The China Model: Unexceptional Exceptionalism

By Elizabeth Economy, *Senior Fellow, Hoover Institution*

At the 19th National Congress of the Chinese Communist Party (CCP) in October 2017, CCP General Secretary Xi Jinping startled international observers by claiming that "the banner of socialism with Chinese characteristics is now flying high and proud for all to see . . . blazing a new trail for other developing countries to achieve modernization. It offers a new option for other countries and nations who want to speed up their development while preserving their independence, and it offers Chinese wisdom and a Chinese approach to solving the problems facing humanity."[1]

Xi's assertion marked the first time since Mao Zedong that a Chinese leader had advanced the notion that the Chinese system was worthy of emulation. For his part, Mao preached about China's approach to revolution: building support among rural poor as the base for communist revolution in societies that lacked Marx's prerequisite of an industrial base and proletariat. Mao's own efforts to leapfrog the early stage of communism and economically surpass the United Kingdom by simultaneously developing agriculture and industry resulted in the Great Leap Forward campaign (1958–62) that devasted the Chinese economy and led to the death of an estimated twenty million Chinese from starvation.[2] And his notion of continuous revolution inspired the Cultural Revolution that convulsed the country politically and disrupted economic growth through the mid-1960s and early 1970s. At the time of Mao's death in 1976, per capita GDP stood at US$165.[3] This was an unremarkable increase from almost a quarter century earlier in 1952, when the country's GDP per capita stood at US$54.[4] China's abject poverty notwithstanding, Mao also provided material support for communist revolutionary efforts throughout the 1960s and 1970s in Kenya, Indonesia, Zimbabwe, Cambodia, and elsewhere.[5]

The death of Mao in 1976, however, marked an important inflection point in the conceptualization of China's development model. Maoist ideals of continuous revolution gave way to an overriding preference for stability. Mao's successor, Deng Xiaoping, advanced the notion of "socialism with Chinese characteristics," a vague descriptor that provided space for experimentation with a range of state-directed and market-based reforms. Every Chinese leader—beginning with Deng and continuing on to Jiang Zemin, Hu Jintao, and Xi Jinping—has sought to correct what he believed were the shortcomings of his predecessors. Most often, these efforts have involved enhancing or diminishing both the role of the state in the economy relative to the market and the openness of the economy to the outside world.

Xi Jinping's assertion that China has a model worthy of emulation raises several distinct questions. After more than four decades of "socialism with Chinese characteristics," is there a definable China model? Does it differ significantly from that of other countries? Does it provide substantially more social welfare benefits than other countries at a comparable level of GDP per capita? This paper reflects briefly on each of these issues and offers some preliminary thoughts to encourage further conversation and research. Before the world draws battle lines around the notion of a China model and the challenge it poses to market democracy, it is worth exploring the assumptions inherent in Xi's claims.

Mapping the Evolution of the China Model

In defining the Chinese economic model before a group of Japanese visitors in 1984, Chinese leader Deng Xiaoping argued:

> Some people ask why we chose socialism. We answer that we had to, because capitalism would get China nowhere. If we had taken the capitalist road, we could not have put an end to the chaos in the country or done away with poverty and backwardness. That is why we have repeatedly declared that we shall adhere to Marxism and keep to the socialist road. But by Marxism we mean Marxism that is integrated with Chinese conditions, and by socialism we mean a socialism that is tailored to Chinese conditions and has a specifically Chinese character.[6]

Deng's stretching of the concepts of Marxism and socialism to include "Chinese conditions" and "Chinese character" provided the Chinese leadership with the ideological space necessary to experiment with different forms of state relations to the market and to society. Over the next forty years, "the China model" has never been static; instead, it has reflected long periods where the state has appeared to be in retreat, as well as those when the state is clearly assuming greater dominance in managing the economy and society.

Deng characterized his own approach as one of "reform and opening." He introduced market principles into the domestic economy and opened the country's economy to the outside world. In practical terms he moved to open the countryside, where 80 percent of all Chinese lived at the time, and to open large and medium-size coastal cities to foreign investment and "advanced techniques." Deng believed that China's economy had suffered most when it was closed to the rest of the world—both at the time of the industrial revolution and during Mao's tenure. He anticipated some difficulties in opening the country to foreign investment, but he argued that its benefits in accelerating Chinese economic development would outweigh the "slight risk" it might entail.[7]

The results of Deng's reform and opening were dramatic. In 1979–80, China opened four special economic zones (SEZs) in the southern coastal cities of Shenzhen, Zhuhai, Shantou, and Xiamen. The Chinese government permitted these regions to reduce corporate income tax for foreign investors who set up joint ventures in a bid to gain access to foreign capital, technology, know-how, and earnings. In 1981, the four zones accounted for 59.8 percent of total foreign direct investment (FDI) in China. From 1980–84, Shenzhen grew at an annual rate of 58 percent, Zhuhai at 32 percent, Xiamen at 13 percent, and Shantou at 9 percent; the country overall averaged 10 percent.[8]

These zones were not without their detractors. Politically conservative leaders such as Chen Yun believed that the zones resembled concession zones granted to foreign powers during China's "century of humiliation."[9] There was concern that foreign investment would lead to China "being exploited, having sovereignty undermined, or suffering an insult."[10] In 1982, these officials launched a "strike hard" campaign that targeted economic crimes related to the SEZs.[11] The economic success of the SEZs, however, was indisputable. In 1983, Premier Zhao Ziyang reaffirmed their importance: "Special Economic Zones are not being developed for solving the employment problem, nor should they go solely after increases in output. Rather they are areas demarcated for attracting enterprises of high technological and knowledge content through the offer of preferential treatment. They are to serve as windows of advanced production technology and management methods of the world."[12] And during 1984–85, China established fourteen additional "open coastal cities" or "open economic zones."[13]

Deng's opening in the agricultural sector began with the Household Responsibility System. Arguably an even more important contributor than the SEZs to China's dramatic growth in the early 1980s, this reform allowed families in collectivized communes to divide land among themselves, establish contracts to lease their land, and keep their excess crops to sell on the market. By 1984, 98 percent of rural households had joined this system. Agricultural productivity skyrocketed and the average income of farm households increased by 166 percent. The country's GDP growth reflected the shift, jumping from 8.9 percent in 1982 to 15.1 percent in 1984.[14]

Elements of competition and free enterprise entered the Chinese economy in myriad other forms as well. Universities reintroduced competitive exams for entrance, abandoning the Maoist emphasis on political rectitude and class background. Importantly, in 1984, as Yasheng Huang has explained, Beijing redefined township and village enterprises, which had traditionally been the provenance of communes and then local governments, to include firms established by peasants and individual entrepreneurs.[15] The government legalized entrepreneurs, and small-scale township and village enterprises that manufactured chemicals, textiles, and low-cost goods for export rapidly began to populate rural communities, serving as important engines of employment and economic growth. As Barry Naughton has described, the period of the 1980s was one of "reforms without losers." The reforms were designed to give the Chinese people the opportunity to "act entrepreneurially and meet market demands" through "pockets of unregulated and lightly taxed activity."[16]

China Takes Flight

Deng's successor Jiang Zemin continued down the path Deng had set out. Like Deng, he advocated that remuneration should be "according to one's work" and that the country must "allow and encourage some areas and individuals to grow rich first, so that more and more areas and individuals will do so until common prosperity is eventually achieved."[17] Jiang also reinforced the notion that the country's economic progress would benefit by welcoming talented individuals no matter their class background—a factor that had prevented many talented individuals from advancing in society post-1949. In a February 2000 speech in Guangdong province, he announced the "Three Represents," which, among other things, were designed to ensure that the CCP opened its door to private entrepreneurs.[18] In a bold statement at the 16th Party Congress in 2002, he called on the party to avoid "scrutinizing individuals' pasts" and advocated: "We must respect work, knowledge, competition, people, and creation." He further identified "entrepreneurs, managers, overseas funded enterprise employees and freelance professionals" as "all builders of socialism with Chinese characteristics."[19]

Together, Jiang Zemin and Premier Zhu Rongji also adopted several measures that enhanced the role of the market in the Chinese economy. First, they opened the country further to foreign investment. By the mid-1990s, China was second only to the United States in inbound FDI and had become one of the top ten trading countries in the world.[20] In 2001, they effected China's accession to the World Trade Organization. As China's chief global trade negotiator Long Yongtu stated, "Countries with planned economies have never participated in economic globalization. China's economy must become a market economy in order to become part of the global economic system, as well as to effectively participate in the economic globalization process."[21] Underpinning the decision to join the WTO was in part the Chinese leaders' realization that the country's large state-owned firms resembled those of the Soviet Union: they were inefficient, money losing, burdened with substantial pension and social welfare obligations, and producing substandard goods.[22] WTO accession produced a dramatic shift in China's economy. The number of state-owned enterprises (SOEs) fell from 2,024 to 476.[23] The value of China's exports accelerated sharply from the period preceding WTO accession: from $195 billion in 1999 to $593 billion in 2004.[24]

Jiang, who took the helm of the CCP in the aftermath of the 1989 Tiananmen Square massacre, also oversaw a gradual reopening of the political system beginning in the mid-1990s, adopting a motto of "small government, big society."[25] The government allowed Chinese citizens to establish nongovernmental organizations to help address issues such as environmental protection, the education of migrant children, and poverty alleviation.[26] Journals, such as the *Hundred Year Tide*, published articles lauding the 1980s political reformer Hu Yaobang and blaming the Korean War on North Korean aggression as opposed to US imperialism. And some CCP members openly called for political reform, arguing, "China is successful in economic reform, but at a certain stage, it needs the corresponding political reform. The economic rules demand the reform of the political system."[27]

Reevaluating the China Model

In his 2008 speech marking the thirtieth anniversary of Deng's period of reform and opening, CCP General Secretary and President Hu Jintao uttered the phrase *bu zheteng* (don't rock the boat.) It was a fair characterization of his tenure as China's leader (2002–12). Hu shut the door on the preceding era of bold economic reform. As Carl Minzner details, "After a bout of reform in the 1990s, a silent counterrevolution had occurred in which state-owned enterprises saw their financial and political privileges reconfirmed. By 2006, Beijing was openly promulgating policies to help state-owned national champions compete with the foreign firms that had arrived to do business in China during the reform period."[28] The government established two categories of SOEs: strategic industries that were entirely controlled by the state, including telecommunications, power generation, and aerospace; and pillar industries, such as autos, steel, and chemicals, that were required to be majority state-owned. The independent Unirule Institute of Economics—which was shuttered in 2014 under Xi Jinping's assault on reform-oriented think tanks and organizations—estimated that over the course of the 2000s, SOEs amassed more than $800 billion in profits. However, if the various advantages provided SOEs—including subsidies, cheap land and utilities, and low interest rates—were deducted from the profits, the average return on equity was negative 6.29 percent.[29]

Hu Jintao's priority was to redress the imbalances that had emerged as a result of three decades of "go-go" economic growth through the creation of a harmonious society. At the March 2007 National People's Congress, Premier Wen Jiabao warned that China's development path was "unstable, unbalanced, uncoordinated, and unsustainable."[30] This meant addressing environmental pollution and degradation, imbalances in regional development, income inequality, health care, and the lack of a social welfare safety net.

One of the signal achievements of the Hu-Wen era was rebalancing investment away from coastal areas to the interior provinces of the country: nearly two-thirds of state-financed national infrastructure projects were designated for the inland region.[31] And during 2008–11, inland provinces averaged 13 percent real GDP growth while the wealthy coastal provinces averaged 11.5 percent. Progress was less notable across their other priorities. Environmental pollution skyrocketed; the level of inequality stabilized but did not decline.[32] And although China achieved universal health care coverage in 2011, the quality of coverage, particularly in rural areas, remained poor.[33]

For much of the Hu-Wen decade, civil society activism and media openness increased dramatically. The issues they identified as critical social challenges became fodder for tens of thousands of protests annually. In 2010, China experienced

180,000 protests and mass demonstrations around issues such as illegal land expropriation, environmental degradation, and exorbitant health care costs.[34] These protests were often facilitated by the internet, which allowed Chinese citizens to create a virtual political community and to connect across geographic boundaries in new ways. Online protests also proliferated as citizens pushed political boundaries and explored new opportunities to hold government officials accountable. Real estate tycoons, such as Pan Shiyi and Ren Zhiqiang, amassed tens of millions of online followers as they called for the government to do a better job protecting the environment and opening the door to political reform, respectively.[35] And the world was captivated as the small village of Wukan, in Guangdong province, protested against illegal land expropriation, forced out the local party leadership, and elected the protest leaders to the local village committee.[36] Both Wukan and the Arab Spring in 2011, in which several Middle Eastern countries experienced mass, often violent, demonstrations in support of political change, contributed to a significant political crackdown in China. The government rounded up well-known political activists, cancelled international conferences, and began to exert new controls over the internet, such as disrupting the ability of Chinese citizens to access news from overseas via virtual private networks.[37] Over the next two years, as a new Chinese leadership under Xi Jinping assumed power, the role of the CCP and the state in political life would be cemented and expanded in significant new ways.

The Party-State Roars Back

The economic reform agenda issued after the November 2013 Third Plenum of the 18th Party Congress had something for everyone. It pledged that the market would play a "decisive role" in the allocation of resources and, at the same time, that the government would "persist in the dominant position of public ownership, give full play to the leading role of the state-owned sector, and continuously increase its vitality, controlling force, and influence."[38] In the following seven years, the CCP resolved any contradiction in its early plans in favor of enhancing the state at the expense of the market. Xi Jinping and the rest of the Chinese leadership moved decisively, for example, to buttress the role of state-owned enterprises in the Chinese economy. As Nick Lardy has noted, under Xi, the country has resumed state-led growth in which an increasing share of resources has flowed into lower-productivity state firms.[39] SOEs that had been broken up during the days of Zhu Rongji reconstituted themselves. Xi also viewed SOEs as important extensions of Chinese state interest abroad. As former head of China's State-owned Assets Supervision and Administration Commission Xiao Yaqing said, SOEs are a "major force" in China's "going out" strategy (Chinese enterprises investing and operating abroad) and for the Belt and Road Initiative.[40]

According to Lardy, Xi's reliance on SOEs and his determination to make them bigger through multiple mergers of larger enterprises has resulted in "reduced competition, weakening the incentive for innovation and cost control." Lardy also notes that during 2013–19 the share of bank lending to the far more efficient private sector shrank by 80 percent.[41] In addition, SOEs are poor generators of jobs and technological innovation relative to private firms. In fact, the importance of the private sector to the Chinese economy is reflected by Chinese people's use of the number 56789 to reflect the fact that private firms contribute 50 percent of tax revenue, 60 percent of output, 70 percent of industrial modernization and innovation, 80 percent of jobs, and 90 percent of enterprises.[42]

The China model under Xi has also advanced the role of the CCP within private enterprises, further blurring the line between the state and private sectors. In March 2012, before becoming general secretary of the Communist Party later that year, Xi called for party committees within firms (the formal grouping of all party members within a work unit) to play a larger role in supervising the work of the company, even calling for the party secretary to participate in company decisions.[43] The CCP followed with a series of regulations in the mid-2010s granting party committees an enhanced position in firms. In response, multinationals in joint ventures with Chinese firms complained that CCP members were undermining the role of companies' boards.[44] In Hangzhou, a hub of Chinese technological innovation, the local government announced in 2019 that it would place local officials in one hundred companies to help align the companies' interests with those of the local government.[45] And in September 2020, the CCP Central Committee issued a new set of guidelines that noted: "With the expansion of the private economy there has been a clear increase in risks and challenges, while the values and pursuit of interests of private entrepreneurs are also diversifying, which has posed a new situation and tasks for the party's work."[46] Alongside the new guidelines, Xi Jinping delivered a speech in which he stressed that the party needed to "educate and guide" entrepreneurs to ensure that they "unswervingly listen to and follow the steps of the party." In particular, officials have called for the party committees to have control over the personnel decisions of enterprises and allow them to carry out company audits including monitoring personal behavior.[47] Together with

Chinese government subsidies and regulations that seemingly require Chinese firms to turn over all information requested by the government, the growing role of the party committees has caused the international community to question whether Chinese firms can ever be considered truly private.[48]

In addition, in 2020 Xi advanced a dual-circulation theory to guide Chinese economic development over the coming years. The centerpiece of the theory is the creation of a closed loop of Chinese innovation, manufacturing, and consumption. The plan builds on the CCP's 2015 Made in China 2025 initiative that called for China to manufacture domestically 70 percent or more of the components involved in ten critical cutting-edge areas of technology, such as artificial intelligence, new materials, and new energy vehicles. The plan harkens back to Mao Zedong's doctrine of self-reliance. At the July 1960 Beidaihe Central Committee Work Conference, in an atmosphere of growing tensions with the Soviet Union, Mao stated that China had to rely on itself in pursuit of technological modernity and socialism.[49] Xi's efforts are designed to protect the Chinese economy—in particular areas with foreign technological dependence—from any potentially deleterious impacts of globalization and reliance on other countries for critical technologies. Within this framework, China will still engage with the international community in order to acquire needed know-how, technology, and capital and to promote exports. For example, in late 2020, China undertook a series of measures to open its bond market to foreign investors to make it easier for them to invest in yuan-denominated bonds and help raise money for further Chinese government investment needs.[50] Despite these selective openings, Xi's vision for the Chinese economy is one in which the party and the state remain firmly in control.

Xi Jinping's emphasis on the party and the state in the Chinese economy has been matched by a growing intrusion of the party into the daily lives of the Chinese people. China boasts more than half of all surveillance cameras in the world and possesses the most advanced facial recognition technology.[51] It also is in the process of implementing a social credit system designed to evaluate the political and economic trustworthiness of individual Chinese citizens and multinationals and reward and punish them accordingly.[52] Xi has called for the media to be in service of the party.[53] Broader censorship of internet content sharply limits the ability of the Chinese people to share ideas and mobilize politically. Contact between members of Chinese civil society and their foreign counterparts has also diminished sharply during Xi's tenure. The passage of the Law of the People's Republic of China on Administration of Activities of Overseas Nongovernmental Organizations in the Mainland of China in January 2017 resulted in the number of foreign NGOs operating in China falling from over seven thousand to fewer than six hundred.[54] The market now plays a much smaller role both in the Chinese economy and in the world of ideas and political debate.

The China Model: What Does It Offer?

The evolution of the China model since 1979 reflects different leaders' understandings of the appropriate balance between the role of the market and the role of the state in China's economic and political system. Over time, the model has embraced both bold moves to diminish the state's role and subsequent efforts to enhance it. While particular initiatives, such as the social credit system, may represent a form of Chinese policy innovation, most scholars of China, such as Yuen Yuen Ang, understand the China model as a type of authoritarian or state capitalism—a single party state whose polity is characterized by extensive state control over political and social life, including the media, internet, and education, and whose economy reflects a mix of both market-based practices and the strong hand of the state in core sectors of the economy.[55] Suisheng Zhao adopts a similar notion, writing, "The China model is often described as a combination of economic freedom and political oppression." But Zhao notes that while China has established in large measure a free-market economy, it is only "selectively free." The state maintains ultimate control over strategic sectors of the economy and a large range of core industries. The characteristics of economic governance in democracies, such as transparency, independent courts, enforceable property rights, and free information, are absent.[56]

Scholars, including Zhao, also liken China's development model to that of the fast-growing Asian economies of Singapore, Taiwan, Hong Kong, and South Korea in the 1970s and 1980s.[57] As William Overholt has suggested, China is "the latecomer in a group of 'Asian miracle' economies—Japan, South Korea, Taiwan, and Singapore—that exhibit common characteristics."[58] (The latecomer status is reflected in the fact that while the GDP per capita of Taiwan and South Korea was roughly equivalent to that of China in the early 1950s, the two Asian tigers now boast GDP per capita that is two-and-a-half and three times that of China, respectively.[59]) Overholt points to single-party rule, as well as gradual opening to foreign trade and investment and the import of best practices from Western economies, as defining features of the development path. In addition, China has followed in the footsteps of these other Asian economies by focusing on industrial policy, reforming the agricultural sector to support land rights and mechanization, and committing to export-oriented industrialization, as opposed to import substitution. The opportunities for China to learn from these economies were present at the very start of the economic reform program: many of China's earliest investors in the SEZs were overseas Chinese from Taiwan, Hong Kong, and Singapore. And over the years, more than twenty-two thousand Chinese officials traveled to Singapore to learn from its model of economic growth and limited political freedoms.[60]

Xi Jinping's claim to a China model that others might emulate also holds within it an implicit assertion that it has managed to meet the needs of its people better than market democracies. Former World Bank President Jim Yong Kim celebrated China's poverty alleviation successes, for example, in remarks before the 2017 annual meetings of the International Monetary Fund and World Bank, noting, "This is one of the great stories in human history" and there are "lessons to be learned" from China.[61] Certainly China's economic growth over forty years has been impressive, including sixteen years of double digit growth; 2019 GDP per capita stood at $10,262.[62] Inequality, however, is persistent. A 2019 Chinese central bank report revealed that among thirty thousand urban families surveyed, 20 percent held 63 percent of total assets while the bottom 20 percent owned just 2.6 percent.[63] During 1990–2015, inequality in China grew at more than twice the rate of the next most unequal region of the world, emerging and developing Europe. The IMF points to educational disparities and continued limits to freedom of movement, as well as technological changes that increased the wages of higher skilled workers, as the sources of the disparity.[64] Piketty, Li, and Zucman suggest that China's development model appears "more egalitarian than that of the United States, but less than that of European countries."[65] But in a study comparing the Gini coefficients of China with those of European Union countries, researchers from Shijiazhuang University of Economics suggest that the level of China's inequality "does not conform to the nature of socialism and is higher than market capitalism countries in North America, and even more unequal than [the] most typical market capitalism country—the United States."[66] Even more striking, Premier Li Keqiang announced in his speech before the May 2020 National People's Congress that six hundred million people, nearly half the population of the country, earned just $141 per month. It was news that shocked the broader Chinese public and prompted an investigation that later confirmed the number's accuracy.[67]

By many other measures of the provision of social welfare, China finds itself unexceptional among its peer countries as defined by GDP per capita. Across measures of life expectancy at birth, mortality from heart or respiratory disease, cancer and diabetes, and maternal mortality, China sits well in the middle of peer countries, such as Argentina, Mexico, and Malaysia. It excels in its ability to prevent infant mortality and provide primary education but falls short by a significant measure in the percentage of students attending secondary school through college: 24 percent of Mexicans, 40 percent of Argentinians, and 24 percent of Malaysians received tertiary education while only 18 percent of Chinese have attained this level.[68] And despite significant efforts in recent years to clean up the environment, China nonetheless ranks 120th out of 180 countries in Yale University's Environmental Performance Index, as compared to Mexico (51st), Argentina (54th), and Malaysia (68th).[69] Even China's 2020 unemployment rate, a figure many economists believe the government underreported, exceeded that of Mexico and Malaysia.[70] Only Argentina posted a higher rate of unemployment.[71]

Conclusion

In the aftermath of Xi Jinping's assertion that China presented an alternative model to that of Western market democracy, senior Chinese diplomat He Yafei made explicit the notion of the model's competition with the United States. In an opinion piece he penned for the *China Daily*, he wrote: "That China has blazed a different trail has made the U.S. realize it overestimated its capability to lead China's strategic orientation. And the success of the 'Chinese model,' which offers other developing countries an option different from the 'American model' for economic development, has made the U.S. blind to China's remarkable contributions to the world and U.S. economies."[72] Merrimack College political science professor He Li concurs with He Yafei as to the China model's attraction for others. She notes that a growing number of countries are looking at China as a model for "growth with stability." She argues, "Given a choice between market democracy and its freedoms and market authoritarianism and its high growth stability, improved living standards, and limits on expression, a majority in the developing world and in many middle-sized, non-Western powers prefer the authoritarian model."[73] Yet the very nature of the China model—in terms of the relationship between the state on the one hand and the economy and society on the other—has changed over the course of successive Chinese leaders, making it difficult to determine what precisely the model represents beyond a broad categorization of state capitalism or market authoritarianism.

In "Socialism with Chinese Characteristics," Chinese leaders do not appear to have discovered a magical new formula for economic prosperity; they have simply sought, as all countries do, to determine the right balance between the role of the state and the role of private enterprise in contributing to economic growth and the provision of social welfare. The broad contours of the China model do not appear to differ in significant measure from the Asian tiger economies that came before it. And measured against other countries whose per capita GDP is roughly equivalent to that of China, and which have transitioned from authoritarian to democratic forms of government, China does not stand out as providing more or better for the social welfare of its people. Thus far, the development path that China has followed, as well as its successes and shortcomings, do not appear to be exceptional. What is distinctive and challenging, however, is the determination of the current Chinese leadership not to follow the Asian tigers further down the path to transition away from its authoritarian system to become a democracy and its belief that such an end state is a worthy alternative to market democracy for other countries.

Endnotes

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[2] The Great Leap Forward was an economic and social campaign which aimed to boost Chinese industrial and agricultural output to surpass the United Kingdom and eventually the United States. Under Mao's direction, the CCP collectivized rural agriculture into people's communes and oversaw the development of inefficient backyard steel furnaces. Local party officials seeking to impress their superiors vastly overstated crop yields and industrial output leading to widespread famine and economic collapse. The overwhelming failure of the Great Leap Forward caused Mao to temporarily cede power to other party leaders.

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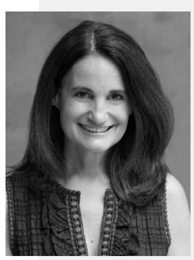

Elizabeth Economy
Senior Fellow, Hoover Institution

Elizabeth Economy is a senior fellow at Stanford University's Hoover Institution and the Senior Fellow for China Studies at the Council on Foreign Relations. Dr. Economy is an acclaimed author and expert on Chinese domestic and foreign policy.

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