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Preface

Brantly Womack

This volume marks several gradual but epochal transformations in the American understanding of China. First, the study of China’s domestic politics has advanced beyond the naive optimism of expecting a gradual democratization and the equally naive pessimism of awaiting a sudden collapse of Chinese communism. Secondly, the question of China’s international role has moved beyond the assumption that China was outside the world system waiting to slip quietly into the back row. Thirdly, the authors themselves are examples of the fruitful interaction of scholars from China and American political science in producing studies of Chinese politics that are at once intimate and distanced from internal engagements and constraints.

Chinese domestic politics in the reform era has been easily portrayed as an ephemeral transitional phase either of liberalization or of the fatal undermining of the old regime by civil society. In part, the expectation of political change has been founded on the extraordinary rate of material change in China during the reform era. China’s national economy grew by more than five times from 1978 to 1999, and it has doubled from 1990 to 1999. Meanwhile Guangdong Province’s gross domestic product grew by more than ten times since reforms started and has tripled from 1990
to 1999. In conjunction with the quantitative growth, the structure of China’s socio-
economy has changed from the isolated subsistence localism of the days of the
communes to an urban-oriented market localism in which even state-owned and
collective enterprises must compete and be profitable.

Given material and societal change of such magnitude, it is easy to imagine
that China’s political alternatives would be either for the leadership to be as bold
politically as it had been economically and to democratize, or for the Chinese
Communist Party to mount a rearguard action, ultimately unsuccessfully, against
the growing demands and power of civil society. In fact, however, Chinese politics since
1978 has rarely approached either of these extremes. Usually the reformers have not
been democrats and the conservatives have not been reactionaries. As Weixing Chen
puts it in the first essay of this volume, “if the conservatives did not want to trap
themselves in a predicament by pulling back the reform, the reformers would have to
think twice before going beyond the system that produced them.” Although the
events at Tiananmen in May and June 1989 demonstrated the capacity of
unpredictable crisis politics to change the terms of elite politics, the fluctuations of
normal politics have remained within the parameters of continuing reform on the one
hand and continuing Party leadership on the other.

As the chapters dealing with local electoral reform indicate, even the most
directly democratic political reforms are not aimed at creating a venue for legitimate
opposition, but rather at inducing local Party leadership to stay close to popular
opinion. This is not merely cosmetic. The Party is seriously interested in non-
oppositional public participation, even at the cost of occasional minor crises and
tensions. It is now accepted that there will be a certain amount of bumping and
grinding at the basic level and between Party and People’s Congress organs at higher
levels, though with the expectation that rough edges will be worn off and things will
eventually run smoothly. Leadership in the reform era requires flexibility and
sensitivity to popular pressures, and systems of public representation are the core
institutions of popular access to the powerful at each level. But the access is
essentially petitioner access rather than constituent access. Democracy as it is
idealized in the West—the public contestation of policies and persons in power—is
still a crime in China. Public opinion and its institutions operate as a significant but
oblique force.

In general, although a distinctive and coherent new pattern of Chinese politics
has not emerged in the reform era, China’s leadership and institutions have shown the
capacity not only to cope with the rapid pace of socio-economic change but also to
address new issues and challenges raised by the success of reform and openness. As
the People’s Daily New Year’s editorial for 2002 formulated the task, “It is necessary
to handle the new situations and issues in a proper way, in order to create a stable
economic and social environment for promoting all-round reform and development.”
The domestic politics described in this book is not one of transition, but of
adaptation.

Secondly, our understanding of China’s international role has changed as
China has matured as a regional and global power. Until the early 1990s the
American judgment of China as an international factor was set by its utility as a
“card” vis-à-vis the Soviet Union in the Cold War. This estimate is clear as late as
the China policy of the first Clinton administration. As far as China’s economic
salience was concerned, it was viewed as a large but poor Asian tiger desperately
seeking permission to enter the world market. The United States in the 1990s
annually asserted its moral authority as a gatekeeper in its spring ritual of renewing
China’s Most Favorable Nation status, now renamed Normal Trade Relations, and
permanently granted to China on December 27, 2001.

In fact, however, China’s international political and economic presence
underwent fundamental changes in the 1990s largely independent of American
policies. It normalized relations with South Korea, Indonesia, Singapore, Laos,
Cambodia and Vietnam, completing a diplomatic relationship with Asia that could
serve as the basis for economic cooperation. By 1999 over half of China’s trade was with Asia, and its Asian trade was balanced. Meanwhile substantial progress has been made in the settlement of all land border disputes, and this has permitted the flourishing of cross-border trade. On the inner Asian frontier, the Shanghai Cooperation Treaty of 1996 created the basis for establishing the Shanghai Cooperation Organization in June 2001 to encourage general cooperation between China, Russia, Kazakhstan, Tajikistan, Uzbekistan and Kyrgyzstan.

Beyond Asia, the delay in China’s entry into GATT and subsequently the WTO did not appear to hamper its ability to come to bilateral trade agreements or to greatly expand trade and foreign investment. China’s foreign trade tripled between 1991 and 1999, with an average annual growth rate of 13.5%. Utilized foreign capital went up by five times during the decade, with an average growth rate of twenty percent. However, the Asian financial crisis of 1997-8 was a major blow to foreign trade and investment. Although national exports continued to climb in 1999, many provinces experienced a trade decline, and there was a 11.4 percent decline in foreign investment nationally. The world economic slowdown of 2001 has brought Chinese growth down from eight percent in 2000 to 7.3 percent in 2001, but the world economic growth rate was cut in half to 2.4%. As of January, 2002, China is the world’s sixth largest economy, displacing Italy.

Despite the harm done to China’s economy by the Asian financial crisis, China has emerged with its regional stature greatly enhanced. Not only was China’s growth rate through the crisis (seven percent) much better than the economic contraction experienced by its neighbors, but the stability and prospects of the China market were confirmed. Because of its size and internal resources, China is not as export dependent as the Asian tigers nor as import dependent as Japan. The negative effects of regional and world economic crises are therefore milder for China, and consequently China’s economic share and relative importance can be expected to rise in turbulent times. It is worth noting that while foreign investment in China declined during the Asian financial crisis, foreign investment in 2001, a year of regional and world recession, grew by 15.6 percent. Perhaps China is being perceived as a safe haven.

In addition to the economic effects of the Asian financial crisis, China’s decision not to devalue its currency was a masterstroke of regional political leadership. By providing assurance to its hard-pressed neighbors that the crisis would not be exacerbated by a currency war, China demonstrated a capacity to act in the regional common interest. China’s statesmanship contrasted sharply with American disinterest in Southeast Asian sufferings and Japan’s cautious protection of its economic interests in the region.

By the end of the century China was no longer a card in a Cold War game. It had become the central power of the world’s largest and most dynamic region, and a major economic presence in the global economy. The question of entry into WTO had gradually shifted from one of entering the world economy to one of adjusting the WTO to reflect economic reality, on the one hand, and on the other hand China’s realization that multi-lateral standards serve its own long-term interests. Entry reflected “synergistic globalization,” as Yumin Sheng puts it in his chapter, rather than gatekeeping.

Of course, international interdependence does not mean the end of tension and conflict. As Murmin Chen describes, security issues may become less acute with interdependence, but they become broader and more ambiguous. There are simply now more things that could happen in the world that could negatively affect China. By the same token, other countries in their dealings with China have to make larger allowances for the effect of Chinese events on their own interests. As the terrorism of September 11 indicates, world security is becoming less a product of military balance and sovereign negotiation and more a matter of an international texture of expectations, shared risks and cooperation.
In the coming decades the United States and China will share the common challenge of being large powers in asymmetric relations with smaller neighbors, China in its region, and the US in the world. This does not mean that China will control Asia while the United States controls the world. Having a preponderance of power does not necessarily imply control; if it did, Vietnam would still be a French colony. Leadership requires a credible representation of common interests. If China acts aggressively and in pursuit of unilateral advantage, it will isolate itself by surrounding itself with anxious and alienated neighbors. If the United States acts an unpredictable “hyperpower,” obsessed with its own preferences and demons, then China will be only one of many potential opponents.

The last epochal transformation in the understanding of China marked by this book consists of the scholars themselves. The majority grew up in China, went to graduate school in the United States, and are currently teaching at American universities. All of them are thoroughly familiar with China and also well versed in the concepts and concerns of American political science. Neither of these attributes guarantees the “true” or the “objective” interpretation of China, but together they produce some important countervailing advantages for China research.

From the perspective of an outsider envious of familiarity and fluency, a native of a country would appear to have an insuperable advantage of an insider’s intuitive understanding of its politics. In fact there is no birthright of immediate insight into the national soul, and a grasp of the politics of a place can be approximated from the outside. However, a native has the advantage of having shared not only the political experiences but more importantly the horizons of plausibility of his or her country. Since politics is intentional behavior, a sense of what appears to be normal, what appears to be possible, and what seems impossible provides a very important contextual orientation for the researcher, often at a subconscious level. If one approaches the analysis of a country with horizons of plausibility that are formed elsewhere, the unexpected may be expected, and the normal might be unexpected. What one sees is profoundly affected by what one is looking for. It is not surprising, for instance, that the American alarmists who consider China the looming threat to the United States are by and large not Chinese or even China specialists but rather unemployed Soviet specialists interpreting China as if it were the Soviet Union. They see a new evil empire because they still have their old evil empire glasses on. By contrast, Suqian Guo’s chapter in this volume argues that China is still essentially totalitarian, but since he knows that this view is counterintuitive within the Chinese political context he makes his argument very carefully.

The native advantage is not permanent. Once someone becomes an outsider, the terms of continued native participation are transformed, and special effort is necessary in order to keep pace with the ongoing changes in one’s homeland. For Chinese who came to the United States before 1949 this was particularly difficult, though the contributions of the late Professors Tsou Tung and Shao-chuan Leng demonstrate that it is possible even in the most trying conditions of bilateral hostility and isolation. The researchers of this volume have the incalculable advantages of better communications, research visits, and even research collaboration with colleagues in China. These advantages were put to severe tests in 2001 with arrests in China of researchers based in the US and in Hong Kong, but it is hoped that these were related to establishing boundary conditions for research rather than signs of a general suspicion or a squeezing off of collaboration.

The study of China in American graduate schools might seem a more limited advantage in the understanding of China than being Chinese, but it does make several important contributions. Most basically, the study of China from outside China necessarily involves the effort of approaching China from a more general and comparative context. A scholarly analysis of Chinese politics executed for an external academic audience is outside the implicit engagements of internal politics and beyond the domestic limitations on expert discourse. Although many concepts
and concerns derived from the experience of other countries might be partially or wholly inapplicable to China, they raise questions about the behaviors, structures and parameters of Chinese politics that would not be raised from an inside perspective. Perhaps the divergent realities of China can push the general understanding of such things as democracy, the state-society relationship and asymmetry to deeper levels.

The authors of this book are to be congratulated for making tangible the complex political situation of a China that is neither static nor transitory, and one whose increasing regional presence is redefining global relationships. In doing so they themselves have demonstrated synergistic globalism at its best.

Introduction

China's economic reform is both a process of redefining relations between politics and economics and a process of getting institutions right. The challenge for the Chinese Communist Party (CCP) since the economic reform, especially since 1992 when the market was officially endorsed as a means of economic growth in China's development after Deng Xiaoping's tour of the south (Nanshan), is how to maintain the CCP's macro-political control in an environment of decentralizing policies. To comprehend China's transformation over the last two decades, especially since 1992, we should try to understand the challenges and unprecedented problems that the CCP has faced under the current bewildering combination of state socialism with competitive capitalism and the effort that the CCP has made in its response. It can be safely stated that a new direction was set for Chinese politics two decades ago when the CCP launched the economic reform in China's countryside in 1978. But it is the CCP's attempt to rise to the challenges and effort to grapple the problems in policy terms or in the form of institutional reform in the process of China's economic reform that point to the new directions in Chinese politics. This is the focus of this book.

Based on the 15th annual conference of the Association of Chinese Political Studies (ACPS), this book addresses four issues: The politics of control in the reform era (Chapters 1, 2, and 3), the interpretation of the nature of China's economic reform (Chapters 4 and 5), the politics surrounding China's bidding for
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