

International Conference “China’s Future”
Brussels | June 20-21, 2019

Political Reforms in China

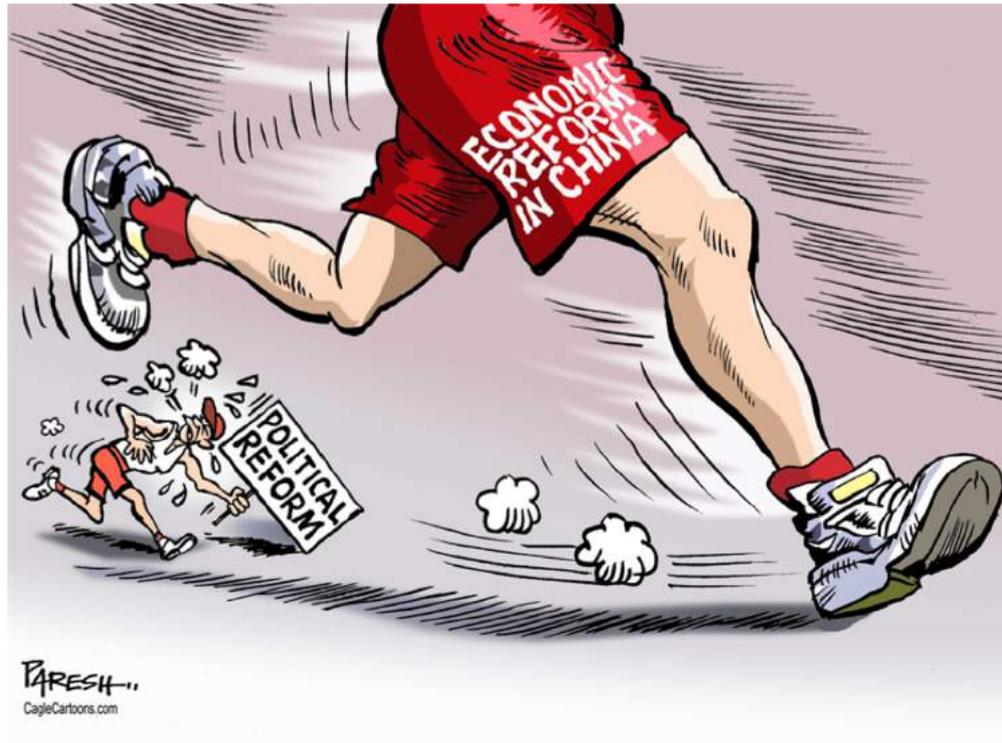
Chunrong Liu

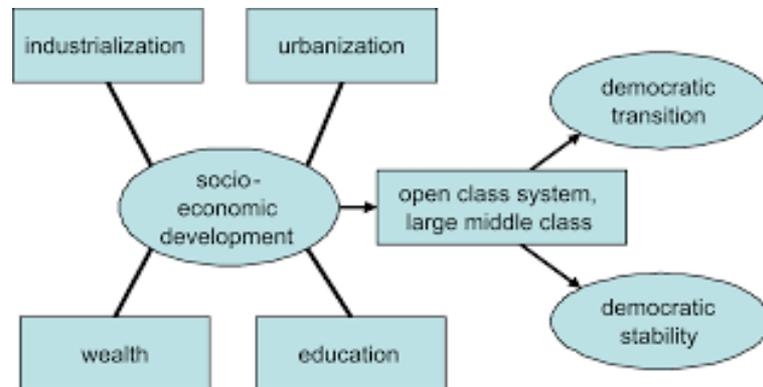
School of International Relations and Public Affairs
Fudan University

Fudan-European Centre for China Studies
University of Copenhagen

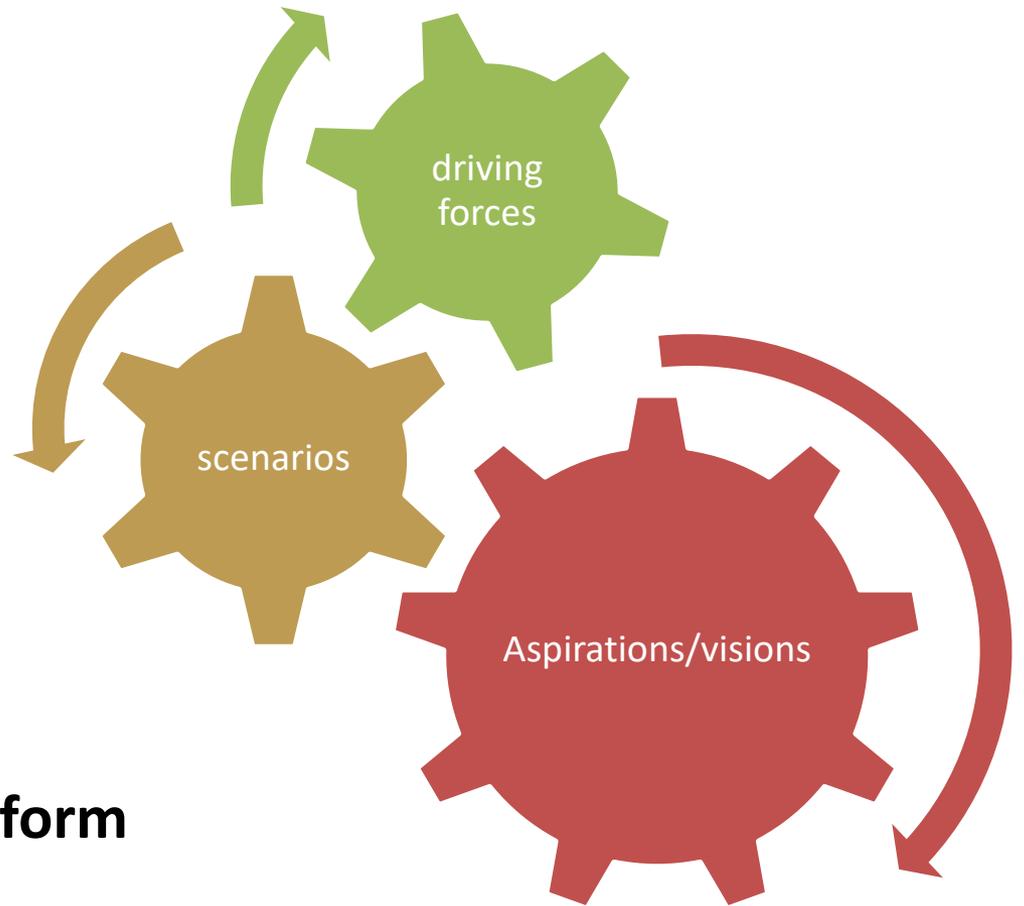


Politically, where is China heading to?





The **democratization debate** and beyond



Exercises of Political Reform
Analytical Issues

The Bugle Call

- Deng Xiaoping's "On the Reform of the System of Party and State Leadership" (August 31, 1980)
 - a systematic exposition on the problems and **agendas** of reform in the realm of the superstructure
 - Institutional differentiation and efficiency



“The purpose of reforming the system of Party and state leadership and other systems is to take full advantage of the superiority of socialism and **speed up China’s modernization**”

”the major problems are **bureaucracy, over-concentration of power, patriarchal methods, life tenure in leading posts and privileges of various kinds**”

” The time and conditions are now ripe for us to undertake the task of reforming and improving the system of Party and state leadership so as to **meet the needs of our modernization drive**. While our generation may not be able to finish this work, at least we have the responsibility of laying a firm foundation and establishing a correct orientation for its accomplishment.”

- **Enduring challenges and responses**

- “Streamlining administration and delegating power”
- Institutional reforms in 1982, 1988, 1993, 1998, 2003, 2008...

- **Aspiration in “the new era”**

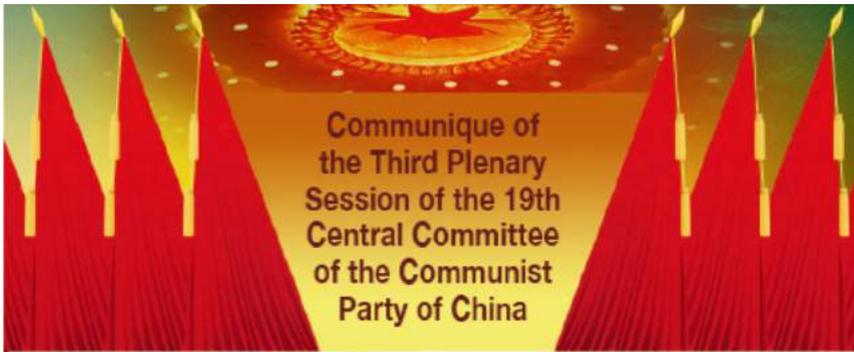
- “Modernizing system and capacity for governance”

Statecraft and Governance:

Holistic and top-down approach

- To find a **stable and effective system** for development, the wellbeing of the people and society's **long-term stability**.
- To raise the Party and officials' integrity, capability and improve the **efficiency** of Party organs, government departments, public institutions, enterprises and civil organizations.
- The CPC must rule in an **scientific, democratic and legalistic** manner

—— Xi Jinping on a workshop at the Communist Party of China (CPC) Central Committee Party School Feb. 17, 2014



Communique of
the Third Plenary
Session of the 19th
Central Committee
of the Communist
Party of China

Deepen Party and State Institutional Reform

Tagerts



Establishing a Party and state institutional system that is well conceived, fully built, procedure based, and efficiently functioning; forming a CPC leadership system that ensures the Party always provides overall leadership and coordinates the efforts of all involved, a law-based administrative governance system with clear functions and responsibilities, a world-class armed forces system with Chinese characteristics, as well as a sound work system of people's organizations for bridging and serving the general populace; promoting coordinated actions and resultant forces among the people's congresses, governments, political advisory bodies, and supervisory, judicial and prosecutorial organs, people's organizations, enterprises, public institutions, and social organizations under the unified leadership of the CPC. Deeper reform of the CPC and state institutions will improve China's governance level and capacity.

**Consolidating the
institutional strength and
efficiency**

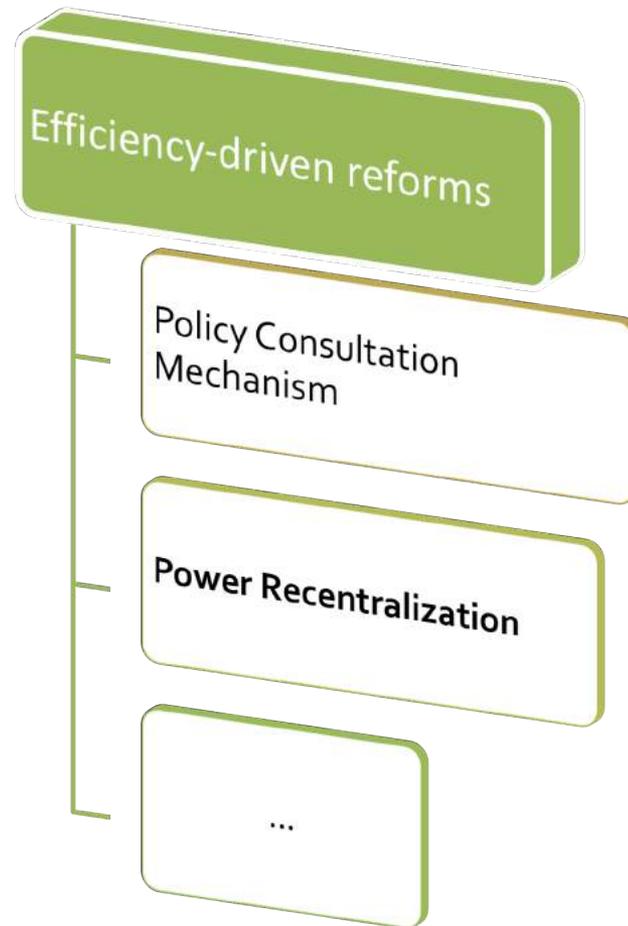
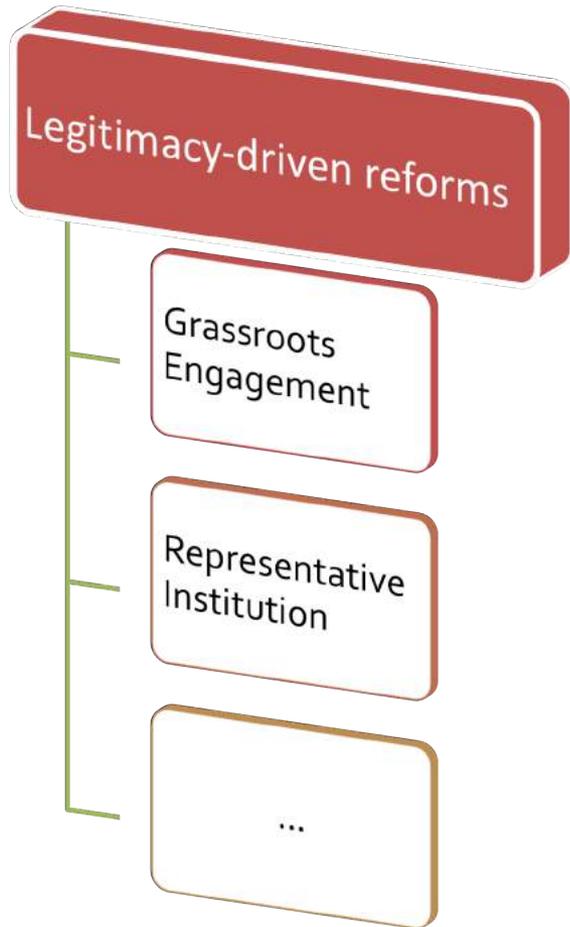
New round of "governance
innovations", Feb 2018

Mapping Political Reforms: redistribution of power; institutional and normative changes

		<i>Result of change</i>	
		Continuity	Discontinuity
<i>Process of change</i>	Incremental	Reproduction by Adaption	Gradual transformation
	Abrupt	Survival and return	Breakdown and replacement

Source: Streeck and Thelen 2005

Mapping Institutional Changes



Legitimacy-driven reforms

New legitimizing agents and source of legitimacy
in political process

The Introduction of Grassroots Democracy in the 80s



- Institutional response to the collapse of People's commune system
- Direct election of approximately **3.2 million village leaders** in more the 734,000 villages.
- More than 700 million (900 million peasants in total) peasant voters

“Deliberative authoritarianism”

The increasing use of deliberative and consultative mechanisms in local governance



It's Their Call

Using a Stanford professor's polling technique, Chinese Communist Party officials are giving citizens a voice in decision making.

BY JOEL McCORMICK

ILLUSTRATION BY BRIAN CRONIN

Last July in Beijing, town and local-level party officials, academics, journalists and others—maybe 40 people in all—crowded into a small function room on the seventh floor of China Youth Daily's hotel, CY Journalists' Home. The building, part of the national newspaper's substantial headquarters along Dongzhimen Road, is a short cab ride from Tiananmen Square, where People's Liberation Army troops crushed China's pro-democracy movement in 1989. Given the event's billing as an "earnest democracy discussion meeting," a hotel owned by the Communist Youth League's media empire might have seemed an implausible venue. But democracy is discussed in all sorts of places these days. Institutions including the Communist Party are looking for ways to gain legitimacy with constituencies growing ever more impatient with corruption and decisions in which they have little or no say.



Participatory Innovation

Deliberative Democracy
in an Unlikely Place – the *Wenling* experiment

TIME
A S I A

FROM THE MAGAZINE

Saturday, Apr. 16, 2005

Dabbling in Democracy

No one knew what to expect when a Chinese town tried listening to its people

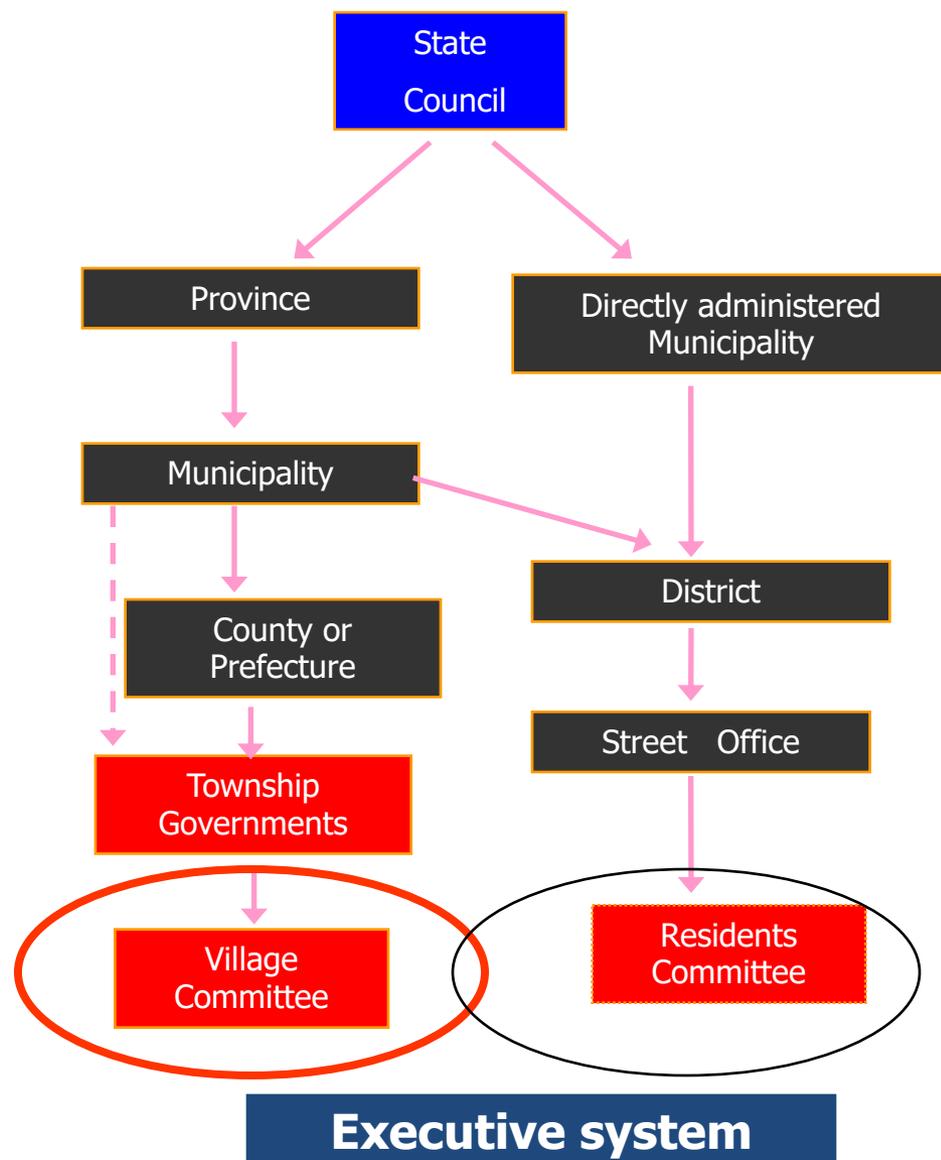
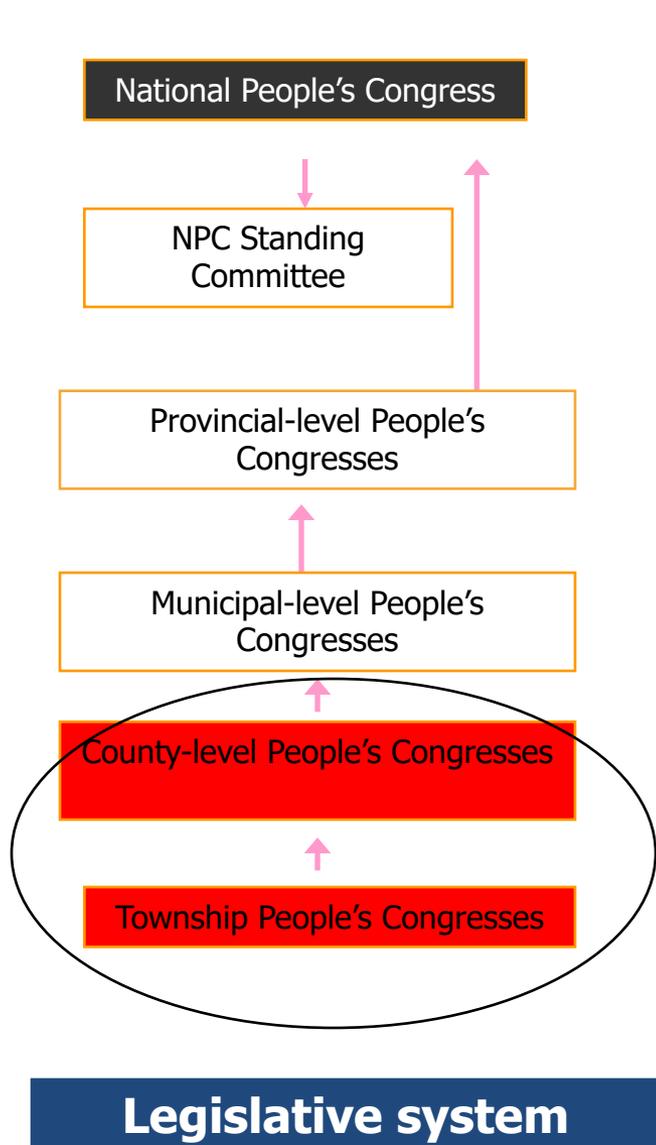
BY SUSAN JAKES | ZEGUO



Jeffrey Prescott

A resident of Zeguo township speaks during a deliberative poll, part of the city of Wenling's program of "Democratic Heart-to-Heart Discussions," on April 9, 2005.

Incremental Political Reforms



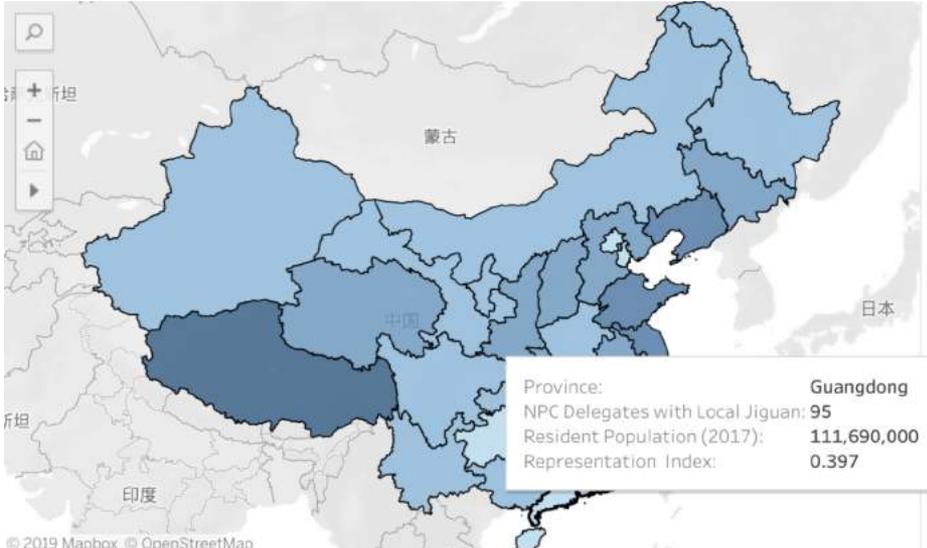
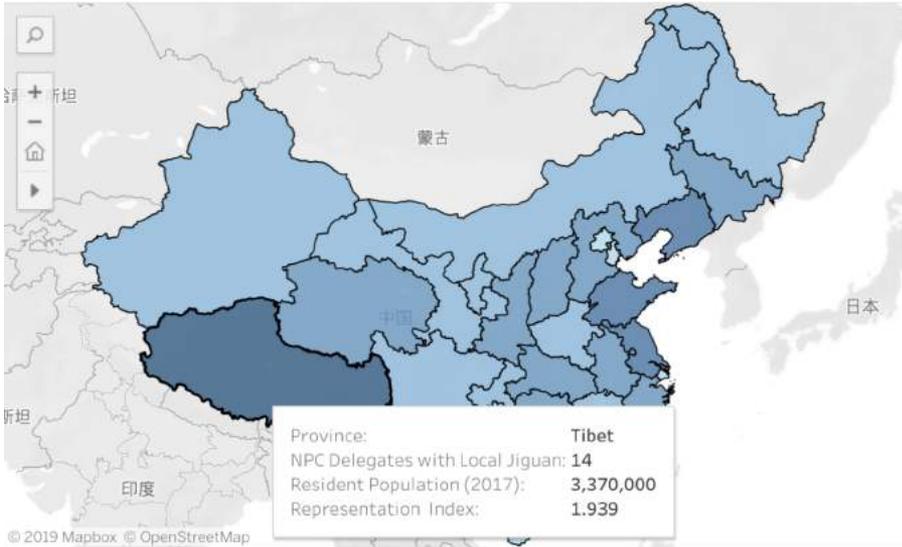
New Category in National People's Congress



45 deputies in 13th NPC (2018) / 260 million peasant workers

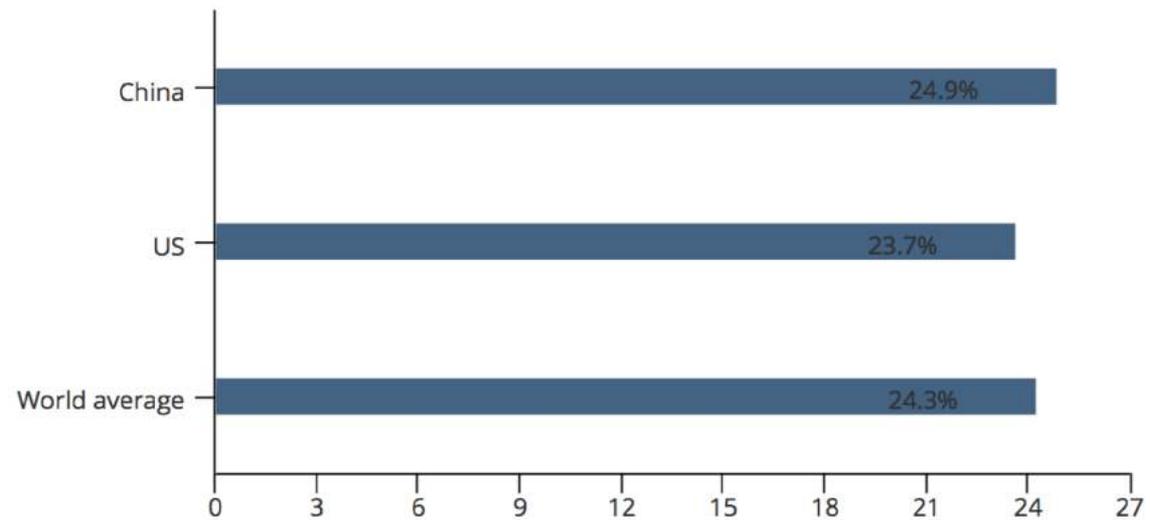
Closing the representation gap

Provincial representation in NPC



Source: MacroPolo, National Bureau of Statistics, NPC Observer

Figure 3. Female Representation in Chinese Legislature Aligns with World Average



Source: NPC Observer, Inter-Parliamentary Union.

Efficiency-driven reforms

streamlining of institutions

transformation of government functions

“Scientific decision making”

“New player” in policy process: think tank

“Building a new type of think tank with Chinese characteristics is an important and pressing mission. It should be targeted on promoting **scientific and democratic decision making**, promoting **modernization of the country's governing system and ability**, as well as strengthening **China's soft power**”

Xi Jinping

New player in Policy Process

China has the second largest number of think tanks in the world (426), behind only the United States (1,826).

Top-Ranked Chinese Think Tanks

Chinese Academy of Social Sciences (No. 28 among think tanks globally, No. 14 among non-U.S. think tanks globally, and No. 1 in Asia)

China Institutes of Contemporary International Relations (No. 42 among non-U.S. think tanks globally and No. 6 in Asia)

Shanghai Institute for International Studies (No. 8 in Asia)

Center for International and Strategic Studies at Peking University (No. 19 in Asia)

Cathay Institute for Public Affairs (No. 27 in Asia)

Carnegie-Tsinghua Institute for Global Policy (No. 28 in Asia)

China Center for International Economic Exchanges (No. 3 among new think tanks globally)

Brookings-Tsinghua Center for Public Policy (No. 14 among university-affiliated think tanks globally)

Institute for International Relations, Tsinghua University (No. 25 among university-affiliated think tanks globally)

China Institute of International Studies (No. 18 among government-affiliated think tanks globally)

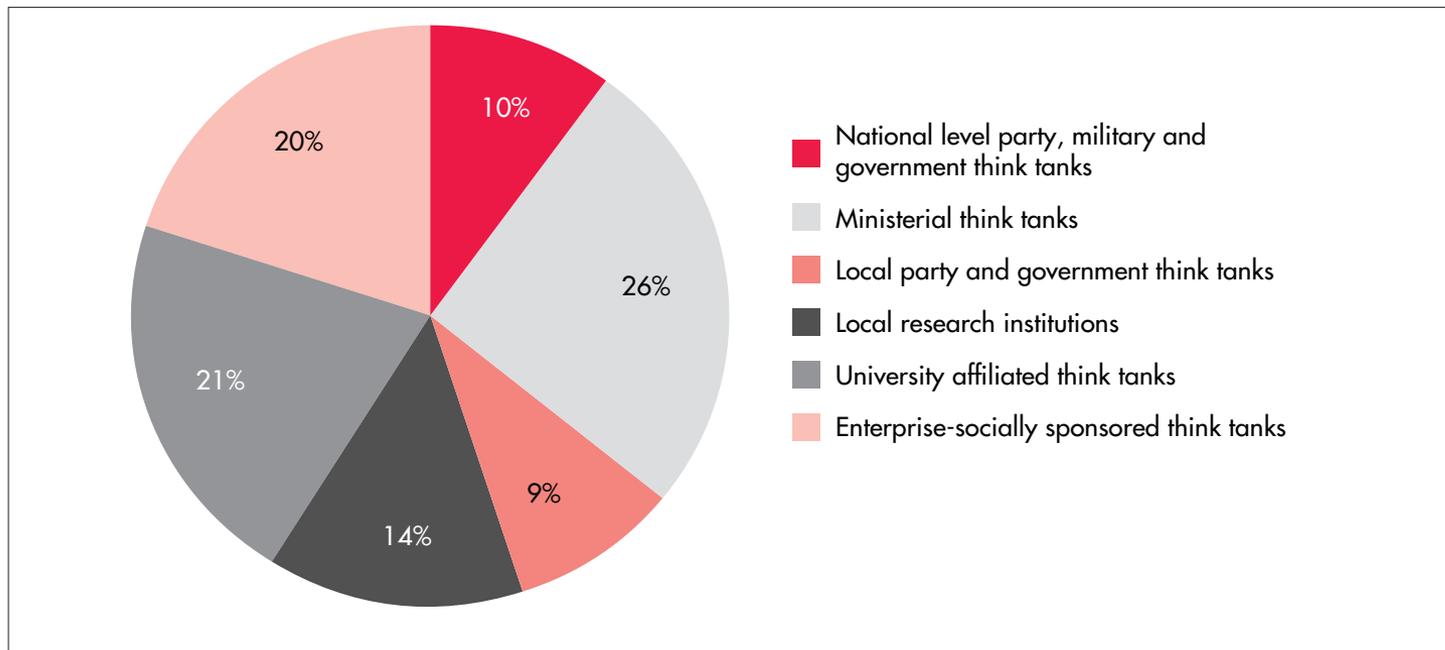
Central Party School (No. 17 among party-affiliated think tanks globally)

Unirule Institute of Economics (No. 12 among think tanks globally with operating budgets of less than \$5 million/year)

Source: University of Pennsylvania, *The Global Go To Think Tanks Report 2011*, January 20, 2012.

Diversity of Think Tank in China

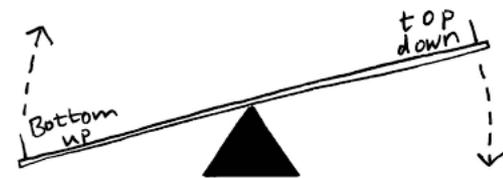
SSAP (social science academic press) Dataset



Data source: SSAP (2017).

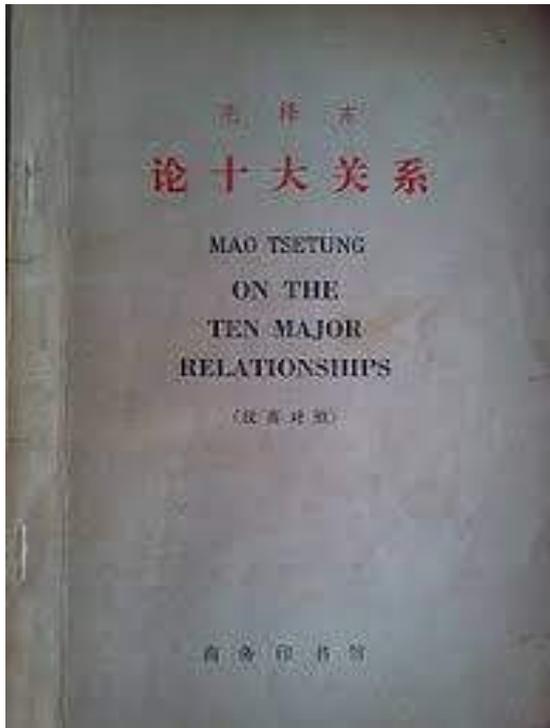
Reclaiming Central Power

The end of fragmented/
decentralized authoritarianism?



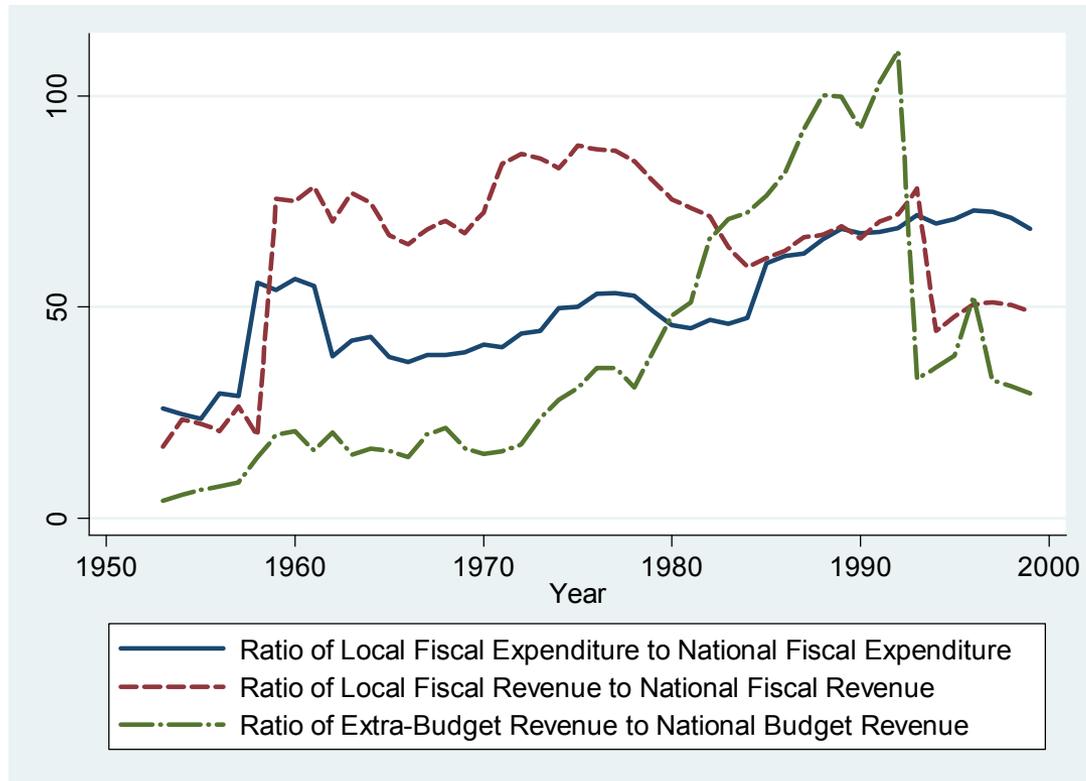
MAO: On the ten major relationships

(April 25, 1956)



- “The relationship between the central and the local authorities constitutes another contradiction. To resolve this contradiction, **our attention should now be focused on how to enlarge the powers of the local authorities to some extent, give them greater independence and let them do more, all on the premise that the unified leadership of the central authorities is to be strengthened.**”

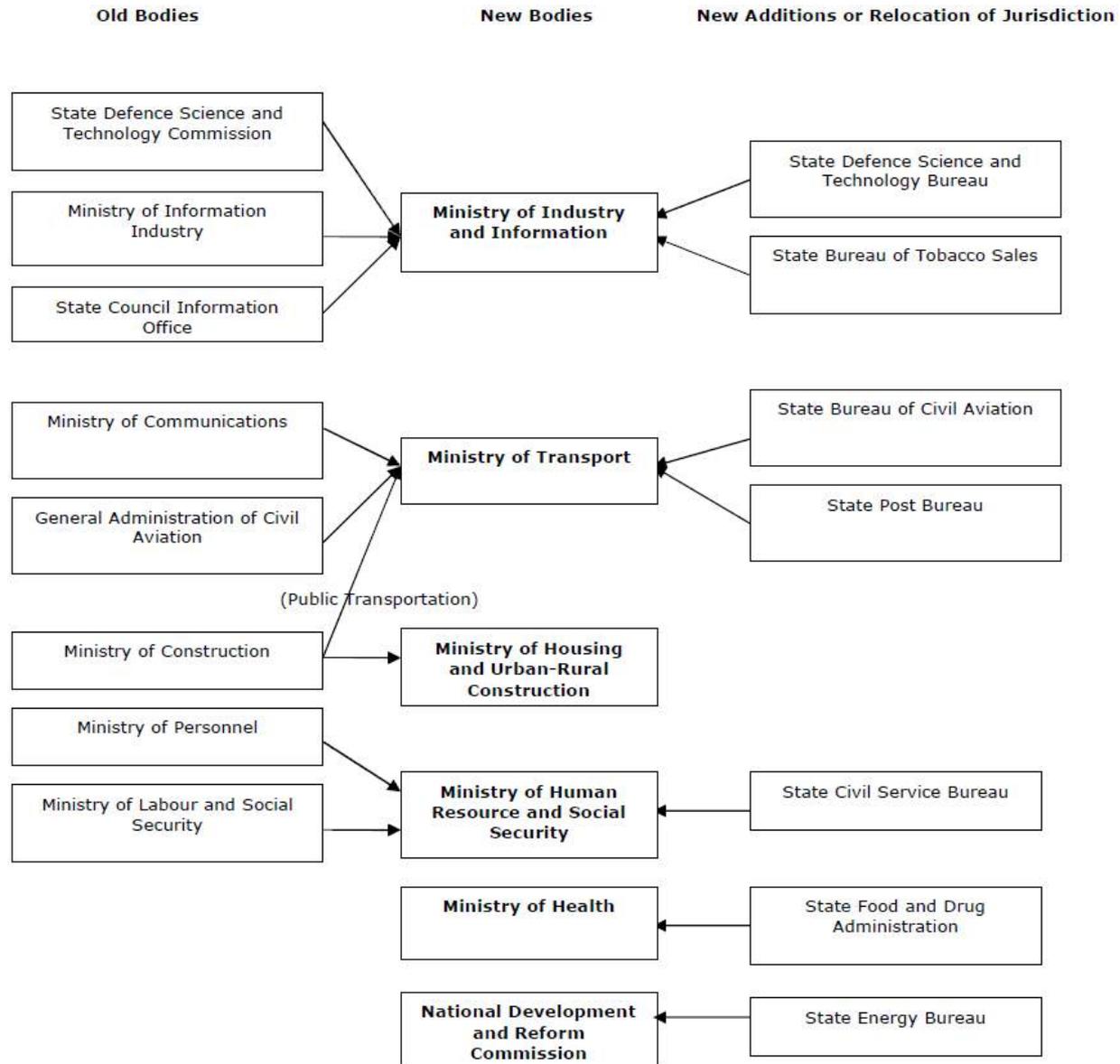
Figure 5: Fiscal Decentralization of China from 1953 to 2001



Source: SSB (Various Years).

Recentralization through administrative restructuring

Super-ministry scheme and the rise of regulatory bodies (2007)



Recentralization since 2012/13

- **Anti-corruption campaign**
- **“Top-level policy design”**
 - **Establishing leading small group:** comprehensive and penetrating leadership.
 - **Administrative reconfiguration** : merging two key financial regulatory bodies; creating new ministries for natural resources, veteran affairs, emergency management, international development cooperation and immigration...
 - **Building new state institutions:** “the National Supervisory Commission (NSC)”

New leadership lineup (7/25)

19th Politburo Standing Committee



Xi Jinping

Li Keqiang

Li Zhanshu

Wang Yang

Wang Huning

Zhao Leji

Han Zheng

19th Politburo

Note: All members of the Politburo Standing Committee (above) also hold a seat on the Politburo.



Ding Xuexiang

Wang Chen

Liu He

Xu Qiliang

Sun Chunlan

Li Xi

Li Qiang



Li Hongzhong

Yang Jiechi

Yang Xiaodu

Zhang Youxia

Chen Xi

Chen Quanguo

Chen Min'er



Hu Chunhua

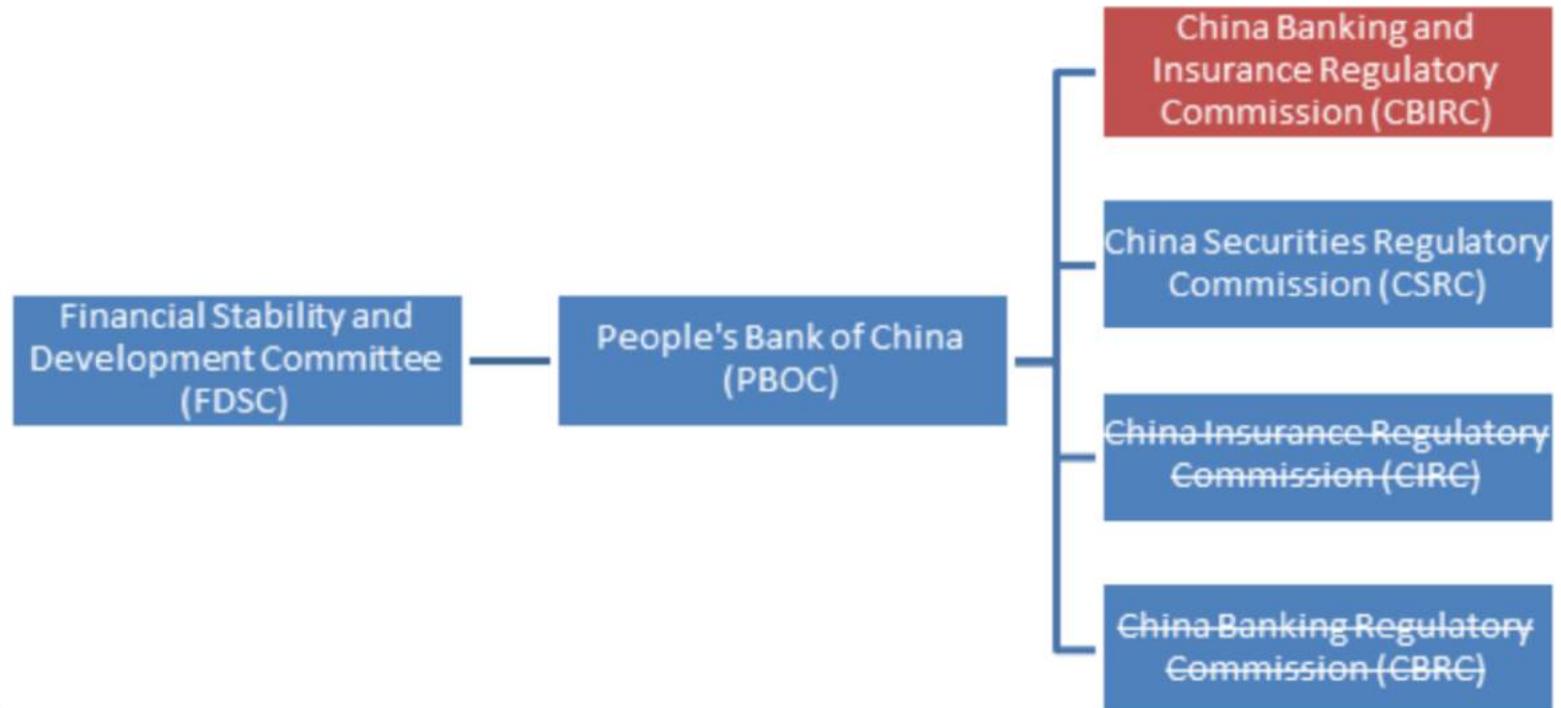
Guo Shengkun

Huang Kunming

Cai Qi

Administrative reconfiguration

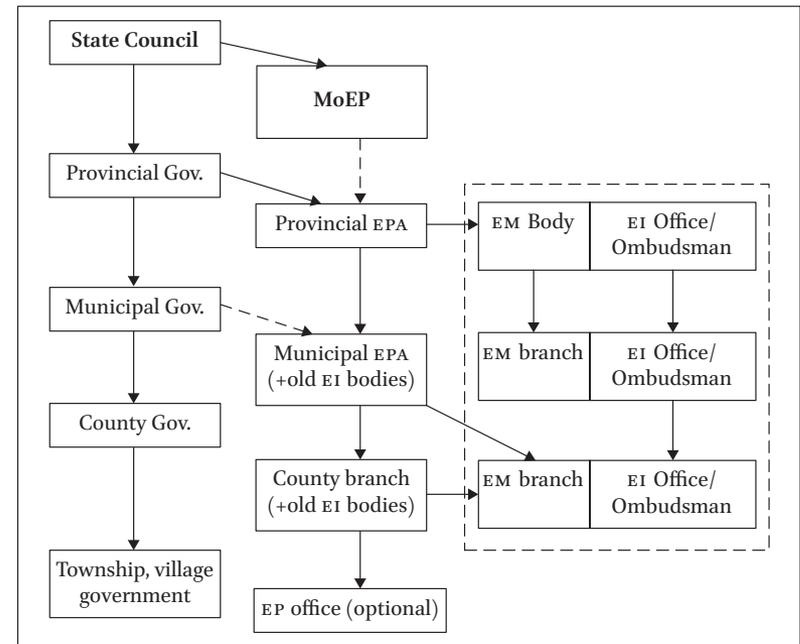
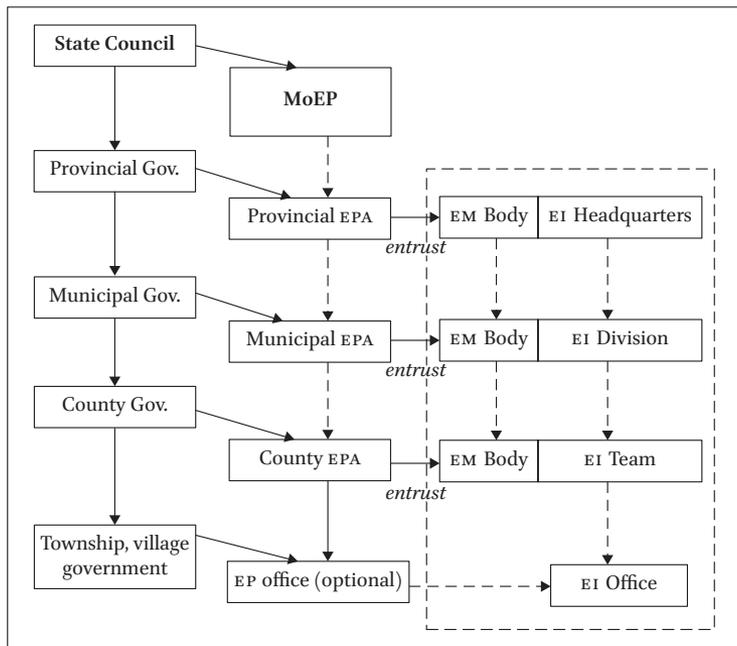
Stronger financial regulation



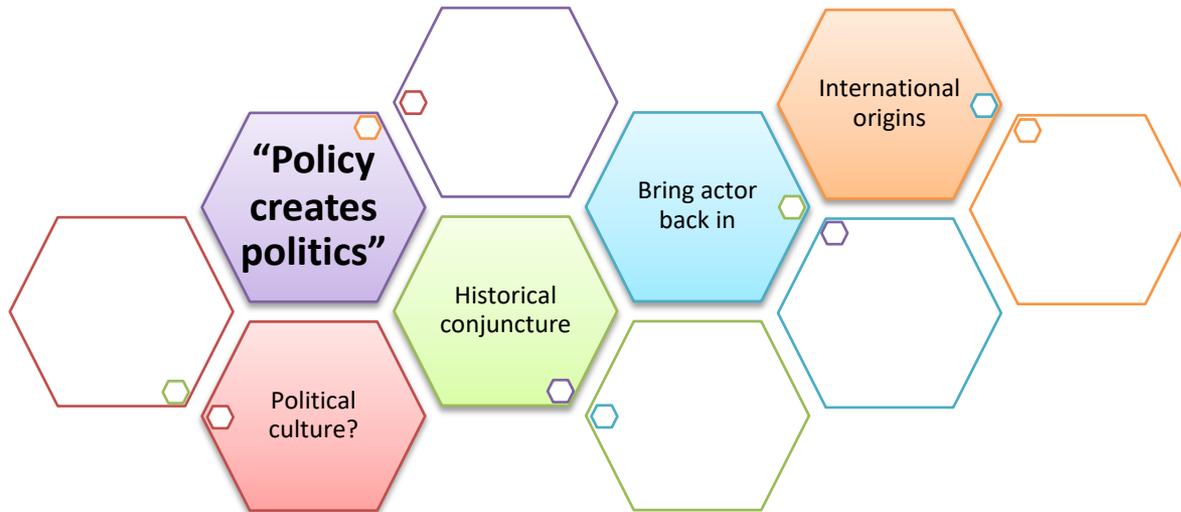
Administrative reconfiguration

Centralized Environmental governance

In July 2016, the Leading Group of Comprehensively Deepening the Reform issued Guidelines on the Pilot Program of Vertical Management Reform of Environmental Monitoring, Inspection and Law Enforcement below the Provincial Level
(关于省以下环保机构监测监察执法垂直管理制度改革试点工作的指导意见)

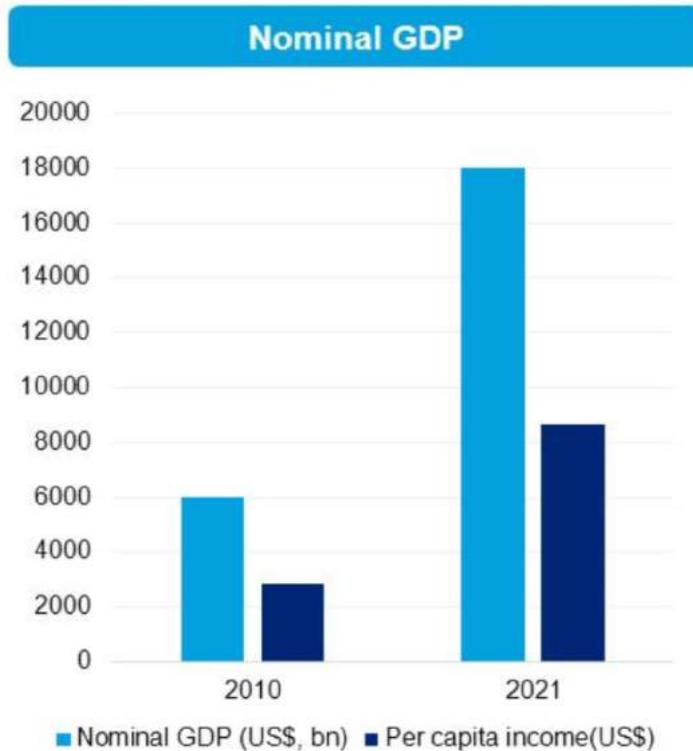


(Ma, 2017)

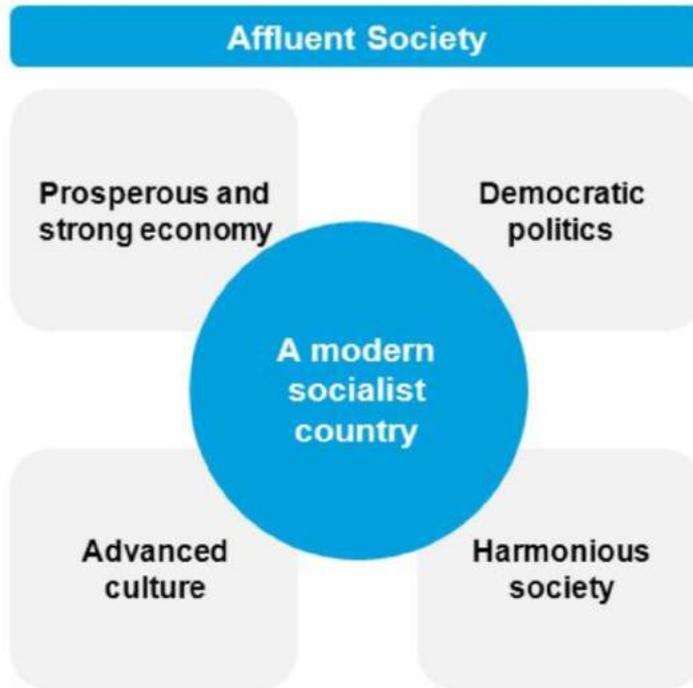


How can this be explained?

Deep and comprehensive reforms and the **two centennial goal**



- **First 100-year Goal**
In 2021 when the CPC celebrates its centenary, China should achieve **initial prosperity** in all respects



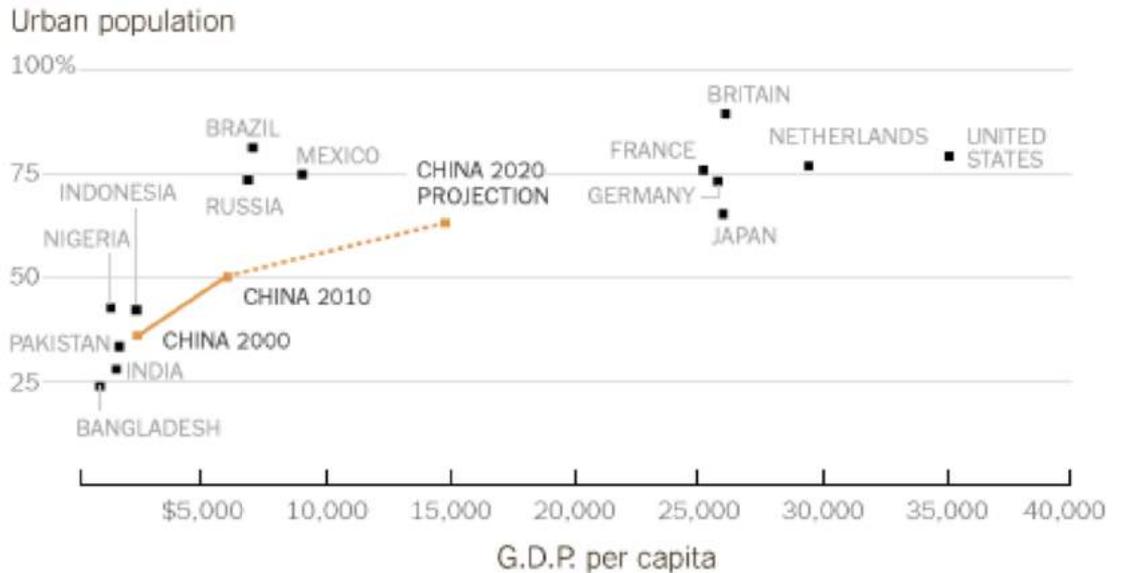
- **Second 100-year Goal**
In 2049, PRC will be 100 years old and should become a **modern socialist country**

Domestic Policy Agendas

- **“14 points basic policy domains” Political Report to the 19th CPC Congress in 2017.**
 - Quality growth
 - Social Security
 - Poverty alleviation
 - Health China Initiative
 - Eco-civilization
 - ...

Rate and level of urbanization in China

- 1982 21%
- 2006 43%
- 2012 52.57%
- 2050 > 80%



Source: Organization for Economic Cooperation and Development

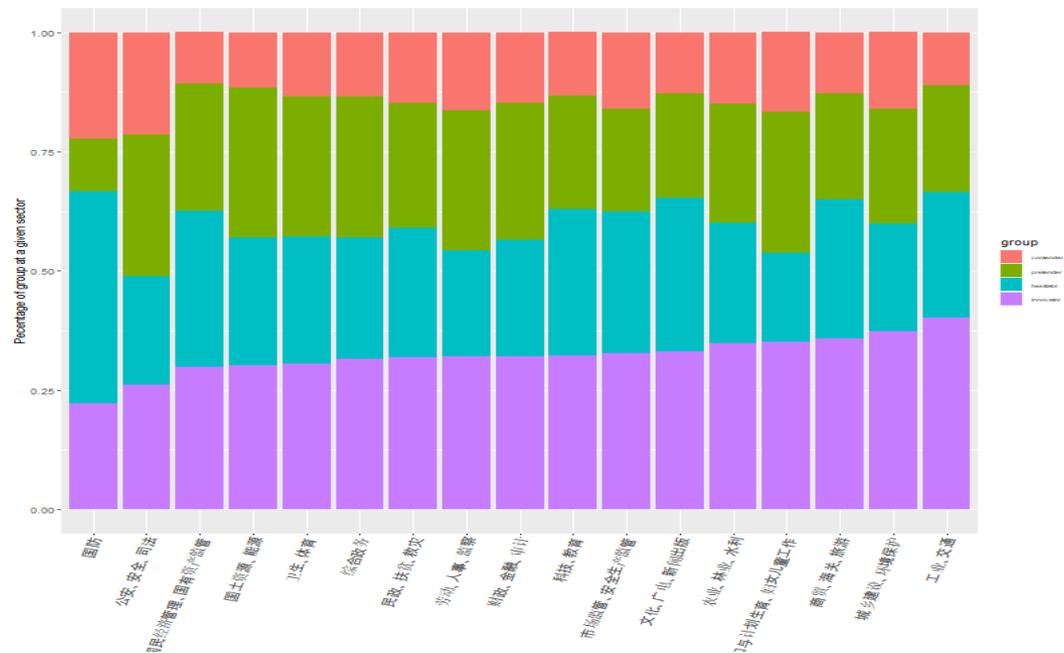
Impacts?

- Power structure and **incentive structure**
 - New norms in political process
 - Strong man, weak system?
- New regional and global order?

The limit of centralization

Table 1: Typology of local compliance

	Active	Passive
Constructive	Innovator	Accommodator
Deconstructive	Pretender	Neglector



Varieties of local politics

Concluding Remarks

Discontinuity and **Continuity**

The Art of Reform: new political order?

Future Scenarios: the power to concede power?