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The allure of the Chinese model

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Many of the African leaders coming here for the Chinese-African summit meeting are attracted not only by opportunities for aid and trade, but also by the Chinese model of development.

They know that only three decades ago, China was as poor as Malawi. But while the latter remains among the world's poorest, China's economy has expanded nine-fold. Indeed, the Chinese model has in many ways challenged the conventional wisdom in the West on how to fight poverty and ensure good governance. Its key features are:

People matter. Since 1978, China has pursued a down-to-earth strategy for modernization, and has focused on meeting the most pressing needs of the people. The architect of China's reform, Deng Xiaoping, argued that China could only "seek truth from facts," not from dogmas, and all reforms must take account of local conditions and deliver tangible benefits.

Constant experimentation. All changes in China first go through a process of trial and error on a small scale, and only when they are shown to work are they are applied elsewhere.

Gradual reform, not big bang. China rejected "shock therapy" and worked through the existing, imperfect institutions while gradually reforming them and reorienting them to serve modernization.

A developmental state. China's change has been led by a strong and pro-development state that is capable of shaping national consensus on modernization and ensuring overall political and macroeconomic stability in which to pursue wide-ranging domestic reforms.

Selective learning. China has retained its long tradition of "selective cultural borrowing" - including from the neoliberal American model, and especially its emphasis on the role of the market, entrepreneurship, globalization and international trade. It is inaccurate to describe the Chinese model as the "Beijing consensus" versus the "Washington consensus." What makes the Chinese experience unique is that Beijing has safeguarded its own policy space as to when, where and how to adopt foreign ideas.

Correct sequencing and priorities. China's post- 1978 change has had a clear pattern: easy reforms first, difficult ones second; rural reforms first, urban ones second; changes in coastal areas first, inland second; economic reforms first, political ones second. The advantage is that the experiences gained in the first stage create conditions for the next stage.

Over the past 25 years, I've traveled to more than 100 countries, most of them developing countries, including 18 in Africa. I have concluded that in terms of eradicating poverty and helping the poor and the marginalized, the Chinese model, however imperfect, has worked far more effectively than what can be called the American model, as represented by the IMF-designed Structural Adjustment Program (SAP) for sub-Saharan Africa and the "shock therapy" for Russia.

The American model is largely ideology driven, with a focus on mass democratization. With little regard to local conditions, it treats sub-Saharan Africa or other less developed countries as mature societies in which Western institutions will automatically take root. It imposed liberalization before safety nets were set up; privatization before regulatory frameworks were put in place, and democratization before a culture of political tolerance and rule of law was established. The end result has often been discouraging or even devastating.

The paramount task for most developing countries is how to eradicate poverty, a root cause of conflicts and various forms of extremism. What they usually need is not a liberal democratic government, but a good government capable of fighting poverty and delivering basic services and basic security.

Furthermore, conditions for a liberal democratic government - rule of law, a sizable middle class, a well-educated population, a culture of political tolerance - are simply absent in most poor countries. Enforcing premature democratization on them often leads to what Fareed Zakaria has called "illiberal democracies," or worse, ethnic and sectarian conflicts.

So long as the American model remains unable to deliver the desired outcome, as shown so clearly in failures from Haiti to the Philippines to Iraq, the Chinese model will become more appealing to the world's poor.

I well remember Deng telling the visiting president of Ghana, Jerry Rawlings, in September 1985: "Please don't copy our model. If there is any experience on our part, it is to formulate policies in light of one's own national conditions."

Perhaps attitude makes all the difference. China is viewed by others as modest, America as arrogant; China leads by example, America by lectures and sanctions, if not missiles.

At the end of the day, what matters most is finding the best ways to tackle the many challenges facing mankind. The Chinese model, however imperfect, has enriched the world's political discourse and wisdom and hence expanded the policy options.

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