboom. The primary obstacle to the supremacy of the law over the CCP and all of Chinese society is that though the Party is technically subject to the law under the Constitution, the legally-granted powers of the Party are “a matter of political reality” and not strictly delineated by the Constitution or any other rules (Peerenboom 2002, 214). This leads to the state's oversight of the judiciary, particularly in changing the final outcome of politically sensitive judicial decisions, done by the Party Group and Political-Legal Committee (Peerenboom 2002, 302-4). These two groups transmit policy directives to courts from above, limiting the free movement of courts on certain political topics that affect large groups. Furthermore, the Party controls judicial appointment, as appointments must be approved by the Party Organization Department (Peerenboom 2002, 305).

Despite these constraints from the Party, the judiciary actually faces more resistance from local governments. Because government officials have a direct duty to their local posts (such as solving local health, pollution or job issues) but usually have only minor or indirect duties to the Party (such as Party meetings), they often prioritize the duties of their local offices first when the two come into conflict (Shiping Zheng qtd. in Peerenboom 2002, 308). Courts face some of the most resistance from local governments due to the results of the economic reforms. As local governments rely much more heavily now than in the past on taxes from local com-

panies, these governments will pressure courts to slow or do away with proposed regulation of companies by means of their control over judicial appointment and removal (Peerenboom 2002, 311).

Related to the issue of judicial independence is the previously-mentioned problem of cases on “sensitive issues” being passed quickly through the system. In a report on China's non-administrative system of “reeducation by labor,” China Human Rights Defenders remarks that it is possible for police to move suspects into labor camps for three years with the

Despite these constraints from the Party, the judiciary actually faces more resistance from local governments.

possibility of extension to a fourth year without any legal proceedings (CHRD 2009, 4). This process is in fact in violation of China's constitution, which states in Article 37 that “No citizen may be arrested except with the approval or by

decision of a people's procuratorate or by decision of a people's court” (CHRD 2009, 7). However, even when they do get trials, political dissidents can be shuffled through the system without a fair trial. Chen Guangcheng, a blind activist who exposed official extortion of villagers, was illegally put under house arrest by police in 2006; when he was formally charged and tried months later, he was convicted on trumped-up charges of “damaging public property” and “organizing a mob to block traffic” (Cohen and Pils 2009). He was sentenced to four years in prison and has yet to be released. Gao Zhisheng, one of the most famous human rights lawyers in China, was similarly detained many times without trial, was tortured by police, and finally disappeared altogether in 2009. Cases like

these are a reminder of the ongoing role of Chinese courts as political actors and transmitters of government policy – supremacy of the law over government will demand that these cases at the very least be tried fairly and in accordance with existing rules on arrest and detention process.

Fairness does not only come from within the courts. A major ongoing obstacle to equitable judicial decision-making is external influence on the court from the public and news media. When the Chinese news media began to be commercialized in the 1990s, news agencies realized they could profit from strong popular sentiment against officials being punished for corruption or other crimes. As a result, anti-corruption stories are widely published when not censored by the government. The unfortunate result of this is that when the media runs front-page stories about convicted officials in an attempt to gain readers, they can sometimes skew support against court rulings to drop charges or give more lenient sentences. Seeing popular pressure against court rulings can lead the Party to step in to reverse decisions in order to prevent uprisings; the mere threat of the Party interfering in the ruling to appease the public leads many judges to give in to popular pressure. During the Sun Zhigang case mentioned above, in which Sun, a migrant student, was beaten to death by police and public opinion was kindled against the officials, the primary defendant, Qiao Yanqin, was executed the day the trial ended, raising questions about the fairness of the trial and the influence of public opinion. However, official accounts praised the “efficiency” of the decision and the responsiveness of the courts to public opinion against Qiao and the other

police involved (Liebman and Wu 2007 280-1).

Finally, there is the twofold problem of access. Citizens face a number of challenges in having their cases examined by the courts, and courts continue to be overburdened with a growing number of cases and petitions. From 1986 to 2006, the reported number of cases per year received by courts tripled to reach more than 8 million (Xiao Yang qtd. in Liebman 2008, 67). There also appears to be a growing confidence in the ability of higher courts, with appeals to higher courts doubling from 1996 to 2006. The growth of the legal profession – there are now more than 150,000 lawyers – has resulted in the expansion of the kinds of claims that are typically brought; where the courts once handled mostly criminal cases, they now hear a growing number of civil cases on topics like wage disputes, public interest, and environmental regulation (Liebman 2008, 79). All of these factors contribute to the overburdening of courts with more cases than they can handle. This is certainly not a problem unique to China. However, the rapid growth of the number of cases in just 30 years, without the framework to support this increase, has been a serious challenge to the quality of China's legal system. As China continues to produce lawyers, and as the quality of legal and judicial training increases, the system will likely be able to absorb a greater portion of the petitions.

Conclusion

Consolidating rule of law promises many advantages to China in the midst of its development. The state is already working to improve the quality, accessibility, and responsiveness of courts to petitions for resolving apolitical matters, as shown

by the growing volume of cases received by the courts. Furthermore, the legal profession is growing to meet the challenge – China now has over 150,000 lawyers, and the quality of lawyers and judges is improving, if still inferior to those in many other nations with better-developed legal systems. The growth of mass media has also led to new pressures on courts to follow the legal process, preventing some convicted elites from using their power to escape punishment. Finally, the idea of due process is being used, if rarely, in court decisions to broaden the decision-making power of courts outside of the constrained set of rules they use as a foundation.

Despite these developments, there remain considerable challenges for the rule of law to evolve into a central force in China's development. The structure of the judicial selection process and government monitoring of judicial decisions make it highly unlikely the judiciary will become much more than apolitical mediators; where development is concerned, this means judges will continue to rule in favor of companies against regulation and intervention of their businesses, as this benefits the local governments and Party Committees that choose the judges. In addition, public pressure on the courts to act in accordance with popular will, rather than in accordance with the law, is a potentially dangerous force when the government is seeking to defuse public anger. Finally, the lack of process for dissidents is problematic. The government risks endangering its long-term objective of stable growth when it refuses to address the concerns of protestors and activists.

The Chinese legal system therefore does not possess “rule of law” as conceived by

many Westerners, backed by strong moral considerations for the proactive correction of society's ills or the protection of the disadvantaged. This was never what Deng Xiaoping and other post-reform leaders of China had intended. Despite this, China's legal system should not have to adopt Western common law to succeed at serving the needs of the people; the increasing use of due process and growing professionalism of the legal community are encouraging signs to observers worried about arbitrary rulings and judicial independence. The challenge for China's legal system in the future will be independence and the ability to produce decisions without the government's intervention.



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The “Beijing Consensus”: China’s Next Major Export?

By Jennifer Grace Smith



Now that the Washington Consensus has lost much of its luster, everyone has eagerly pounced upon the newest trend: trying to define, analyze, and predict the future development of the so-called Beijing Consensus, also called the China model.

The topic has generated an increasing amount of interest in the West, particularly since the financial crisis has led to a loss of confidence in the effectiveness of western economic theory. There are those, such as Martin Jacques, who predict a future 100 years hence in which Chinese culture and ideals will have penetrated all corners of the globe, much as the western culture and ideals have a profound impact today. Then there are some, like Yao Yang, who predict that the China model of development will not protect China from its own structural flaws if it does not eventually implement democratic political reforms (Yao February 2, 2010). Still others, such as Carnegie Endowment’s Minxin Pei, go so far as to argue that the China model is unsustainable and that China’s rise is a myth (Pei 2009).

Within China, discussion over the meaning of the China model has only increased in fervor since the onset of the financial crisis. Western audiences have been less exposed to the debates that have taken place within China over the current and future status of this model of economic and political development. Many of the explanations and definitions of the China model offered by Chinese scholars root the model in China’s unique history, particularly from the time of Deng Xiaoping’s initiation of reform and opening up, while others attempt to link the model to Mao’s policies and sayings, or even to classical philosophy, in order to explain the evolution of the model.

However, the fact that China’s development model appears so specific to China’s unique history and political culture inevitably leads one to wonder whether the Beijing Consensus is a model in the true sense of the word, that is, a basic framework for a theoretical concept that has been simplified to its most essential components that can be applied in different situations to receive similar results? Can the China model be applied to other de-

veloping countries that seek economic and social gains similar to China's? As China is increasingly viewed as a competitor to the United States in the developing world, and the Chinese development model is viewed by many in developing countries as an attractive alternative to the western development strategy of free markets and political liberalization, an analysis of the China model's viability outside China's borders seems particularly useful at this juncture.

After a brief discussion of the China model's basic framework and analysis of the model's reception in developing countries, this article will address the most

... what is far more important is that China's new ideas are having a gigantic effect outside of China.

common criticisms of the model's exportability found in current Chinese literature on the China model. The first critique, most often offered by critics of the model in its entirety, contends that the model is still incomplete and imperfect, as it has not resolved certain social problems stemming from China's economic development and reforms and is thus unsuitable for replication. China model proponents are more likely to provide a different

sort of critique, based on a sense of Chinese exceptionalism; they would argue that the model is a product of China's unique history and cultures and that the institutions, laws, and political cultures found in other countries are simply too different from China's, rendering difficult any effort to replicate China's results.

The China Model: Essential Components

When Joshua Cooper Ramo coined the term "Beijing Consensus" in 2004 to describe China's lead in developing a new,

non-interventionist approach to international politics, long-time China watchers had already spent over a decade witnessing the economic and social benefits that were a direct cause of China's economic reforms and export-led growth model. Western media had begun to take an interest in the country's enormous economic growth and its effects on Chinese society and China's standing in the world. This media interest in the Chinese economic miracle would grow to deafening proportions in subsequent years, competing with Chinese human rights abuses as the primary media focus regarding China. However, Ramo's theory on China went beyond the two narratives of economic growth and human rights. Although China's internal development was important, Ramo contended,

"...what is far more important is that China's new ideas are having a gigantic effect outside of China. China is marking a path for other nations around the world who are trying to figure out not simply how to develop their countries, but also how to fit into the international order in a way that allows them to be truly independent, to protect their way of life and political choices in a world with a single massively powerful centre of gravity." (Ramo 2004, 3)

Unlike the Washington Consensus, which Ramo described as "a hallmark of end-of-history arrogance," which "left a trail of destroyed economies and bad feelings around the globe," the new Beijing Consensus was driven not by a desire to dominate, but rather "by a desire to have equitable, peaceful high-quality growth... It does not believe in uniform solutions for every situation. It is defined by a ruthless willingness to innovate and experiment, by a lively defense of national bor-

ders and interests, and by the increasingly thoughtful accumulation of tools of asymmetric power projection” (Ramo 2004, 4).

This rather rosy depiction of Chinese power is very much in line with stated goals of top Chinese leaders; the focus on equitable growth can be seen in Hu Jintao’s emphasis on people-focused politics (以人为本) and the push to “innovate and experiment” can be seen in the scientific development (科学发展) approach iterated at the 16th CCP National Congress. The non-interventionist stance of “peaceful coexistence” (和平共处) in international politics has been present in China’s approach to its international relationships since the 1954 agreements of Five Principles of Peaceful Coexistence between China and a newly decolonized India, and has become increasingly the norm since the early 1970s.

However, Ramo’s zeal for the rhetoric of Chinese leaders often overlooks the gaps between reality and the ideal. For example, equitable economic growth and the equal distribution of wealth may be the stated goals of China’s leaders, and, for that matter, for most leaders in most countries in the world. The rhetoric does not change the fact that, despite a rapid increase in China’s middle class (Ding 2010), under China’s current economic model the gap between the richest and the poorest in Chinese society continues to grow wider, and social tensions arising from this gap grow increasingly fraught. Although Chinese scholars have attempted to flesh out Ramo’s initial conception of the Beijing Consensus, the main components described above—the focus on high, yet equitable, economic growth, the willingness to experiment in policy-making and to change course when needed, the de-

fense of national interests and refusal to capitulate to foreign interests, and the accumulation of soft-power tools to weigh against U.S. hegemonic power—remain largely unchanged (Yu Keping 2005, Yao Yang 2010).

Westerners and Chinese alike highlight the hardware of the China model: one-party authoritarian rule, a system of mixed private and public ownership, and a market-driven economy. On the whole, Chinese scholars tend to emphasize the model’s software—the somewhat less tangible, but no less defining, characteristics that derive from one-party rule wherein that one party has a long-term development strategy. In “The China Model Mystique,” Zhang Weiwei contends that the model has five main features. The first feature is that leaders must consider the inhabitants, history, and culture of the country when planning a development strategy. Second is that leaders experiment with new reforms. Before any major reform is implemented nationally, it should first be tested on a small-scale basis, with widespread implementation dependent on small-scale success. Third is an emphasis on gradual reform and a refusal to make any revolutionary changes that risk causing instability. Fourth is that the developing country chooses the sources from which it wants to learn and does not allow other countries to force a development strategy upon it. Fifth is that the leaders should carefully prioritize its reforms (Zhang 2006).

These features form a system that is highly dynamic in policy implementation and that gives the government much flexibility

Ramo’s zeal for the rhetoric of Chinese leaders overlooks the gaps between reality and the ideal.

in its policy design, both domestically and internationally. Domestically, the government can experiment broadly with potentially risky initiatives and reforms around the country and focus its resources in whichever areas are in the most need or on whichever initiatives show the best results. Yao Yang argues that because the government is “disinterested,” or neutral (i.e., not indebted to voters or to any one set of interests), it can undertake sweeping, unpopular changes that have negative effects on large groups of people—for example, the privatization of state-owned enterprises, the building of the Three Gorges Dam, and the regional water transfer of the North-South Water Diversion Project—at low political cost, with social unrest the only real (yet potent) threat (Yao 2008). Moreover, if an experiment fails, either on the local or national level, the policy can be reversed with little political blowback. Internationally, Chinese leaders can build up national defense and develop a foreign policy approach with little accountability to their citizens.

Although this type of concentrated power could obviously lead to disaster in the hands of incompetent people, it could also lead to many long-term benefits if wielded by competent individuals following a long-term development strategy. Liu Naiqiang described the benefits of the high level of efficiency that can be achieved under one-party, authoritarian rule in a controversial article that appeared in the December 2009 edition of *Zhongguo Pinglun*, arguing that such a system is optimal for a complex society such as China’s:

The Communist Party can decide to do just about anything, including a 180-degree reversal of its previous path, and it will succeed.

“Coordinated development requires an effective mechanism to concentrate on a number of complex objectives in society, to prioritize certain objectives in accordance with their gravity, and, through different policies and divisions of resources, to achieve all of these objectives to varying degrees of satisfaction. In western-style democratic politics, different political parties represent the interests of different factions, and it is impossible for a party to play the role of a strong and just coordinator between these interests, making it difficult to achieve this sort of coordinated development. ...In fact, the West has long been caught in the contradiction between

the government and the market. In recent years this has obviously led to chaos, as the global economy finds itself in collapse due to financial interest groups.”(Liu 2009)

For all of its benefits, the democratic process can be messy and chaotic, and long-term plans for economic development, reforms, or international relations can be easily derailed when a new party comes to power or public opinion shifts. Environmentalist Wu Changhua describes the relative political dependability associated with the China model during the run-up to the Copenhagen conference on climate change in late 2009, stating: “In China, if the President says it, we know it will be done. In the US, it does not necessarily mean action” (Huei 2009). “With the efficiency of the Chinese system, Liu Naiqiang argues, “The Communist Party can decide to do just about anything, including a 180-degree reversal of its previous path, and it will succeed” (Liu 2009).

Reception of the China Model in the Developing World

The China model, as Joshua Ramo predicted in 2004, is proving increasingly attractive to other countries struggling to achieve a high level of economic growth while maintaining political stability, particularly to African countries, Russia, and India.

Africa

The enthusiasm in African countries for the China model is unsurprising, as economic ties between China and African nations have been increasing steadily in the last decade, giving Africans many chances to witness China's development model. China's pressing need for resources to sustain its economic growth has led it to become a net importer of oil. As of 2008, about one-third of China's oil imports came from Africa, with the Republic of Congo, Equatorial Guinea, and Sudan its largest trading partners on the continent. In return, China has invested heavily in the infrastructural development of its trading partners, concluding deals of nearly \$14 billion. For example, using oil-backed loans, Chinese companies have helped Angola rebuild its infrastructure following the end of that country's 27-year-long civil war in 2002, constructing roads, highways, hospitals, schools, and water systems (Hanson 2008).

There has been much criticism of Chinese investment and foreign aid to Africa—specifically, that Chinese companies working in Africa often use Chinese instead of local labor; that when local laborers are employed, they receive lower wages; that construction of infrastructure is often shoddy and labor conditions are frequently unsafe. However, according to a recent

report in *Foreign Affairs*, many African leaders and entrepreneurs are making increasingly savvy and informed deals with their Chinese business partners. According to the report:

“Angola required Chinese companies to subcontract 30 percent of the work to local firms and insisted that the Chinese solicit at least three bids for every project they planned to undertake... According to some reports, the Congolese government has stipulated that 10 to 12 percent of all the infrastructure work undertaken under this arrangement must be subcontracted to Congolese firms, that no more than 20 percent of the construction workers involved be Chinese, and that at least one-half of one percent of the costs of each infrastructure project be spent on worker training.” (Brautigam 2010)

The benefits reaped from such investment have led many Africans to conclude that there is an alternative to western aid, which often comes with many strings attached.

Although developed western countries and western-led organizations have sent more than \$300 billion in aid to African countries since 1970, that aid is seen as having produced few tangible results in economic development and a lack of a corresponding rise in living standards. In an editorial that appeared in *The Financial Times* of London in January 2008, Senegalese President Abdoulaye Wade stated his belief that Chinese investment and aid have produced better results than had western aid, in a much shorter period of time, asking:

“If opening up more free markets is a goal that the west prizes - and extols as a path to progress - why is Europe fretting

about China's growing economic role in Africa? The expansion of free markets has indeed been a boon to Africa. But as I tell my friends in the west, China is doing a much better job than western capitalists of responding to market demands in Africa." (Wade 2008)

Complementary to the belief that Chinese investment has been, as one editorial in *Africa News* states, more effective than all aid from all Western countries combined, is the belief that the conditions placed on aid from Western developed countries--for example, that countries receiving aid implement free market reforms, respect human rights norms, and institute democratic processes--was counterproductive at best. In a December 14, 2009, editorial in *Africa News*, Addis Ababa, program coordinator at the African Union Commission and the executive director of the African Rally for Peace and Development, supports this often-stated view on the misguided nature of the Western approach to aid in Africa:

Ababa believes many Chinese policies implemented post-1978 could prove successful for African countries.

The urgently needed developments of Africa in areas like infrastructure, health-care, and education, which have quick and visible benefits to the population, are supported by the Chinese development model... The bottom line is that traditional Western conditionality is irrelevant to economic development and, thus, has undermined the role of the state in the socio-economic life of countries. (Ababa 2009)

Given the apparent effectiveness of the Chinese model of development aid and the enormous economic gains and rise in

living standards China has seen in just the last two decades, it is not surprising that African leaders, scholars, and the media would begin to consider the benefits of attempting to follow in China's footsteps in implementing economic reforms. Addis Ababa argues that African countries share many similarities with pre-1978 China, including "a predominantly illiterate agrarian population with chronic food insecurity and insufficient clothing, as well as an urgency to meet the demands of legitimately expected public services in the form of infrastructure, education, and security" (Ababa 2009).

Ababa believes many Chinese policies implemented post-1978 could prove successful for African countries, particularly, "Expanding protection and space for private property, welcoming foreign investment in areas where the Chinese could not effectively participate, providing tax waivers for foreign investments, and enhancing job opportunities and joint ventures."

Regarding specific ways in which agrarian African countries could emulate Chinese economic reforms, Ababa cites a 1997 article for the International Monetary Fund titled "Why is China Growing So Fast?", in which authors Zulu Hu and Moshin Khan explain the importance of China's encouragement of rural enterprise growth, which moved millions of surplus rural laborers from farms into the industrial sector without creating an urban crisis. Ababa, like Senegal's President Wade, concludes that Africa has much it can learn from the China model, and that "it does not matter if the development assistance and lessons come from the East or

West, as long as Africans benefit and learn from both” (Ababa 2009).

Russia

African support for the China model tends to focus on the model’s potential economic benefits and China’s current role in stimulating the economies of African countries without placing any political conditions on investment and aid. There is little, if any, emphasis in Africa on the need for African countries to emulate China’s one-party political system. Russia’s current preoccupation with the China model, on the other hand, is very focused

The Russians, and others, seek tips on how to combine growth with improving the lives of their citizens...

on learning from China’s unique combination of rapid economic growth, authoritarian one-party rule, and relative political and social stability. In October 2009, Russia’s majority political, United Russia, convened a meeting with senior Chinese Communist Party (CCP) officials to “hear firsthand how they wield power” (Levy 2009).

Russia’s current eagerness to learn from the Chinese example is an ironic turnaround from the initial days following the establishment of the PRC, during which China adopted Soviet-style reforms and looked to Moscow for advice on their implementation. Following the Soviet Union’s collapse in 1992, Russia’s move toward a democratic political system and a capitalist market economy that, while raising the living standards of many people, has also led to a shrinking economy with high unemployment, a quickly decreasing life expectancy that is poised to create a demographical crisis in the near future, a dra-

matic and widening gap between the rich and the poor, and a society in which corruption and collusion between government, business, and organized crime has become the norm.

Although Russia has a certain degree of political competition between multiple parties, a press that is relatively free when compared to China’s, and an uncensored internet, these freedoms do not seem to have produced tangible, positive improvements in the living standards of many Russians, and Russian leaders are looking to their Chinese neighbors to ascertain how the latter has seen such positive results to their economic reforms. Their conclusion seems to be that democracy is the problem. Russian President Dmitry Medvedev has denied that leaders are looking to the China model for answers, saying that the model is unsuitable to Russia’s economic development and national character (People’s Daily Online 2009). However, according to Peh Shing Huei of *The Straits Times*, “What the Russians, and the others, are seeking to pick up are tips on how to combine economic growth with improving the lives of their citizens, and at the same time avoid the disruptions of democracy. In other words, a United Russia that can rule as long as the CCP has - 60 years and counting” (Huei 2009).

India

As the world’s two most populous countries and fastest growing economies, India and China are often set in comparison to one another. With its successes in maintaining democratic institutions and relative social stability despite staggering poverty levels, widespread illiteracy, and dizzying ethnic and linguistic pluralism, India seems to be an irrefutable counter argu-

ment against the commonly heard Chinese claim that democracy could not be successful in China because of the country's large population of lowly-educated, "low quality" citizens.

On the other hand, Chinese scholars frequently cite India's high poverty and widespread human misery to support their argument that democratic institutions do not in many cases translate into an increase in living standards and that the Chinese development model has found more success in this regard than has India's. In a speech given to Beijing Univer-



sity National Development Research Institute in 2008, Yao Yang discusses the necessity of democratic reforms to ensure the success of the China model but relates that China must find a "new path toward democratization." Yao's principle argument against Indian-style democracy is that it has brought few benefits to the lives of ordinary Indian citizens. He cites the average area of living space for the average Indian--1.8 square meters--and the low level of public good provided by local governments. Yao's main anecdote regarding the lack of attention to the public good involves a local official who is elected because he promises to build a public toilet for a community. The toilet is eventually built but quickly turns into an unusable, polluting cesspool because no

one manages its upkeep and cleaning (Yao 2008).

India is making similar comparisons between the Indian and Chinese development models. Many among the Indian left and business elites have praised China's flourishing special economic zones, high worker productivity, and the CCP's tight-fisted control over all elements of Chinese society, suggesting that India could learn from this example (Venugopal 2009). Speaking to *Business Standard*, Planning Commission member Narendra Jadhay disputed strongly the idea that the Chinese model would be suitable for India, but he admitted that "China had developed faster than India because it followed a centralised system of governance and there were fewer checks and balances in place" (Rawat 2009).

India is making similar comparisons between the Indian and Chinese models.

Others argue, however, that India's lag behind China in terms of development is a function of its late start in implementing economic reforms. China's reforms began in 1978; by contrast, breakthrough reforms of India's economy, including opening for international trade and investment, deregulation, initiation of privatization, tax reforms, and inflation-controlling measures, were only implemented in 1991, following the International Monetary Fund's bailout of the then bankrupt state ("India's government wobbles" 1997). Planning Commission member Jadhay contended that although the China model has produced more immediate positive results, India's development will prove more sustainable in the long term, both in terms of economic policies, in which India has focused on do-

mestic sources for funding development, as opposed to China's manufacturing-led economy financed mainly by portfolio and foreign direct investment, and in terms of India's parliamentary democracy, in which "things may move comparatively slower, but it ensures a holistic development model, which will complement us when things go out of hand such as the recent meltdown" (Rawat 2009).

Chinese Doubts as to the Model's Replication

... the consensus among Chinese scholars is that China model should not be promoted to other countries.

As we have seen in the last section, many African countries are accepting Deng Xiaoping's adage that it doesn't matter if a cat is black or white as long as it can catch mice and are looking toward both Western and Eastern models as examples for their development. Russia is studying closely China's ability to maintain one-party rule and high economic growth. Certain elements in India are similarly debating the merits of Chinese authoritarian system and relative national unity versus their own democracy and pluralism. However, the consensus among Chinese scholars and media sources—from supporters and critics of the model alike—seems to be that the China model should not be promoted to other countries.

Some China model supporters believe the model has worked extremely well for China, but they emphasize that China's uniqueness—its large population and long history of "uninterrupted" civilization—will make it difficult to replicate the model in other countries ("Can Chinese model

be replicated?" 2009). An article from the Xinhua News Agency questioned the prospects for Russia's adoption of the China model, concluding that the model was unsuitable for Russia, due to the countries' different political structures, the high level of connections between business and government in Russia, and Russian government's lax response to rampant, debilitating corruption (He 2009).

Other supporters stress that the strength of China's development experience lies in the fact that China found its own development path that suited its history and national conditions instead of adopting the path traditionally encouraged by the West. They contend that trying to package a development model for exportation to other developing countries would go against the core identifying feature of the China model—its respect for the sovereignty and ability of countries to determine their own destinies ("China offers new growth pattern" Chinadaily.com, November 19, 2009). According to a series of commentaries in *The Study Times*, a publication affiliated with the Central Party School, China should not try to "re-make the world in its own image." Rather, "each country should seek its own developmental path, one that fits its norms and people" (Peh Shing Huei, December 19, 2009). China model supporters, such as Li Jianhua, also agree that the model is not perfect and has left many unresolved problems, such as environmental degradation and the growing gap between the rich and poor, which should make other countries consider carefully whether they want to blindly follow China's example (Li 2009).

Other Chinese scholars, such as Zhang Chuanwen and Yuan Weishi, argue that the China model is too imperfect, too un-

finished, and too resistant to political reform to replicate in other countries. In an opinion piece that appeared on Zao-bao.com and was later removed by censors, Zhang Chuanwen contended that contemporary China is not a model for socialism with Chinese characteristics, but rather a capitalist system with feudal characteristics, in which the rights of the government and individual government officials are too great. Even setting aside China's lack of democratic reforms, argues Zhang, China's institutions are moving in a backward direction, with widespread corruption representing a severe threat to the country's future (Zhang 2010). In an interview with *Hong Kong Commercial Daily*, Yuan Weishi also criticizes the economic aspects of the China model, arguing that, due to the persistence of monopolies, lack of fair competition, and corruption, one cannot say that a Chinese economic model actually exists (Yuan 2010).

Flaws within These Arguments

Chinese reasons for circumspection in international promotion of the China model are understandable, given China's history with foreign intervention, the non-interventionist spirit and rhetoric of the model itself, as well as the failure of the Western model (or, for that matter, the Soviet model) to take root and gain lasting credibility among developing countries. However, if China's economic growth and relative political and social stability remain constant, the fact that China does not actively promote any one development model might not mean very much, as other countries will strive to follow what they see working.

Many of the arguments that mention China's uniqueness seem flawed. The Chinese

“exceptionalists” who argue that China's situation is too unique ignore the nature of a model—a simplified pattern that does not fit all data points or subtleties of the complex concepts or realities it attempts to describe, which can be replicated to produce similar results in different situations. The Xinhua article on the China model in Russia used Russia's heavy ties between government and business and weak response to corruption to argue that Russian attempts to replicate the China model were not practicable (Xinhua 2009). However, this is circular logic. Any decision by Russian leaders to attempt to replicate the positive results of the China model would surely pay close attention to these very differences. After all, any development model that allowed for a continued weak response to corruption and close government-business ties would not resolve these two major problems that are holding back Russian economic growth. A Russian version of the China model would very likely study the policies China has put in place to combat its own significant corruption problems and to restrict ties between top leaders and commercial circles. If transmission of a development model required similar histories, cultures, and institutions for the countries in question, it seems unlikely that India and Japan—or, for that matter, Taiwan Province—would have been able to adapt the institutions designed by developed Western countries or to adopt political and social ideals developed during the European Enlightenment.

“Exceptionalists” who argue China is too unique ignore the nature of a model.

Arguments that mention the China model's imperfections as reasons against the

spread of the China model are also somewhat naïve. In their search for the perfect, they forget the lure of the “better –than,” or any sort of improvement over the status quo. Although countries attempting to follow China’s example must take into account the model’s flaws, it is unlikely that a country with negative economic growth and debilitating social problems would choose not to consider the Chinese experience as a model because it is imperfect.

Other Potential Difficulties

It seems likely that, in the absence of an unforeseen Chinese crisis, the China model will continue to be held up in developing countries as a viable alternative to the Western model of economic development and political liberalization. However, while it does not seem particularly useful to focus on historical and institutional differences between China and other countries in arguing the difficulty of the model’s exportation, there are certain demographic and cultural differences that are worth considering. First, as has been mentioned above, the economic development path taken under the China model would be almost impossible in the absence of single-party rule. Single-party rule and centralized power have produced a degree of social unrest in China, with daily small-scale protests against specific policies or corrupt behaviors occurring throughout the country. However, this unrest has not boiled over, perhaps due to the Chinese population’s relatively high degree of trust in governmental authority and the level of credibility and legitimacy the government has been able to

... the economic development path taken under the China model would be almost impossible in the absence of single-party rule.

amass by efficiently providing public goods for the last thirty years. If similar dramatic economic reforms were to be coupled with one-party rule in countries with less popular trust in authority, leaders would have to take this difference into account. In addition, although ethnic tensions arise occasionally in China’s western regions, China’s 92% Han majority and high degree of national identification facilitate the government’s calls for unity and support during times of dramatic policy shifts. Countries with more fractious populations and deeper ethnic divisions might have greater difficulty in that respect.

Conclusion

The Beijing Consensus has become an attractive model for many in the developing world, particularly in its emphasis on promoting economic development and maintaining self-determination. It seems likely that African states, especially those with heavy trade relations with China, will look to the China model as well as the Western model in deciding how best to design their development strategies. Russian leaders have been focused on the more political aspects of the China model as well, trying to determine how to move toward a more thorough domination by a single political party. It is less likely that China model proponents in India will succeed in significantly changing India’s political landscape, as that country’s political institutions and economic reform strategy have been in place for a considerable length of time.

However, as China responds to changing international dynamics and its own inter-

ests in the international arena, it is likely that the Beijing Consensus will change as well. The principles of non-interference and self-determination, which are key to the China model, are highly beneficial for a country concerned primarily with defending its own interests within its own borders. However, as China becomes more heavily involved in Africa or other areas in the world, it may begin to see that its core interests have become entangled with the interests and decision making of its counterparts in those regions. Even as other developing countries accept with eagerness the merits of the China model, China might begin to see that its model is already outdated.



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THE SUCCESSES OF THE CHINA MODEL

By Wanlu Hu

October 1, 2009, marked the 60th anniversary of the founding of the People’s Republic of China. While there were countless celebrations held throughout China, Chinese intellectuals celebrated the 60th anniversary in their own way: by recounting China’s successes since 1949. They analyzed and summarized the new developmental model that has evolved during the 60 years since the establishment of new China, or what is called the “China Model.” Many Chinese scholars argue that China took a developmental path that no other countries have taken, and although they agree that there is no exact definition of the China Model, they have studied the many aspects of the Chinese pattern of development. Western media and academic circles have also focused on China’s rise and its model of development. However, there is still very little understanding in the West of Chinese perceptions of the China Model. This paper seeks to analyze Chinese scholars’ perceptions and interpretations of the China Model, with particular emphasis on arguments in support of the model.

From the Beijing Consensus to the China Model

In 2004, Joshua Cooper Ramo published “The Beijing Consensus,” in which he proposed an alternative economic development model to the Washington Con-

sensus. “The Beijing Consensus” was published when the world was witnessing China’s dramatic economic success. Ramo emphasized that the main characteristic of China’s development model is its capacity to formulate quick responses and develop solutions to problems and that innovation has been the foundation of China’s economic success (Ramo 2005, 6).

Although Ramo used the terms “Beijing Consensus” and “China Model” interchangeably in a speech in 2006 (Ramo 2005, 6), many scholars prefer using the term “China Model” rather than “Beijing Consensus.” They argue that the term “consensus” has been abused, with too many “consensuses” having been proposed after the idea of the “Washington Consensus” was put forth in 1989 by John Williamson. Moreover, the term “Beijing Consensus” has been similarly overused. Anything related to Beijing can be granted the title “Beijing Consensus,” regardless of whether it is relevant to China’s development model. Compared with the Beijing

Consensus, the term “China Model” encompasses more aspects of China’s development, such as China’s social and historical background, mechanisms of economic development, and the welfare system (Zhan 2005, 176).

There is no single definition of the China Model, but most scholars agree on its basic elements. Yu Keping states in his 2006 article, “China Model: experience and lessons,” that the China Model constitutes a system of development strategies and a governing model that has developed China gradually through reform and opening (Yu 2005, 11). When facing the chal-

lenges of globalization, China has gained valuable experience and paid a considerable price. Learning from past experience is of great significance for the development of China and other developing countries (Yu 2005, 13).

Economic Development under the China Model

While many scholars and national leaders speak of China’s recent development with reverent tones, the extent to which the country has developed is often argued. However, China’s economic successes constitute its most obvious form of development.

However, there have been debates on what factor played the largest role in this economic success. Most scholars believe that privatization and the market-driven economic reforms of the past 30 years have led to China’s enormous economic success. However, after the financial crisis that affected most countries, especially those that insist on market economies, China’s economy was only slightly affected. Therefore, this has given rise to the argument that China’s economy, though not a classic market economy, might work better than the “invisible hand.”

China’s Economic Model

Pan Wei offers a good summary of the Chinese economic system in his paper on contemporary Chinese economic structure. Pan argues that the main features of the Chinese economic system include: (1) government control over the land and limited land usage rights for individuals; (2) state-owned financial institutions and other government-sponsored institutions; (3) a free labor market; and (4) a highly competitive commodities market. The Chinese

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system differs from the British or American “market economies,” as the latter insist on private ownership. Similarly, the Chinese system deviates from the “commodity economy” of the Soviet Union because the Chinese model does not rely on “ownership by the people.” China’s economic model is also not a “social market economy,” like those found in northwestern European countries, because it does not have a high tax rate or a high level of welfare. Furthermore, China’s economic model is also different from that of Japan and Germany because its economy is not dominated by a small number of privately-owned companies, which is also known as “national capitalism.” Instead, China’s economy is unique; officially, it is called a “socialist market economy with Chinese characteristics.” (Pan 2009, 10)

Merits of the Pre-1978 China Model

There are two distinct stages of China’s economic development: before and after the reform and opening in 1978. Many contemporary scholars such as Wen Tiejun and Dong Xiaodan believe that China’s economic success cannot be simply attributed to the reform and opening. Rather, they argue, China’s economic reforms before the implementation of Deng Xiaoping’s reform and opening policy are equally significant to China’s current economic success.

China was a poor agricultural country when it began the process of modernization after the founding of the People’s Republic of China. Per capita income was only \$27 USD, 40% lower than the average in Asia. The new government met

many challenges; among them were land reform and the restoration of social order. A state-owned economy was established. Learning from the Soviet Union’s experience in industrialization, China mobilized its resources and organized heavy industrial construction in the planned economy. Despite the low incomes of Chinese workers, China established a basic education system, constructed a basic healthcare system, and invested heavily in infrastructure. All of these efforts laid the foundation for China’s future economic success. Even though the Chinese economy was greatly affected by the mass political campaigns and the Cultural Revolution, China achieved 6.4%

... China’s economy is unique; officially it is called a “socialist market economy with Chinese characteristics.”

average increase in national income per year from 1952 to 1978 (Gao 2009, 96). After correcting the “leftist” mistakes made during the Cultural Revolution, China focused on economic development through reform and

opening of its economy. These reforms unleashed the economic potential that had built up over the years and helped achieve stable economic development.

The Urban-Rural Divide under the China Model

Critics of the China Model in both China and the West cite the social ills stemming from the model’s urban-rural divide. However, some China Model supporters argue in favor of this divide. He Xuefeng, an expert in rural policy, stresses the importance of the urban-rural dual structure to China’s overall economic success. He argues that the urban-rural dual structure has served not only as the prerequisite of China’s fast development during its first 30 years, but also the “secret” that has

allowed China to achieve great economic success since reform and opening (He 2009, 181). In China, there are two different systems for economic activity and residence in urban and rural areas. The urban-rural distinction is the result of differences in policies implemented in urban and rural areas. Because of the different policies in urban and rural areas, the economic development in urban and rural areas has also proceeded differently. Urban residents enjoy a higher quality of educational services, more employment opportunities, greater social mobility, developed infrastructure, and higher per capita incomes.

One argument in support of the urban-rural divide contends that the people's communes, which were the dominant system of organization in rural areas from 1958-1978, helped bring China to the advantageous position in which it finds itself today. Each commune consisted of approximately 4,000-5,000 households and had governmental, political, and economic functions. He Xuefeng argues that the people's commune system was not only efficient in providing a large number of urban and industrial workers with a modest accumulation of capital, it also improved agricultural production conditions using mainly its own organizational strengths. Taking into account the serious surplus of the agricultural labor force stemming from the large rural population and limited land resources, the most pressing issue of the people's commune era was not how to stimulate the enthusiasm of individual farmers, but how to mobilize the large surplus labor force and use this force to improve the basic conditions for agricultural production. By organizing the rural labor force to carry out the construction of agricultural infrastructure, such as reservoirs or irrigation sys-

tems, the people's commune system improved substantially China's ability to feed its massive population and provided a modest accumulation of capital to support China's industrialization (He 2009, 187-190).

According to the land use system currently in place, rural land is owned by the collective, and each rural family has the right to contract land. By farming on the collectively-owned contract land, rural households can subsist and provide food and clothing for their families, but it is difficult to accumulate wealth. Given the surplus labor in the countryside, young people from rural families seek work or business opportunities in urban areas, while older family members farm in their home villages. Thus, a peasant family will have two sources of income. Because young farmers can go back home if they fail to find jobs in urban areas, China has no large-scale urban slums, which gives China the ability to cope with the economic cycle and prevent economic issues from developing into political and social crises.

In China, there are two different systems for economic activity and residence in urban and rural areas.

In addition to the urban-rural dual system, another positive aspect of China's economic development was in its improvement in human capital. Human capital is reflected in the quantity and quality (i.e., the skill level and proficiency) of labor. In practice, human capital is usually measured by the number of workers, their education level, and their overall health. Before 1949, China had a very low level of human capital. Between 1949 and 1978, China took full advantage of its socialist system and made great improvements in

human capital (Li 2009, 210). Improvements in health and education, a decline in fertility rates, and increased equality for women all helped to raise the performance of China's human capital. As a result, in the late 1970s and the early 1980s, some indicators of human capital in China reached the level of those in developed countries (Li 2009, 210). Human resource input can contribute to productivity gains; at the same time, human capital is a source of technological progress and long-term economic growth.

China is not ready for the first path, and the second path will result in chaos.

The China Model's Political Developments: Institutionalization, Accountability, and Rule of Law

The China Model is not only a model for the country's economic development; it also provides a plan for political transformation. While democratic systems have not yet been established in China, China's leaders have been exploring the road for a Chinese-style political transition, or a so-called "third path." The "first path" toward democratization would be to adopt western-style democratic norms, i.e., a one-person-one-vote electoral system and competitive party politics. The "second path" was that taken by Russia after the fall of the former Soviet Union. This path entails fast-paced democratic transformation, or "shock therapy," and includes the overthrow of communist rule and widespread acceptance of the establishment of a liberal democracy. In the eyes of the Chinese Communist Party elites, China is not ready for the first path, and the second path will result in chaos and unrest. Many among China's elites and intellectuals believe that if China is to maintain unity and

peaceful development, China's unique political and cultural background requires the adoption of the third path (Zhao 2009, 298). The third path would maintain one-party rule and involve a gradual expansion of political participation.

Institutionalization

Institutionalization is one of the most important aspects of political reform taking place in China. It stresses the establishment of normative rules and procedures and is essential in establishing a working legal system and rule of law. The institutionalization of the leadership system dates back to 1980, when Deng Xiaoping recognized that the absence of effective systems and of checks and balances on authority led to catastrophe in the Mao Zedong era (Teiwes 2001, 74). Important reform measures include a constitutional basis for Party and state institutions, term limits for top leaders, and an emphasis on younger and more highly educated civil servants. One of the most important results of institutionalization would be the enhancement of institutional power and the decline in the authority of individual leaders.

Accountability

Another direction of political reform is to establish institutional and legal mechanisms to restrict government officials in order to make them more accountable to society and to assume political responsibility in the case of poor performance. Correspondingly, many systems have been established for this purpose, including Party discipline meetings, administrative review procedures, and the petition system. Among these systems, an accountability system that has been built up in recent years is an important measure. Under this system, if any official is found respon-

sible for an accident, ranging from the spread of infectious diseases to public disturbances, he or she will face serious punishment or dismissal. Although China has not accepted the liberal democratic principles or an open political system, the Hu Jintao-Wen Jiabao regime has indeed made a considerable effort to reform the system in response to the demands of those affected by China's economic and social transitions and the effects of globalization. In this respect, the Hu-Wen regime has been more responsive to the needs of the masses than its predecessors.

Rule of Law

The establishment of a legal system, or “rule of law,” has become the third important aspect of political reform in recent years. China has formulated and adopted four constitutional amendments. These amendments made the Constitution more like a legal document that protects civil rights. More importantly, the constitutional amendment for the first time explicitly declared the intent to establish “the rule of law” and to “build a socialist country ruled by law” (Gao 2009, 129). According to Pan Wei, “the Constitution has been transformed from a document expressing the rights of the Communist Party into a document limiting the rights of the Party” (Zhao 2009, 295).

The transformation of the Chinese Communist Party from a revolutionary party to a ruling party is another important aspect of political reform. The Party was the vanguard of the working class during the Mao era and followed communist ideology in order to consolidate power. Since Deng Xiaoping initiated economic reforms, communist ideology has been gradually making concessions to the reform and opening of the economic system in order to control an increasingly

complex variety of issues in Chinese society.

Exporting the China Model

Although scholars are attempting to analyze and explain the China Model, this discussion does not intend to convince other countries to attempt its implementation. However, the China Model is attractive to other countries. The China Model is non-ideological and pragmatic, emphasizing economic growth as well as political stability. This pattern is not only recognized by leaders of some developing countries, its attractiveness is also growing in the West (Zhao 2009, 299). A large part of the attraction is due to development and changes in three areas. The first development is China’s economic success under the leadership of the Communist Party. China has become the world’s most rapidly growing economy over the past 30 years.

... The Hu-Wen regime has been more responsive to the needs of the masses than its predecessors.

The second development is the relative success of China in recent years, compared with American economic, political and diplomatic failures, which have recently caused a decline in the attractiveness of the Western modernization model. Economically, because the United States is now greatly indebted to China and other countries, its solvency has been called into question. In this regard, it has become increasingly difficult for the United States to present itself as a shining example of global economic development to the rest of the world. With regard to American foreign policy and diplomacy, the American model uses ideology to promote the democratization process but

ignores the domestic conditions of many developing countries and the effects these conditions may have on democratization.

The third development is China's "value neutral" foreign policy for many developing countries. In formulating foreign policy, China, does not use a country's level of democracy as the sole barometer of its worth, as Western countries often appear to do. Rather, it takes into account governance, transparency, rule of law and other moral principles, along with a high focus on its own economic and strategic concerns.

Conclusion

After China's 60 years of development, especially in the last 30 years of reform and opening, China has demonstrated a successful development model with rapid economic growth and relative political stability under the leadership of the Chinese Communist Party. Economic growth has generated a large amount of wealth, improved the living standards of the Chinese people, and, therefore, has allowed the Chinese Communist regime to maintain legitimacy.

An evaluation of the quality and success of China's development model should be based on objective facts and use as a standard of measurement the comprehensive development and well-being of people and society. The China Model promotes the rapid development of China's productive forces to improve living standards, promote comprehensive social development, safeguard world peace and security, and improve China's international reputation. With these advantages, the China

Model attracts and inspires people from different perspectives.

However, this does not necessarily mean that the China Model will replace the Western model, because many aspects of the Chinese Model are products of specific historical developments that have taken place in the last ten years. Because the success of the Chinese Model has not had a very long history, Chinese scholars themselves rarely claim the universality of this model. China's economic growth may come to a standstill or begin to decline, as has occurred in many other emerging economies. In addition, China's income gap between the poor and rich has been

steadily growing over the past decade and continues to widen. Although the China Model has so far led to sustained economic growth and maintained the regime's legitimacy, the sustainability of these successes remains uncertain. From this perspective, it is far

too early to proclaim that the Chinese Model will replace the Western Model of modernization (Zhao, 2009, 305).

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Criticizing the China Model: An Overview of Discussions in China

By Linling Zhong



In light of the industrialization programs carried out by the central government of the People's Republic of China over the past thirty years, China has become one of the fastest growing powers in the world. Even during the ongoing global economic crisis, China's economic growth accelerated to 8.7% for 2009, achieving the government's full-year growth target of 8% and totaling 33.54 trillion RMB (\$4.91 trillion) (National Bureau of Statistics 2009, np). Based on China's fast and apparently stable economic development and increasing power in the world, more and more scholars are turning their attention to China's unique model of development, the "China model." Many developing countries in Africa and other regions are trying to imitate and follow China's economic and political models. However, there is a major debate over whether the China model is sustainable for China and exportable for other countries. Within China, there are a number of Chinese scholars who view the China model with trepidation and who question its validity. Specifically, these scholars' concerns and questions include:

- (1) What is the true definition of China model?
- (2) How will economic development continue under the China model?
- (3) What are the social and environmental costs of the model?
- (4) Is political reform possible under the China model?
- (5) Is the China model a valid and applicable model for other countries to follow?

Beginning with Joshua Ramo's seminal article in which he puts forth the idea of a "Beijing Consensus," poised to rival the Washington Consensus in terms of economic power, China watchers have attempted to define and explain this alternative model. However, little attention has been paid in the West to the parallel debate occurring within China. The purpose of this paper is to give Western audiences a better understanding of the debate over the China model that is currently taking place in Chinese academic circles. Emphasis is placed upon Chinese criticisms and challenges of the economic, social, and political aspects of the model. It is important for a Western audience to read these critiques of the China model and to realize that Chinese public and scholarly opinion

on the China model is not monolithic, nor is there one decisive definition of the China model within Chinese scholarly circles. There is a debate taking place, and the definition and meaning of the China model are still being formed.

The Definition of China Model

The China model/ Beijing consensus gives a broad definition of the China model. According to Keping Yu, a Chinese scholar and China model supporter, the main elements of the model are: (1) Regarding rights of ownership, China has neither a system of pure public ownership nor one of pure private ownership. Rather, it has its own unique mixed ownership system. At the same time, China is abandoning its traditional command economy and moving toward a socialist market economy. (2) Politically, China insists on the Chinese Communist Party's (CCP) leadership while encouraging a system of "one party leads, multiple parties cooperate." (3) Regarding political ideology, the Chinese leadership still insists on Marxism as the dominant political ideology, but nominally allows the existence of different schools of political, ideological and social thought. (4) Regarding the relationship between the military and policy makers, China has installed civilians as military leaders. At the same time, it insists on the CCP having control of military power. (5) Regarding the relationship between society and the state, a relatively independent society has been produced, which means the economy is more independent, rather than controlled by the central government (Yu 2001, np). Also, Hu Jintao's idea of "harmonious" society plays a significant role in people's

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daily lives. People in China have a higher quality life under the systems of the new China model.

However, many scholars disagree with this definition of the China model. Wenju Qian contends that the definition of the word "model" in Chinese connotes a standard formula that can be followed by others (Qian 2010, np). Qian argues that Yu's definition makes no sense and is not possible for other countries to follow. He goes on to make the argument that, contrary to Yu's definition of the China model, Chinese people are not the real "owners" of the country. People in China still have very limited rights and freedoms. For

example, the Chinese government recently banned a TV series called *Wo Ju*, since *Wo Ju* does not follow China's mainstream, politically correct social structure (主流社会). According to Qian, the ideological diversity of society in China is very

limited. He also argues that "multi-party cooperation" does not exist in China. The leaders of the non-CCP parties are all chosen by the CCP. He concludes by pointing out that the so-called "China model" has nothing to do with people's freedom, which he thinks is the basic principle of a society's development.

Keping Yu himself admits that the China model is not yet a finished and perfect model. Firstly, he contends, China is still in the process of finding new solutions to sustain its economy. Secondly, China's circumstances are very specific, making the model difficult to apply to other countries. The China model is based on its traditional culture and long history that other countries do not have. Although Yu be-

believes that a China Model exists, he thinks that the model is still in its developing stages (Yu, 2010, np).

In general, opponents of the China model tend to believe either that the model does not exist or that it is too early to call the Chinese path of development a “model.” They argue that to continue calling it the China model will just serve to make Chinese people arrogant and make the country lose direction.

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Economic development under the China Model

While the West struggles to recover from the Great Recession, China is talking about building the world’s fastest trains, constructing a space station, and building its own aircraft carriers within two years. Rapid economic growth has not only vastly improved the economic well-being of Chinese people, it has also attracted followers of the

Chinese economic model around the world. However, although China’s economic model has been treated as one of the most successful reforms in the China model, it still arouses dissent among Chinese scholars.

Who benefits from the increasing GDP?

According to the official statistics, China’s average annual GDP growth rate reached 9.5% over the past 10 years. GNP increased from 3,645 billion yuan to 300,670 billion RMB, and GDP per capita increased from 281 to 22,600 RMB (Qian, 2010, np). However, Qian Wenjun has his own interpretation of the statistics. He demonstrates that the biggest part of the

increasing GDP comes from the increase of government revenue, which increased by 35% in 2008. At the same time, the GDP per capita of urban and rural citizens increased 8.4% and 8.0%, respectively, far less than the increase in government revenue. He then makes his conclusion that the difference between government revenue and personal revenue is increasing and that the Chinese government reaps the most benefit from the rising GDP (Qian 2010, np).

Chen Zhiwu at Yale University makes a similar argument in his article “Government Substitutes Individuals to Enjoy the Growth of Wealth,” wherein he explains that the percentage of individual consumption in GDP shrunk from 69% to 35% from 1952 to 2004. Within the same period, Chinese government revenue increased from 16% to 30% (Chen 2009, np).

Unbalanced development

In 1985, China’s top leader, Deng Xiaoping, proposed that China “Let some people get rich first.” He then designed a series of economic development plans for China, including market allocation and the establishment of special economic zones to attract foreign investment. (A special economic zone is a geographical region that has economic laws that are more liberal than a country’s typical economic laws.) Economic systems underwent significant changes during Deng’s time as leader, and people have continued to view him as “the chief designer of China’s development.” However, one of his most important policies under the economic reform, “let some people get rich first,” has had grave side effects. Currently, the income gap between the rich and the poor in China has become very large. According to Taiwanese researcher Ma Jiantang,

there are one billion people in China whose income is less than one dollar per day. A person living in an urban area earns on average 3.33 times as much as a person living in a rural area, and this gap shows no signs of narrowing (Ma 2010, np). Based on Du Xiaoshan's research, the majority of the population has experienced a decline in basic welfare (Du 2009, np).

Wang Yukai thinks the most significant issue for China's economic model is not narrowing the income difference, but rather transitioning from a government-controlled economy to a free market economy, avoiding monopoly and increasing domestic consumption (Wang 2010, np). He believes that China's economic model cannot function well without focusing on these issues.

Zhang Yusheng suggests that China's economic model is not perfect because it does not create a healthy and well-functioning market within China. He thinks the China model focuses too much on opening itself to foreign markets and attracting foreign investment, while ignoring the development of the Chinese domestic market (Zhang 2010, np). He believes this is one of the most important reasons for which the rate of China's GDP growth decreased over the last year.

Based on the fact that China's economic growth rate is the fastest in the world, there is a common belief that China's economic model is a successful one. However, opponents of the model see the inefficiencies. First, they doubt that the beneficiaries of the high growth rate are really Chinese citizens. Rather, they claim, the government is the power that reaps

most of the benefits of economic development. Second, they see the severely imbalanced development in China as a major failure of the system. Many opponents think that the economic model is just a model that has added imported modern technology to the Chinese economy, such as using large machines to increase productivity instead of using laborers (Yuan and Gu 2010, np). China's economic model does not create any new things, and thus China has a long way to go in order to sustain its economic growth.

Social Issues of the China Model: Pollution, Left-behind Children, and Unemployment

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Economic policies associated with the China model have produced certain social conditions that threaten China's stability. Many scholars criticize the government's single-minded focus on economic growth, which,

they argue, has create many social problems. Pollution and "left-behind children" are among the most serious of these problems.

Pollution

One point of agreement among a majority of Chinese scholars, regardless of whether they support the China model, is that China's development model has led to serious environmental problems. These problems include water pollution, land desertification, and China's reputation as the world's biggest emitter of greenhouse gases.

Ding Xueliang, a US-educated professor at the Hong Kong Institute of Technolo-

gy, wrote an article raising concerns about the environmental costs of the China model. Ding believes that China's high level of economic development is the cause of the pollution and that this model is therefore unsustainable and dangerous for other countries to imitate. For example, the environmental cost of holding the 2008 Beijing Olympic Games was four to five times higher than that of the Athens and Sydney Summer Games. Ding uses Hu Jintao's view of scientific development to issue a serious warning: it is perfectly all right to acknowledge the amazing achievements of the thirty-year reform, but it would be criminal to be blind to the gigantic costs of these achievements (Ding 2008, np).

In the book *China's Trapped Transition*,



Carnegie Endowment for International Peace's Minxin Pei provides statistics about China's environmental degradation, arguing that the cost of the China model is too high. Under this model, a third of China's land suffers from severe soil erosion. As a result, about 67,000 hectares of farmland are lost each year. Pei expresses equal concern about water quality; with 80 % of water discharged from factories left untreated, three-quarters of China's lakes and about half of the country's rivers have been severely polluted. Of the ten cities with the worst air pollution in the

world in 1999, seven were located in China (Pei 2006, 175-178).

In the short run, the China model focuses on economic development while ignoring the environmental costs of this development. However, in the long run environmental degradation will also incur economic losses. Pei cites the World Bank's estimation that in the mid-1990s, the major forms of pollution in China cost the country 7.7% of its GDP. If China does not lower these costs, critics contend, not only will the China model become irrelevant to other countries, but the sustainability of China's own economic reform may become questionable.

Left-behind children

Under the China model, there are a large number of workers moving from rural areas to big cities in order to find job opportunities. Over the past few decades, approximately 120 million Chinese farmers have moved to the cities in search of work. Unlike in Western countries, China's legal framework makes it almost impossible for migrants to attend school and care for their children where they find work. Therefore, migrant children are often left behind in rural hometowns, in the care of a single parent, or with grandparents or other relatives. Thus, a new group of children who need to live without their parents, called "left-behind children," has emerged in rural areas of China. In 2006, the population of left-behind children had reached approximately 58 million, accounting for 21.72% of rural children under the age of 17. Of these, 40 million were under the age of 14. In the Chinese media, the phe-

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nomenon of left-behind children is reported as one of the most serious problems afflicting China's younger generation, as the phenomenon produces poor living conditions, moral problems, education problems, psychological problems, and safety problems for this neglected population (Ke 2008, np). Many of these children participate in crime or are forced to work at a very early age. Many girls in rural areas have no choice but to stay home and take care of their siblings. Although this presents future generations with a significant social challenge and could pose problems for China's social stability, the Chinese government started to pay attention only recently.

Political Reform and the China Model

Many scholars who support the China model believe that this new model has put an end to mass terror, such as took place during the Cultural Revolution, and has contributed to political stability and relative cohesiveness among the elites. On the other hand, there are serious criticisms of the China model that cite its failure to address the need to implement political reforms and combat official corruption in order to maintain social stability and political legitimacy. In addition, these critics believe that the economic inequalities and social problems caused by the China Model could be resolved if China implemented democratic reforms.

Lack of political reform

Minxin Pei argues that it is worth noting that the most important institutional reforms to the political system were all con-

ceived and implemented in the 1980s. In the 1990s, under Jiang Zemin's leadership, the CCP did not for the most part launch any new or significant institutional reforms. Pei remarks that although public discussion and debates on political reform were sanctioned during the Deng era, similar discourse was practically banned during Jiang's tenure in office (Pei 2006, 55-57).

To support his argument, Pei provides statistics to show that the imbalance between an increasingly open economic system and China's relatively unchanging political system was unlikely to improve. Pei reports that half of the leading academics interviewed by researchers from the Chi-

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nese Academy of Social Sciences in 2003 thought the imbalance would persist, and a third said it would worsen. According to the results of four polls conducted between 2000 and 2003, a majority of officials being trained at the Central

Party School (CPS) reported that the issue that concerns them most was political reform, an implicit admission of the political system's relative stagnation (Pei 2006, 55-57).

Gao Ren, a columnist for China Elections and Governance Online (www.chinaelections.org), argues that the China model saves no room for political reform (Gao 2009, np). The China model is just going through a stage of primitive molding. It was not introduced until a few years ago. The model also creates many serious problems, such as expanding the gap between the rich and the poor and rampant corruption due to the lack of political reform.

Another scholar, Yang Guang, thinks that the political reform in China does not touch the root of the problem. In his article, “China’s Defective Post-Reform Political System,” Yang relates his belief that the political reforms that are taking place in China fail to address the root of the country’s problems (Yang 2006, np). He calls upon the government to delineate the relationship between the rights of the people and the government, as well as between the judiciary and legislature. In another article, “The Difficult Issue of the China model,” he mentions that there are many people in China who are waiting for

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political reform (Yang 2006, np). Contrary to Minxin Pei, who thinks political reform is very hard to initiate in China, Yang believes that political reform will be launched eventually. Such reforms, by potentially challenging two key premises of the China model—that of CCP supremacy and of “one party leads, multiple parties cooperate,” would effectively nullify the political theory at the core of the China model.

Rampant Corruption

According to Pei, the partially reformed economic and political institutions that characterize the China model provide a fertile environment for official corruption, because institutional rules are either unclear or politically unenforceable in such environment (Pei, 2006, 12-13).

Pei discusses the corruption that takes place under the current model of development, with corruption by the ruling elite having reached endemic proportions in the late 1990s. Rough estimates of the

total costs of corruption range from four to 17 % of GDP. Pei believes that one of the most serious consequences of such large-scale corruption among government officials in a transitioning economy is that it allows the ruling elite to use their political power to amass large private wealth through theft and market manipulation, thus directly contributing to rising socio-economic inequality and encouraging social discontent.



Another critic, Singaporean journalist Peh Shing Huei, believes that the China model has serious flaws in its concentration of political power. From his point of view, the China model is a combination of a market economy and a political dictatorship. Under this flawed structure, the power is controlled solely by the central government. The central government controls important resources such as oil and railways and has the power to fix the prices of these resources. Also, the fact that the leaders of the multiple “cooperating” political parties in China are chosen by the CCP and follow the CCP’s orders serves to generate a high level of corruption. According to Huei, the “grey economy” of bribery and corruption is estimated to be worth US\$500 billion (RMB 1.72 trillion) a year (Huei 2010, np).

The criticism that the China model denies the necessity of badly-needed political reforms is the most pervasive argument

made against the model. In the view of many critics, political reform is the core of the country's future development prospects. No economic or social reforms can be implemented successfully without corresponding political reforms. At the same time, these China model detractors ask the government to pay more attention to problems such as corruption, to listen to a greater diversity of opinions, and to be more transparent, and not to put forward the imperfect China model as one for the rest of the world to follow.

Given China's impressive growth performance, one might begin to wonder why, if the Chinese political system is so dysfunctional, the country has maintained rapid economic growth. Pei gives a detail explanation in this book *China's trapped transitions*.

He gives four reasons. First, the pathologies of a trapped transition became more serious and visible in the 1990s, and deterioration in governance has a lagging effort on economic performance. It is possible that the pathologies of a trapped transition will have a material impact on macroeconomic performance. Second, in the short term, the growth rate can be pumped up by high savings, leading to high investment rates and massive shifts of population from agriculture to industry, the two major factors behind China's rapid growth in recent years. Third, growth rates may inaccurately reflect a society's welfare gains. In China's case, high growth rates have been accompanied by all these symptoms of low-quality growth. Finally, he believes China should have a faster growth rate if the political structure goes well. Given China's size, low starting base and high savings rate, he concludes that contrary to official Chinese data, the Chinese economy barely grew during the period of 1998 to 2000 (Pei 2006, 206-215).

The exportability of the China model

Many scholars contend that the China model is a complicated model of development that cannot be exported abroad to other developing nations.

Many scholars believe western countries cannot copy the China model because of China's unique market structure and labor conditions. Jin Kaixuan argues that the main advantage of the China model is its successful promotion of rapid economic growth. He thinks the basic elements of this economic model are centralized power and the open market. In other words, he believes that China's market is a government-controlled market.

This economic model is based on cheap labor and aims at production of low-quality goods. Therefore, this model cannot be mimicked by countries that do not have a large quantity of cheap labor and a market that is partially controlled by the government (Jin 2010, np).

India's main difficulty in copying the model is due to culture differences between the two countries.

Some scholars believe even India, China's neighboring country which also possesses cheap labor, cannot successfully follow China's model. Liangliang He thinks that India's main difficulty in copying the model is due to culture differences between the two countries. Since India was a colony of England for more than a century, its social structure and level of democratization are very different from China. However, contrary to other scholars, who believe China model cannot be imitated by any other countries, He does think that countries like Vietnam and North Korea could succeed in following China's path, due to their similar social and labor structures

and to their shared cultural traditions and history (He 2010, np).

When China enjoys its rapid growing economy, another of its neighbors, Russia, is not growing. According to Xinhua News Agency, Russia's economic outputs decreased dramatically from 2008 to 2009. Russia has tried many different economic reforms in the past eight years, but none of them have been worked very effective. Therefore, some members of the Chinese media have suggested that Russia could benefit from emulating the China model.

However, the Xinhua article postulates that Russia cannot copy the model, basing its argument on the following reasons. First, the article talks about the different political structures in the two countries. It argues that while China is controlled by one political party, the CCP, Russia is controlled by the bureaucrat-capitalist class. Second, unlike Russia, the connection between Chinese government leaders and business is weak. For example, there are no CCP leaders who are also the heads of corporations. Third, the article contends that Russia's most serious problem is government corruption (He, 2009). Even though China also faces serious corruption, the Chinese government is working aggressively to deal with the situation, while Russia's punishment of corruption is lax. According to the international corruption perceptions index in 2009, China's ranked 79th out of 180 countries, while Russia ranked 146th (www.transparency.org).

Li Jianhua, a Chinese scholar, cautions Chinese scholars not to be so enthralled by the China model that they lose pers-

pective. Li believes it is absurd to try to spread the China model through a think tank summit, and that it is ironic for a nation that has always denied universality of any development models to trumpet the China model as an attractive model for other nations. China itself has suffered a great deal in adopting development methods. It is hard to understand why so many Chinese officials and scholars are in such a hurry to sell the China model.

Conclusion

The debate over the China model within China is focused on four different topics. Firstly, scholars question whether the China model actually exists. Supporters treat the China model as one of the most

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successful models in the world, combining elements of socialism and China's unique traditions. On the other hand, critics believe that calling China's development path a model is as bad as labeling America's rise to power a model. Both nations

have different cultures, political systems and economic elements. As Yawei Liu mentions in this Review, the China model is neither a sound theory nor a good set of benchmarks to design reform and measure its success.

It seems to be instead a highly effective system under the domination of one political party, through which resources can be marshaled, dissent silenced or crushed, land grabbed, lakes and rivers dammed, and international sporting events organized without looking into any human or ecological costs as long as the outcome of the activity benefits the Party. (Liu 2009, 23)

Calling China's path of development a "model," these critics contend, will just make Chinese people more arrogant and likely to ignore the substantial problems generated by this development.

Second, most China model opponents argue that China has not experienced sufficiently strong or effective political reforms. Even though Deng Xiaoping, the primary designer of China's development path, believed that without political reform all other reforms would eventually fail, its priority on the CCP agenda has been in decline as China's economy has continued to improve. Opponents believe a lack of political accountability and government responsiveness, combined with collusion and corruption under the current political system, lead to substantial social ills that pose a threat to the country's stability. Many people view China's economic model as successful, due to the high rate of GDP growth that this model has produced. The main concern is that the economic model is unsustainable because of its associated social costs: environmental costs, the unbalanced development urban and rural populations and between the rich and the poor, and because of a lack of political reforms that might serve to resolve some of these issues.

Last, almost all of the opponents of the China model think that the China model cannot be followed by other countries due to its particular government structure, the nature of its market, and the traditions and culture that are unique to China. They also argue that the China model is a product of this particular period of time in history. The success of the China model, especially its economic model, does not guarantee that this model can be assimilated by others.

As Yawei Liu mentions in his article, found earlier in this journal, the China miracle is not just an outcome of the China model, or of China's unique political, economic, social and cultural peculiarities. The China model may be instead just one path of economic development. The China model is going through a stage of primitive molding, but China has a long way to go in order to sustain and strengthen its "model."



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