Debating "the China Model"

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In recent years, especially since 2008, there has been a broad-ranging discussion about whether a "China model" exists, and, if so, whether it is good or bad, and whether it is restricted to China or can be spread to other countries. While this discussion has involved both Chinese and foreign scholars around the world, it is largely a discussion about Chinese identity and whether and how China should adopt "Western" concepts and practices or resist such trends. Although some of the discussions are serious explorations of development trends, most are highly politicized and emotional. Participants in the discussion tend to fall along the lines of past debates, with those identified with the "new left" advocating the existence and virtues of the China model, and those identified as liberal rejecting the claims of the former. In addition, there are some who seek to avoid politicization by taking an agnostic attitude toward the existence of a China model. In many ways, the discussion of the China model is a recurrence of earlier debates over "socialism" and "capitalism," "the Beijing consensus," and even earlier debates in Chinese history about the uniqueness of Chinese civilization.

A new debate has opened up in China, this time over the so-called China model (*Zhongguo moshi* 中国模式). Although the term "China model" entered Chinese discourse some years ago, the debate only heated up with the global financial crisis in 2008 and the 60th anniversary of the PRC in 2009. Some 500 articles with "China model" in the title could be found on the web in 2007, which number had increased to about 750 by 2008, and 3,000 in 2009. As more participants were drawn into the fray, it became increasingly heated and emotional.

This recent debate picks up and develops themes on arguments that extend back at least two decades, and, in certain aspects, for more than a century. Although the issues in the recent debate are current, they are ultimately about China's cultural identity, the value of the CCP revolution, and how Chinese see themselves relating to so-called Western values.

Like its predecessor—"the Beijing consensus," first used by Josh Ramo in 2004—the term "China model" originated in the West. "Beijing consensus" was coined to juxtapose with "the Washington Consensus," a term that has been used and abused so badly over the years that it is hard to say exactly what it is other than an advocacy of broadly "neoliberal" economic principles. In the wake of the Asian financial crisis, the difficulties of post-socialist economies in Eastern Europe and the states of the former Soviet Union, and the continued growth of China, the term Beijing consensus was readily

picked up by many in Beijing, albeit ironically because debates over the Chinese economy had reached a new height at the time the term was introduced.

The debate at that time revolved around management buyouts (MBOs) and the protection of private property, but was really over the issues of "privatization" and "socialism." Discussion was so heated that both Hu Jintao and Wen Jiabao went out of their way at the NPC meeting in 2006 to reiterate their support for reform and opening.

The debates over MBOs and property rights were themselves extensions of the highly ideological debate about "socialism" versus "capitalism" that emerged following the Tiananmen crackdown and was only quieted in the wake of Deng Xiaoping's 1992 trip to Shenzhen and the subsequent 14th Party Congress in 1992. Deng's call for returning to economic reform led to an unleashing of market forces but also an orgy of often wasteful and duplicative investment as everyone, whether private citizen or government entity, tried to cash in.

It was in the wake of this upsurge of market activity that the "new left," a loosely knit group of young intellectuals, emerged and began developing a new critique of China's developmental path. Their basic analysis was that foreign capital was working with the domestic political and economic elite to form a new ruling elite that suppressed populist demands at home and bound China tightly to the international order. Populist critiques of China's foreign policy, led by China Can Say No, demanded a more nationalistic foreign policy, while other critics demanded new attention be given to the "disadvantaged groups" (ruoshi qunti 弱势群体) at home. The demand to pay more attention to disadvantaged groups struck a chord in Chinese society and eventually became a major platform of the Hu-Wen administration, but new left critics rejected liberals' demands for constitutionalism and more secure property rights, demanding instead more indigenous solutions (often unspecified). Looking at modern Chinese history, new left critics argued that the New Culture movement (1915–1922), in its embracing of "enlightenment," had gone too far by identifying "the West" with "modernization." China needed to find its own path to modernity, and, indeed that Mao Zedong's socialist thought was a type of "modernist theory that was opposed to capitalist modernity."²

The current debate renews and extends these earlier arguments.

The China Model

Among those touting the virtues of the China model, perhaps the best known is Pan Wei, a professor at Peking University. Prior to his vigorous defense of the China model, Pan Wei was best known for his articles arguing that law and democracy could and should be separated, with China adopting the former but not the latter. Although his proposition was startling at the time, rereading it in the wake of his most recent writings, it seems quite liberal. Although Pan rejected democracy, he argued that China should establish a neutral civil service, an autonomous judiciary, an independent commission on corruption, and separation of party and government. How precisely the party was supposed to accept these checks on its power, Pan did not explain.³

In 2009 Pan edited a book on the China model, contributing a long essay entitled, "The China Model: An analysis of the economy, polity, and society of the Chinese Structure." In this essay, Pan is both scathing of liberal commentators and an ardent defender of cultural continuity. He claims that some critics see China's accomplishments on the eve of the PRC's 60th anniversary as nil: "To speak frankly," he writes, "they say that we should tear down the Palace Museum and construct the White House" (*chai gugong jian baigong* 拆故宫建白宫), in other words, completely Americanize. Pan argues that the China model has been successful and that it embodies the continuation of Chinese culture. This is a difficult argument to make, though many commentators try. After all, the CCP rose by "striking down Confucius' shop" in the May Fourth era.

Perhaps the most striking part of Pan's defense of cultural continuity is his effort to portray the Mao era and the reform era as continuous. For Pan Wei, "the successes of the first 30 years [of the PRC] cannot be neglected," for they laid the basis for later successes. Pan is particularly interested in refuting the widespread belief that industrialization in the Maoist era relied on urban exploitation of the rural economy, the so-called "scissors effect." As Pan says, the urban population of China in those years accounted for only about 20 percent of China's total population, so the amount of foodstuffs subject to the unified purchase and sales system did not exceed 20 percent of total agricultural production. Procurement of "that 20 percent," Pan explains, "was not a matter of pure 'exploitation,' for there was only some 'unfair pricing."

In particular, Pan says, the reform-era economy inherited control over land and state-owned finances as well as control over (major) enterprises. He argues that if the state had not retained control over land, market mechanisms would have led very quickly to large land concentrations. An important pillar of the China model, Pan continues, is that every citizen feels a degree of security; without it, there would be chaos. Pan addresses neither the requisitioning of land in rural areas that has caused so many social disturbances in recent years nor other ways of avoiding large concentrations of land, such as forbidding individuals from holding more than a certain amount.

Pan sets out a Manichean view of the relationship between enterprises and the state, saying that either enterprises control the state (as in the West) or the state controls the enterprises (as in China). Without large-scale SOEs and state banks, China would never have been able to lead the world out of the global recession or to build subways, high-speed rail, or other forms of public transportation.

In short, if China adopted free-market ideology, it would become a "normal" country, rife with social conflict.⁵

Wang Hui, the well-known literary theorist at Tsinghua University, prefers the term "Chinese experience" (*Zhongguo jingyan* 中国经验) or "Chinese path" (*Zhongguo daolu* 中国道路) because they suggest the historical course that has generated the current "model." Although sensitive to Chinese history, Wang tends to emphasize historical continuity (like Pan Wei) and attribute the problems of contemporary China to the adoptive aspects of neoliberal economics. Contrary to liberal thinkers (see below) who

attribute China's success in recent years precisely to the adoption of neoliberal solutions, Wang says that neoliberalism could be "a type of explanation for China's housing bubble, the land crisis, the reliance on American finance, large-scale social polarization, the rural crises, the collapse of the social welfare system, the ecological and environmental crises, social conflicts in ethnic areas, and other problems." Inevitably Wang's explanation becomes a defense of the Chinese state.

Wang Shaoguang, a political scientist at Chinese University of Hong Kong, has discussed the China model in terms of its ability to adapt to changing circumstances. He links this adaptability to the ability of policymakers and advisors to study. This tradition of study is rooted in the trial-and-error methods of the revolution as well as the decentralized nature of the political system. Policies can be tried out in different areas, and, if successful, spread throughout the country.⁷

Liberal Commentary

In contrast, liberal commentators reject either the existence or the desirability of the China model. For instance, Yuan Weishi, a liberal historian now retired from Sun Yat-sen University in Guangzhou, argues that there is no such thing as a "China model"; China is a society still very much in transition, so it is premature to talk of a China model. Moreover, he argues that the rapid economic development China has made over the past three decades comes largely from absorbing the results of contemporary civilization, including the market mechanism. Rather than seeing continuity as Pan Wei and Wang Hui do, Yuan emphasizes departures from the past, particularly those made by Deng Xiaoping in 1979 and 1992. Without these decisions to adopt reform and opening and to support the market economy when it came under challenge in the wake of Tiananmen, China would not have been able to escape its economic and social difficulties. "Therefore, I believe that to brag about a 'China model' at this time does not accord with reality."

Qin Hui, a well-known historian at Tsinghua University, argues that the "special character" of the China model does not reside in any ideological understanding of difference with the West but rather in the "playing field." Left and right in the Western model compete on a democratic playing field, he notes, but left and right in China do not have that luxury, and can only present proposals for "imperial" consideration. According to Qin,

Of course [a country with] low freedom and low welfare has a "competitive advantage" in the global economy. [If these two models closed their doors], I don't think [the China model] would have any superiority. North Korea is an example. China before reform is also an example. But if the doors of countries are opened and [different models] compete against the background of a single market in which investment and finance are highly globalized but human rights are not, the "superiority" of [the model with a low level of human rights] would manifest itself.¹⁰

Qin's point is not only that China's advantage lies in low-cost labor (brought about in part by the inability of workers to freely unionize) but also that the real advantage of liberal economies is the incentive to innovate. The China model can copy the innovations of others, but it is not evident that it can innovate. ¹¹

Xiao Gongqin, who rose to fame in the 1990s as a "neoconservative" but nevertheless embraced liberal democracy as the goal of Chinese reform, argued that the China model was one of "strong government and weak society." This model had advantages in mobilizing resources in the early stages of development, but its disadvantages would become more manifest as society developed. In particular, because society was weak, it could not check the power of officials, leading to corruption. Similarly, the combination of monopolistic interests with state officials or departments led to the state being wealthy and the people being poor. This trend, in turn, led to income inequality. ¹²

Yang Jisheng, a well-known retired Xinhua correspondent, voices strong objections to the China model and particularly to the political uses he sees being made of it. He rejects the idea that the authoritarian government of China has brought about contemporary prosperity. If this were so, Yang asks, then why did the government of the Mao era—also authoritarian—fail to bring about prosperity? But his main concern is that the China model "completely affirms China's status quo," and this status quo has brought about a merger of political power and economic monopoly that dominates the resources of society and generates all sorts of social ills. The "stability" often cited by proponents of the China model has been bought, Yang says, at a cost of 5 trillion RMB in 2009, a figure that exceeds China's defense expenditures and is 2.6 times the cost of health care for its people.¹³

Government Reaction

To date, the Chinese government has not officially commented on the debate. In December 2009, *Study Times*, the paper of the Central Party School, ran a series of four articles, all of which urged caution in using of the term, perhaps giving an indication of the government's attitude. The lead article, by Li Junru (李君如), former vice president of the school, criticized the China model as "very dangerous." The danger lay in "self satisfaction and blind optimism" inherent in the concept as well as in the fact that it was simply premature to talk of a "model" at a time when China was still in the midst of reform. Indeed, the very model that advocates talk about might itself become the object of reform in the future. ¹⁴

Similarly, Zhao Qizheng (赵启正), former head of the State Council Information Office, demurred from the use of the term "China model," preferring to refer simply to the "China case." The term "model," Zhao argued, contains the idea of "demonstration" (*shifan* 示范), suggesting that China might export its model. Zhao not only denies any thought of exporting its "model," but also worries that talk of such a model could fuel a new version of the "China threat theory" (*Zhonggwei weixielun* 中国威胁论). He points to

such books as Martin Jacques' recent *When China Rules the World* to point to new Western concerns about China becoming a future "world hegemon." ¹⁵

Implications

The first thing one notices in reading articles touting the China model is their tone of triumphalism. This is perhaps to be expected at a time when China—after enjoying three decades of continuous high-speed growth—has pulled quickly out of the global financial crisis while the U.S. economy continues to reel from the enormous losses it has suffered, as a result (some would argue) of excessive confidence in neoliberalism or market fundamentalism. Such a reading accords with our widespread sense of growing Chinese confidence. No doubt such confidence is a part of the context in which the debate over the China model has broken out, but, as discussed above, the recent debate is also a continuation of the socialism versus capitalism debate in the early 1990s, the debate between the "new Left" and "liberals" in the mid-1990s, the debate over the content of reform that was encapsulated in disputes over MBOs and privatization in the early 2000s. and the discussions on the Beijing consensus that began in the mid-2000s. All these debates have been over the degree to which China should adopt or oppose "Western" economic approaches. And, behind that disagreement, there is a continuing debate over the necessity of political reform and whether China should try, however incrementally, to democratize. And that debate reflects the on-going dispute about whether or not there are "universal values" and, if so, if China should adopt them. This was a debate that was stimulated by Premier Wen Jiabao when he declared in a 2007 article that "science, democracy, legal systems, freedom, and human rights are . . . universal values [pushi jiazhi 普世价值]" that can be "achieved through different means and in different forms." 16 Those advocating the China model argue again "universal values" and are indeed suggesting that there is no need to carry out political reform, certainly not the sort of democratizing reforms that many have been arguing for.¹⁷

Although the debate over the China model is about the direction of future reform, it is also a debate that resonates strongly with debates over the past century. Debates over Chinese identity vis-à-vis the West were reflected in Zhang Zhidong's (张之洞) formulation, "Chinese learning as the essence, Western learning for practical use." Following the Nationalist revolution, there was the debate between those who favored "wholesale Westernization" (quanpan xihua 全盘西化) and those in favor of emphasizing the "Chinese essence" (Zhongguo benweilun 中国本位论). Ironically, this was a debate between the liberals of the day, championed by Hu Shi (胡适), and the conservative supporters of Chiang Kai-shek, championed by Tao Xisheng (陶希圣)。 Today, it is the new left that supports an authoritarian regime.

When looking at this debate, however, what is most disappointing is the absence of serious analysis. There is no in-depth research into (nor even mention of) party structure and its relationship to economic interests. Those who do such in-depth research do not participate in these debates, which only underscores the fact that this debate is more about political advocacy than it is about analysis.

The rapidity of debates in recent years, however, suggests an underlying tone of nervousness. Despite China's swift development, it really is not clear that the country has reached a stable plateau (a "model"). Reform seems to have stalled, as there is no obvious "next step" to take that does not threaten important political (and economic) interests. Legitimacy remains fragile, and advocacy of the China model seems intended to bolster that legitimacy in the face of pressures for greater accountability and openness.

Notes

¹ Pan Wei, "Western System Versus Chinese System," *Briefing Series—Issue 61*, University of Nottingham, July 2010.

² These debates are reviewed in Joseph Fewsmith, *China Since Tiananmen*, 2nd ed. (Cambridge: Cambridge University Press, 2008), ch. four.

³ Pan Wei, "Toward a Consultative Rule of Law Regime in China," in Suisheng Zhao, ed., *Debating Political Reform in China: Rule of Law vs. Democratization* (Armonk, NY: ME Sharpe, 2006).

⁴ Pan Wei, "中国模式 —— 中华体制的经济, 政治, 社会 解析," retrieved from http://www.chinaelections.org/printnews.asp?newsid=177983, p. 10. ⁵ Ibid., p. 13.

⁶ Wang Hui, "从北京共识到中国模式" [From the Beijing consensus to the China model], 上海国资, 2010, no. 1 (April 14, 2011), retrieved from www.chinaelections.ord/printnews.asp?newsid=204532.

⁷ Wang Shaoguang, "学习机制, 适应呢管理与中国模式" from online: 研究机制,适应性和中国模式 (Study mechanism, adaptability, and the China model), 开放时代, no. 7 (2006), retrieved from www.chinaelections.org/printnews.asp?newsid=182282.

⁸ "袁伟时: '中国模式'? 太早了!" [Yuan Weishi: 'China model'? It is too early!], 香港商报, February 1, 2010, retrieved from www.chinaelections.org/printnews.asp?newsid=168214.

⁹ Qin Hui, "中国的崛起 和 '中国模式' 的崛起 [The rise of China and the rise of the "China model], 21 世纪 国际评论 (21st-century international review) no. 3 (April 28, 2011), retrieved from www.chinaelections.org/printnews.asp?newsid=205479.

¹⁰ Ibid., p. 2.

¹¹ Ibid., pp. 4–5.

¹² Xiao Gongqin, "中国模式优势背后面临五大困境" [Behind the superiority of the China model lie five major difficulties], 人民论坛. (People's tribune), November, 2010, pp. 68–69, retrieved from http://www.chinaelections.org/newsinfo.asp?newsid=191083.

¹³ Yang Jisheng, "我看 '中国模式'" [My view of the "China Model"], 炎黄春秋 (Yanhuang Spring), 2011, no. 1, pp. 36–42.

¹⁴ Li Junru, "警惕'中国模式" [Be cautious in talking about the "China model"], 学习时报 [*Study Times*], December 7, 2009, retrieved from www.chinaelections.org/printnews.asp?newsid=162958.

¹⁵ Zhao Qizheng, "中国无意输出'中国模式'" [China has no intention to export the "China model"], 学习时报 [Study Times], December 7, 2009, retrieved from www.chinaelections.org/printnews.asp?newsid=162958.

¹⁶ Wen Jiabao, "Our Historical Tasks at the Primary Stage of Socialism and Several Issues Concerning Chinese Foreign Policy," 人民日报 (People's Daily), March 7, 2007.

¹⁷ Hou Huiqin, "'普世价值'与核心价值观的反参透" ['Universal values' and the counter-penetration of (Chinese) core values], in 马克思主义研究 (Research in Marxism), 1 November 2010, pp. 5–12.