

CPC helps build confident nation

Greater freedoms in people's personal and social lives are most important accomplishment of the Communist Party of China

As the Communist Party of China (CPC) prepares to celebrate its 90th anniversary on July 1, Robert Lawrence Kuhn, an international investment banker and corporate strategist, offers his views on the Party's most significant achievements, particularly since it embarked on the policy of reform and opening-up in the late 1970s. Kuhn is the author or editor of more than 25 books, including *The Man Who Changed China: The Life and Legacy of Jiang Zemin and How China's Leaders Think: The Inside Story of China's Past, Current and Future Leaders*. He is a long-time advisor to the Chinese government and advises multinational corporations on their China strategies.

Q: Given your many meetings and contacts with CPC members, how would you describe a typical Party member?

A: During my more than 22 years coming to China — I have been to China over 100 times — I have been fortunate to meet CPC members in all walks of life and in all areas of the country. Although I do not like generalizing about any human beings, all of whom are individuals, I can say that CPC members have roles in Chinese society of greater responsibility and that they generally take these roles seriously. There is great diversity, both in professional competence and in personal morality. They have a heightened sense of Chinese patriotism, which energizes their contributions to society, but which, on occasion, can become aggressive and counterproductive. In today's China, many are motivated by ambition to achieve, and in a knowledge-based, market-driven, competitive world, this is a good thing for China.

There are obvious abuses, particularly corruption and unethical behavior, but the fault is not the ambition, the market or the competitive will to achieve. The fault is personal, and society needs to do more to instill the highest standards of behavior — without harming proper ambition. Among the CPC's senior leaders, many of whom I have been privileged to know personally, there is great concern to enact policies in the best interests of the people, while recognizing that due to the complex machinations and interactions in contemporary society, there are often competing policies that must be optimized, one against the other. CPC leaders today seek policies that increase the standard of living and general well-being of the Chinese people, irrespective of this or that ideology.

The "China model" has attracted a great deal of attention and has been the subject of much debate. What do you think is the CPC's most successful experience in leading the Chinese people to achieve enormous economic growth?

There is no doubt that the more than 30 years of reform and opening-up which began in 1978 is one of the most remarkable transformations of a country in human history. The CPC's great innovation, pioneered by Deng Xiaoping, was to focus on practice more than on theory, which changed the character and contributions of the CPC. Although reform and opening-up is often said as a single stock phrase, I believe that opening-up was the real key to China's success, because it gave the Chinese people a sudden, uncolored view of the real world, so that they were finally able to learn the best international practices and processes while keeping Chinese distinctiveness and culture. Such opening-up has been promoted by the enlightened CPC leadership. Reform, on the other hand, has often begun at the grassroots level and put into "gray" practice, and it was only after a reform has been working in society that the CPC leadership recognizes the reform's success and makes it official policy.

What do you think is the biggest challenge facing the CPC? What's the cause of it and how can it be tackled?

Challenges can be classified broadly as economic or political.

Economically, the challenge is to keep the country's GDP growing briskly and steadily while reducing the great imbalances in society, between urban and rural, coastal and inland. To accomplish this, productivity is the key. Without increasing efficiencies in all areas of production and consumption — from industrial output to consumer utilization, even including new knowledge creation — all of which is based on intelligence and investment, China will be mortgaging the future while improving the present. The great challenge for China's leaders is to enhance the standards of living of underdeveloped sectors of society without restraining or unintentionally undermining national productivity. The key here is innovation, driven by science and technology. The fact that most CPC senior leaders are scientifically literate is a vital, if underappreciated factor, in China's continuing economic success.

I suggest policies that have a high, rapid impact on poorer citizens, such as electronic education for children, efficient modern health-care, and access to media and entertainment.

Politically, I believe that at least for the moment China should continue with its one-party CPC rule, provided, of course, that the CPC remains true to its policies of the past 30 years, continues to put the people's welfare first, and works to institute careful political reform. For saying this, I am, as you would expect, criticized in the West. But what I also say is that because the CPC has a monopoly on power, it has a greater burden to institute reforms and to promote a democratic and prosperous society. Transparency in governance, as well as an increasingly free media, are critical tasks for the CPC. I also believe that the increasing involvement of professionally competent non-governmental organizations contributes to pluralistic governance and facilitates the CPC's leading role. The CPC should be proud of China's accomplishments and should have the confidence to encourage new organizations to emerge which compete in society, thus attaining the optimum benefits for the people.

Examples are new roles for labor unions which are independently empowered to represent workers in their negotiations with corporate management and diverse kinds of charitable organizations serving the needy.

Why does the "one-ruling-party system" work in China?

All systems of governance have trade-offs. The benefits of a one-ruling-party system include the capacity to institute critical policies rapidly, such as the stimulus package during the financial crisis of 2008 that insulated China against the worst of the recession. It can also secure long-term policies, such as China's western development strategy.

The cost or danger of a one-ruling-party system is that society is much more dependent on the quality of its leaders, and much more vulnerable to their vicissitudes and excesses. It is far easier for leaders in a one-party system to assert themselves and trouble the people, whether obsessed by ideological madness or driven by personal power. While China's one-ruling-party system has had great success during the period of reform, in decades prior, when leftist ideology was enforced with oppressive zealotry, it instigated waves of political mass movements which impoverished and dispirited the people. China's one-party today, the CPC, is far more enlightened; it is a "learning-minded" party that encourages its members to expand their knowledge in all fields, including science, economics and culture. By stressing its learning-minded ethos, the CPC exemplifies a contemporary ruling party.

There are trade-offs too in restricted freedoms, particularly certain freedoms of the press and rights to political assembly. It is not possible to have a genuinely free press and maintain one-party rule. Nonetheless, I believe that a cost-benefit analysis would support China main-



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taining its one-ruling-party system, at least for current times.

If a multi-party system were introduced in the near term, with China's huge disparities in education and income, significant resources would be consumed in political battles and severe social conflict could erupt. A premature democracy would sacrifice long-term economic development for short-term political freedom, and therefore not bring the greatest good to the greatest number. It will be only when most Chinese citizens have sufficient education and adequate living standards that more participatory political systems may be considered.

At some point, however, these dynamics invert so that the absence of a political democracy would thereafter inhibit not enhance China's continued development. For example, corruption is best minimized in a political democracy and by a free press. When that inflection point occurs is for China's leaders to figure out.

To most Westerners, democracy has a simplistic, one-dimensional test. If a country offers one-person-one-vote elections, then it is a democracy. If it doesn't, it isn't. By this test, China is not a democracy. But if one looks at almost every aspect of real life, Chinese people have more personal freedom today than at any other time in their long history, almost the equivalent of their peers in the West. Although China does not have political pluralism, it does have increasing economic pluralism, social pluralism, and cultural pluralism. Those who still insist on classifying China as a repressive society must explain how it can offer vast arrays of information to all its citizens. Furthermore, the Chinese government is increasingly sensitive to democratic ideals, like polling its citizens to assess their attitudes and opinions.

While I argue that China today is best served by its one-ruling-party system, I stress that for the CPC to retain its ruling status, it has a higher obligation to enhance standards of living and personal well-being, which includes increasing democracy, transparency in governance, public oversight of government, media freedoms, rule of law, and human rights. All these are embedded in the CPC's public commitment to "intra-Party democracy".

The CPC claims a historic mission. In a thousand years, when the long annals of political systems are written, China today may well be a case study of what happens when a country with a one-ruling-party political system seeks to construct a prosperous, democratic society.

What kind of a role should China play in the world? How can the CPC help the country improve its image?

In an incredibly short period of time, China's power in the world has increased dramatically — in politics, defense and international affairs, as well as in economics, business and finance. As such, China must shoulder more responsibilities on a global basis, perhaps sooner and to a greater degree than China's leaders feel comfortable doing.

China must recognize that the stability of the world requires that all nations have peaceful policies, internationally with other nations and domestically with their own people. China must look to the future, not to the past, in its dealings with countries that flout international norms. Countries that do not benefit their own people do not reflect China's system or new way of thinking. China has progressed greatly in gaining international respect.

The best way for China's image

in the world to continue to improve is for the Chinese people to participate in, and excel in, all arenas of high human endeavor: economics, business and finance; science, technology and new knowledge creation; and media, entertainment and sports. When people around the world read that Chinese scientists are publishing more papers in high-level journals, or Chinese pianists and violinists are performing with leading symphony orchestras, or Chinese peacekeeping missions are supporting UN resolutions, all these greatly improve China's image. These are the real stories of New China.

Can the CPC win the battle against corruption?

Corruption is a human frailty and no political system is immune. When economic systems change, when vast state resources are privatized, fortunes are made with astonishing speed — such that powerful behavioral forces can overwhelm morally weak officials. A combustible mixture of greed, envy, and anxiety over eroding power lead some to fall victim to baser instincts.

Corruption is ubiquitous in China and noxious to the Chinese people. It transfers resources illegally from general society to venal individuals, effectively stealing from everyone. It pervades commerce and government and has proved maddeningly resilient to attack. Corruption is a drag on the economy and a scourge on society. It distorts economic decisions and undermines economic efficiency, and it threatens political stability and delegitimizes the State. Corruption, rightly, engenders public anger.

Some say that corruption in China is the enduring, corrosive impact of the "cultural revolution", which decimated Chinese culture and destabilized Chinese society — so that there remains little immunity to moral diseases of avarice and greed. Others, primarily leftists, blame the market economy, which, they say, promotes wealth and individualism at the expense of socialism and collectivism.

The solution, China's leaders rightly conclude, lies in deepening reform, not backtracking from it. Senior leaders do not whitewash the problem: they are aware of its gravity and serious about curtailing it. Former president Jiang Zemin, President Hu Jintao and Vice-President Xi Jinping all have fought corruption. To China's leaders, corruption impedes China from becoming a great nation.

Though corruption can never be eradicated, it can be controlled most effectively with a press/media that is free to ferret out, scrutinize and expose dishonest officials. Corruption flourishes in dark crevices, shielded by the shadow of authoritarian protectionism. Only the bright light of an investigative free press, working without restriction or fear, and the enforcement power of an independent judiciary, operating under a rule of law, can root out corruption. Only the media has the motivation and the manpower, and the temperament, to reveal corruption comprehensively. As the freedom of the press/media to report corruption increases, the severity of corruption decreases. The Chinese government does permit, and even encourages, anti-corruption investigative reporting. This marks progress in the CPC's long war against corruption, but more is needed.

Reporting corruption can be a conundrum. If reporting is too timid, corruption will remain concealed and flourish. If reporting is too intense, social confidence can waver and central authority may be undermined. It is a conundrum that is not going away.

CPC 1921-2011

• 1921: Founding of the Communist Party of China

Between July 23 and 31, 1921, Mao Zedong, He Shuheng, Dong Biwu, Chen Tanqiu, Wang Jinmei, Deng Enming, Li Da, Li Hanjun, Zhang Guotao, Liu Renjing, Chen Gongbo and Zhou Fohai, representing 50-odd members of various Communist groups, hold the first National Congress in Shanghai, and the Communist Party of China is officially founded.

• 1934-1936: Long March

In October 1934, the First Red Army sets out from Yudu in Jiangxi province and embarks on the Long March, which is seen as a strategic retreat to combat the Kuomintang regime. Later, various forces of the Red Army start their long marches, traverse some 12,500 km, and eventually join forces in Gansu in October 1936. In January 1935, the Political Bureau of the CPC Central Committee holds an enlarged meeting in Zunyi, Guizhou province, along the way of the Long March. The Zunyi meeting establishes a new central leadership represented by Mao Zedong.

• 1937-1945: The War of Resistance against Japanese Aggression

In July 1937, Japan launches all-out aggression against China. The Eighth Route Army and the New Fourth Army, under the leadership of the CPC, fight against most of the Japanese forces, thus playing a decisive role in eventual victory.

• 1946-1949: War of Liberation

From June 1946, the Kuomintang armies launch an all-round attack on the Liberated Areas led by the CPC, and a large-scale civil war starts. Through the Liaoxi-Shenyang, Huai-Hai and Beijing-Tianjin campaigns, the CPC overthrows the Kuomintang and wins a great victory in 1949.

• 1949: Founding of the People's Republic of China

From September 21 to 30, 1949, various political parties, popular organizations, non-Party democrats and representatives attend the first Chinese People's Political Consultative Conference (CPPCC). It elects a Central People's Government Council, with Mao Zedong as chairman, and appoints Zhou Enlai premier of the Government Administration Council. On October 1, 1949, Chairman Mao Zedong proclaims the founding of the People's Republic of China at the Tian'anmen Square in Beijing.

• 1958-1961: Great Leap Forward

The central government, led by the CPC, launches an economic and social campaign in 1958 to rapidly transform China from an agrarian economy into a modern Communist society. The campaign eventually comes to an end as it causes imbalances in the national economy, fiscal deficits over consecutive years, and great hardship for the people.

• 1966-1976: "Cultural revolution"

The "cultural revolution", lasting from May 1966 to October 1976, is initiated and led by Mao Zedong. Taking advantage of Mao Zedong's mistakes in his later years, the "Gang of Four" engage in activities that bring great catastrophe to the country and people.

• 1978: The Third Plenary Session of the 11th Central Committee of the Party

The Third Plenary Session of the 11th Central Committee of the Communist Party of China, held in December 1978, decides to shift the focus of the Party's work to socialist modernization and sets a policy of reform and opening-up to the outside world, initiated by Deng Xiaoping.

• 1997: Private sector acknowledged

In the report to the 15th National Congress of the CPC held in September 1997, Jiang Zemin positions the non-public sector as an important component part of the socialist market economy, which is a milestone.

• 2003: Scientific Outlook on Development

The Scientific Outlook on Development is a major strategic concept put forward by Hu Jintao, general secretary of the Central Committee of the CPC, during the 16th CPC Central Committee in 2003. The concept puts people first and calls for comprehensive, balanced and sustainable development.

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