

**Modernizing China?  
The Unintended Political Consequences of Higher  
Education in the PRC**

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## **Abstract**

In the past 10 years, China has grown its higher education sector into the largest in the world. At the same time, growing international integration of Chinese institutions means increasing cross-fertilization of ideas across national borders. While the literature on these developments has focused largely on their economic implications, this study asks what they mean politically. In light of current questions regarding political debate and reform in the Chinese Communist Party, this paper suggests new higher education policies may have important unintended consequences for the future of Chinese political development. As Chinese political leaders continue to reform and adapt policies to strengthen CCP legitimacy, they hope elite universities will train a new generation of leaders and advise current decision-making through think tanks and research centers. Once they train people to think critically and independently, however how long can the CCP expect to retain control over the direction of that thinking? Higher education is an uncertain variable. Based on the massive expansion of China's higher education system, this study suggests it could hold potential for far-reaching unintended consequences.

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## Introduction

Suppose that, in the name of modernization, you took a widely agricultural, feudalistic society that, once great, had lived through a century of humiliation and exploitation at the hands of foreign powers, won massive popular support by leading a grassroots resistance against brutal Japanese invaders and equally exploitative nationalist army forces, and then dragooned it into traumatic social and political experiments for thirty years. What if you then took that same population, having been tormented by upheavals like the Great Leap Forward, which condemned tens of millions to early death by starvation, and the Cultural Revolution, which turned society upon itself in a massive bloodbath of ideological struggle, persecution and suffering, and instituted sweeping economic reforms? Imagine those reforms could be so effective as to create economic growth of over nine percent a year for almost thirty years - the fastest rate for a major economy anywhere, anytime in recorded history.<sup>1</sup> This, of course, has been the experience of modern China over the past sixty-some years.

As a result, the Chinese political system today remains a work in progress. Its formal institutions of governance are weak and uncertain, and individuals in power spent their formative years in the social environment of Maoist rule. Moreover, they inherited a Confucian political philosophy of governance whereby ideal government resounds more with the philosopher king in Plato's Republic than Locke's Treatise on

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<sup>1</sup> Zakaria, Fareed, *The Post American World* (New York: W.W. Norton, 2008), 88.

Government.<sup>2</sup> As the Chinese Communist Party (CCP or Party) moved to enter the modern economy, however, it found society too dynamic and information too scarce to allow truly enlightened centralized government. Instead, it decentralized power and began continuously scanning the globe for new institutional designs to help bolster legitimacy.<sup>3</sup>

In the fast-paced information age, authoritarian style centralized government may be outdated. At least, the frantic crackdowns with which Chinese leaders often try to impose stability suggests as much.<sup>4</sup> China's paranoid state often behaves as an emotional being. As rule of law is weak, the rule of men, with all their special interests and emotional responses, remains strong. So it follows that a dramatic shift in the socialization process of China's elite, through increasingly international higher education, may play into the ongoing story of Chinese political development. The catch, however, is that ideational outcomes of education are not always predictable. Since China's trajectory is completely without precedent, there are no clear models on which to draw. The Beijing leadership faces a dilemma. As a singular institution for governance, the fear is that, if it failed, China would literally have no institutions of governance to speak of. Anarchy would ensue. This creates enormous pressure on the central leadership to make sure its local leaders govern responsibly, and also explains why institutional reforms tend to be made internally within the Party itself. While Beijing is

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<sup>2</sup> The Chinese conception of *zhexuewang* (哲学王) is very similar to the philosopher king.

<sup>3</sup> Shambaugh, David L. *China's Communist Party: Atrophy and Adaptation* (Washington D.C.: Woodrow Wilson Center, 2008).

<sup>4</sup> For more information on the current state of Western rule of law in China, see Osnos, Evan, "Is China Giving Up On Western Rule Of Law?" *The New Yorker*, Letter From China, March 2011, <http://www.newyorker.com/online/blogs/evanosnos/2011/03/is-china-giving-up-on-western-rule-of-law.html>.

at the helm, this study reveals it is not always in control.<sup>5</sup> Beijing's challenge is to tidy up a fearfully corrupt and unwieldy political apparatus while simultaneously convincing the Chinese people of its continued unity, effectiveness and relevance.

To this end, elite education plays a role. In the past ten years, the Chinese higher education system has grown to the largest in the world. To transform China into a "creative and innovative economy by 2020," the central government has encouraged these trends. In its 2010 Talent Plan, Beijing pledged to increase the total number college graduates from 98.3 million in 2010, to 195 million by 2020. Once it teaches people to think creatively, critically and independently, however, to what extent can the Party expect to control the direction of their thinking? In devising an intricate system of tiered education, the Party hopes to train a new generation of leaders and officials able to design better public policies to preempt instability caused by newly educated social forces.<sup>6</sup> As higher education becomes increasingly international, however, it is more likely to have unintended political consequences for the regime. Ideational flows from the West, especially the United States, are beginning to cross-fertilize with PRC ideology to produce interesting hybrids and policy outcomes. Moreover, as Beijing no longer exerts as much control over the Party apparatus because of massive decentralization, it may not be able to implement policies successfully.

To conceptualize these trends, it is helpful to envisage national institutions, as a kind of political technology, or an application of knowledge for practical purpose.<sup>7</sup> In the Chinese case, many new institutional designs, such as the notion of building checks and balances into the Party through "intra-Party democracy," or *dangnei minzhu* (党内民主),

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<sup>5</sup> Corruption is difficult to weed out when states have weak institutions.

<sup>6</sup> Wang, Huiyao, "China's Talent Plan: Where Will It Lead to?" Presentation at the Brookings Institution, Washington DC, September 20, 2010.

<sup>7</sup> Normally, institutions are simply thought of as designed over extended periods of time by sequential coalitions of special interests.

are intellectual imports.<sup>8</sup> To improve effective governance, the leadership increasingly looks to elite intellectuals and ideas developed in the university to inform public policy. While Western multi-party democracy is not what they have in mind, broader ideas on governance from the West do find their way into policy reforms as elites pick and choose structures that could be useful in the domestic landscape.

Considering that modern society is not “harmonious,” as Party leaders would like it to be, and economic growth that widens the gap between rich and poor often exacerbates political conflict, Beijing knows it will have to quicken political structural reform to survive.<sup>9</sup> The notion of using institutional designs to help absorb social frictions and conflict through built-in pathways of resolution is just one of many ideas for institutional design imported through the education system.

Taking the recent expansion of higher education as its focus, this study offers a narrative for the process of institution building in the evolving People’s Republic to outline a framework for thinking about the unintended consequences and potential political reverberations of recent educational flows. To understand the sometimes seemingly irrational behavior of the Chinese state, it seeks out a new way of thinking about possible changes to China’s national decision-making process, and suggests higher education trends as a unique lens through which to study decision-making at the apex of the Chinese political system.

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<sup>8</sup> Directives adopted at the **Fourth Plenary Session of the 17<sup>th</sup> Central Committee of the CCP that called for institutional changes such as promoting democracy within the Party and intensifying the anticorruption drive within the leadership. See Li, Cheng, “Intra-Party Democracy: Should We Take it Seriously?” *Brookings Institute*, 2009.**

<sup>9</sup> Shambaugh.



## **CHAPTER ONE: A Narrative Framework for Analysis**

China's economic modernization drive, launched in 1978 on the heels of Mao Zedong's tumultuous reign, "ranks as one of the most dramatic episodes of social and economic transformation in history." While it is striking to Western observers that "this process occurred in a unique political and economic context: a simultaneous transition from a state-socialist economic system and a quasi-totalitarian political system," the Chinese leaders who instituted these policies are unlikely to have found this so strange.<sup>10</sup>

Chinese policy-makers who oversaw this process of transformation spent their lives fighting political struggles in an insular economy. They were likely unfamiliar with Fukuyama's modernization theory. Indeed, until the late 1990s, those in control of China were largely uneducated.<sup>11</sup> Having, for the most part, joined the Chinese Communist Party (CCP) in the 1920s during the Communist Revolution, they were selected for their revolutionary zeal as opposed to governing experience. Certainly, they did not closely follow Western literature on development. Mao's China was pervasively anti-intellectual. By the time of his death in 1976, Mao had "virtually eliminated highly trained specialists from most significant decision making outside of key military projects." In contrast to the Soviet model of communism, which stressed taking full advantage of technical

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<sup>10</sup> Pei, Minxin, *China's Trapped Transition: the Limits of Developmental Autocracy* (Cambridge, MA: Harvard UP, 2006), 1.

<sup>11</sup> On average, roughly 85% of the cadres in each locale's leading bodies had junior high school level of education or less. Only 1.5 percent, on average, had at least had some higher education. See Lieberthal, 162.

expertise while keeping the creative and artistic intelligentsia under close supervision, Mao began targeting intellectuals early on. Beginning as early as the Anti-Rightist Campaign in June 1957, his virulent anti-intellectualism meant intellectual elites were repeatedly singled out as targets for violence and political struggle. This was especially true during the Great Leap Forward (1958-61), and the subsequent Cultural Revolution (1966-76.)

At the institutional level, Mao “sought to eliminate practices such as university admissions that favored those who scored best on exams.” Since in China, as elsewhere, examinations tend to favor those from intellectual and elite backgrounds, he sought to transform the system into one that stressed ideology and practical knowledge rather than scholarship. During the Cultural Revolution, in fact, most schools, colleges and universities closed or simply stopped functioning. Students were called upon by Mao to organize as “Red Guards” and “were taught to demonize and dehumanize whole classes of people and to tolerate and celebrate gross violence, even sadism, against them.”<sup>12</sup> During this time, when children were encouraged to denounce their parents and political targets were paraded through screaming crowds, chaos was so bloody that “students at a Beijing girls’ school beat their vice-principal to death with nail-studded planks.”<sup>13</sup> National entrance examinations for higher education were abandoned. Haizheng Li reports that “from 1966 to 1969, no new students were admitted to colleges or universities. Graduate student admission was suspended even longer, for the twelve years from 1966 to 1977. Although official statistics show new enrollment starting in 1970, those students were mostly admitted into college based on their family background and political considerations. Such admissions were only allowed for a few universities. There were no academic standards for either admission or for graduation. During this

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<sup>12</sup> Lieberthal, 162, 172, 71, 113.

<sup>13</sup> Osnos, Evan “Meet Dr. Freud: Does Psychoanalysis have a future in an authoritarian state?” *The New Yorker*, January 10, 2011.

period, the curricula, classes, and grading system were all distorted, not following the academic standards of higher education.”<sup>14</sup>

The leaders who dreamed up China’s economic modernization strategy at the end of the 1970s, therefore, were not only poorly educated, they also faced a massive shortage of experts, a depleted information system in which nearly every accurate source of information had been suppressed through years of coercion, a virtual absence of any institutions of governance, and had been themselves socialized by repeated purges against telling the truth or taking any independent initiative.<sup>15</sup> Mao left a system that could not function without him, and his successors were left to rebuild with very few resources to guide them.

In advocating “universal values” as the natural inclination of humanity, one cannot avoid the fact that the current institutions of governance in place in most developed Western states were much less obvious at the time they were first suggested. It was not until the Enlightenment that many of the philosophical underpinnings of modern democracy were envisaged, and even then the necessary institutional changes had to be actively fought for. Revolutionaries built upon ideas developed by political philosophers, and relied on a rich cross-fertilization of theories on governance across time and place. The similarity of democratic institutions across the globe does not stem from Jungian collective unconscious. These systems are highly complex. International similarities are the result of international influence. As Devesh Kapur described in *Diaspora, Development and Democracy: the domestic impact of international migration from India*, “foreign education, especially in Western universities, has been a key mechanism for the transmission of ideas of modernity, be it political regimes or

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<sup>14</sup> Li, Haizheng, “Higher Education in China: Compliment or Competition to US Universities?” in Clotfelter, Charles, ed. *American Universities in a Global Market*, National Bureau of Economic Research, (Chicago: University of Chicago Press, 2010).

<sup>15</sup> Lieberthal, 123.

economic systems.”<sup>16</sup> In the absence of these linkages, the differences in ideas on political governance and economic organization that developed in isolation of one another have been so dramatic that their effects are reflected in measurably different cognitive processes.<sup>17</sup>

There is, therefore, precedence for the notion presented here: that universities are powerful political actors. An education, once obtained, cannot be taken back. Chinese society has been transformed in a very short period of time from a highly coercive ideological society where scholarly inclinations were looked down upon and often severely punished, to one in which academic success provides a central gateway of access to middle class status. In thirty-some years, the Chinese higher education system has been transformed, from literally non-existence in 1977, to the largest higher education system in the world in 2011. What is more, the bulk of this change has taken place only in the last ten years.<sup>18</sup>

While it was revolutionary, in 1978, for Deng Xiaoping to send 3,000 Chinese students to study abroad, by 2006, there were 134,000 Chinese students doing so.<sup>19</sup> China is now home to 98.3 million college graduates, and the government is determined to grow that number to 195 million by 2020. That’s a 98% increase over ten years.<sup>20</sup> In

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<sup>16</sup> Kapur, Davesh, *Diaspora, Development and Democracy: the domestic impact of international migration* (Princeton: Princeton University Press, 2010), 126.

<sup>17</sup> Nisbett, Richard E. *The Geography of Thought: How Asians and Westerners Think Differently – and Why*. (New York: Free Press, 2004)

<sup>18</sup> Zakaria, Fareed, “The new Challenge from China,” *Time*, October 07, 2010.

<sup>19</sup> Mu, Eric, “1978: Red China sent “pupils” to the capitalist world” DanWei, June 23, 2008, [http://www.danwei.org/scholarship\\_and\\_education/insert\\_caption\\_here\\_links\\_and\\_1.phpl](http://www.danwei.org/scholarship_and_education/insert_caption_here_links_and_1.phpl); Li, Haizheng, 269.

<sup>20</sup> Wang, Huiyao, “China’s Talent Plan” Brookings Institute Presentation, 2010-09-20.

the past three years alone, enrollments have more than doubled.<sup>21</sup> When the strategies to develop this system were implemented, few people could have foreseen the changes that would take place – even Deng himself lacked an overall plan. Instead, the CCP proceeded through a constant process of experimentation and adjustment.<sup>22</sup> Political institutions were in a state of crisis. CCP leaders implemented those changes they thought necessary in order to maintain political legitimacy after the disasters of the late Mao years. These reforms set in motion other forces to which the CCP had to respond throughout the 1980s. By the 1990s, reform had had so many unintended consequences that the need to cope with these growing complexities increasingly drove policy forward.

How has this affected current higher education policy in China? As reforms brought rapid economic growth, more groups were empowered by the growing wealth in China. The demands of governance grew in complexity – but good governance requires accurate information, which was scarce. To cope, think tanks were established in 1980 by Deng’s protégé Zhao Ziyang to help inform policy and guide reforms from Beijing. By 1981, they had become instrumental drivers behind some of China’s most significant agricultural reforms, such as the full de-collectivization of agriculture and a return to family farming. According to Lieberthal, “no other reform so significantly affected the lives and livelihoods of so many people.” The Party had begun to understand the importance of accurate information and expert opinion in formulating successful public policy.

Throughout the 1980s, the Party’s emphasis on higher education as a qualification for influence continued to rise. As Beijing sought to salvage itself by replacing old local-level Party blood with new, there was such dramatic turnover in

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<sup>21</sup> Su, Baoren, “China’s Leisure Education: Problem, Analysis and Solutions – a Case Study of College Students in Hangzhou” *Journal of Contemporary China* Vol. 19, No. 66, July 2010: 719-733.

<sup>22</sup> Shambaugh.

leadership that by 1984, roughly 98% of cadres in China's leading bodies of governance had been promoted since 1979.<sup>23</sup> These changes sought to raise the educational levels of decision-makers throughout the system. The quality of education, however, remained a huge problem. For thirty years, the education system had actively shunned scholarship and selected against rational thought. The most educated segments of society had been purged, and China faced a severe shortage of information, talent and educators. Even today, quality control remains a central challenge, and this has been a central policy issue since the 1990s.<sup>24</sup>

In 2010, China inaugurated a new Talent Plan, which states unambiguously that the Party believes its future is tied to the academic quality of its higher educational institutions. Having pledged to raise spending on higher education to 4% of GDP by 2012, the plan lists six categories of talent that the government will help cultivate. Political leaders and officials were top of that list.<sup>25</sup> The CCP is emphasizing higher education as a qualification for leadership at the same time as Chinese universities are becoming increasingly integrated with the international market, and are growing in sophistication, having tried to conform to international standards of academic inquiry.<sup>26</sup>

As Thelen has shown, however, institutions can never do just one thing, in the sense of having their intended effects and only their intended effects. "Institutions," she finds, "are created in a context marked by multiple and simultaneous functional and

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<sup>23</sup> Lieberthal, 129, 127, 141, 161

<sup>24</sup> For more information on the quality challenges of higher education in China see Kristoff, Nick, "China's Winning Schools?" The New York Times, January 15, 2011

<sup>25</sup> Wang, Brookings Presentation, 2010.

<sup>26</sup> Haizheng Li has studied the rapidly growing integration between Chinese and American tertiary education institutions (TEIs) and found that, as it continues to build and develop, China's higher education will likely be shaped by its "relationship with the outside world, especially the US."<sup>26</sup> In fact, "given the large number of Chinese students studying in the US, it is clear that American Universities play a significant role in providing higher education to Chinese students, especially in graduate education." See Li Haizheng, 291.

political demands. As a consequence, institutions designed to serve one set of interests often become ‘carriers’ of others as well.”<sup>27</sup> The Chinese political system remains a work-in-progress, and the structure of its institutions of governance are still being worked out.

As it continues to develop its economy, political structure and education system, China is writing its own theories of development. While Western ideas on development and governance draw heavily on Western academic tradition and philosophy, China is developing its own ideas by considering Western suggestions in the context of its own history and philosophic tradition.<sup>28</sup> Social remittances from foreign-educated returnees in the form of Western ideas on governance interact with the Chinese domestic experience and on-the-ground reality.

The Chinese state is made up of individuals, all of whom are only human. The challenges of development are great for any country, and China’s leaders have had to navigate a highly complex society with very little guidance. Faced with an uncertain future, a rapidly changing society, and a convergence of unparalleled challenges such as global warming, food scarcity, and international security, it appears China’s top leaders are trying their best to foster modernity and development without yet again disrupting the social order.<sup>29</sup> Based on the interactions between elite national decision-making and

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<sup>27</sup> Thelen, Kathleen, *How Institutions Evolve: the political economy of skills in germany, Britain, the United States and Japan*, (Cambridge: Cambridge University Press, 2004).

<sup>28</sup> See Bell, Daniel, *East Meets West: Human Rights and Democracy in East Asia*, (Princeton: Princeton University Press, 2000); Sevensson, Marina, *Debating Human Rights in China: a Conceptual and Political History* (Maryland: Rowman&Littlefield Publishers, inc, 2002); Chen, Cheng, *The Prospects for Liberal Nationalism in Post-Leninist States*,(Pennsylvania: Pennsylvania State University Press, 2007); Dittmer, Lowell and Samuel Kim, eds. *China’s Quest for National Identity*, (Ithica: Cornell University Press, 1993).

<sup>29</sup> As psychologists Sheena S. Iyengar and Mark R. Leppar at Stanford University have shown, not every society relates to choice in the same way. Indeed, individuals having grown up in an Eastern country such as China

knowledge developed in the university, this study suggests that the reformers currently in power at the top appear to operate on the assumption that, if the party-state can only reign in rising housing and food costs, stem the widening gap between rich and poor, and develop adequate institutions of governance to manage China's increasingly complex society, it might just stand a chance of transforming China into a sustainable, powerful state in the modern era.

## **CHAPTER TWO: Literature Review**

*"Political Scientists should drop preconceived notions and treat China as terra nova, strange, perhaps even exotic, but deserving of ground-up theoretical analysis."  
-Roderick MacFarquhar, Harvard University<sup>30</sup>*

Hidden from view, the internal workings of China's political system remain poorly understood. While the literature acknowledges that there are forces for reform acting under the surface of the Chinese political system, it is vague on the subject of what those forces may be, or which among them have power to affect change. While education is sometimes discussed as an important dimension of the Chinese state and society, the literature neither acknowledges that China's current engagement with higher education could become a significant source of unintended consequences for the political system, nor considers what those consequences may be.

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may "possess a more interdependent model of the self" than "American individualists." While this does not dispute the fact that all humans want to be free, and "universal values" exist, it does suggest a strong cultural lens through which ideas must be filtered, p. 305.

<sup>30</sup> MacFarquhar, Roderick, "Study China!" in Gary King, Kay Lehman Schlozman, Norman H. Nie, eds, *The Future of Political Science: 100 Perspectives* (New York: Routledge, 2009), 190.



In *State and Society in 21<sup>st</sup> Century China*, editors Gries and Rosen find that “after two decades of dramatic economic and social change, the political system in China is under increasing pressure to change.” Faced with rising popular protest, rural joblessness, growing tax resistance and evasion, popular groups like the Falun Gong, the rise of new political parties such as the China Democracy Party and the China Labor Bulletin, or difficult Han-minority relations, the contemporary leadership often seems unsure of how to proceed and reacts with drastic policy reversals. Its use of force can be excessive and unpredictable.

In the aftermath of market-oriented economic reforms, the authors stress how the CCP is far from a unitary actor, and therefore is not capable of strategic choice and coordinated behavior. In contrast to “the decidedly Liberal notion of a David society fighting valiantly against a Goliath state,” Gries and Rosen argue that “state” and “society” in China should be re-conceptualized as plural “states” and “societies,” to account for the fact that they “can and often do form alliances with each other and against other political groups.” While China is no democracy, Chinese popular opinion appears to be gaining influence as “the Chinese people – peasants, workers, students – are increasingly contesting the legitimacy of the current regime.”<sup>31</sup>

In *Fragile Superpower: How China’s Internal Politics Could Derail Its Rise*, Shirk observes “China’s leaders face a troubling paradox. The more developed the country becomes, the more insecure and threatened they feel. The PRC today is a brittle authoritarian regime that fears its own citizens and can only bend so far to accommodate the demands of foreign governments.”<sup>32</sup> While the CCP has maintained its position in the single-Party state, the practical applications of its power have become increasingly

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<sup>31</sup> Gries, Hays Peter and Stanley Rosen, eds. *State and Society in 21<sup>st</sup> Century China: Crisis, Contention, and Legitimation* (New York and London: Routledge Curzon, 2004), 2, 5.

<sup>32</sup> Shirk, Susan, *Competitive Comrades: Career Incentives and Student Strategies in China* (Berkeley: University of California Press, 1982), 5.

difficult as society grows in complexity. In *Back-Alley Banking: Private Entrepreneurs in China*, Tsai examined the workings of informal finance in Chinese businesses to expose the *de facto* limits to the CCP's day-to-day domestic power. Not only did she find "the disjuncture between official state regulations and the popularity of informal financial capacity of the state in China is not as strong as one might expect, given its authoritarian mode of governance," but also, "instead of institutional isomorphism, there is remarkable institutional diversity" across China's many localities.<sup>33</sup>

Heberer, Schubert and Li have similarly argued that the depth of political change since the 1978 reform era may be underestimated in the literature. They say, respectively, that the political structural reform, or *zhengzhi tizhi gai ge* (政治体制改革) initiated by Deng at the start of reforms, and the more recent move to build "intra-party democracy", or *dangnei minzhu* (党内民主) within the CCP suggest a complex political reality with many parts in motion.<sup>34</sup> Heberer and Schubert ventured "to call China's reform path unique."<sup>35</sup> The forces that perpetually drive policy forward are many and, as such, it may be less clear where true power lies in the Chinese state. Clearly, the will of the CCP plays a role, as does the economy, but which forces hold the ultimate power over political outcomes remains a contentious issue.

Apart from the literature on China specifically, in *Economic Origins of Dictatorship and Democracy*, Acemoglu and Robinson use game theory to model how some countries become democratic while others do not and offer some broad-scale insights on the process of democratic transition. Their argument relies on two assumptions: 1) people behave strategically, and therefore individuals' and groups'

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<sup>33</sup> Tsai, Kellee S. *Back-alley Banking: Private Entrepreneurs in China* (Ithaca: Cornell University Press, 2002), 5.

<sup>34</sup> Li, Cheng, "Intra-Party Democracy in China: Should We Take it Seriously?"

<sup>35</sup> Heberer, Thomas, and Gunter Schubert, "Political Reform and Regime Legitimacy in Contemporary China" *ASIAN* 99, April 2006, 10.

preferences over regimes are derived from the economic and social consequences of these regimes for their interests, and 2) “politics is inherently conflictual,” therefore groups will inevitably have opposing interests. Their study focuses on social groups as key political actors, due to the authors’ “sense that most important forces in political conflict and change are groups of individuals.” Thus, leaving aside issues of political philosophy related to how a just or fair society should reconcile the conflicting preferences between groups, in practice, political conflict is resolved in favor of those who hold *political power*. The authors distinguish between *de jure political power* and *de facto political power*, and invoke Hobbes’ state of nature to make their point on how allocations are determined in the absence of strong democratic institutions. In Hobbes’ state of nature, they explain, “if there is a fruit that can be consumed by one of two individuals, which one will get it? The answer is clear: because there is no law, whoever is more powerful, whoever has more brute force, will get to eat the fruit. The same type of brute force matters in the political arena as well.”

In the absence of strong institutions of governance, *de facto* political power prevails. This the authors describe as “the first source of political power” or “simply what a group can do to other groups and the society at large by using force.” Sometimes, however, political power can be allocated by the political system. In this case, *political institutions* refer to the social and political arrangements that allocate *de jure* political power, such as electoral rule. The distinction between *de jure* and *de facto* power in states suggests the “major role of democracy is its ability to allocate *de jure* political power.”<sup>36</sup> Where institutions are weak, however, the sources of *de jure political power* may face more challenge from possible counter currents of *de facto political power*, as

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<sup>36</sup> Acemoglu, Daron and James Robinson, *Economic Origins of Dictatorship and Democracy*, (Cambridge: Cambridge University Press, 2006), 21, 22.

changing realities continue to empower new groups who raise new challenges for the standing regime.

The tension between *de jure* and *de facto* political power in the Chinese state resonates within the contrasting views of Shambaugh and Pei on the political future of the Chinese state. Transformative economic growth over the past three decades has meant that political outcomes in China are now shaped by a multiplicity of actors battling out their interests within an opaque, weakly institutionalized, political system. Where one assigns relative agency within this *mélange* will affect the conclusions one draws about the political future of the Chinese state. In *China's Communist Party: Atrophy and Adaptation*, Shambaugh ultimately places agency on the side of *de facto* power. He argues that while “it is evident from a wide variety of indicators that the CCP, *as an institution*, has been in a state of progressive decline in terms of its control over various aspects of the intellectual, social, economic and political life of the nation,” the CCP is “definitely *not* awaiting the inevitable collapse of its power.” This, he believes, is because the CCP is so “keenly aware that implosion is one possibility,” that its leaders and cadres have calculated the only way to avoid such a terminal fate is through “introspection, adaptation, and implementation of preemptive reforms and policies.” While “many Western analysts seem to believe that if reforms are not protodemocratic, they are not valid,” Shambaugh points out that recent reforms, albeit aimed at strengthening the CCP’s hold on power rather than replacing it, reflect important changes in the relative distribution of political power the Chinese political system.

The CCP, says Shambaugh, “has zero interest in transitioning to a Western, or even Asian, democratic system of competitive parties.” Yet, to strengthen its rule and achieve its goal of remaining in power as a single ruling party, the CCP understands that the society over which it rules has grown so complex that not even its current combination of economic growth, nationalism, and coercion will be sufficient to survive

in the long run. To cope, he argues, the CCP has had to continually reform and adapt to the times, such that “addressing the needs of different constituencies within the nation” has become a key component of the CCP’s legitimacy. According to this view, the incentive to preempt the demands of emergent interest groups will drive the CCP to continually adapt and reform in order to consolidate its power. The Party may be an agent of change, but it is not a driver. Gradually, the Chinese political system will change as “the party finds itself coping with a constant cycle of reform-readjust-reform-readjust.” The cycle continues as “each set of reforms triggers certain consequences (some expected, others unexpected) that in turn cause readjustments and further reforms.”

In an effort that seems to invoke the Chinese concept of enlightened rule, or *zhexuewang* (哲学王), the CCP appears to be trying to transform itself “from a classic Leninist party into a new kind of hybrid party.”<sup>37</sup> As it remains “engaged in a historically unprecedented political experiment,” the CCP has become an “eclectic state” that borrows culture by “scanning the globe for appropriate models and ideas that could be imported and grafted onto indigenous roots.”<sup>38</sup> Unlike the image of an unaccountable rulership that maintains power through various forms of coercion, Shambaugh describes a strangely studious state. Having been “learning not only negative lessons from former communist party-states but also positive lessons from noncommunist political systems,” it has been designing its policies accordingly. The CCP leaders tend to govern with a strong sense of history and long-term perspective. To maintain power, Shambaugh believes the CCP will unwittingly continue reforming based on a cycle driven by the *de*

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<sup>37</sup> Shambaugh, 3,4,6.

<sup>38</sup> This has been the case for more than a century since the Self-Strengthening Movement of the 1870s, and will be a crucial point as this study continues; Shambaugh, 6.

*facto* power of public pressure.<sup>39</sup> Thus, there is “an inexorable dynamic in which the party is simultaneously proactive and reactive, and is only partially in control of its own fate.”<sup>40</sup>

Pei, in contrast, suggests the CCP maintains sufficient power to act in its own self-interest while suppressing opposition. While the Party has doubtlessly adapted, he distinguishes between *liberal adaptation* and *illiberal adaptation* and argues that “the rising tensions between an authoritarian regime and an increasingly pluralist society” have been largely resolved through illiberal adaptations that “maximize control of the state’s repressive apparatus and growing economic resources to develop, refine and implement more subtle and effective means of maintaining political control.”

In the Chinese context, illiberal adaptation consists of “strictly limited political reform, selective repression, improved technical capacities for dealing with social unrest and emerging technological challenges, and co-optation of new social elites.” While the Chinese state has moved “from one that was once tightly controlled by the state, into one that is increasingly autonomous, pluralistic and complex” and, as such, governance is increasingly complicated, the CCP is in control, and no other groups possess true agency to drive political change. He sees the growing influence of university graduates as co-optation of the intelligentsia –evidence that the Party has been systematically “enticing the intelligentsia’s younger generation into its ranks.”<sup>41</sup> In this approach, which is distinctly top-down, Pei largely ignores unintended consequences. His is a CCP fully in

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<sup>39</sup> The first sentence of a recent Economist issue, with a cover story on “The Dangers of a Rising China,” was: “Towards the end of 2003 and early 2004 China’s most senior leaders put aside the routine of governing 1.3 billion people to spend a couple of afternoons studying the rise of great powers.”<sup>39</sup> Examining the developing international relationship between the United States and China, the article continued, “the best way to turn China into an opponent is to treat it as one.” See The Economist, December 2, 2010.

<sup>40</sup> Shambaugh, 104.

<sup>41</sup> Pei, Minxin, *China’s Trapped Transition: the Limits of Developmental Autocracy* (Boston: First Harvard University Press, 2006), 81, 1, 91.

control. Pei notes “it is hard to deny that the party’s efforts to recruit highly educated members appeared to have had a significant impact on the composition of the party. By 1999, nearly 20 percent of the CCP members claimed to have received college or college-equivalent education, almost six times the national average.” Yet, Pei interprets these changes to suggest CCP power over individuals and assigns little agency to the individual him or herself.

A second point of diversion between the views of Pei and Shambaugh is the relative institutional strength assigned to the Party. Pei’s description of the illiberal adaptations that ensure only “limited political opening” in CCP controlled China paints the image of a highly sophisticated institution capable of Orwellian-style supervision and control. Given the relative youth of CCP institutions, the findings of Gries, Rosen and Tsai, and the extent of decentralization in the Chinese system, Pei’s view may oversimplify realities of governance in the reform-era. Moreover, Pei’s analysis leaves no space for diverse interests among China’s elite, while economic realities suggest this group may be surprisingly dynamic.<sup>42</sup> The speed of growth in modern China has created many new pathways for entry into the elite and strengthened a growing middle class. These two groups are likely to complicate the elite/mass dichotomy that underlies much of Pei’s analysis. In particular, the emergence of a new middle class may have profound political implications.

Acemoglu and Robinson find that political reorganization can often follow changes in the relative strengths of different social groups that result from changing economic realities of the time. In the Chinese case, this economic perspective may be particularly instructive. The authors suggest “democracy emerges in response to a serious revolutionary threat or significant social unrest. The middle class can be the

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<sup>42</sup> For more on these dynamics, see Yang, Guobin, *The Power of the Internet in China: Citizen Activism Online* (New York: Columbia University Press, 2009).

driver in this process by playing a key role in the revolutionary movement or by fueling and maintaining it.” In addition to its role as driver of political movements, they believe the middle class can also play the important role of *buffer* in the conflict between elites and citizens.<sup>43</sup> Now that higher education has become, in the larger international knowledge economy as well as in the Chinese case, an important distinguishing feature of the middle class, it is possible that current trends in the Chinese political economy could both empower a fast-growing middle class, and slightly blur the lines between middle class and elite by acting as a pathway for mobility between these groups. The strong economic advancement of the middle class may have muted the desire for political revolution within that group.

Most observers, like Pei, believe that “a democratic transition under the rule of the CCP...seems a distant, or even unrealistic, prospect,” and yet Li has challenged the very framework for such analysis by pointing out that “democracy is a historical process and a matter of degree.”<sup>44</sup> Li says, “it is important to remember that democratic political institutions vary greatly from place to place and across time.” While “no one should expect China to develop a multiparty system in the near future...this should not obscure the significant changes that have taken place both in the leadership’s perceptions about the desirability of democracy and in the Chinese political system itself.” Advocating for a greater contextualization of Chinese political structures within their longer history, he argues that, “if western scholars hope to assess the prospects for democratization in

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<sup>43</sup> Acemoglu and Robinson, 1, 39; The authors note that, “almost all revolutionary movements were led by middle-class actors and, more important, a number of the major challenges to the existing regime. For example, the uprisings that helped induce the First Reform Act in Britain or those during the Paris Commune in France or the revolts of the Radical Party in Argentina were largely middle-class movements.”

<sup>44</sup> Pei, 7



China, they obviously need to understand the Chinese view of democracy, as well as the political agenda of Chinese leaders.”<sup>45</sup>

In *China's Changing Political Landscape: Prospects for Democracy*, Li explored these topics further, by gathering insights of fifteen prominent China scholars to evaluate the future trajectory of China's political developments. In response to his central question: 'can democracy emerge in China through incremental, systematic change?' he unsurprisingly received a wide array of responses. While some contributors saw in emerging trends and institutional developments a potential path to democratic transformation, others were either more pessimistic about the likelihood of peaceful transition, or believed that incremental changes may simply strengthen one-party rule by making the Party more resilient and adaptable.<sup>46</sup> DeLisle, for example, argued that the rise of law or “legalization” in reform-era China “is not meant to advance, and has not been advancing, democracy.” Instead, rule by law and the growth of the legal system “have substituted for democracy and postponed effective democratization.” At the same time, DeLisle noted potential weakness in the Party as, “in some areas, demand and supply are growing, or threatening to grow, beyond the leadership's expectations and preferences.”<sup>47</sup>

The CCP is no longer all-powerful, if it ever was. The pressures for political reform in the Chinese state are strong and growing more powerful. The question, therefore, is not whether reformers exist, but whether they will have the power to carry out the reforms envisioned. On balance it appears that as they grow more populous, the

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<sup>45</sup> Li Cheng, 7, 8.

<sup>46</sup> Thornton, John L, “Forward” in Li, Cheng *China's Changing Political Landscape: Prospects for Democracy* (Washington: Brookings Institution Press, 2008), xi.

<sup>47</sup> Delisle, Jacques, “Legalization without Democratization in China under Hu Jintao” in Li, Cheng, *China's Changing Political Landscape: Prospects for Democracy* (Washington: The Brookings Institution Press, 2008), 185.

forces pushing for reform may gain leverage against entrenched interests of the Party. There is, however, an un-addressed gap in the literature: if ever a political transition towards democracy could occur in China, from where might the impulse come?

Kapur's findings may offer an idea. He has studied globalization trends to suggest that, in addition to cross-border flows of goods, services and financial capital, ideational flows stemming from human migration, and study-abroad in particular, form a "third leg of the globalization triad" and "are likely to play an equally influential role in shaping the political and economic landscape over the next fifty years."<sup>48</sup>

As Li has suggested, there is a tendency within the literature to forget that the principles of justice, life and liberty upon which the American political system was founded in 1789, were echoes of a French Revolution before it. The Declaration of Independence stands on a legacy of Western political thought. Governments, it says, are nothing but systems instituted among men to secure and protect their individual rights. They derive their just powers from the consent of the governed. Far from self-evident, these were ideas worked out over a long process of reasoning and debate on the morality of governance.<sup>49</sup> Building an effective government, in effect, is not so simple.<sup>50</sup> Even America's founding fathers, well versed in the classics of Western thought, had trouble.<sup>51</sup> What institutions could perfectly imbibe the principles America was founded upon? The realities of governance reveal gaps between theory and practice. There are many interest

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<sup>48</sup> Kapur, Devesh, *Diaspora, Development, and Democracy: The Domestic Impact of International Migration from India* (Princeton, NJ: Princeton University Press, 2010) 2.

<sup>49</sup> See Locke, Hobbs, Rousseau, Mill and Kant in Sandel, Michael J. *Justice: What's the Right Thing to Do?* (New York: Farrar, Straus and Girous, 2009).

<sup>50</sup> This is currently the subject of really fascinating research at the Stanford Center for Deliberative Democracy. Some of the ideas developed by James Fishkin have actually begun to be implemented in China, as will be discussed further towards the end of this analysis. See Jakes, Susan, "Dabbling in Democracy," *Time Asia*, April 16, 2005.

<sup>51</sup> See The Federalist Papers

groups to accommodate, and toes to avoid stepping on. The Federalist papers reflect heated contention –and the fundamental theoretical underpinnings of the American system had, at that point, already been worked out.

In China, this is less the case. Working within a legacy of Confucian thought, Chinese thinkers and policy-makers clearly no longer believe the principles of *ren* (人) and *li* (礼) alone can make government strong.<sup>52</sup> And yet, no obvious alternatives exist. It is unclear the CCP could adopt perfectly American-style institutions even if it wanted to. China is a huge country in the midst of tumultuous change, and institution building is a difficult process without a roadmap.<sup>53</sup> Moreover, none of the essential underpinnings of such a system exist: Judeo-Christian belief systems aren't there; the institutional legacies of Greece and Rome, experience of the Enlightenment, the French Revolution, British redistributions of power, each of which shaped Western beliefs on governance, are absent in China. Instead, replace all of the above with a rich philosophical tradition of filial piety and ancestor worship, a long history of dynastic cycle, a half-baked May Fourth Movement, a slew of humiliating defeats by foreign powers, a vague and brief stint at democracy (the legacy of which remains a constant source of irritation in the form of Taiwan) and Maoism. Add to this mix a sense of national pride that considers the Chinese civilization to be great, and cultural traditions that remind each Chinese child from whence he or she came along with the responsibility that entails.<sup>54</sup> Mao promised that China would stand up, and finally it is rising again.<sup>55</sup>

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<sup>52</sup> The principles of *ren* (人) and *li* (礼) are commonly associated with Confucian thought. While translated in many ways, *ren* is generally understood as humanity and benevolence, while *li* describes ritual. In the Confucian conception, however, these are both inextricably linked with one another and with morality.

<sup>53</sup> Kapur, 127.

<sup>54</sup> See Chua, Amy, *Battle Hymn of the Tiger Mother* (New York: Penguin Press, 2011)

Too often, literature seeks to understand and explain China by cramming it into categories of Western design. And yet, China is unfamiliar.<sup>56</sup> It is governed by a complex patchwork of leaders, each accountable to different pressures and hierarchies.<sup>57</sup> While institutions and proper pathways of governments exist, the rules that govern them are unclear, malleable, and often conflicting.<sup>58</sup> Still, China is forced into frameworks of nationhood and regime type that, on further inquiry, appear not only out of step, but deeply incompatible with its reality.<sup>59</sup> The problem here is that comparative politics cannot truly be whittled down to a science. Technical terms are constructed to create a precise definition of what something is, along with what it is not. Often, they feed into a dichotomy: the opposite of a capitalist state is a communist one; the opposite of democratic is authoritarian – but the world does not exist in such clear compartments. There are capitalist states with more social redistribution and than others, and communist states that embrace the market. In governments, as in human bodies, there are grey areas, and unknowns.

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<sup>55</sup> Mishra, Pankaj, “Mao and the Maoists” *The New Yorker*, December 20, 2010.

<sup>56</sup> See McFarquar quotation at the top of this chapter.

<sup>57</sup> The strength of institutions in the Party are so weak that individuals themselves actually determine the functioning of institutional design to a certain extent. This is because, as opposed to a Western-influenced institutional design, whereby institutions guide the behavior of individuals operating within them through clearly outlined pathways, the Chinese system features a “*duplication of both party and government structures* on all levels of the national bureaucracy.” As a result, authority exists in “an extraordinarily complex matrix of vertical and horizontal authority that results in serious problems of governance.” At any given moment, an individual leader will have to make a value judgment on which higher authority to defer to –often, these duplicate structures hand out conflicting pronouncements. To strengthen legitimacy, therefore, the CCP needs this generation of leaders to take on independent responsibility and display effective leadership based on critical thinking at all levels of government.

<sup>58</sup> Lieberthal.

<sup>59</sup> Jacques, Martin. “On Understanding the Rise of China” *China Law Blog: China Law for Business*, March 18, 2011.

These are categories of Western construction, and a growing tide of scholars agree China doesn't fit the mold.<sup>60</sup> Even the philosophical roots of its social contract are foreign: Americans, endowed by their Creator with the concept of unalienable rights, theoretically choose to enter into society and consent to be governed. In that way, the government is given rights from the people, who received them along with humanity at birth.<sup>61</sup> In China, the government receives its right to rule from the *mandate of heaven* or *tian* (天), which is theoretically conditional upon good governance. Rights are then handed down, conceptually speaking, from the government to the governed.<sup>62</sup> While Aristotle said the best constitution was the one with the most moralizing laws, Confucius dismissed laws and said rulers should govern through principles of virtue and ritual. When Americans rose up in revolution to demand freedom from Britain, they hoped to build a moral system of governance by enshrining their principles of justice in law.<sup>63</sup> When China had its people's revolution, however, its leader sought to build a new moral order through a 'virtuocracy' designed to transform society at the level of the individual himself.<sup>64</sup>

Now, China is no longer the insular place it once was. Revolutions in technology, international trade, study-abroad and others, all at breakneck speed, have transformed China's political system –and CCP leaders understand this.<sup>65</sup> In fact, they often behave as though paranoid by it.<sup>66</sup> The Chinese, it seems, don't trust their institutions any more

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<sup>60</sup> See, Jacques, Gries and Rosen, Li Cheng.

<sup>61</sup> Some say at conception.

<sup>62</sup> Thanks to Wang Tingying for these insights.

<sup>63</sup> Michael Sandel teaches that entire class on Justice. Interestingly, this entire lecture series has recently become available in Chinese as well. See [www.justiceharvard.org](http://www.justiceharvard.org).

<sup>64</sup> Shirk.

<sup>65</sup> Shambaugh, Zakaria, Osnos, Evan, "Meet Dr. Freud: Does Psychoanalysis Have a Future in an Authoritarian State?" *The New Yorker*, January 10, 2010.

<sup>66</sup> Barbara, Demick. "Calls for Subtle Protests Have China Security Forces in a Tizzy" *The LA Times*, March 5, 2011.

than foreign observers do. Possibly, they trust them less.<sup>67</sup> By examining a small aspect of higher education within elite social science and law departments, as well as the way social scientists are increasingly interacting with various arms of the Chinese government through think tanks, this study addresses some outstanding questions on ideational flows that might underpin future challenges to the Chinese status quo.

As human beings, we are constantly learning and changing throughout our lives. Every new experience or piece of information shapes how we think and view the world around us.<sup>68</sup> In China, realities of life are changing daily and all of these changes affect the national psychological makeup, which differs starkly across society's age demographics. Higher education is simply one facet of these changes. Higher education presents a unique sphere for freedom of inquiry and critical thinking and a central site for cross-cultural exchanges on politics and governance. This study will begin to address the perceived gap in the literature on what the unintended consequences of the current higher education drive may be. How will the internationally educated Chinese elite influence China's political system?

### **CHAPTER THREE: Historical Background and Current Landscape**

*“When our thousands of Chinese students abroad return home, you will see how China will transform itself.”*

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<sup>67</sup> Demick, March 5, 2011.

<sup>68</sup> See, Iyengar, Sheena S. and Mark R. Lepper, “Rethinking the Value of Choice: A Cultural Perspective on Intrinsic Motivation” *Journal of Personality and Social Psychology*, 1999, Vol. 76, No. 3, 349; Nisbett, Richard E, *The Geography of Thought: How Asians and Westerners Think Differently...and Why* (New York: Free Press, 2003), xvii.

-Deng Xiaoping<sup>69</sup>

*“In the era of globalization, higher education in most countries is not isolated. This is especially the case for China as it becomes more integrated into the world.”*

-Li Haizheng <sup>70</sup>

China has a long and rich history of higher education. While the system has undergone many transformations since the demise of the Qing dynasty at the turn of the twentieth century, and the massive expansion of universities based on an American model is certainly unprecedented, there are features, such as the political role of intellectuals, that have endured over time. This chapter briefly outlines how higher education has historically interacted with Chinese political decision-making in traditional Chinese history. It then explores the university as an institution itself, with a strong power to socialize individual actors within it and the growing role of think tanks. Finally, this chapter suggests how these combined aspects of higher education make it receptive to ideational flows between nations in the global economy.

### **3.1: The History of Intellectuals in Modern China**

Elite intellectual activity has long played a role in Chinese politics. Historically, the Chinese literati were instrumental to evaluating the emperor’s claims to legitimacy. As interpreters of the political classics and custodians of the “Mandate of Heaven,” the literati were uniquely placed to challenge the emperor’s legitimacy claims, and they often did. Rulers in imperial China needed the literati’s approval in order to wield power, so

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<sup>69</sup> “Deng Xiaoping Quotes” Brainy Quote.

[http://www.brainyquote.com/quotes/authors/d/deng\\_xiaoping.html](http://www.brainyquote.com/quotes/authors/d/deng_xiaoping.html).

<sup>70</sup> Li Haizheng, 301.

much so that Weber characterized them as an independent status group with a legal-rational authority of their own.<sup>71</sup>

Arguably, this traditional role has continued through the post-revolutionary period. Modern Chinese intellectuals maintain the functions of the traditional literati, but also engage with an increasingly wide array of scholarly influence. When Western-style universities first began to emerge in China during the nationalist period in the early twentieth century, they became important receptors for new waves of political thought imported from the west.<sup>72</sup> Powerful theories of democracy, socialism and Marxism filtered in from Europe, Japan and Russia and blended with more traditional Chinese philosophies to create a rich intellectual environment. These mixed influences are visible in both Sun Yat-Sen's democratic doctrine and Marxism under Mao.<sup>73</sup> When Mao came to power, however, he understood the literati's power to check his own, and attacked them persistently. Intellectuals were demoted from "literati", or *shidaifu* (士大夫), to the "stinking ninth class", or *choujiuceng* (臭九层). Still, they never truly lost influence over political legitimacy. Gries and Rosen point out that, "if the use of force to silence intellectuals during periods like the Anti-rightist Movement of the late 1950s signaled reversions to coercive forms of power, they did not fundamentally alter the role of Chinese intellectuals as the custodians of the "Mandate of Heaven." Leaders from Mao, Deng Xiaoping and Li Peng, to the party elders who decided to set tanks upon students in Tiananmen Square, may have used force to assert power, but as is evident from their earlier willingness to meet with Wuer Kaixi and other student leaders during the Beijing

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<sup>71</sup> Gries, and Rosen, 6, 7.

<sup>72</sup> Tan traces the changes in political thought in modern China. His account reveals the primacy of universities as spaces in which these powerful political philosophies of anti-Confucianism, socialism, anarchism, democracy and finally Marxism developed.

<sup>73</sup> Tan, Chester C. *Chinese Political Thought in the Twentieth Century* (New York: Anchor Books, 1971), 117, 303.



Spring “they also recognized the continuing role of intellectuals in legitimizing the regime.”<sup>74</sup>

Since that time, the Party’s relationship with intellectuals has continued to evolve. When Deng came to power in the late 1970s and greatly improved the economic and sociopolitical status of intellectuals, he saw no need to consult think tanks when making decisions.<sup>75</sup> Yet, it was at this time that think tanks were first re-established in modern China to help bridge the information gap and inform policy. These were established in 1981 by Deng’s protégé Zhao Ziyang, who was working from Beijing to develop new agricultural reforms. While their power stemmed exclusively from close personal contact with Zhao himself, these think tanks were instrumental to designing one of the most fundamental initiatives of the reform era. Based on their advice, Zhang initiated a process leading to full decommunization of agriculture and a return to family farming.<sup>76</sup>

While Pei believes the recent rehabilitation of intellectuals reflects a “co-optation of the intelligentsia” to appease them from mounting further protest to the continued power of the regime, Shambaugh’s framework suggests a different motive, whereby the CCP depends on this new group of intellectual leaders to help it adapt policies well enough designed to sidestep any challenges to its power that may otherwise arise.<sup>77</sup> This analysis tends to side with Shambaugh on intentionality, but remains skeptical regarding the effectiveness of such a policy. While think tanks may help CCP leaders form enlightened policy at the apex, this study suggests that i) ideational flows may result in different scholarly preferences than the CCP may expect, and ii) implementation challenges are likely to frustrate these efforts in practice. Moreover, the growing power of

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<sup>74</sup> Gries and Rosen, 8.

<sup>75</sup> Brookings, “Think Tanks in China,” 4, 6, 23, 29, 36.

<sup>76</sup> Lieberthal, 140.

<sup>77</sup> Pei, 91.

the highly educated is likely to feed into the cycle of atrophy and adaptation in the CCP as it not only benefits from the skills of, but must continually meet the demands and expectations of, the expanded educated middle class and elite.

### **3.2: The Socialization Power of Universities**

As social animals, we are influenced by the world around us, and institutions, especially those geared towards education, are uniquely designed to influence our behavior. By determining incentive structures in an enclosed environment, universities have tremendous socialization effects on students who pass through their walls during their formative years.<sup>78</sup>

This socialization aspect of higher education has been particularly intense in modern Chinese education history. In the 1970s, Shirk used an institutional perspective to understand complex patterns of behavior among Chinese students and found links “back to the principle of educational selection and job promotion employed by the revolutionary regime.” This society of thirty years ago, from which current Party leadership emerged, operated based on highly distorted incentive structures that deeply shaped individual behavior.<sup>79</sup>

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<sup>78</sup> Aristotle drew upon a similar understanding of the socialization effects of political institutions, and developed a framework for evaluating the relative morality of governance among Greek states based on constitutional design. Ideally, he argued, constitutions should envision laws that help to educate a good man through good citizenship. The best, most moralizing laws, he argued, should guide human behavior towards the good.<sup>78</sup> Remarkably, ‘education’ itself is understood in this context as a process of socialization.

<sup>79</sup> Thus, Shirk explains, “a regime’s choice of a principle of occupational selection has profound social ramifications” and, in the case of the Chinese authoritarian system, these incentives were made very explicit as government bodies made all decisions about education and job selection and promotion.” Shirk, *Competitive Comrades*, 9

For reasons of social transformation, mass mobilization for economic development, political consolidation and legitimization in the new Maoist regime, the CCP had adjusted selection-criterion to model a “virtuocracy.”<sup>80</sup> Power-holding elites used the virtue standard “to promote their loyal supports and demote those who are potential threats,” while the wider Chinese population, who were primarily peasants and workers and “did poorly under the old meritocratic or feudocratic rules,” initially believed virtuocracy would improve their chances to get ahead.<sup>81</sup> Yet the virtocratic institutions ultimately resulted in powerful unintended effects as “vague and subjective standards of virtocratic selection,” ultimately “alienated citizens from one another and from the political system.” The result was “widespread social distrust and political cynicism.”<sup>82</sup>

While Shirk’s work is now dated, it seems possible that the legacy of these incentive structures may persist as deep currents in the contemporary Chinese education system, passed on subconsciously from one generation to another.<sup>83</sup> Writing in *The New Yorker*, Osnos has reported the extent to which contemporary Chinese remain

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<sup>80</sup> Shirk, *Competitive Comrades*, 1, 9, 11.

<sup>81</sup> Thus, “distribution of rewards according to virtue became a central element in the Chinese revolutionary leaders’ strategy of social transformation, development mobilization, and political legitimization, which together formed a coherent alternative to Western capitalist strategy and came to be called by Western observers ‘the Maoist model.’”

<sup>82</sup> Shirk, *Competitive Comrades*, 11, 12.

<sup>83</sup> When one generation is socialized to behave a certain way, the next generation is likely to feel psychological reverberations as well. Interestingly, as affluence rises, China’s middle classes are increasingly searching for psychological help, and psychology is becoming increasingly popular as a field of analysis. Osnos reported that “when Beijing University held a series of lectures on Carl Jung a few years ago, it could admit only a quarter of the people who wanted to attend” See, Osnos, Evan, “Meet Dr. Freud: Does psychoanalysis have a future in an authoritarian state?” *The New Yorker*, January 10, 2011; For a fascinating, comprehensive survey of these findings, see Brooks, David, “Social Animal: How the New Sciences of Human Nature Can Help Make Sense of a Life” *The New Yorker*, January 17, 2011.

psychologically marked.<sup>84</sup> At the same time, the history of modern China is still unfolding at breakneck speed and the reality of life experience continues to change at a barely imaginable rapid pace, which will continue to have psychological repercussions as societal norms change beneath everyone's feet.<sup>85</sup>

Having risen to the apex of this political system, China's current leaders would have been particularly vulnerable to the psychological trauma one could imagine would arise from growing up in high-pressure spheres of Maoist society. There is a powerful social history that, without having lived through it, seems difficult to relate to. When Jan Wong, a young Canadian who was one of only two foreigners who accepted and attended at Beijing University in the early 1970s, she was so overpowered by the university environment that she found herself participating in practices so coercive they haunted her well into adult life.<sup>86</sup>

Nowadays, of course, life in Chinese college is greatly changed. Along with dramatic economic growth over the past ten years, of 7-8 % GDP growth per year, Chinese people's living standards have advanced greatly and college students

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<sup>84</sup> Kristoff, Nick and Sheryl WuDunn, *China Wakes: The Struggle for the Soul of a Rising Power* (New York: Vintage Books, 1995), 63.

<sup>85</sup> Osnos, "Meet Dr. Freud," *The New Yorker*, January 10, 2011, 57; Osnos observes that China's recent economic rebirth has transformed China with "unprecedented wealth but also with radical change: history's largest human migration sent a hundred and thirty million citizens to cities in search of jobs, and left almost sixty million growing up apart from one or both parents. An affluent new class emerged, creating a gap between the rich and the poor that is approaching the size of America's. Hundreds of local colleges opened across the country, producing more graduates than the economy could absorb, fuelling an atmosphere of brutal competition."

<sup>86</sup> Wong, Jan, *Beijing Confidential: A Tale of Comrades Lost and Found* (Toronto: Doubleday Canada, 2007), Also see, Pomfret, John, *Chinese Lessons: Five Classmates and the Story of the New China*, (New York: Henry Holt and Co., 2006); Yang, Rae, *Spider Eaters* (Berkeley: University of California Press, 1997).

increasingly seek out leisure to become participants in 'civil society'.<sup>87</sup> As the lives of college students continue to adapt to changing economic realities, their demands are observably changing. If the CCP continues with the massification of its higher education system there will be unavoidable political consequences.<sup>88</sup> There is an inherent tension between the economic motivation and political outcomes of higher education policy. On the one hand, the massive expansion of higher education credentials across the Chinese population may raise productivity, foster innovation and develop China's international prestige. On the other, it could empower a huge group of young middle class aspirants who, armed with the self-assurance that comes with having a higher education degree, could disrupt political stability should their hopes outstrip opportunity.

Unavoidably, the successful Chinese economy is a powerful driver of higher education expansion.<sup>89</sup> Su has documented how colleges and universities reflect an exaggerated image of evolving social trends towards the rise of leisure, and changing lifestyles across the Chinese population as a whole. As the next generation of leaders passes through university as a selection process for future access to resources, they are being exposed to a markedly different socialization process than any of the leadership before them.

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<sup>87</sup> Su, 726; Su shows that the students' monthly leisure expenditure is RMB 485.53 on average, which is 68.6% of their average monthly expenditure of RMB 706.75.

<sup>88</sup> Recall that, having been in the process of rapid expansion since the 1990s, in the past three years alone, total enrolment has doubled and the participation rate has "jumped by more than 4% over 1998, to more than 17%." Beijing plans to raise education spending to four percent of GDP by 2012 and hopes to transform China into a "creative and innovative economy by 2020." Thus, the Chinese intend to increase total college-educated workers from 98.3 million in 2010, to 195 million by 2020. Brookings.

<sup>89</sup> Su, 720.

### 3.3: Ideational Flows

*Political thought is not created in a vacuum: it is part of a nation's political life.*  
-Chester Tan, *Chinese Political Thought in the Twentieth Century*

The socialization process is only one aspect of learning in universities. Universities can also be important sites of intellectual pursuit, and the ideas developed and passed down within them are similarly influenced by the university's institutional structure. While the changes to Chinese scholarship that have occurred over the past century are ideational, and therefore intangible, they have been highly influential. Take Mao, for example. Few would question the depth of his influence over Chinese modernization process. Yet communism is itself an imported philosophy that similarly came to China through higher education flows. In fact, Mao was first exposed to the foreign ideas of Marx and Lenin while working in the library at Peking University. His philosophies on governance and moral reform reflect an intriguing mix of influence from both traditional Confucian thought and foreign imported philosophies.<sup>90</sup>

In the current internationalized economy, in which it can be difficult for a Westerner to open a newspaper without encountering at least one story about China, it is easy to forget how limited ideational flows between China and the West had historically been. Until very recently, only a trickle of intellectual dialogue existed between China and the West.<sup>91</sup> The influence and ideational flow is now expected to grow and an increased rate. To consider the potential for this, it is necessary to have an

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<sup>90</sup> Tan, v.

<sup>91</sup> Not until the late 1800s did the first Chinese exchange students began traveling abroad for education –and, even then, they were few in number and communication barriers would have been great.<sup>91</sup> The inflows of Western influence to China through trade and missionary work follow a similar timeline. Moreover, much communication was cut off during the Cold War era of Maoist rule. As a result of this mutual isolation, Chinese society has developed strikingly different intellectual frameworks from its Western counterparts.

understanding of the current structure of the Chinese higher education system with its increasingly powerful international elite, top tier universities, and the growing number of Chinese engaged in study abroad.

#### **CHAPTER FOUR: Current Structure of the Chinese Higher Education System**

*“A strong nation depends heavily on  
first-class education and first-class human resources.”*

-“A blueprint for Educational Modernization,” Ministry of Education of the PRC 2010-07-31

The Chinese higher education system is designed to serve a multi-dimensional set of purposes that include: i) moving up the value-added chain in the global economy, ii) developing better institutions of governance with educated local officials who can help bolster the position of the party, and iii) asserting China’s place as an international intellectual center. Probably, the massive expansion serves to absorb and mediate the rising expectations of a rising middle class by providing a cooling effect within the system as well.<sup>92</sup> To achieve this multiplicity of goals, the CCP developed a highly tiered system of higher education.<sup>93</sup> While higher education is, almost by definition, a sorting process, and every system is tiered in terms of quality, the Chinese case is unique in that each tier is actually given a different mandate that corresponds to different freedoms.<sup>94</sup>

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<sup>92</sup> Kapur, Devesh and Megan Crowley. “Beyond the ABCs: Higher Education in Developing Countries” Center for Global Development, Working Paper 139, Feb. 2008.

<sup>93</sup> In fact, the tiers are slightly more complex than the simple framework outlined here, but they do provide a general sense of the higher education landscape.

<sup>94</sup> Even within the 985 Project, each school is assigned a slightly different mandate.

These tiers create a complex layering of resource allocation and determine the extent of free intellectual inquiry and influence afforded to the scholars therein. In general, this system can be broken down into three tiers: *yiben* (一本), *erben* (二本), and *sanben* (三本) *daxue*, whereby the top tier, or *yiben daxue* are elite public schools, meant as places where research is carried out; the second tier, or *erben daxue*, which constitute the bulk of the system, are public schools of lower prestige meant to be places for learning knowledge produced elsewhere; and the third tier, or *sanben daxue*, are accredited private institutions mostly dedicated to training students in a certain skill.<sup>95</sup> This section will first introduce the relevant policies that have contributed to the current organization of Chinese higher education, and then explore the Party's expectations for top tier universities.

#### **4.1: The Three Tiered System**

In 1993, the Ministry of Education declared the country would begin trying build “world-class universities” by concentrating state resources within a select few schools with promising programs. Under the “211 project,” under which took effect in 1995, the CCP selected 107 universities and 602 priority programs from 1,054 total universities in China to receive large amounts of special funding (RMB 18.37 billion Yuan/ \$2.3 billion). Three years later, in 1998, President Jiang created a further layer to the hierarchy. Under the “985 project” 40 of 107 universities under the 211 project would be selected to receive additional special funding of between RMB 300 million to RMB 1.8 billion per school.<sup>96</sup> While several other related projects, such as the “863 project” and “973 project” soon followed these first two, the “211 project” and “985 project” laid the crucial groundwork for the current structure of the system.

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<sup>95</sup> Thanks to Wang Tingting for these insights.

<sup>96</sup> Li Haizheng, 278.



Figure One:<sup>97</sup>

Tier	Detail	Mandate
Tier One, 一本大学	<ul style="list-style-type: none"> <li>- Generally public universities</li> <li>- Extremely competitive admission</li> <li>- Selected by the 985 project to receive additional funding</li> <li>- Selected to reflect highest quality, as well as a certain geographical distribution</li> <li>- Most deeply internationalized</li> <li>- Relatively free speech</li> <li>- Highest quality</li> </ul>	<ul style="list-style-type: none"> <li>- Research and create knowledge</li> <li>- Raise China's international prestige</li> <li>- Train a next generation of leaders able to guide China successfully through the challenges of the 21<sup>st</sup> century in all fields of the public and private sector</li> </ul>
Tier Two, 二本大学	<ul style="list-style-type: none"> <li>- Generally public universities</li> <li>- Fairly competitive admission</li> <li>- Not as well funded as Tier One universities</li> <li>- Less internationalized</li> <li>- Lower quality than Tier One</li> </ul>	<ul style="list-style-type: none"> <li>- Educate a wider selection of Chinese people and help China transform itself from an investment-driven economy to a talent-driven economy</li> <li>- Train a next generation of talented workers in fields of education, political science, law, medicine and health, publicity and cultural information, disaster prevention, equipment manufacturing, information technology, biotechnology, new materials, aeronautics and astronautics, oceanography, finance and accounting, international business, environmental protection, energy resources, agricultural technology, and modern traffic and transportation</li> </ul>
Tier Three, 三本大学	<ul style="list-style-type: none"> <li>- Generally private institutions, accredited by the Ministry of Education</li> <li>- Tend to be technical schools</li> </ul>	<ul style="list-style-type: none"> <li>- Train Chinese youth in skills needed to navigate the job market</li> </ul>

<sup>97</sup> Thanks to Wang Tingying for her help thinking through these distinctions.

	- Generally low quality, along the lines of teach shops	
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#### 4.2: Quality Control

The result of these policies is that the Chinese higher education system is highly stratified and plays into the intense economic and political inequality of China's political scene. From uncertain beginnings thirty years ago, Chinese top tier universities have made great strides towards quality improvement in recent years. As of 2008, no Chinese university had yet made the top 200 in the world according to the Shanghai Jiaotong University (STJU) Ranking. In 2004, only two Chinese universities were among the top 300, although that number did increase to five by 2008. According to the Times rankings, five Chinese universities were among the top 200 in 2004 and that figure rose to six by 2008, while most of those schools jumped dramatically in rank over that time. Clearly, the rate of progress towards achieving the national goal laid out in the 985 Project of developing world-class universities in China, but the system still has a long way to go before reaching its goals.

The success of these few schools, however, stands in stark contrast to the larger system, which suffers from hyperactive growth. From 1978 to 2006, the number of higher education institutions in China more than tripled, and total enrollment exploded by a factor of twenty. Government policies for expanding higher education accelerated in enrollments beginning around 1999 such that, from 1999 to 2006, new enrollments grew at the astonishing average rate of 23 percent a year. As a result, the average annual increase in faculty has not kept pace. In just one year from before the start of drastic expansion in 1998 to 1999, the average student-faculty ratio rose from 8.8 to 10.3. Since

then, the ratio has continued to rise to 16.2 in 2003 and 17.2 in 2006.<sup>98</sup> When, in 2009, the OECD conducted a review of Chinese higher education, it “found tertiary education in a transitional stage” where “after a period of rapid expansion, China has entered a period of stabilization in an effort to address concerns about quality, equality, and apparent imbalances between graduate supply and labor market demand.”<sup>99</sup> Curiously, the pledge to push new leaps of expansion under the 2010 Talent Plan came the following year. Despite their many quality challenges, Chinese universities are fated to continue to expand and carry the weight of China’s future growth.<sup>100</sup> While, in the stratified system, top tier schools are provided the resources necessary to invest in intellectual improvements, the vast majority of schools within the second tier are strained for resources and suffer poor quality. Other obvious quality issues across the Chinese system, including even the most elite institutions, are i) taboo areas of study dotted across the intellectual landscape, and ii) carry-over effects of a larger educational style that, since elementary school, emphasizes rote memorization to the exclusion of creativity or critical thought.<sup>101</sup> While these challenges are being met with relative success within the top tier of schools, the vast bulk of higher education institutions face severe quality challenges.

### **4.3: The Top Tier, *Yiben Daxue***

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<sup>98</sup> Haizheng Li, 276, 273.

<sup>99</sup> OECD Reviews of Tertiary Education: China, by Michael Gallagher, Abrahah Hasan, Mary Canning, Howard Newby, Lichia Saner-Yiu and Ian Whitman, 2009, p. 7.

<sup>100</sup> For commentary on the dismal state of higher education quality, see Kristof, Nicholas, “China’s Winning Schools?” The New York Times, January 15, 2011; “Teaching Case Studies in China: The Western Dean of a Business School in Shanghai” The Economist, January 20, 2011.

<sup>101</sup> Chua.

The inequality of China's tiered system means that, generally, only the most elite top tier universities envisioned by the 985 Project are involved consulted by top-level decision-makers in the government. Of the 1,867 higher education institutions that existed in China as of 2006, this tier accounts for roughly 0.02 percent of the total system. Yet these few schools are highly influential among the few Chinese who hold *de jure political power*.<sup>102</sup> Thus, while the greatest unintended effects of higher education expansion are likely to stem from the goings on in second tier schools, or *erben daxue*, which account for the vast majority of enrollments and house the aspiring middle class, these developments will be the subject of another study. While the expansion of *erben daxue* is likely to create huge pressure on the Chinese political system as the rising expectations of young people outpace labor market realities, this analysis is more interested in how, or if, *yiben daxue*, or top tier schools, may shape elite preferences for meeting those challenges if and when the need arises.<sup>103</sup>

To this end, a particularly interesting feature of these elite universities is the relative freedom of speech and inquiry allowed within them.<sup>104</sup> This freedom seems to exist for two reasons. First, in the international context of higher education standards, no Chinese university could compete without relaxing restrictions on freedom of thought and inquiry. Second, the rising complexity of governance in the twentieth-century creates a rising premium on accurate knowledge for the Party. To meet these challenges

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<sup>102</sup> Li Haizheng; Because these schools are also responsible for creating the knowledge that will then theoretically be disseminated through the rest of the higher education system, they may have some influence over ideational flows throughout the system as well.

<sup>103</sup> Kapur, 2008.

<sup>104</sup> There is a distinction in Chinese law between freedom of speech and freedom of action. While the views on democracy advocated by Liu Xiaobo, who won the Nobel Peace Prize in 2010 were fairly radical, they were not the reason for his imprisonment. His transgression was in writing and circulating Charter 08, a petition demanding faster political reforms towards elections and multi-party democracy.

scholars within top tier universities are selected to target world-class status are allowed widening freedom to question and debate without much fear of sanction, unless they become too zealous in advocating regime change. While not supposed to challenge single party rule, they actively examine policies with a critical eye and offer suggestions on how specific policies might be reformed and improved.<sup>105</sup>

#### 4.4: The Chinese Information System in Theory

Clearly, there is tension in Chinese policy making between wanting to transform China into a modern, creative society and wanting to maintain control over that society.

<sup>106</sup> Towards the first goal, free flows of information and discussion are necessary; towards the second, control over information is paramount.<sup>107</sup> To protect legitimacy through performance, the CCP reaches out to top scholars for help in developing policies.<sup>108</sup> For practical reasons of allowing clear-thinking scholarship and political reasons of seeking to develop world-class institutions of learning, it has allowed

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<sup>105</sup> Fogel, Robert. "Why China's Economy Will Grow to \$123 Trillion by 2040." Foreign Policy. January/February 2010. Accessed November 20, 2010.

<sup>106</sup> To this end, **the CCP is constantly trying to save face, or *mianzi* (面子), and cannot admit flaws or limitations to its ability. In short, the one party system has created a standard of perfection that the party must at least pretend to meet.**

<sup>107</sup> **Senor, Dan, and Saul, Singer, *Start-up Nation: the Story of Israel's Economic Miracle* (New York: Twelve, 2009); Johnson, Seven, *Where Good Ideas Come From: the Natural History of Innovation* (New York: Riverhead, 2010).**

<sup>108</sup> According to Brookings Research Fellow, Lili Wang, "Chinese scholars are regularly asked to give lectures to top level leaders. Through this special channel scholars are able to communicate with decision-makers face-to-face." The Brookings Institution, "Think Tanks in China: Growing Influence and Political Limitations," Oct. 23, 2008; Also see Fogel, Robert "\$123,000,000,000, 000: China's Estimated Economy by the Year 2040. Be Warned." Foreign Policy, Jan/Feb, 2010.

development of an elite sphere of academia in which ideas could be freely discussed. Of course, intellectuals are not meant to challenge one-party rule, nor are they meant to take their ideas outside the bounds of academia set up by the Party.<sup>109</sup> Researchers, students and teachers who gained entry into these rare institutions are meant to discuss ideas freely amongst themselves, but only as intellectual exercise –if the Party wants advice, it will ask.<sup>110</sup>

Figure Two, illustrated below, describes the idealized CCP vision for intellectual behavior. As the only agent with *de jure* power to shape policy outcomes, the CCP seeks to maintain single-party authoritarian power by developing stronger institutions of governance to buttress its own power and preempt any possible instability. To bridge information gaps, Party members selectively reach out to think tanks and scholars at elite universities for policy advice.<sup>111</sup> While taking their inputs into consideration, the Party then formulates policies based on its own internal calculus (or, perhaps a form of intra-Party democratic structure) and dictates to the state media what information to relay to the larger Chinese public. Thus, information is intended to remain highly controlled within precise channels of communication.

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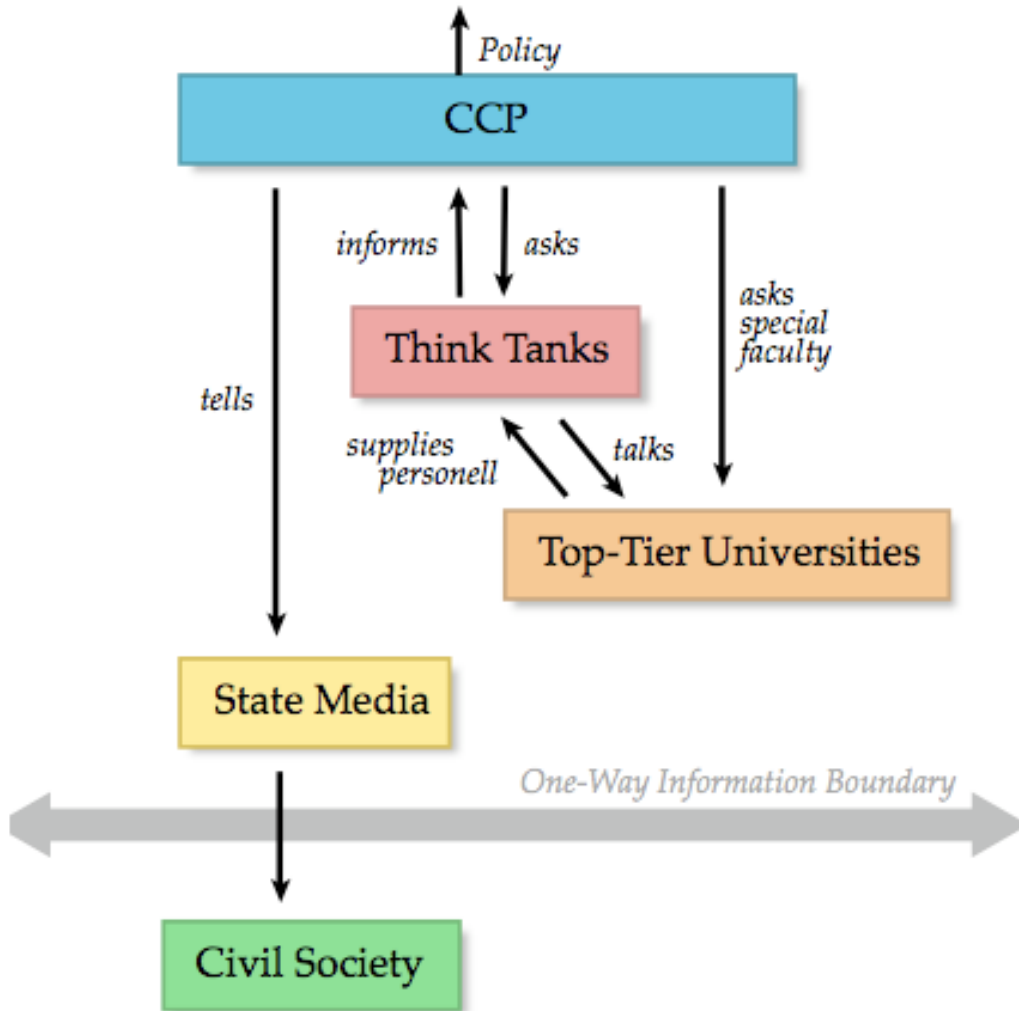
<sup>109</sup> In a CNN interview on October 2, 2010, Fareed Zakaria asked Wen Jiabao, “Can China be a strong and creative nation with so many restrictions on freedom of expression and the Internet being censored?” Wen replied that people should have freedom of speech “within the range allowed by the constitution and the laws.”

<sup>110</sup> **Intellectuals were not meant to take political initiatives or turn ideas into action. Failure to abide by these rules would have serious consequences, along the lines of Liu Xiaobo’s experience. Liu Xiaobo, the Nobel Peace Prize-winning political dissident, was a professor at Beijing Normal University.**

<sup>111</sup> While American think tanks tend to use mass communication as an indirect way to influence decision makers, their Chinese counterparts use the media primarily to disseminate information from the government to the people.

Figure Two:

Idealized CCP Vision for Intellectual Behavior



This theoretical structure, however, is not always followed in practice. Now home to 389 million Internet users, 747 million cellular phones and 314 million active main

line telephones, information in China is no longer easily controlled.<sup>112</sup> As protesters increasingly use Internet or cellular phones to communicate and organize, the flow of information is much more difficult to control than such an idealized flow would require. In short, the system illustrated in Figure Two is completely impracticable in the modern era. Elites within top tier universities and think tanks constantly publish articles for mass consumption, bloggers compete with state media as news providers and, what is more, none of the imagined distinctions between civil society and those in think tanks or at universities are as finite in reality as they are in Figure Two. The same individuals who attend elite universities in China or abroad, or work in think tanks, are also members of civil society. People communicate, and ideas spread. Considering that China hopes to have 195 million college graduates by 2020, the official intention to maintain control over the information system is unrealistic.

By expanding higher education on such a massive scale, the CCP is creating an entire new force of people who, while not necessarily political activists themselves, are likely to be better educated, more informed, and more receptive to new intellectual ideas. While intellectual quality differs widely across the system, the sense of empowerment gained by having a degree is certain to affect aspirations across society. CCP's overreactions to minute public protests in recent weeks during the spring of 2011 suggest its acute awareness that political mobilization does not require everyone involved to be an activist or leader. Once enough latent will becomes strong enough, mass movements can snowball from only a small instigating force and few leaders.<sup>113</sup>

The complexity of higher education in China is that it forms part of a dynamic process of reform and readjust. The CCP decision-makers are simultaneously acting and being acted upon by the system they govern and, as such, outcomes are likely to be

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<sup>112</sup> The CIA World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>.

<sup>113</sup> Seabrook, John, "Crush Point" The New Yorker, February 7, 2011.



dynamic and complex as the system matures. While the CCP has one set of intended outcomes, unanticipated consequences are also likely.

## **CHAPTER FIVE: Intended Outcomes**

While noting the obvious goal of higher education to further China's economic development and solidify its status as a super power, this chapter focuses on the intention of the CCP to use higher education to strengthen itself. To bolster their own authority against a backdrop of complex challenges and a changing landscape, Party leaders at the apex of China's political system increasingly look to scholars in elite universities and think tanks to inform and shape policy proposals. By focusing on one small subset of liberalized higher education in top tier schools it is possible to consider how social scientists are increasingly influencing reforms within Chinese decision-making. The current chapter will describe recent efforts by the center to utilize developments within higher education to push reforms within its own institutional structure, at all levels of the politically apparatus.

### **5.1: Strengthening Institutions Governance**

In recent years, institutional reform has become a central priority for Beijing as labor uprisings become more widespread and reports of corruption at the local level abound. Yet reforming such a complex, decentralized Party apparatus is not straightforward. In the Chinese political system, failures in governance have severe

consequences for legitimacy since, in Chinese politics, only certain elites have power to choose. The middle class may have some power to pressure them, and the majority is paternalistically ‘looked after.’<sup>114</sup>

While the CCP seeks social harmony, politics in complex societies are inherently conflictual.<sup>115</sup> To manage these conflicting interests with some semblance of justice and respect for human agency (and therefore minimizes the likelihood of uprisings), Western institutions were designed to balance competing goals of freedom and fairness.<sup>116</sup> Given that the current norms of Western institutional design developed over a long political trajectory, the introduction suggested they are a kind of political technology, or an application of knowledge for practical purpose. From Aristotle to Rawls, Westerners have come to believe that good laws govern citizen behavior and should have some moralizing effect. “Justice,” we say, “is the first virtue of social institutions.”<sup>117</sup>

When institutions of governance are in their infancy, they must be carefully nurtured in order to gain strength. Institutional development depends on strong human restraint in leadership to curtail *de facto* personal power, in favor of allowing the *de jure*

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<sup>114</sup> While no society is completely just, nor any government perfectly moral, China’s system can seem less committed to principles of freedom or fairness than others.<sup>114</sup> Yet even in the best-designed institutional settings, fairness of political outcome is no guarantee; freedoms are limited. Rawls worried that, even within a social contract where people come together to choose the basic principles to govern their society, collectively decided choices may not always be fair. Some players might be naturally stronger, wealthier, or savvier than others. Some may take advantage of a superior bargaining position. Especially in less developed states, there is often a discontinuity between constitutionally codified, or *de jure* political freedoms, and their *de facto* practical realities.

<sup>115</sup> Acemoglu and Robinson.

<sup>116</sup> See, Sandel, Michael J. *Justice: A Reader* (Oxford: Oxford University Press, 2007).

<sup>117</sup> Rawls, John, “The Role of Justice” in *A Theory of Justice* (1971), cited in Sandel, p. 203; Aristotle argued the laws are part of the education of a good man through good citizenship.

power of institutions to determine outcomes.<sup>118</sup> In the Chinese context, however, this has not yet happened. Terrified by the prospect of losing social stability, Chinese leaders tend to sweep aside emerging institutions of governance whenever they fear these may break under pressure. As a result, national institutions of government, such as the rule of law, are repeatedly undermined. Each time this happens, the process of institution building suffers.

Based on current policy initiatives laid out by the 17<sup>th</sup> Central Committee of the CCP for internal institutional reform and the high level leadership's frequent consultation with intellectuals from think tanks or elite universities, it appears Beijing desires to develop better political institutions of governance, likely to bolster its own power. If this process ever truly begins in earnest, however, it is likely to occur over a gradual period of time, for three reasons. First, as institutions develop, their power becomes 'institutionalized' as norms are reinforced.<sup>119</sup> Thus, over time, successful institutionalization makes it more natural for leadership to defer to institutions of governance and work within the bounds of power they allocate, instead of trying to override those limitations at every turn based on whatever *de facto* personal power he or she may have. The second reason requires the helpful conceptualization of institutions of governance as a sort of political technology. While this technology has been worked out and reinforced throughout the history of government in the West, this narrative has shown it is a surprisingly recent import to the Chinese state. Individual leaders need

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<sup>118</sup> Versus the "highly coercive society" in which "even party officials held their tongues for fear of purge or punishment," the current political system "sets high educational requirements for officials, and there is enormous debate over policies both inside and outside their governing institutions." Lieberthal, 124; Robert Fogel, a University of Chicago economist who often advises the CCP on economic questions, believes this process of consideration is the "reason Beijing has avoided repeats of the Great Leap Forward in recent years." Fogel, 4

<sup>119</sup> See Kapur, and Thelen.

time to learn the intricacies of the institutional process.<sup>120</sup> Third and perhaps most important to this analysis, there is a relationship between the sophistication of ideas regarding institutional reforms and designs in the Chinese political system and the higher education system through which institutional technologies are passed. The quality of higher education matters as a factor in this process. To develop a political system based on strong institutions, willful leaders, well educated in the intricacies of institutionalized government who are both capable of critical thought and bold enough to voice their opinions, are needed at all levels of governance.<sup>121</sup> The current relative ineptitude of the Chinese education system generally to foster critical political questioning probably doesn't help the process of institutional change and development within the CCP.<sup>122</sup>

Through higher education, the Party has tried to restructure and improve itself across all levels of governance through i) changes in the Party composition towards more educated, independent leadership and ii) better information on which to base public

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<sup>120</sup> Kapur, Lieberthal, 167. Lieberthal has written that, as late as the late 1990s, most CCP leaders "have not had sustained exposure...to Western democratic values, as opposed to Western standards of production and consumption."

<sup>121</sup> During the 1989 Tiananmen Crisis, Deng Xiaoping and his older comrades (who had nominally retired and handed power over to a new generation of leaders), failed to obey the *de jure* power structure in place and instead resumed authority under the *de jure* power they retained. Under stress, institutions broke down and Deng and the other party elders simply overruled *de jure* power structures with their *de facto* personal authority. From April to June 1989, no normal structures of leadership authority pertained. Strikingly, the formal leaders of the party and government either did not convene or met only to hear and approve the decisions made by Deng and/or his elderly colleagues. While "almost all political systems strain institutional boundaries at times of crisis," the Chinese "during these crucial weeks effectively set aside their institutional structure and revealed to all the locus of real power at the top –the semi-'retired' octogenarians –ten years after the reforms began." Deng, like Mao, also frequently damaged the institutional arrangements he himself had created. See, Lieberthal, 153.

<sup>122</sup> Remember the poor quality of higher education in China. See Kristof, Nicholas. "China's Winning Schools?" *The New York Times*, January 15, 2011.

policy. In some sense, these are interrelated. Both of these policies relied on supposed gains from higher education to create a class of leaders better able to govern effectively and protect the center's power.

## **5.2: Think Tanks and Intellectual Freedoms**

As the academic or research centers most often tapped to help CCP decision-making, think tanks provide a helpful lens into the increasing norms for involving careful intellectual inquiry in policy making. As knowledge becomes more valued and taboo topics are scaled back, even think tanks may ultimately create unintended consequences for the regime. Since Hu Jintao became Secretary General of the CCP think tank members have been regularly invited to give lectures to the politburo Study Sessions. Recently, the trends have accelerated. "Currently, Chinese scholars are regularly asked to give lectures to top level leaders. Through this special channel, scholars are able to communicate with decision-makers face to face," and make their voices heard in highly influential circles.

Think tanks members enjoy a strong personal network and work through interpersonal relationships and internal channels to exert influence.<sup>123</sup> Now that China's market economy has made the Chinese economic and sociopolitical structure more pluralistic, it has also created many interest groups. These groups, especially those in the business sector, have subsequently become actively engaged in trying to influence government policy and public opinion. Against this backdrop the need for accurate

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<sup>123</sup> McGann believes "Chinese government think tanks may overshadow American independent think tanks in terms of influence."

information, and hence for reliable advice from think tanks staffed by critically and free thinking intellectuals, has only grown.<sup>124</sup>

Within the university itself, university-based think tanks provide a direct pathway of communication between scholars and high-level CCP leaders. In the 1990s, Hu turned the Central Party School into one of the most promising think tanks of the 1990s, when he served as the president of the school. Sun Qingjiu, then vice president of the Central Party School, played a crucial role in the development of Hu Jintao's theory, the so-called "peaceful rise" or "peaceful development" of China.<sup>125</sup> Since the Chinese authorities announced a list of the top ten government run think tanks in 2006, their roles have been further enhanced. Now meanwhile, some other think tanks – and especially those in the universities or in the private sector – have attempted to exert influence on China's decision-making process by offering a more critical view of government actions largely through the Chinese media." Think tanks and universities alike have played important roles in advocating for policy changes in the past.<sup>126</sup> In elevating the status of these elite centers of thought, however, the CCP is also empowering a new group of actors who may ultimately behave in unintended ways. Because they constitute a crucial link between the academic and policy-making spheres,

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<sup>124</sup> Many of these, like the Chinese People's Public Security University, based in the Muxidi Nanli section of Beijing, and the Number Four Public Security Research Institution fall directly within the purview of Government Ministries. These influential institutions report directly to the Ministry of Public Security, China's Police Ministry, and are concerned specifically with maintaining social stability.<sup>124</sup> While they are unambiguously co-opted by party interests, Tanner, who has closely examined these two institutions, finds that one of their important functions has been to "take the lid off of [previously taboo subjects] and begin to focus –and begin to carry out research on...once-taboo issues" such as drug use in China."<sup>124</sup> These institutions have played an important role pushing boundaries.

<sup>125</sup> Brookings, "Think Tanks in China," 6.

<sup>126</sup> For example, the Party recently adjusted the policy on ¼ votes in the countryside.

however, these institutions will later be used as a proxy to evaluate the types of elite ideational changes higher education expansion may be unintentionally creating in the Chinese state.<sup>127</sup>

### **5.3: i) Promoting Norms of Institutional Governance at the Individual Level**

Since the CCP is a political structure governed more by interpersonal relationships and norms of behavior than rule of law, the first dimension of institutional change within the CCP involved cycling out old lower level cadres in favor of new. As studies of leadership changes during the 1980s reveal, “the degree of turnover was large and that the changes reached down to every level of the administrative system.”<sup>128</sup> Heberer and Schubert describe Deng’s strategy of “political structural reform,” or *zhengzhi tizhi gaige* (政治体制改革) a strategy of “institutionalized personalism.” By this they mean “a non-articulated consensus within the Communist leadership that informal

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<sup>127</sup> While think tanks, or *zhiku* (智库) or *sixiangku* (思想库) are not new in China, and arguably have played an important role in Chinese politics as early as the time of Confucius, they have only recently regained prominence in modern China. During the past two decades, and especially in recent years, their role has expanded rapidly. Since, in many ways, the Chinese think tank embodies the political purpose of academia within the Chinese state, these trends can be said to reflect the wider trends in higher education discussed in this paper. China currently is home to approximately 1,000 think tanks. Of this number, most are government think tanks. Independent think tanks constitute only about five percent of the total, and these are usually small scale with twenty employees at most. Like the university, where the researchers who staff think tanks were educated, these think tanks are becoming internationally integrated as “increasingly governments are finding that they must scan globally in order to find policy solutions to deal with rapidly breaking problems.”

<sup>128</sup> Lieberthal 159

personalism should gradually be replaced by structures and, eventually, by ‘constitutional sanctification.’”<sup>129</sup>

While local people may not need to be educated in the practices of democracy before elections can be instituted, it does seem that leaders do. Despite the fact that political changes within the structure of CCP governance are often “discredited as pure window-dressing targeted at the perpetuation of authoritarian one-party rule” or “conceived of as half-hearted or futile efforts on the part of an ailing regime to maintain stability or legitimacy” this study will discuss how these changes may truly have shaped the Chinese political landscape.<sup>130</sup> China may not have moved from a rigidly single-party state to a liberal multi-party democracy, or even in that direction, the past thirty years of restructuring may have laid a new groundwork.

The CCP is a huge institution with malleable procedures such that *de facto power* seems to override *de jure power* in many cases. The result is individuals make a bigger difference.<sup>131</sup> Political realities are negotiated from institutional guidelines, interpersonal relationships and individual incentives.<sup>132</sup> Meaningful change should theoretically require either drastic change in one of those three variables, or gradual change in all of them. Institutions change slowly. While each new input will have a certain effect, especially at the weak phase of institutional formation, these are not always predictable in a linear sense.<sup>133</sup>

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<sup>129</sup> Herberer and Schubert, 15; While they offer up the increasingly ritualized nature of succession politics at the top tier of the Party as evidence of this subtle consensus, there a notable time lag between the initiation of these politics for structural transformation within the Party and their reflection in practice.

<sup>130</sup> Herberer and Schubert, 12.

<sup>131</sup> Acemoglu and Robinson.

<sup>132</sup> Lieberthal, 186.

<sup>133</sup> Thelen.



Since the 1980s, a major turnover of elites brought in younger, better-educated officials throughout the system. Finally, individuals who had joined the revolution before 1949 were replaced by younger people with rising education levels. Now a college education is almost always required for advancement to the highest levels of the political and economic system, and even those who were already in power before college education became the norm for advancing in the CCP increasingly return to university to prove their reliability through accreditation.<sup>134</sup> Thus, by the late 1980s or early 1990s, “those who now staff the CCP and government did not personally participate in the revolution.”<sup>135</sup>

Thus, over the past thirty years, the Party has begun to develop more modern political institutions through tinkering at the institutional and political levels, which, in the Chinese system, are intertwined. Leaders at the center work with intellectuals to design public policies that may constrain local-level officials to toe the line of good governance and curtail corruption. These effects are not linear and are often unpredictable and sporadic, reflecting the continued weakness of structures in place. Because the leadership mistrusts its own institutional structures, it often sweeps them aside in moments of pressure. Each time *de jure* organization is undermined by *de facto* power, however, *de jure* power is undermined and institutions are weakened further. While official policies seem to trend towards “establishing responsive political institutions, feedback channels of communication between the state and its citizens and inclusive models of participation,” true change will not come until leaders at every level of the system curtail their own personal *de facto* power long enough to reinforce *de jure* institutional power. <sup>136</sup>

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<sup>134</sup> Shambaugh.

<sup>135</sup> Lieberthal, 158.

<sup>136</sup> Heberer and Schubert, 11.

#### 5.4: ii) Vision for Institutional Innovation

Since the early 1990s, the CCP leadership seems to have developed a model of political survival based on carefully gathering information about the political realities in the Chinese state and then scrambling to preempt and adapt before they become overwhelming.<sup>137</sup> These have “triggered a range of intraparty reforms as well as reforms affecting other sectors of the state, society and economy.” Thus, “while *reacting* to the events in former communist party-states, the CCP has been very *proactive* in instituting reforms within itself and within China.”

As a result, the Chinese political system is no longer exclusively top down. Decision-makers at the apex increasingly recognize the limits to their own knowledge of local level realities and engage with local reforms through a dynamic process of back-and-forth. Herberer and Schubert have identified a two-way percolation model by which political changes are made within the Chinese system. The Chinese, they say, have come to understand political reform as “the legalization of successful local practice.” This can happen in two ways: either the center dreams up a policy change and selects certain localities in which it will be tried out or evaluated, or local governments experiment with political reforms on their own and news spreads upwards. If policies are successful they will be expanded to other localities; if not, they will be disbanded and hushed up.

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<sup>137</sup> When whispers of the Jasmine Revolution started online in spring 2011 after the wave of regime change in the Middle East, the CCP recalled the lessons from the USSR again. Following the 1989 crisis in Tiananmen Square and the subsequent collapse of communist ruling parties in the Soviet Union and Eastern Europe, the CCP systematically began to evaluate the causes of collapse of these other ruling parties in addition to analyzing any possible internal and external challenges to itself. Chinese leaders were determined to know what lessons to take from the implosion and demise of these other regimes that might help it avoid a similar fate.

Throughout the process, Chinese academics in universities and think tanks monitor the program closely and make recommendations regarding its propensity for success in other places. Slowly, more sophisticated, better-educated local leadership allowed new models for institutional design and policy reforms to be tried out on local levels. Heberer and Schubert have described a “percolation model” whereby “the central government introduces a reform measure on an experimental basis in certain selected localities or on a voluntary basis for any locality that wants to implement the corresponding measure, before fully institutionalizing it at the national level.”

Increasingly, policies are developed over a long process of deliberation and local level experimentation. Restructuring of Party membership cycled out old membership and interests to allow such a process to be set in motion. The 1987 experimental Organic Law on Villager Communities provides a good example of this. After “observing and assessing the implementation process for over a decade, a revised Organic Law was finally promulgated in 1998, making direct village elections legally binding for the whole country.”<sup>138</sup> Other examples include, the “institutionalization of the Household Responsibility System in the early 1980s, which contracted agricultural production to private households and led to the development of large produce markets and township village enterprises later on. In other cases, local level leaders envision their own reforms and try them out on a local level. If the reforms are successful, other local leaders and possibly the center will take note and the experiment will be replicated in other localities. If not, they are desisted and the Party pretends the failed experiment never happened. The incorporation of villager self-government into the new 1982 state constitution followed a controversial debate in the Communist leadership on the implications of a couple of non-authorized experiments already underway in two counties in Guanxi province shortly after the breakdown of the People’s Commune System. Other examples

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<sup>138</sup> Heberer and Schubert, 16.

are measures like those adopted in Hainan concerning administrative restructuring and the introduction of new, economically self-responsible government units (“small government, big society”) or more recent experiments with new procedures to select local government cadres in Chinese townships, although these have not been legalized at the national level yet.”<sup>139</sup> On a national level, cycling in new, better-educated local leaders throughout the Party has allowed Beijing to adopt a more rational process of governing. In just thirty years, it seems higher education has played a role in helping to replace doublethink with practical evaluations of outcomes, academic think and think tanks to inform policies.

### **5.5: Intra-Party Democracy?**

By tapping elite scholars within the university to inform public policy towards strengthening the Party’s hold on power and ability to maintain stability, CCP elites have eventually caught on to the idea of importing certain institutional designs created in the West to mediate competing groups and smoothly resolve conflict without disrupting stability. Scholars in the West have observed that, in seeking to develop “intra-Party democracy” as a system of checks and balances into its own Party structure, CCP leaders are striving to bolster, rather than to undermine, one-party rule. As the Party has transformed over the past three decades, from a monolithic apparatus led by a single strong leader (first Mao, then Deng), to “a diverse system of collective leadership in which rival factions compete for power, influence and political sway,” it has grown a need to build internal structures into its own apparatus in order to manage conflicting

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<sup>139</sup> Heberer and Schubert, 16.

interests fluidly while maintaining a façade of total unity.<sup>140</sup> Whether these changes will serve to bolster or undermine Party power remains to be seen.

While the party appears to be trying to harness higher education to develop well-designed institutions of governance able to mediate social conflict and bolster Party legitimacy, the current institutions that characterize the Party's apparatus are weak. While Beijing can easily exert its power to crack down in terms of crisis, this negative power to suppress does not translate to positive power of governance across the country. Building up institutions is much more difficult, and outside their capability.

## **5.6: Experiments in Deliberative Democracy**

*"No matter how smart we are, we officials have limited information...the easiest way to avoid mistakes is by having more democratic decisions."*

-Jian Zhaohua, Communist Party Secretary of Zeguo Township, Zhejiang Province, China

Promoting grass-roots level democracy is another dimension of attempted institutional adjustments directed by the center as it attempts to protect Party legitimacy. Far from a unified political unit, the CCP is actually a highly hierarchical apparatus of 70 million people. Often the relationship between the center and local level leadership is not one of teamwork but of competing interests. While it may be in the interest of local level leaders to behave as petty dictators, collecting rents unjustly from

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<sup>140</sup> Li, Cheng, "Intra-Party Democracy in China: Should We Take It Seriously?" China Leadership Monitor, The Brookings Institute.

those they govern, it is in Beijing's interest to weed out such behavior from the countryside to prevent rural uprisings that could threaten legitimacy.

To develop a Chinese style democracy, political scientists in top tier universities are scanning the globe for new models; with interesting results deeply connected to the ideational mechanisms described herein. And yet, these efforts have remained generally unsuccessful. Pan Wei of Beijing University is one of many Chinese intellectuals skeptical of the practical utility of elections in China. In reference to certain experiments with grassroots democracy being tried out in various rural localities, such as those in Sechuan Province, Pan feels the "experiment will go nowhere." In his view, these select experiments, pushed for by the center, have only been tried in certain places because "the local leaders have their personal political goal: they want to make their names known. But the experiment has not succeeded. In fact, Sichuan is the place with the highest number of mass protests. Very few other places want to emulate it."<sup>141</sup>

## **CHAPTER SIX: Theory vs Reality – A Tale of Unintended Consequences**

By seizing higher education as a mode of national development, the CCP quickly allowed an entrenched special interest to spring up, and gain a momentum of its own.<sup>142</sup> Chinese upper classes now engage with the international economy on a much deeper level. They are exposed not only to alternate value systems, but also to Western institutional technologies designed to manage political conflict through deliberation and

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<sup>141</sup> Leonard, Mark, "China's New Intelligentsia," Prospect, Issue 144, March 28, 2008.

<sup>142</sup> And that's without taking social media and communications technologies into account.

representation –as opposed to constantly trying to preempt uprisings of political protest. These are trends that, while likely to have powerful social repercussions within the Chinese state, have passed beyond the control of the Party. At this point, it is unlikely Beijing could stop the forces if it wanted to.

## 6.1: The Knowledge Economy

*“first-rate research and advanced education are essential ingredients of success in today’s global economy”*

*-Derek Bok, ex-president of Harvard<sup>143</sup>*

Nowadays, no study of Chinese decision-making is complete without understanding the role of economic growth and development. In the case of higher education, the economy has been a central driver. This is in large part because of the role of the economy that China’s recent higher education drive is likely to have unintended consequences. This is because education reforms increasingly operate based on a logic of their own, independent the Party’s control.

Over the past two decades, evolving technologies have tied highest value in the world economy to the innovative, creative and knowledge-based levels of production.<sup>144</sup>

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<sup>143</sup> Bok, *Underachieving Colleges*, 5.

<sup>144</sup> Linden, Gred, Kenneth L. Kraemer, and Jasen Dedrick, “Who Captures Value in a Global Innovation System? The case of Apple’s iPod,” Personal Computing Industry Center (PCIC), University of California, Irvine, 2007; In 2007, Linden, Kraemer and Dedrick of the University of California, Irvine published a study titled, “Who Captures Value in a Global Innovation System? The Case of Apple’s iPod.” The project built a framework for understanding how value is distributed across the complex international supply chains involved in producing globally innovative products, like the Apple iPod. Since innovation is held to be the key to national competitiveness in the new global economy, the authors wanted to understand who captures the value from a successful innovation. Their findings supported the prevailing wisdom of our time. Innovation

Now that supply chains mean manufacturing will be easily relocated to whichever country returns the biggest profits, and communication technologies have made even services outsource-able, the knowledge and innovation dimensions of human capital have become key limiting factors to economic growth.<sup>145</sup> This creates a rapidly rising premium on higher education for individuals, firms and nations alike.<sup>146</sup> As the demands of the new international ‘Knowledge Economy’ continue to grow, universities have come to play a key role training a national labor supply.<sup>147</sup> To rise up the international value chain, China has determined to enter the “next phase of its economic development” and has begun to “invest in human capital with the same determination it used to build highways.”<sup>148</sup>

For the individual as well as national economies, there is a rising premium placed

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breeds competitiveness. Value in our global economy is linked to knowledge, creativity and innovation.

<sup>145</sup> Changes in communication technologies have changed not only the organization of our economy, but the very way we interact politically in society. For an interesting debate on the role of social media in public protests, see Shirky, Clay and Malcolm Gladwell, “From Innovation to Revolution: Do Social Media Make Protests Possible?” *Foreign Affairs*, March/April 2011, <http://www.foreignaffairs.com/articles/67325/malcolm-gladwell-and-clay-shirky/from-innovation-to-revolution>.

<sup>146</sup> Today, “more than half of all young people in America go to college, and more than a quarter receive a bachelor’s degree. Virtually every aspiring lawyer, doctor, minister, scientists, and schoolteacher must earn a college diploma, and almost all future corporate executives, legislators, and high public officials will do the same.” This is a new phenomenon, however. The university as we know it did not come into being until recently. “As late as 1940, fewer than 1 in 20 adults had a B.A. degree. It is only within the past 50 years that universities have come to boast the huge enrollments, the elaborately equipped research laboratories, and the legions of faculty members and other instructors that fill their campuses today.” Bok, 4, 11.

<sup>147</sup> Bok; Fogel estimated the effects of well-trained workers in an economy and found that, in the US, a high school-educated worker is 1.8 times as productive as someone with a 9<sup>th</sup> grade education, and a college graduate is three times as productive. In the case of China, Fogel believes that “the increase in high-skilled workers will substantially boost the country’s annual growth rate for a generation, taking its GDP to an eye-popping \$123 trillion by 2040.” Thus, education will play a large role building China into the world’s largest economy by 2040; Zakaria, 54.

<sup>148</sup> Zakaria, Fareed, “The New Challenge from China,” *Time*, October 18, 2010



on innovation, creativity and transferable skills in a national labor force.<sup>149</sup> As the CCP continues to navigate through uncharted political and economic territory, policy has been continually driven forward, not by deliberate planning, but by a take-it-as-we-go process of reform and readjust.

## **6.2: Cycles of Reform and Readjust**

In light of the CCP's approach to policy reform suggested by Shambaugh's model of atrophy and adaptation, it appears that the current momentum of educational change in the PRC could push new reforms to the Chinese political system. This is because, consequence of rapid economic growth, old public policies become quickly outdated. Since the Chinese government is paternalistic and not well representative, it does not adapt naturally to public opinion as democracies theoretically do through electoral pressures. Instead it struggles to keep up through "a constant cycle of reform-readjust-reform-readjust."<sup>150</sup> Far from an agile monolith, however, the CCP is comprised of a diverse set of actors, each with his or her own special interests. While Beijing may want to weed out corruption to buttress its own legitimacy, the corrupt local level party leadership may prefer to maintain its own interests. The apparatus is not in-sync, and so

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<sup>149</sup> President Obama, Second State of the Union(Text), The New York Times, January 25, 2011; Also see Surowiecki, James, "Sputnikonomics," The New Yorker, February 14&21, 2011. In the 2010 National Bureau of Economic Research edited volume, *American Universities in a Global Marketplace*, Charles Clotfelter described a widespread rising sense of insecurity about America's place in the changing international economy. "Not since the Soviet *Sputnik*, touched off a paroxysm of self-doubt in the 1950s," he wrote, has "alarm over the inadequacy of American research and training in science and technology reached such a crescendo." From Thomas Friedman's 2005 book, *The World is Flat*, which "argued that the consequence of a shrinking American advantage in education could very well be the loss of American world leadership in high-tech industries" to the 2007 National Academy of Sciences publication, *Rising Above the Gathering Storm*, it seems a growing number of sources have "emphatically echoed the alarm."

<sup>150</sup> Shambaugh.

the process of atrophy and adaptation described in Figure Three is, in reality, not a simplified linear cycle of unified action so much as a continually ongoing process, perpetually in motion.

The internal cycle set out in Figure Three describes how policy reforms have been driven forward, especially since the 1990s. Economic goals or ambitions of the Party create the need for economic reforms that, by empowering new segments of society, create unintended consequences. As the *de facto* power of newly successful groups outpace their stagnant *de jure* status, the state atrophies. Insecure in its hold on legitimate power amidst political atrophy, the CCP responds with new policies of adaptation. Often these involve setting new economic goals, and the cycle begins again.

Figure Three:

## Cycle of Atrophy and Adaptation



This study suggests that higher education, because of its links to the new economy, may play into this cycle. China's 2010 Talent Plan is designed to harness the power of higher education for national gain. As reforms play out and growing numbers of Chinese youth become educated, the CCP has to contend with their rising expectations –which complicate the demands of governance and raises the premium on good

performance.<sup>151</sup> Internationalization of higher education creates ideational flows between Chinese elites and the democratic West so that the Party is soon held to international standards of governance and must again adapt to rising demands for broader access to education and political reforms.

Thus, as opposed to operating based on any long-term systematic vision for reform, the Party often takes a reactive, even defensive position. While, the Party has arguably invested in higher education based on a clear view for how Chinese intellectuals should behave, these expectations do not always conform to realities of human behavior. The winds of change are truly in motion in China and the Party, if begrudgingly, knows it.<sup>152</sup> Information can no longer be easily controlled: the number of Internet users in China continues to soar, and a new generation of bloggers has emerged to fill in information left out by state-controlled old media.<sup>153</sup>

Modern Chinese politics is tug of war between “competing factions of Chinese leaders and public intellectuals with differing views.”<sup>154</sup> To keep pace, the Party has, by necessity, come to include “more criticism and debate in the upper echelons of policy making than many realize.” Thus, within the restricted sphere of elite knowledge flow, Chinese policymaking “has become much more responsive and open to new ideas than it was in the past.”<sup>155</sup>

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<sup>151</sup> Since 1981, the rate of admission to college in China has risen from below 10 percent to 48 percent in 1999 and 62 percent in 2004. Since 1999, more than half of those who took the entrance exam have been admitted into college. See Haizheng Li.

<sup>152</sup> See Li Cheng, “Intra-Party Democracy?”

<sup>153</sup> Charles, Arthur. “China’s Internet Users Surpass US Population.” *The Guardian*. 16 July 2009, <http://www.guardian.co.uk/technology/2009/jul/16/china-internet-more-users-us-population>; Many have gained such influence that in 2010, the John M. Huntsman, American Ambassador to China, invited a number of these young voices to the American embassy to discuss their views for the future.

<sup>154</sup> Li Cheng, “Intra-Party Democracy?”

<sup>155</sup> Fogel, 4, 5.

### 6.3: Higher Education and Foreign Influence

Those promoted to leadership in the new era tend to have strong education credentials and are committed to economic growth.<sup>156</sup> Growth brings dramatic changes, however, and has brought negative effects particularly in the growing disparity between rich and poor. Three decades ago everyone was poor. Today, Chinese citizens can easily look over at their neighbors and see many more individuals relatively more successful than themselves. The visibility of disparity creates many added stresses and tensions that, in turn, contribute to new political challenges that must be dealt with.

To cope, the newly educated leadership are much more likely to seek out advice from others, in particular experts in the field, although not structurally required to. In that way, academics and intellectuals enjoy a certain influence through the knowledge they bring to the table. This appears meaningful despite being poorly institutionalized. As will be discussed in more detail below, the key pathway through which this occurs is think tanks and, to a lesser extent, university-based research centers that CCP leaders tap for information to inform public policy itself provide a mechanism for unintended consequence to reforms underlying the system. Thus current trends in the internationalization of higher education could provide ideational flows of unpredictable consequence for the Chinese state.

This is unpredictability draws on the fact that, suddenly exposed to powerful

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<sup>156</sup>The expansion of increasingly internationalized higher education is no minor development. Foreign knowledge can give shape to vague notions, previously unarticulated. Ideas can only be discussed when individuals have the language to articulate relevant thoughts. An individual can only think critically to question what he or she is told when she has enough information and knowledge to truly defend her point. The cliché 'knowledge is power' has as much truth in China as elsewhere.

ideational influence from the West, Chinese intellectuals and newly educated policy makers may be ideationally very different than CCP leaders anticipate. Again, the unintended consequence emerges from economic momentum. As part of its goal to emulate the creative and innovative impulses of American know-how, the CCP intentionally built its higher education system based on the American model.<sup>157</sup> While Chinese have been studying abroad in the U.S. since the 1870s, when the first Chinese exchange students to the United States in search of ideational technologies that might help them strengthen the Qing dynasty, these intellectual exchanges have gained huge momentum in the past twenty years. As the U.S. is the most popular destination for Chinese students to study abroad, and Chinese correspondingly represent the largest group of foreign nationals to study in the U.S. every year. These trends are further reinforced by the rising number of American professors teaching in Chinese universities and the number of Chinese instructors trained in the U.S. Chinese students study-abroad with greater frequency and an increasing number of foreign faculty have come from the US to teach within the Chinese university. An illustration of these trends is offered in Figure Four below.

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<sup>157</sup> Since the beginning of economic reforms starting in 1978, the Chinese government has implemented “major market reforms in higher education.” In addition to abandoning the job assigning system so that graduates could find jobs in the labor market, and charging tuition instead of having higher education be free, the CCP “opened higher education institutes to the outside world and encouraged collaborations and exchanges with universities worldwide.” As of 2006, 134,000 Chinese students traveled abroad to further their education; See Haizheng Li, 271, 269.

Figure Four:

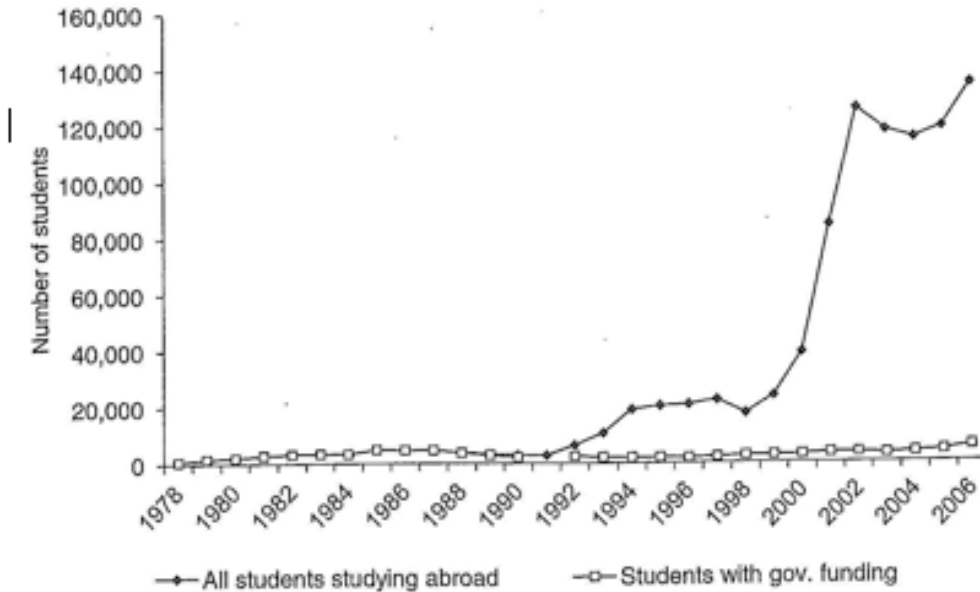


Fig. 8.1 Chinese students studying abroad (1978–2006)

Sources: National Bureau of Statistics of P.R. China (various years), *China Statistical Yearbook* (2006); Ministry of Education of the People's Republic of China (various years), *China Education Statistical Yearbook* (various years).

Note: Year 1991 is excluded for lack of data.

\*\*Figure from Li, Haizheng, "Higher Education in China: Compliment or Competition to US Universities?" in Clotfelter, Charles, ed. *American Universities in a Global Market*, National Bureau of Economic Research (Chicago: Chicago University Press, 2010), 283.

Judging the fact that, as described in Figure Four, the proportion of self-funded students rose from 65 percent in 1999 to 90 percent by 2001, it appears that the students studying abroad tend to be members of the Chinese elite. While isolated from China's majority, these elites interact closely with international elites through study-abroad at a rate that could have powerful consequences. The international integration Chinese intellectual elite is evolving fast. While students who studied abroad were historically seen with skepticism by the Chinese government, the CCP is now "starting to view higher education systems in developed countries as a part of the domestic higher education

system and is interested in partnering with U.S. and other research universities around the world in an effort to train its own research talent who will return to China.”<sup>158</sup>

Moreover, self-funded students have more flexibility to choose which subjects to study. In 1979, when 1,750 people were sent to study-abroad with national funding, 82.6 percent studied natural science, 16.1 percent language, and only 1.3 percent social science. While the science-oriented pattern has arguably continued to the present day, the percentage of social science and law students is likely to have risen dramatically in recent years as the premium on international study for law, foreign language and business has increased with the international economic integration across all sectors.<sup>159</sup>

Ironically, in accepting such strong influences of international education into elite centers of Chinese education, the Party is losing its historic hold on the direction of thought being passed on within its national universities. While education in the earlier years of CCP governance was arguably designed as a force to promote nationalism, communist virtue and Maoist ideology, new top tier schools, based on the American model, may encourage a very different attitude towards government.<sup>160</sup>

#### **6.4: The Mistranslated Purposes of Higher Education**

The Party seeks to rebuild elite national higher education with a blend of American ingenuity and the Confucian scholarly ideal of service to the ruler. While they try to mimic American higher education style for its successful emphasis on creativity and

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<sup>158</sup> Haizheng Li, 286; Since 1999, the United States has received the largest number of Chinese study-abroad students, followed by Japan. In 2001, the U.K. surpassed Germany to become the largest hosting country for Chinese students after Japan.

<sup>159</sup> “Not Entirely Free, Your Honor” *The Economist*, July 29, 2010, internationalization of law, <http://www.economist.com/node/16693882>.

<sup>160</sup> Shirk.



innovation, however, they may be surprised to know most American educators see these as but side effects to the core purpose set out by elite American universities. Amy Gutmann at the University of Pennsylvania says the “primary purpose of higher education” is to “serve democracy as sanctuaries of non repression.”<sup>161</sup> At Harvard University, ex-president Derek Bok similarly reflected that American universities bare a duty to prepare their pupils for responsible citizenship in society, and even, Bloom’s classic, *The Closing of the American Mind*, argued vehemently that “the education of a democratic man” forms the fundamental purpose of American higher education.<sup>162</sup>

It is unclear whether Chinese policy makers are aware of the irony involved in trying to bolster Party authority by investing 4 percent of GDP each year towards building an American-style education system to cultivate the creative and argumentative underpinnings of a democratic society. In an authoritarian system that keeps many skeletons hidden in its closets and, for generations, maintained tight controls on information flows, this could be potentially destabilizing. It is almost lucky for them quality remains so dismal.<sup>163</sup> Yet, quality is not poor across the board. As will be further discussed in Chapter Seven, the winds of ideational change are beginning to set in motion.

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<sup>161</sup> Gutmann, Amy, *Democratic Education* (Princeton: Princeton University Press, 1987), 175,181, 185.

<sup>162</sup> Bok, Derek, *Our Underachieving Colleges: a candid look at how much students learn and why they should be learning more* (Princeton: Princeton University Press, 2006); Bloom, Allan, *The Closing of the American Mind* (New York: Simon and Schuster, 1987).

<sup>163</sup> For an interesting view into the frailty of academic integrity in the Chinese system, see “Chinese Ethics: Scientists Behaving Badly” *The Economist*, October 9<sup>th</sup>, 2010.

#### 6.4: Retreat of Taboos

Around the late 1990s, Beijing directed an ideological shift in policy research. It became “widely and officially accepted by the leadership – to use the official Chinese ideology – that the vast majority of protests or mass incidents represented what they referred to as “contradictions among the people” as opposed to “contradictions between the people and the enemy.” In other words, beginning in the late 1990s, protests were “officially being seen primarily as people who basically had legitimate grievances,” as opposed to radical elements, or enemies to society. This ideological, or ideational shift that has since had dramatic consequences for the sorts of questions academics can ask. Since that time, new modes of research have emerged. Researchers concerned with social instability, for example, can now “say to others in the system legitimately look, this is not just an issue for coercion, we need to reform and respond to real grievances.”<sup>164</sup> These changes build momentum for further changes within the system. The CCP political apparatus is no longer ideologically oriented and “leaders are increasingly problem solvers who give the impression of seeing economic development as the best way to handle the most important problems they face,” practical needs cause ideological shifts that affect the quality of academic research.<sup>165</sup>

At the Brookings Institute, a panel of experts on China’s emerging think tanks agreed they were likely to “gradually grow in quality, skill and influence.” Tanner suggested that, “in the foreseeable future, Chinese government think tanks...will gradually become more independent and effective in terms of funding and research agenda and administration.” More than the current position now, the unintended

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<sup>164</sup> Brookings, “Think Tanks in China,” 4, 51, 23, 16, 17.

<sup>165</sup> Liebethal, 167.

political consequences of higher education are likely to result from the high-speed trajectory of change over a very short period of time. As Tanner recalls, “it is very difficult for those of us who have been following China for 20-30 years to recall that it was not too long ago that you simply weren’t supposed to write things in China that laid out clearly that China suffered from serious problems of drug trafficking or organized crime or peasant and labor unrest.” While “there are still a number of taboo topics and question that continue to restrain good quality policy research in this system,”<sup>166</sup> these boundaries are visibly being pushed.

The reality is that, in a higher education system that is very young, but growing rapidly, standards and norms of research are evolving independently within each sector and discipline.<sup>167</sup> Compared to government-sponsored think tanks, elite university-based think tanks seem to have more flexibility. Often privately funded, these institutes operate based on different incentives and conduct different styles of research. Generally, “they talk to the people, and research, select a topic, then provide suggestions to the top leader.”<sup>168</sup>

Reflective of the general trends towards intellectual liberalization taking place within these sequestered spheres, in 2009, a non-profit think tank called Beijing Gongmen Consulting Co., Ltd., established by Beijing University Law professors LiKun, Huang Li, Li Xiang and Wang Hongzhe, published “an investigation report into the

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<sup>166</sup> The Brookings Institute, “Think Tanks in China: Growing Influence and Political Limitations” Washington DC, Thursday, Oct. 23, 2008, 17, 42, 19.

<sup>167</sup> In police think tanks, for example, it is not possible for police scholars “to ask whether it is even possible for a single party authoritarian system to provide the kinds of adequate, autonomous political, legal institutions that can ease unrest. Or its not possible to look back at the possibility that the lessons from the 1989 Tiananmen demonstration to see if they have any relevance for the present. Or to ask, for example, whether there were legitimate domestic issues that helped spark the riots in Lhasa on March 14<sup>th</sup> of this year; 23, 19.

<sup>168</sup> Brookings, “Think Tanks in China,” 53.

social and economic causes of the 3.14 incident in Tibetan areas.” Called by Saunders, the Communications Director at the international Campaign for Tibet (ICT), “a vital indication of progressive views on Tibet in China today,” the report pushed boundaries.<sup>169</sup> While the authors do not directly petition the central government, it is clear that this is the target audience for their recommendation “to fully recognize the citizen status of ordinary people in Tibetan areas” and to formulate development policies in accordance with “the rights and interests of ordinary Tibetan people.”<sup>170</sup> It was the first time professors at Beijing University Law School assumed there is something they don’t understand about the Tibet issue and published a report that dared to challenge basic assumptions about the effectiveness and wisdom of current Party policy on Tibet.

In 2007, one of the most influential Chinese government think tanks, the Development Research Center of the State Council, hired McKinsey & Company to consult them. McKinsey & Company told them to, “study from Brookings.” One could imagine that if that advice is followed with any success, it will mark a distinct shift in Party attitudes towards social actors.

Building on the higher education system (since individuals trained in the university graduate to work at think tanks,) Chinese think tanks are similarly continuing to evolve. As of 2011, even the most prestigious universities and think tanks continue to suffer problems in quality and sometimes a tendency to uncritically accept the historic Party line on certain issues. Still, the Brookings panel concluded that, “the dynamic interaction between the Chinese government on the one side and the country’s

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<sup>169</sup> Novick, Rebecca, “The Tibet Question: A Chinese Think Tank Dares to Ask” *The Huffington Post*, June 20, 2009.

<sup>170</sup> In undertaking the report, the authors sought to find the “social roots” of the incidence arising in Tibet and pointedly accuse the state media of increasing “mistrust” between Chinese and Tibetans. They concluded that the protests were a reaction made under stress by a society and people to the various changes that have been taking place in their lives over the past few decades.” Novick, 2.

promising think tanks on the other side can offer insightful information on China's future political trajectory.”

Wang believes that “Chinese independent think tanks can be used as a... channel to prepare the way to democracy, help the people participate in politics, and express their opinion.” Although the power of think tanks has gradually become more institutionalized over the past ten years or so, their power continues to depend mostly on personal relationships between individual researchers or directors and key political leaders. Regardless of weakly institutionalized power, however, these changes matter because, for the first time, the research has been done. The boundaries of acceptable have been pushed.

## **CHAPTER SEVEN: The Evolving Chinese Political Dialogue**

### **7.1: Universal Values**

As research entities deeply connected to the university (whose members were trained within university walls,) think tanks have helped to translate knowledge from the university into public policy. For example, “in the past 25 years, the Chinese People's Public Security University and Number Four Public Security Research Institute have helped to spotlight and analyze emerging, or in many cases historically reemerging, social order threats that were once considered completely taboo.”<sup>171</sup> These have all been examples of the percolation model taking successful practices from small, localized

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<sup>171</sup> Brookings, “Think Tanks in China,” 13.

government experiments and expanding them to other localities through a slow process of ideational transmission.

The combination of China's repressive political system, (with its lack of opposition parties, trade unions, or public disagreement between politicians), and state media (designed to buttress social control rather than ensure political accountability,) amplifies the power of Chinese intellectuals to set the agenda of political debate. While one could easily debate whether it is intellectuals who influence decision-makers, or if rather groups of decision-makers who use chosen intellectuals to strengthen the credibility of their views, the fact remains that intellectuals from elite social science and law departments are regularly asked to i) brief the politburo in "study sessions," and ii) prepare reports on which the Party's five-year plans tend to be based.

In this capacity, they can and often do define policy reforms taken by the regime. This chapter relays some anecdotal examples of this occurring in both the economic and political arenas of CCP governance, and pinpoints some of the central features of the ongoing debates in these elite, politically oriented university departments that are just beginning to shape political reforms.<sup>172</sup>

Very recently in the past few years, for example, the term "universal values," or *pushi jiazhi* (普世价值) has entered the Chinese political debate. While, in contrast to the Western conception of political rights which, as articulated in the American Declaration of Independence are considered to be "G-d given" to each individual, the Chinese have traditionally viewed rights as handed down from the ruler, or government, to the people, modern Chinese no longer seem convinced. As Qin Xiao, the chairman of a state-owned bank, told 2000 people at Tsinghua University earlier this year, "universal values tell us that government serves the people, that assets belong to the people and that urbanization is for the sake of people's happiness." In contrast, he continued,

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<sup>172</sup> Leonard.

“supporters of the ‘China model’...believe the opposite: that people should obey the government, the state should control assets and the interests of individuals are subordinate to those of local development”<sup>173</sup>

While the CCP argues that ‘universal values’ are simply Western values and their proponents are seeking to westernize China, many influential Chinese intellectuals are taking a middle ground and actively seeking new mechanisms of governance to ensure government responsiveness and accountability in other ways.<sup>174</sup>

As the possibilities for critical evaluations of governance expand within the university, so has the dynamism of ideological debate.<sup>175</sup> *The Economist* reports that the “philosophical question of whether universal values exist” has “been smoldering in China for the past two years,” and “has turned into a political fight, dividing scholars, the media, and even, some analysts believe, China’s leaders.”<sup>176</sup> Liberal intellectuals sympathetic to the cause of democracy and “universal values” clash with conservative fears that embracing universal values would risk political chaos and acknowledging the superiority of western political systems.<sup>177</sup> If the proposed relationship between university scholarship and political outcomes is true, the future direction of Chinese reforms may be deeply affected by how this debate unfolds. If current trends in

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<sup>173</sup> “The debate over universal values” *The Economist*, October 2<sup>nd</sup> 2010.

<sup>174</sup> Some of these new techniques include those developed by Pan Wei and Fang Ning based off of James Fishkin’s idea of “deliberative polling.” See Leonard, Mark, “China’s New Intelligentsia” Prospect, March 28, 2008; To understand the Chinese government position on “universal values,” see their reaction to recent award of the Nobel Peace Prize to Liu Xiaobo. This is seen as an attempt by the west to interfere in China’s domestic affairs and seek to westernize it.

<sup>175</sup> See Leonard, 2008; Fogel, 2010

<sup>176</sup> “The debate over universal values” *The Economist*, October 2<sup>nd</sup> 2010

<sup>177</sup> The Charter 08 manifesto, written in part by recent Nobel Peace Prize winner Liu Xiaobo, demanded that the CCP dismantle its authoritarian system and recognize universal values by “joining the mainstream of civilization and setting up a democracy.”

scholarship are any indication, it is likely that an alternative system of accountability will develop as a middle ground between these two political philosophies on the relationship of the individual to the state.<sup>178</sup>

## **7.2: The “New Right” and The “New Left”**

Since the inauguration of the “11<sup>th</sup> Five Year Plan” under Hu Jintao and Wen Jiabao at the end of 2005, the intellectual balance of power in Beijing has subtly drifted to the left. Like in all political communities, there are ideological divides among Chinese policy-makers. On the one hand, the “new right,” which gained true prominence during the 1980s into the 1990s, and which envisions a more laissez-faire political economic approach, favors continuing to stimulate economic growth and trust in the market’s trickle down effect to spread wealth across society. On the other, the “new left,” a more recent product of China’s new-found relative affluence, suggests the need for social policies to distribute wealth more equally. Among this second group is Wang Hui, who teaches at the prestigious Tsinghua University in Beijing and developed many of his political ideas while in the United States in the aftermath of the 1989 Tiananmen crackdown. Wang worries a great deal about China’s social inequality and spends much of his time advocating for better social redistribution by writing reports on local corruption and helping workers organize. It is his view that “China is caught between the two extremes of misguided socialism and crony capitalism, and suffering from the worst elements of both.” Thus, while orienting the country towards market reforms, “China’s development must be more balanced.” While it is unclear which side will win these ideological intellectual debates, the “new left” seems to be gaining ground.

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<sup>178</sup> Yang.



Within the new left agenda, for example, is a plan to develop a Chinese variant of ‘social democracy.’<sup>179</sup> Its influence is reflected to a certain degree in the 11<sup>th</sup> Plan’s vision of “harmonious society” –which, for the first time since the start of the reform era talked about introducing a welfare state with promises of a 20 percent per year-on-year increase in the funds available for pensions, unemployment benefits, health insurance and maternity leave. For rural Chinese, the plan promised an end to arbitrary taxes and improved health and education. The plan also pledged to address environmental concerns by reducing energy consumption 20 percent.

Another interesting feature of Chinese intellectual political debates are the various reformulations of the notion of “democracy” pushed for by reformers since the 1980s and 1990s to present.<sup>180</sup> Just as Zhang Weiyong’s 1984 idea for “dual-track pricing” became the fundamental policy behind CCP economic reforms, Yu Keping has developed models for the gradual implementation of political reforms.

Yu, who runs an institute that is “part university, part think tank, part management consultancy for government reform,” is a close informal adviser to President Hu Jintao. It is his belief that implementing overnight political reform in China would be akin to economic “shock therapy” for its disruptiveness, and yet he is a staunch believer in democracy. In a similar vein as the gradualism reflected in Zhang’s “dual-track pricing,” Yu has promoted the idea of democracy gradually taking root in Chinese society based on two parallel, simultaneous processes: i) democracy at the grassroots level gradually working its way up through percolation of successful experiments, and ii) democratic structures that would, develop first within the party’s

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<sup>179</sup> Leonard, Mark, “China’s New Intelligentsia” *Prospect*, Issue 144, March 28, 2008.

<sup>180</sup> Notably, these are no longer the imprecise sweeping ideals of the sort imagined by students in Tiananmen Square, twenty-two years ago.

internal structure and then spread gradually to the rest of society as norms become better institutionalized.<sup>181</sup>

Whatever one believes about the likelihood of such a model being successful, the influence of Yu's ideas among high-level policy-making is undeniable. Cheng Li has written about the extent to which the Chinese Party and state-run media have begun to use the term "intra-Party democracy," or *dangnei minzhu* (党内民主) in recent years, as a form of institutionalized checks and balances within the CCP. In September 2009, the Fourth Plenary Session of the 17<sup>th</sup> Central Committee of the CCP called for institutional changes such as promoting democracy within the Party and intensifying the anticorruption drive within the leadership. "According to the directives adopted at the meeting, many problems internal to the Party are 'exacerbated by new domestic circumstances and 'are severely weakening the Party's creativity, unity and effectiveness in dealing with these problems.' Therefore, careful management of the Party 'has never been so arduous and urgent.' The directives particularly stress the importance of intra-Party democracy, describing it as the 'lifblood of the Party' (*dang de shengming*, 党的生命)." )"

In the West, meanwhile, the concept of "intra-Party democracy" is usually brushed off as "little more than expedient Chinese political rhetoric." Multi-party competition is, in the minds of most Western observers, a bedrock feature of democracy and the Chinese leadership shows little inclination to move in that direction. Yet, especially in the context of China's recent institutional history and weak ideational flows through which to even learn the intricacies of such institutional designs, it seems one ought to agree with him that "democracy is a continuous historical process and a matter

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<sup>181</sup> Similarly to how coastal regions were allowed to "get rich first," under Deng Xiaoping's initial design for economic reforms, Yu thinks that Party members, having been preselected for education, should "get democracy first" by having internal party elections. See Leonard.

of degree,” and so “democratic political institutions may vary greatly from place to place and across time.”<sup>182</sup> Leonard reflected that these nascent institutional hybrids may have some future, since “it is possible to imagine informal new left and new right groupings one day even becoming formal parties within the party. If the Communist Party were a country, its 70 million members would make it bigger than Britain.”<sup>183</sup>

## Conclusion

In thirty-some years, the Chinese higher education system has been transformed, from literally non-existence in 1977, to the largest higher education system in the world in 2011. What is more, the bulk of this change has taken place only in the last ten years. China is now home to 98.3 million college graduates, and the government is determined to grow that number to 195 million by 2020. China’s 2010 Talent Plan is evidence that the Party believes its future is tied to the academic quality of its higher educational institutions. The CCP is emphasizing higher education as a qualification for leadership at the same time as Chinese universities are becoming increasingly integrated with the international market, and are growing in sophistication, having tried to conform to international standards of academic inquiry. Not only are Chinese universities becoming increasingly international, but Chinese students are studying abroad in unprecedented numbers.

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<sup>182</sup> Li, Cheng, ed, *Changing Political Landscape: Prospects for Democracy*, (Washington DC: The Brookings Institute, 2008), 7.

<sup>183</sup> Leonard.

When the CCP developed its strategy for massive expansion in the higher education system, few people could have foreseen the changes that would take place. CCP leaders implemented the changes to higher education policies they thought were necessary to maintaining political legitimacy after the disasters of the late Mao years. By the 1990s, reform had had so many unintended consequences across the political economy that the need to cope with these growing complexities increasingly drove policy forward. CCP leaders have come to rely increasingly on experts from universities and think tanks in China to develop and shape their policies. CCP leaders themselves are more highly educated than ever before. The Party understands the importance of having accurate information and expert opinion in formulating successful public policy and is now relying more and more upon input from the educational elite.

The Chinese political system remains a work-in-progress, and the structure of its institutions of governance are still being worked out. While co-opting the universities and think tanks has proven beneficial to the CCP in legitimizing its power, in governing the country and achieving unprecedented economic growth, the increasing influence of the intellectual elite is bound to have unintended consequences. Education once attained cannot be taken away from an individual. Members of the elite universities and think tanks have been given increasing academic freedom and engage routinely in creative, critical thinking. It is likely that this may have liberalization implications for China's political regime. Also the growing educated middle class is likely to push for great political freedom. The increasing internationalization of Chinese universities and increased study abroad by Chinese students has created ideational flow of Western political ideas that are interacting with Chinese cultural norms. This is likely to create new political institutions that may be a hybrid of Western and Eastern traditions. As the current younger generation of future leaders continues to emerge on the political

scene and China's nascent higher education system continues to mature, they will likely create a new force for the Party to reckon with.

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## **APPENDIX:**

### **Appendix 1: Higher Institutions and Students in China, 1978-2000**

QuickTime™ and a  
decompressor  
are needed to see this picture.

## Appendix 2: New Enrollment by Field of Study for 2001 and 2007 (%)

QuickTime™ and a  
decompressor  
are needed to see this picture.

### **Appendix 3: Chinese Students Returned to China from Study-Abroad**

QuickTime™ and a decompressor are needed to see this picture.

## Appendix 4: Top Tier Universities in China Supported by the 985 Project

QuickTime™ and a  
decompressor  
are needed to see this picture.

**Appendix 5: Ranks of Universities in China Among Universities in the World**

<b>School Name</b>	<b>SJTU rankings (Shanghai Jiaotong University)</b>		<b>Times ranking (top 200)</b>		<b>Webometrics ranking</b>	
	2008	2004	2008	2004	2008	2004
Peking University	201-302	202-301	50	17	112	120
Nanjing University	201-302	-	143	192	-	-
Shanghai Jiaotong University	201-302	-	144	-	285	-
Tsinghua University	201-302	202-301	56	61	238	270
University of S&T of China	201-302	-	141	154	-	-



\*Information from: Li, Haizheng, "Higher Education in China: Complement or Competition to US Universities?" in Clotfelter, Charles, ed. *American Universities in a Global Market*, National Bureau of Economic Research, (Chicago: Chicago University Press, 2010), 269-304.

**\*\*Appendix 1, 2, 3 and 4 all taken from: Li, Haizheng, "Higher Education in China: Complement or Competition to US Universities?" in Clotfelter, Charles, ed. *American Universities in a Global Market*, National Bureau of Economic Research**

## **Appendix 6: Case Study of Successful Reforms in Zeguo Township, Wenling City, Zhejiang Province**

This political experiment was designed by American Political Scientist James Fishkin, and implemented in collaboration with Chinese political scientists He Baogang.<sup>184</sup>

Wenling city, in which Zeguo township is located, had begun toying with "democratic discussions" in 1999 as an attempt to bolster the Party's authority. Leaders who were trying to get a political education campaign under way were having trouble getting people to show up, so they switched tactics and began offering "dialogues" in which residents could exchange ideas with their leaders, instead of simply being lectured to. Mu Yifei, deputy director of Wenling's Publicity Bureau explained to Times Asia Magazine that "we propaganda officials aren't in the democracy business...but slowly this idea caught on. The people and the leaders started to value each others input." When Jiang Zhaohua, the Communist Party secretary for Zeguo township in Wenling city, met Fishkin at a conference in Hangzhou in November 2004, he was looking for a way to decide on which public works projects to spend funds while avoiding "the headache of having to guess at what people want," or any perception that he may have chosen certain projects because of kickbacks.<sup>185</sup> Intrigued by Fishkin's technique of "deliberative polling" to better incorporate public opinion into the policy making process after detailed consultations of the pros and cons of particular decisions, Jiang agreed to allow Fishkin to test his model's applicability in China in hopes of getting a "scientific reading" of Zeguo's preferences.<sup>186</sup> When Jiang announced the experiment to Zeguo township of 110,000 people who would begin to experiment with deliberative polling to allow citizens'

<sup>184</sup> Fishkin, who teaches at Stanford University received his B.A. from Yale in 1970 and holds a Ph.D. in Political Science from Yale as well as a second Ph.D. in Philosophy from Cambridge.<sup>184</sup> In 1988, when he developed "Deliberative Polling" a social science experiment designed to better incorporate public opinion and consultation into the policy making process, it is unlikely anyone in the CCP leadership noticed or cared. And yet in 2005, Fishkin became party to an unintended consequence of higher education reforms.

<sup>185</sup> Born in 1963, Jiang is fairly young for a local leader and has a degree in philosophy.

<sup>186</sup> James Susan, "Dabbling in Democracy: No one knew what to expect when a Chinese town tried listening to its people" *Time Asia Magazine*, Saturday April 2, 2005.

preferences to determine, how public funds would be spent, Jiang peppered his speech with references to Rousseau, Voltaire and Montesquieu.<sup>187</sup> Yet his reasons for implementing deliberative polling in Zeguo were not ideological so much as practical.

When Jiang invited Fishkin to attempt deliberative democracy polling in 2005, he was building on this momentum of successful governance strategy. The difference made by such practices is stark: On April 10, 2005, one day after Jiang invited 257 randomly selected residents of Zeguo township to convene at a schoolhouse and decide which of thirty possible government-proposed infrastructure projects to fund, thousands of citizens in the neighboring township of Huaxi rioted over chemical plants they claimed were polluting the town.

Huaxi is only 100 km away from Zeguo, and yet a local schoolteacher told Time Asia Magazine “that kind of thing doesn’t happen in Zeguo...here the people and the leaders don’t feel so far away from each other.” Commenting on the nature of state-society relations under different models of decision-making, Jiang explained candidly that “out original manner was the government deciding everything, only announcing the results afterward to the people...we never got to know the public’s opinion. It was 20 people sitting in a room who decided everything.” Now he wants to train local cadres in data analysis so that he can hold more polls and benefit from the informational utility of public deliberation.

There are practical benefits for such decision-making methods. Unrest has been rising in China as lack of transparency, widespread corruption and abuses of power have enraged newly empowered Chinese residents. Even in the countryside, rural Chinese have begun networking through cell phones and Internet to assert themselves through public protest. Where leadership is less adaptive, such as in Dongyang, a city a few hours’ drive from Zeguo, an estimated 30,000 villagers fought off more than 1,000 riot policemen in 2005, after local officials simply handed 163 acres of land to 13 private and state-owned chemical plants. In the process, they smashed government cars and 40 government cars, and sent as many as 30 policemen to the hospital. Many people were injured, and the plants idled. A few months later in Dingzhou city of Hebei province, a similar dispute over land use sparked an attack on village residents as up to 300 thugs attempted to forcefully remove villagers who refused to make way for a new power plant. Twenty-two people were arrested, six farmers were killed, and fifty-one people were wounded in the process. The democratic type input obtained from the citizens of Zeguo is a far more effective alternative.<sup>188</sup>

Howard French, who reported on the Zeguo experiments for the New York Times, observed that, “if unique in form, Zeguo’s experiment takes place against a backdrop of a broad effervescence of democratic ideas bubbling up into local politics all over China. By one estimate, there will be 300,000 village committee elections in China’s 18 provinces this year alone. In many areas, officials are making efforts to involve ordinary local people in decision making.” While the state of inequality in China makes it an unlikely cite for democracy, it seems some incentives for political adjustment towards greater degrees of public representation may be emerging.

As Li Fan, director of the World and China Institute, a nongovernmental institute in Beijing that studies electoral reform observed, “the experiments taking place here and there are very meaningful, because China’s economic reforms began the same way. The

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<sup>187</sup> French, Howard W. “China’s New Frontiers: Tests of Democracy and Dissent” The New York Times, June 19, 2005.

<sup>188</sup> At this point, it should be said that other democratic experiments, such as that in Sichuan province have been less successful, and, in fact, in 2008, Sichuan was the place with the highest number of mass protests in China.

central government didn't know how to carry them out, so it relied on local governments." Of course, the process is nowhere near complete –and there is no guarantee it will ever reach its true potential. Mr. Li was careful to point out that the most important breakthroughs would not come until the assemblies, known as people's congresses, that already exist at local, provincial and national levels, were given real say, instead of meeting one day a year, as is typical, to endorse the government's decisions. While "the Communist Party doesn't want this, because they are afraid the congresses will criticize the government," most of the changes in governance at the local level over the past ten years would have been similarly unpredictable. The Chinese state is in the process of great flux that brings political change whether the CCP would like it to or not—the existence of so many unpredictable variables, however, makes the directionality of these changes unknowable.<sup>189</sup>

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<sup>189</sup> See Fishkin, James, Baogang He, Robert C. Luskin and Alice Siu, "Deliberative Democracy in an Unlikely Place: Deliberative Polling in China" Cambridge University Press, 2010.