



POVERTY ALLEVIATION IS THE BEST STORY TO DISRUPT STEREOTYPES ABOUT CHINA

The 20th CPC National Congress will set the agenda for the ensuing five years. It will also draft the roadmap for the next 13 years to 2035 and sharpen the vision for 2049

By Xu Hao, Zuo Lin



Students of Yudong Primary School in Du'an Yao Autonomous County, Guangxi Zhuang Autonomous Region, on their brand-new campus, October 10, 2016. (HUANG XIAOBANG)

The 20th National Congress of the Communist Party of China (CPC) will be held in Beijing on October 16, 2022. The international situation is going through profound and complex changes and the world has entered a new period of turbulence. This congress, which is of great significance to China's future development, has attracted widespread attention. Before the congress, *China Report ASEAN* interviewed Robert Lawrence Kuhn, an international corporate strategist, investment banker, and chairman of The Kuhn Foundation, who was awarded the China Reform Friendship Medal.

China Report ASEAN: As an expert on China, what do you think of China's economic and social development in the past 10 years?

Robert Lawrence Kuhn: China has become the world's second largest economy, second largest consumer market, largest manufacturing country, largest country in goods trade, and largest in foreign exchange reserves. China's GDP more than doubled from about 54 trillion yuan in 2012 to over 114 trillion yuan in 2021, and its proportion of the world economy increased from 11.4 percent to more than 18 percent. The per capita GDP has increased from US\$6,300 to US\$12,500.

When China celebrated the 40th anniversary of reform and opening-up in December 2018, I was about to celebrate the 30th anniversary of my first coming to China in January 1989. I was hooked from the moment I arrived. I knew then that China's economics, politics, diplomacy, and culture would soon come to

matter a great deal to the world. What I didn't know then was how much China would come to matter to me.

I have been in China for more than 30 years; I have been telling China's story to the world in various forms — and although China has many achievements, and there have been numerous stories to tell, none has been as representative of the real China, and none has been so powerful in impact, as China's commitment to eradicate all extreme poverty in the country and China's systematic implementation that made it happen by the end of 2020. (This is not to say that all relative poverty has been eliminated, of course; there are still very large disparities between different sectors of society, especially between urban and rural areas — a recognized reality that now motivates China's multi-decade commitment to rural vitalization and common prosperity.)

I have found that China's poverty alleviation program is the best story to undermine biases and disrupt stereotypes about China. A good part of the reason is that foreigners had very limited knowledge of China's poverty alleviation commitment and campaign — how it really worked.

Over the past 30 years, intensely over the past 15 years, I have traveled across China, visiting over 100 cities (and innumerable counties, townships, and villages), with my long-term partner, Adam Zhu, for research, investigations, interviews, books and essays, television and documentary productions.

Yet, after all that, as much as I thought I knew China, I did not appreciate all that is required for poverty alleviation until I started going on-location in poor regions, especially in remote mountainous villages.

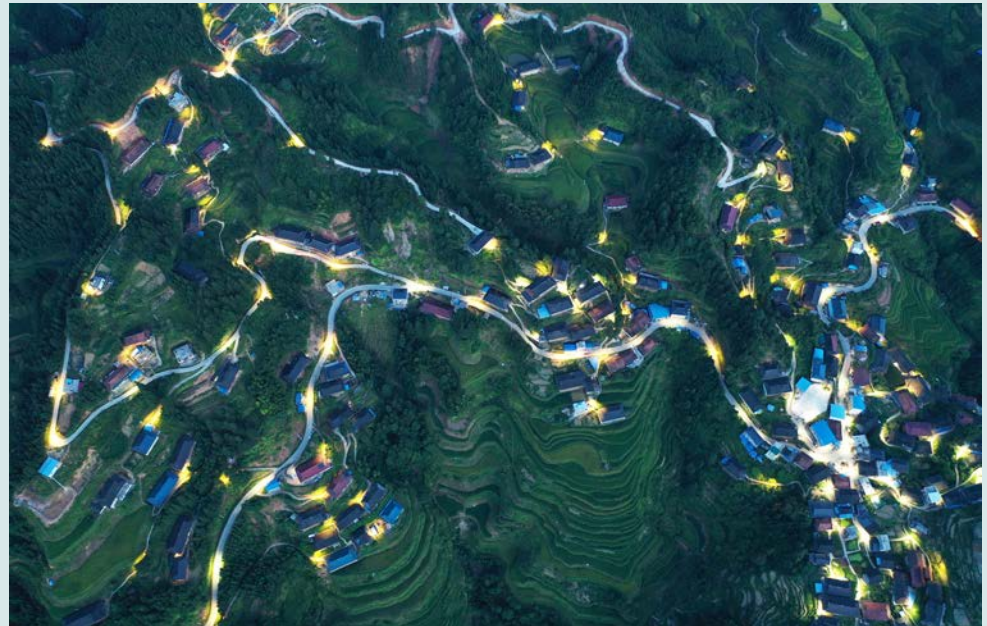
I had the opportunity to speak with poor villagers and hear their stories: those who had come out of poverty through microbusinesses; those who had relocated to suburban areas (and those who, though still in extreme poverty, still refused to move from their ancestral lands); and those who, ill or infirm, needed social security support. I came to feel, vicariously, as if I had been part of their families and had made the poverty-alleviation journey with them.

To me, one of the probative insights into why and how China has contained, and will continue to contain, the coronavirus pandemic is the remarkable parallelism between China's war on poverty and China's war on the novel coronavirus. The structural similarities are striking.

Consider three powerful parallel factors: CPC leadership; CPC General Secretary Xi Jinping's commitment; CPC mobilization.

First is the operational leadership of the CPC. Not just giving directives and pronouncements but actually implementing programs and projects through the CPC organizational structure – central government and five levels of local government (provincial, municipal, county, township, and village). The five levels are run directly by Party secretaries and I followed their work on poverty alleviation, tracked each Party secretary's specific domains of responsibility as well as how their collective work articulated together. All these Party secretaries took poverty alleviation to be their most important task — and I have been around China long enough to know that they weren't putting on a show for me; they couldn't fake it, and they didn't.

Second, the commitment of CPC General Secretary Xi, who by voicing his personal leadership repeatedly, by allocating his



personal time overtly, and by making poverty alleviation an emblem of his leadership, set an example that leaders and officials at all levels had to follow. Almost everywhere Xi went, he stressed poverty alleviation and encouraged Party cadres to visit impoverished areas regularly and interact with local people directly.

Since the 18th CPC National Congress in late 2012, CPC General Secretary Xi has visited scores of poverty-stricken villages and households. Between 2015 and 2020, Xi convened seven special conferences on winning the battle against poverty — including in Yan'an, Guiyang, Yinchuan, Taiyuan, Chengdu, and Chongqing — each time centered around a theme, analyzing problems, researching strategies, and deploying new programs.

Third, the mobilization capacity of the CPC, able to command the country's resources in personnel and materials, enables rapid allocation decisions for

national campaigns and crisis management. For example, during the pandemic, "sister" relationships were assigned between strong provinces and specific cities in Hubei, a strategy long employed in poverty alleviation between eastern and western provinces and cities.

China Report ASEAN: The CPC will convene its 20th National Congress this October. What do you think of the National Congress of the CPC?

Kuhn: How is China preparing for the 20th National Congress of the CPC, the most important event in China's political calendar? To begin, one must appreciate the so-called "Two Establishments" — establishing Comrade Xi Jinping's core position in the CPC Central Committee and in the whole of the Party, and establishing the guiding role of Xi's political theory — both of which were formally proposed by the "Historical Resolution" issued in late 2021.

Since the 19th CPC National Congress in 2017, Xi's political

☒ Solar street lamps in Dangjiu Village of Rongshui Miao Autonomous County, Guangxi Zhuang Autonomous Region, illuminate not only the remote mountainous area but also paths to rural revitalization. (HUANG XIAOBANG)

theory is known as “Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era”, a long phrase with each word carrying weight of meaning. Since then, “Xi Jinping Thought on...” has been expanded and applied to the economy, rule of law, ecology, strengthening the military, and diplomacy. In five Deep Message commentaries, I address each of these areas, seeking to discern its distinguishing characteristics. This background will enable a close reading of the political proclamations at the upcoming CPC Congress.

CPC National Congresses, held every five years, normally set the agenda for the ensuing five years. The significance of the 20th CPC National Congress is not only will it set the agenda for the ensuing five years (2023-2027), it will also draft the roadmap for the next 13 years to 2035 and sharpen the vision for 2049, the 100th anniversary of the founding of the People’s Republic of China, when the great rejuvenation of the Chinese nation is expected to be realized. Thus, the 20th CPC National Congress is axial to China’s New Era. Its ideological foundation will likely be Xi Jinping Thought.

China Report ASEAN: Based on your research on the CPC’s governance model, how do you think China will develop in the next 10 years?

Kuhn: China’s governance model is based on the concept of political meritocracy. A meritocracy, broadly speaking — a political meritocracy like an economic meritocracy or an academic meritocracy — optimizes outputs and results, which, over time, brings incremental benefit to all of society.

It still mystifies foreigners that the CPC has brought about China’s dramatic development,

lifting hundreds of millions out of poverty and rejuvenating the nation as a global power. A partial solution to this “mystery” is the quality of Party personnel.

China has a long history of recruiting its best and brightest into public service, a sophisticated process that the CPC has adapted for contemporary times. Not well known outside of China, the CPC’s Organization Department is responsible for selecting, training, monitoring, assessing and promoting Party and government officials — and when necessary, for demoting or firing them.

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The process is rigorous, quantitative and continuous — with increasing transparency and broad-based participation. Training is intense and career-long. Rules of work style and personal behavior are firmer. An eight-point regulation rejects extravagance and reduces bureaucratic visits, meetings and ‘empty talk’. A training campaign stresses strictness in morals, power and

self-discipline, and honesty in decisions, business and behavior. For over 33 years I’ve been meeting Chinese officials at all levels, and, in general, Chinese officials are some of the most competent administrators anywhere.

There are challenges, of course. With all its advantages of rapid decision-making and continuity, a system that does not have open and competitive multi-party elections has greater challenges in preventing the formation of internal cliques and factions that trade favors within small circles for personal gain, thereby energizing corruption and undermining political meritocracy.

CPC leadership is aware of these problems, which is the purpose of the CPC Central Commission for Discipline Inspection and the National Supervisory Commission.

China Report ASEAN: You have studied China for more than 30 years. What is your biggest takeaway after watching the CPC and China over the past decade?

Kuhn: All political systems have trade-offs. The benefits of a one-party leadership system are that policies that need long-term commitment have long-term commitment. A classic example is the poverty alleviation campaign to eliminate all extreme poverty championed by President Xi Jinping over the roughly eight years from when he took office in late 2012 to its successful conclusion at the end of 2020. Other examples include: the South-North Water Diversification Project (a multi-decade commitment that is called one of the most ambitious and expensive engineering projects in human history); healthcare reform, including insurance coverage for almost the entire population; the Great Western Development Strategy; and China’s Space Program involving manned missions, space station, and sending landers to the Moon and Mars.

The latest and perhaps most socially transformative vision that President Xi has put forth is to achieve “Common Prosperity” by 2049, New China’s 100th anniversary. Common Prosperity, an overarching, three-decade program that requires long-term commitment, and due to continuing CPC leadership, has long-term commitment.

Perhaps my sense of the CPC’s greatest achievement over the past 10 years has been the eradication of all extreme poverty in China, some 800 million people over four decades or so,

and the final 100 million of the intractably poor over the past 10 years, via President Xi Jinping's "Targeted Poverty Alleviation Campaign".

Although all developing countries have different conditions and cultures, China's extraordinary poverty alleviation experience and success can play an important part in helping them. Among developing countries, only China has achieved rapid development and large-scale poverty reduction, with the poor sharing some of the fruits of reform and opening up over the four decades and with the intractably poor finally brought out of poverty. For good reason, China's poverty alleviation accomplishments have been called a developmental miracle.

When China eradicated all extreme poverty at the end of 2020, China achieved the poverty reduction goal of the United Nations 2030 Agenda for Sustainable Development 10 years ahead of schedule. No other country has brought so many people out of poverty, and did so in such a short period of time. China asserts that these historic achievements validate the country's socialist political system, which means the continuing leadership of the CPC.

What can the world learn from China's success in poverty alleviation? Principles and guidelines. Certainly, China is committed to sharing its poverty-reduction experience with the world community, especially with the poorest nations — strategy, structure, programs, systems, insights, checks and balances — all aspects.

But first, a caveat. Each country is different. Each country has its own history and culture; the natures of different peoples are indeed different. One cannot take programs from one country and impose them wholly, without adaptation, on

another country.

However, the principles are what are important. And China's principles of poverty alleviation are clear: "targeted" poverty alleviation employs specific measures to fit specific circumstances and needs, and a clear organizational structure to implement those measures, monitor them, and check them.

Nonetheless, to me, what is even clearer is this. For a country to succeed in poverty alleviation, the number one criterion is that the leader of the country must make an absolute and resolute commitment to accomplish it. Nothing less will work well.

Bottom line, though, what all countries should recognize in the fight against poverty is the critical importance of motivating officials to make poverty alleviation a priority in the hierarchy of values in their work. This can come only from the top down. This is a big lesson that China offers to the world.

China Report ASEAN: When the Western society talks about the CPC and China, it often deploys the term "one-party dictatorship". What do you think of that description?

Kuhn: First, I deem it important to understand what China means by "Whole Process People's Democracy" — a mysterious phrase to Westerners, who assume that China's political system, which has neither multiple parties nor general elections, can be in no way democratic.

Party theorists describe Whole-Process People's Democracy as a full-chain, omni-directional, and full-covered democracy, embedding process democracy and outcome democracy, procedural democracy and substantive democracy, and direct and indirect democracy. They stress that people's democracy and the

will of the state are united. Much of this is aspirational, which itself is a very good thing.

That's the theory, but what's the practice? The Party's call is to expand the orderly political participation of the people, strengthen the protection of human rights and the rule of law, and ensure that the people enjoy extensive rights and freedoms in accordance with the law. This includes the people exercising the right to vote and democratically elect representatives to the people's congresses, and ensuring that the people know, participate, express, and supervise the

work of the people's congresses.

Democracy in the Party-led system involves absorbing public opinion via feedback mechanisms, such as polling to discern what people think, for example about proposed new policies — a process that the Party calls "pooling people's wisdom."

Moreover, the work reports of Party leadership at

Party congresses, held every five years, and the work reports of the government at the National People's Congress, given every year, reflect a great deal of input and suggestions from all relevant officials, experts and constituencies. These work reports are not just what top leadership puts forth for form and ceremony. These axial documents are drafted by diverse teams, with comments and opinions solicited from numerous officials and experts; the documents circulate iteratively many times during the six to eight months or more of the drafting period.

"Targeted" poverty alleviation employs specific measures to fit specific circumstances and needs, and a clear organizational structure to implement those measures, monitor them, and check them.



📷 Villagers work on the production line of an electronics factory in Kangde County, Gansu Province, on February 8, 2022. (SHI YUdong)

My friends in China ask: Why does the world misunderstand the Party? The problem, I argue, is partly semantics — because the English word “party” connotes, in democratic political systems, a political party that competes in free and open multi-party elections, such that when a ruling party does not compete in free and open multi-party elections, that political system is deemed not democratic.

This portrait misrepresents the Chinese system, which is founded on a different principle, where the Party is the ruling organization, not a competing political party — it is a dedicated elite from all sectors of society, consisting of less than 7 percent of the population but tasked to represent 100 percent of the population.

Thus, the Party, as the ruling organization, is not the equivalent of a ruling political party in Western systems, where political parties represent only a certain group of voters and are time-constrained by election cycles. For this reason, the Chinese Party, the CPC, has a higher and broader obligation to enhance the living standards

and personal well-being of all Chinese citizens. This includes reforms, rule of law, transparency in government, public participation in governance, increasing democracy, and various freedoms (including expression), and human rights. These are real challenges.

China Report ASEAN: What do you think will be the greatest challenges the CPC will face in the future and how should it deal with them?

Kuhn: China is the world's second largest market and it will likely become the largest. It has been said that no major international company can afford not to be in the China market. While this continues to be true, no one can deny the increasing difficulties and uncertainties of the past several years. A slowing economy, stringent Covid control measures, real estate and financial worries, international tensions, nationalistic threats against foreign companies — all have taken their toll on foreign companies willing to invest in China.

Yet, China's leadership recognizes and appreciates

that China needs foreign companies operating profitably in China, both for competitive pressures that drive productivity and technological progress that stimulates indigenous innovation. Thus, certain foreign companies, with the right products or technologies, that are willing to think and act boldly can have the support of the Chinese government and access to this huge market.

The primary characteristic of the system of socialism with Chinese characteristics is the perennial leadership of the CPC. No doubt that such a one-party-ruling system can achieve certain kinds of major national projects such as poverty alleviation, pandemic control, and certain industrial policies. Of course, this is not the only measure of a system, which is why continuing and continuous reform is needed.

For the world to understand China, it must understand why the CPC asserts that its continuous governing leadership is optimum for China's development. But for the CPC to retain its ruling status, it has a higher obligation to govern itself properly, maintain highest standards of rectitude and probity. President Xi sets the high standard for the Party: governed by rules and procedures that are standardized, supervised, and open to oversight.

Anti-corruption, of course, is the centerpiece of the Party's self-revolution. Xi called for perseverance and severity in fighting corruption. Xi's solution is a system that checks the exercise of power, grants oversight powers to the people, and makes the exercise of power more transparent and institutionalized. CPC self-revolution, embedding tough internal checks-and-balances, is a relentless process that can never stop. ■