IS CHINA STUCK?

Bruce Gilley


Amid a welter of books, conferences, and editorials on where China is heading, Minxin Pei has put forth a novel answer: nowhere. The gist of his argument is that the country’s transition away from state control of the economy and totalitarian control of politics sputtered out after the 4 June 1989 Tiananmen massacre in Beijing. Thereafter, the country became “trapped” in a no-man’s land of dysfunctional rule and mismanaged growth. Partial liberalization did not pave the way for a smooth transition from communism to democracy or to a market economy, but actually prevented it. The result is that China is going nowhere fast. If and when it ever begins to move again, there is simply no telling where it will go.

In part, Pei’s gloomy analysis and ambiguous prediction reflect the knitted-brow world of foreign-policy deepthink, where hope and optimism are assumed to be naïve no matter what their empirical validity. A premium is put upon dire forecasts and warnings to take shelter. Pei, a senior associate and director of the China Program at the Carnegie Endowment for International Peace, is a longtime student of the former Soviet Union and communist Europe, and his theme of a stalled “dual transition” is a familiar one as regards that part of the world. If nothing else, he deserves credit for reminding us that, at least on some days, China appears as if it might well be headed in the direction of Tajikistan rather than Taiwan. But which will it be?

The book’s first proposition is that post-Mao China began as a tran-
sitional state moving along what would be a relatively linear progression from Stalinist authoritarianism to market-based liberal democracy. While there is much to recommend this view, there is of course a serious alternative—namely, that China is indeed modernizing, but is progressing toward a form of modernity quite different from that which characterizes liberal democracy. Many fine minds, both Chinese and Western, have been at work since Tiananmen thinking up ways for China to become a less repressive and more legitimate country without becoming a liberal democracy or fully liberalizing its economy. This is also the official program of the ruling Chinese Communist Party (CCP). Empirical scholars (many of whom favor this outcome) have found some evidence that this scenario is coming into being. If so, then China’s transition is not trapped but ongoing, even successful.

Pei fails to consider this alternative modernity, which is a pity because this question is central to determining which aspects of contemporary China we should be studying to understand the country’s future. Should we be conducting public-opinion surveys or analyzing neo-Confucian writings? Is it progress in disposing of state firms or progress in creating state-owned corporate winners that matters most? The book would have had more force had Pei examined and then been able to dispel the notion that an alternative modernity is in the making in the world’s largest country.

Assume it is not. In that case, the questions that Pei asks are the right ones. This brings us to the book’s second proposition, which is that the Chinese transition is stalled or “trapped.” The critical moment at which China turned the corner into a blind alley came in 1989, when the CCP regime crushed a democratic movement. This resulted in economic and political reforms in the 1990s that, by virtue of being wholly regime-managed, gave rise to deformative structures. The reforms kept the private sector small, denied legislative bodies and village governments true power, and allowed the state to become corrupt and inefficient. Democracy could not arise under such circumstances because popular pressures were either coopted or suppressed. Pei wrote in the October 1995 issue of the Journal of Democracy that democratic trends in China “appear to be accelerating,” and that “[i]f they are allowed to continue, they will gradually lay the institutional foundations for the eventual democratization of China.” Since then, he has proposed that the facts have changed—a view which he first mooted in a January 2003 article, also published in the Journal of Democracy. Now, four years later, China’s Trapped Transition completes the volte face.

Pei is right to draw attention to the costs of the slow transition. Indeed, the book’s biggest contribution is to show that gradualism has been as costly to China as rapid reforms were to Eastern Europe and Russia (echoing Harvard sociologist Barrington Moore’s famous argument about the comparative costs of democratization in Britain and
France). There is no easy way out of the damaging legacies of authoritarian rule. In China, as Pei shows, a corrupt CCP elite has kept a tight grip on political power and used it to deform the economy and weaken the state. This not only exacts costs now, but also imposes heavy burdens stretching into the future. China’s partial transition is passing to future generations a bankrupt state; an economy with gaping, Latin American-sized inequalities; and a political culture prone to extremism and violence.

Given these facts, one might expect to find the Chinese people agitating to change their governing system. Indeed, a core supposition of Pei’s analysis is that China’s people recognize these costs and thus want a faster transition to democracy and capitalism. But Pei never seriously undertakes to show that the current system is illegitimate, and his passing references to legitimacy (and much empirical research) actually suggest the opposite. Yet if there is no widespread demand for faster change, then China’s transition is best described not as trapped, but as merely delayed. The distinction makes a world of difference. If what we are seeing is only a slowdown in a still-viable transition process, then the many structural impediments that Pei finds to “explain” the lack of democratization or full economic reform are causes in search of effects. The real cause behind the partial nature of China’s transition is that China’s people, on balance, want it that way—despite the costs that Pei so ably catalogues. The Chinese are convinced that attempts at rapid transition cause breadlines and chaos.

This idea bears heavily on the book’s third proposition, that the impasse of the trapped (or perhaps delayed) transition is unlikely to be broken without a massive rupture and even collapse of the state, followed by who knows what degree of violence and socioeconomic chaos. The trapped or delayed transition may even last “an extended period” because “the CCP will unlikely seek its own demise through voluntary reform” (pp. 211, 208). So far so good, but what then? For Pei, the most likely outcome is collapse or chaos, because the CCP has shown for the last decade and a half that it will not budge even if popular pressure is brought against it. Thus its downfall will not be a graceful exit but a cataclysmic collapse in the face of “mass popular political mobilization” (p. 205).

Yet what if the CCP is actually quite responsive? What if it is in tune with popular demands, and finds ways to move and adapt as those demands change? In other words, what if the party stays or goes because of
popular pressures? Pei himself recognizes this possibility. He cites “rising public dissatisfaction” (p. 14) as one thing that would prod the regime to change. “A democratic opening may emerge in the end, but not as a regime-initiated strategy undertaken at its own choosing, but more likely as the result of a sudden crisis” (p. 44). Perhaps the word crisis is being used in two different senses here. One crisis and another can, after all, vary in urgency: There are crises and there are crises. The crisis of which Pei speaks seems to be of the more benign sort, a mere shift in public preferences that prods the regime to change. Such a crisis will not require democracy to rise upon the ashes of a razed public square, but rather will stir the regime to recognize that its time has come, and to do the right thing by going fairly gentle into that good night. If so, then the prospects for a relatively smooth democratic transition in China are bright and no collapse is likely.

The policy implications of these alternative “crisis” scenarios are different. Pei notes that if China is caught in a long-term trap leading to chaos, then both optimistic engagement with the country and efforts to contain its growing military power would be a waste of time. Yet if that transition is merely delayed, then both seem necessary: engagement in order to accelerate the change in social values to demand democracy, and containment to ensure that a democratizing China does not threaten its neighbors—especially democratic Taiwan.

China’s Trapped Transition is a strong addition to a growing literature on the unexpected direction that China took after the 1989 Tiananmen atrocity. Pei shows that the costs of gradualism in China have been steep, as he predicted they would be in his brilliant 1994 book From Reform to Revolution. The “what, why, and wherefore” of that gradual transition remain subjects of intense debate, a debate into which this book leaps with aplomb.

Ultimately, the importance of this book will depend on whether it strikes a chord with China’s leaders and increasingly educated people. Pei is a democrat who sees the downside of delayed democracy in China (just as antidemocratic China scholars find evidence of its upside). His views are also taken seriously in China. In the same vein as Roy Medvedev, the Soviet historian and democrat who did so much to unmask the costs of authoritarian rule in Russia, Pei may help to shape the ways that China sees its reform period, thus laying the groundwork for positive change. In that sense, this book may contribute to a resolution of the very problems it diagnoses. Its importance is sure to grow with each passing year.

Bruce Gilley is an assistant professor of political studies at Queen’s University in Canada. He is a former contributing editor at the Far Eastern Economic Review and the author of China’s Democratic Future (2004).