

Capitalism and the authoritarian state – the case of China

Is there any space for democracy in the case of China and can Chinese capitalism function without democracy in the long run?

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1. Introduction: A new cold war around globalization and development? A new cycle of history.

China epitomizes for the time being the anti-thesis to the expectation that liberal democracy would automatically prevail as the most adequate political model accompanying global capitalism. The end of history assumption in the academic discourse influenced political thinking in the West. On the one hand, socialism was considered an antiquated model which collapsed with the USSR and left only the liberal democracy cum capitalism that had emerged victorious from the Cold War. On the other hand it was assumed that those countries which had not yet embraced this model would be compelled to do so through economic liberalization and globalisation constraints. China in particular was believed to evolve rapidly, albeit gradually, into this direction.

To accelerate such processes and to give a new meaning to the alliance system the US had created in the Cold War, the US (Clinton, Princeton Project now McCain and others) proposed a league, community or alliance of liberal democracies to complement or replace the ineffective UN system¹. A redundant NATO was proposed to take a global role in such a context. This proposal is still on the table.

Others predicted a different type of pattern of international relations opposing the have-nots and the rich world.

Another academic interpretation of the post-cold war world was the assumption that civilizations would clash rather than socio-economic models. The terrorist attacks in the US and Europe at the beginning of the millennium were seen as a manifestation of such a prediction. The US reaction to the attacks, launching a global war on terror changed the Western paradigm bringing the post-Cold War period to an end. These American approaches to the post-Cold War world order all continue the antagonistic pattern of friend and enemy, very different from the "Kantian" view of Europe².

¹ Jeffrey Laurenti: *Relevance and Realities: Washington's Flirtations with a League of Democracies*. IPG 4/2008 41-53; Princeton Project on National security (2006): *Forging A World Of Liberty Under Law. U.S. National Security In The 21st Century*. Final Report of the Princeton Project on National Security. 27 September 2006.

² Laidi, Zaki: *La norme sans la force. L'enigme de la puissance europeenne*. Paris 2005. Kagan, Robert:

This paper argues that a new paradigm which is emerging is different from these oversimplifying interpretations of the post-Cold War world. A period of de-Westernisation of globalization – although fundamentally rooted in the Western-created capitalism - has started perhaps at first imperceptibly in the 1980s deep in the Chinese countryside. This is where China started its domestic reform process. At the same time a particular view of Confucianism (Asian values) was promoted from Singapore, but also US intellectuals who tried to explain the rise of Asia and the decline of modernity as defined by the West. Nowadays, most analysts and policy makers see the Asian century as an inevitable trend – somewhat shying away from how to factor in the effective US hegemony – and the West, Europe in particular, in inevitable decline. Again, the so-called Confucian values are taken as an intellectual justification of authoritarianism, while Western style democracy is in an internal, but also international crisis.

At this point in time an Asian century may be a mixture of wishful thinking and undeniable economic and demographic realities and is certainly a simplification at the same level as those of the end of history and the clash of civilizations or indeed the very concept of the cold war³. Nevertheless, the de-Westernisation of globalization is unquestionable and is fuelled by the economic dynamics of Asia. It is also necessary for global governance to be legitimate in the eyes of the global majority. However, to what extent does this emerging new paradigm concern a simple shift in economic and demographic power, an overdue adaptation of the Bretton Woods and other Western dominated international institutions to these new power constellations and a shift in foreign policies or a fundamental conflict about social organization or the return of authoritarianism in the context of global capitalism? One of the keys lies in the examination of China and the so-called Confucian values that underlie this particular brand of authoritarianism.

China has been singled out (alongside Russia) as one key factor for such a conflictual hypothesis of the return of authoritarianism, based on a successful capitalism. Analogies with the rise of capitalist authoritarianism in the 1930 – which failed during WWII because Nazi Germany and Japan didn't have enough resources to dominate the world - have served as a backdrop for this hypothesis⁴. This paper will look at this thesis from two angles: Chinese tradition and domestic development and China's interaction with the world – Europe and the developing world in particular.

The paper will argue that there is no foregone conclusion that we have entered a period of such an ideological competition of authoritarianism versus liberal democracy and that China will inevitably choose either camp, or actively promote authoritarian capitalism in the world, but that Europe and the US have to carefully but forcefully review their own policy towards China, the developing world and perhaps their domestic discourse on globalization if capitalism is to survive in a democratic, internationally and socially accepted form. The partnerships that we are forging now in this period of adaptation and transformation may well determine the trajectory of conflictual or cooperative multipolarity in the next decades. Whether we use 'ideology' (and

Power and Weakness, 113 Policy Review, June 2002. Morgan-Foster, Jason: Book Review: The Many Faces of Power: An International Law Response to Robert Kagan's "Of Paradise and Power". Berkeley Electronic Press. ExpressO Preprint Series, 2003, paper 107.

³ Kishore Mahbuhani: The Case against the West. America and Europe in the Asian Century. Foreign Affairs Vol 97 N°3, May/June 2008 111-124.

⁴ Azar Gat: The return of authoritarian Great Powers. Foreign Affairs vol 86 N°4 July/August 2007. 59-69.

China threat theories) or functional approaches to the global challenges is therefore a key issue for policymakers in the West⁵. Ideology is currently construed around the core Western (universal) values of democracy, human rights and liberal market economy. The question of universality of these concepts – and the ‘holy trinity’ they supposedly form together - is at the heart of the discussion, because the market economy or capitalism seems to function increasingly and increasingly well without democracy and human rights e.g. in China and because globalization has also undermined democracy and the rule of law (in the sense of Rechtsstaat) worldwide.

2. Universality and cultural specifics of democracy, human rights and socio-economic organization: Confucius, Authoritarianism, Asian values as an alternative narrative to Western globalisation

In a paper such as this we can only simplify and provoke some reflections, rather than rigorously analyse such a complex issue.

Arguably democracy is a concept developed in the Greek polis, more or less at the same time as Confucianism was developing in another part of the world – a not yet unified China. While Confucianism – more a political ethic than a particular form of social or state organization - developed in an unbroken tradition until the early 1900s in China (of course with sometimes radical variations and interpretations) due to the unification of the Empire in 221 BC and authoritarian rule⁶, democracy fared rather erratically in the West through the Roman Empire and the Middle Ages, re-appearing in the political reality of nation states after the French Revolution in the particular development context of Europe and the United States (and denied to their colonial territories until the 1960s on the basis of cultural and civilisational superiority). Thus universality of democracy and the associated human rights is a relatively recent Western discourse rooted in a particular tradition of part of mankind⁷. Effectively, in the discussions on the Universal Declaration of Human Rights, the advocates of universality could be found among the Chinese and non-European representatives and partly the US (which supported anti-colonialism, but had their domestic issue of racial discrimination to address.)⁸ The colonies had no voice in this process.

Universalist aspirations have also been harboured by neo-Confucianist thinkers at the end of the 1890s (Kang Youwei), but these last aspirations of Confucianism were discredited in China when the monarchy collapsed (1911) and a profound modernization drive started which is still under way. The radical anti-Confucian movement at the turn of the 19th/20th century held Confucianism responsible for autocratic rule and for the backwardness of Chinese civilization going as far as stating a cultural inability for development.

Confucianism was also discredited in European thought at that time (slave mentality) and held

⁵ Wissenbach, Uwe (2007) The EU's effective multilateralism—but with whom? Functional multilateralism and the rise of China, Friedrich-Ebert-Stiftung, International Politikanalyse.

⁶ cf. in this context: Hui, Tin Bor Victoria: War, State Formation and Citizen's rights: A comparison of Ancient China and Early Modern Europe (Chinese). In: World Economics and Politics No. 9 2008 p. 6-20.

⁷ In development policy these values started to gain importance in the 1990s.

⁸ Muehlhahn, Klaus: Zwischen Ablehnung und Akzeptanz – Menschenrechte und Geschichte im modernen China. In: China aktuell 1/2006 pp 7-40.

responsible for the economic decline of China and Asia relative to the protestant ethics underlying the success of capitalism in the West (Max Weber). Earlier, though, during the Enlightenment Confucian ethics were admired by European philosophers for the higher achievements of Chinese civilization. It is worthwhile to note that these philosophers in the West actually created the notion of Confucianism based on missionaries assertions that it was a religion without God (very suitable for someone like Voltaire). Only at the end of the 19th century did Chinese intellectuals use this term to reject everything which was part of traditional Chinese culture which was perceived as an obstacle to modernization. Confucianism thus has never actually been an operational social concept and even less an economic model⁹. It was rather an elite view and norm of social organisation of the state on the basis of hierarchy. In its contemporary form, this is still true and of course therefore is in stark contrast to the equality principle of democracy (which Aristotle formulated roughly at the same time as Confucius and Mencius formulated their view of the state-society concept).

Praise for Confucian values re-emerged, paradoxically with similar, but diametrically opposed arguments than Weber's, in the 1980s/90s with the discourse on Asian values and their superiority in economic terms (Bangkok Declaration signed by China, Malaysia and Singapore in 1992). Here the focus was to apply so-called Confucian values of group spirit, family, hard work, thriftiness and respect for hierarchy to the economy. These values were, so the argument by Singapore's Lee Kuan Yew and others went, responsible for the economic success of Japan, Korea, Singapore, Hong Kong, Taiwan and less explicitly China). Asian democracy and human rights were therefore conceived of as more communitarian than individualistic and based on hierarchy or paternalism rather than equality of citizens. It was a convenient narrative to bridge the gap between economic progress and socio-political stagnation. The whole debate was paradoxically held in English not in Chinese and aimed at Sino-American intellectuals who saw the West in decline and were looking East for answers¹⁰. The 1997 Asian financial crisis contributed to shelving this debate until the present. Some observers argue that the current Chinese leadership is re-connecting more or less explicitly to the (neo-)Confucian tradition as a non-Western social ethic with its own human rights tradition (thus somewhat different emphasis than in the Bangkok Declaration: reciprocity and responsibility of rulers for the well-being of the ruled). Of course for the same reason, to justify the gap between rapid economic development and political stagnation. In fact, Chinese family networks and similar forms of grass-root organization of networks and anarchical sub-cultures and parochialism may be the response to authoritarian rule rather than its basis.

Neo-confucianism is serving thus as a neo-authoritarian device opposed to a Western modernity and the values of democracy and human rights. Of course, it has a certain cultural value for Chinese (and other countries') elites given the historic dominance of these elites before the 20th century.

The current US financial crisis may prompt an acceleration of the search for alternative narratives to capitalist ethics, as this time it is not the Asian, but the US capitalism which is on the brink of bankruptcy.

We can see from these paradoxical interpretations of the same Confucianism, that the argument about Confucian values versus Western democracy is based on ideas of rise and decline (of the

⁹ Anne Cheng: *Histoire de la pensée chinoise*. Paris (Seuil) 1997.

¹⁰ Anne Cheng: *Des germes de démocratie dans la tradition confucéenne?* In: Mireille Delmas-Marty et Pierre-Etienne Will (eds) *La Chine et la démocratie*. Paris (Seuil) 2005 p 83-108.

West) and definitions of identity versus modernity rather than on intrinsic cultural or doctrinal features. Japan's modernization in the 19th century which kept its identity intact was very different from the self-destruction of China's modernization in the early 1900s. It also shows that democracy and Western style rule of law are compatible with Asian identity. The neo-confucianist discourse didn't ring a bell in (democratic) Japan.

History, culture, and certainly size certainly matter in the *development* (not the abstract, philosophical or procedural concept of them) of democracy and human rights. Nevertheless, the debate about Asian values was instrumentalising Confucianism as opposed to Western democracy models. The diversity of Asian forms of government was not really captured by such simplification (democracy in Korea, Taiwan, Japan, authoritarian rule in Singapur). India as a huge country with democracy (and no Confucian tradition) since independence is another case in point, despite a number of problems with both democracy and human rights domestically and a rather anti-Western foreign policy based on non-interference and sovereignty, just as China's¹¹. The Indian example illustrates perhaps best the naivety of defining the league of democracies as an American-led world order.

3. Chinese tradition between enlightened authoritarianism and turbulent modernization – pointers for democracy?

European philosophers in the 18th century looked to China for inspiration of a modern, non-absolutist society and indeed Chinese tradition and political thought contains many elements that could nourish a development of democracy in China. In particular the systematic approach to legality, penal law and fiscal and legal equality created in the Ming dynasty, the principle of administration through a meritocracy (based on ethics rather than a feudal or capitalist elite) was seen as an alternative to absolutism in Europe at the time¹². Corporatist organizations in China in that period and at the beginning of the 20th century had their own culture of egalitarianism, participation and elections. A tradition of popular opposition to bureaucratic excess, while outside the institutional set-up of the state, constitutes a pointer for the importance of popular legitimacy (and civil society) for the exercise of power. These elements also constitute sources of tradition that a modern China relates to with some difficulty of course. As the CCP has progressively thrown overboard the Maoist heritage, these elements are gradually resurfacing in a new context. Indeed, there is a reluctance in China to import Western concepts which has a lot to do with the turbulent modernization of China in the period after 1842 which is associated in the public mind with a forced opening up to free trade (in narcotics which were banned in China – to put it into contemporary jargon restricted market access for public health reasons) and colonialism by Western powers (mostly democracies at that time). Thus the current Western discourse on China has a familiar, very unwelcome ring in Chinese ears. Nevertheless, the period around the fall of the Manchu dynasty (regarded as a foreign rule despite its sinisation), was also a period where China was importing Western concepts of democracy into its own political thought and rejecting

¹¹ Mohan, C. Raja: *Crossing the Rubicon. The Shaping of India's New Foreign Policy*. New Dehli 2003.

¹² Pierre-Etienne Will: *Le contrôle de l'excès de pouvoir sous la dynastie des Ming*. In: Mireille Delmas-Marty et Pierre-Etienne Will (eds) *La Chine et la démocratie*. Paris (Seuil) 2005 p 111-156.

its own tradition. Japan provided an important hybrid model of modernization (=Westernisation) with Asian characteristics, until it invaded China precipitating the country in a long struggle for survival.

Another wave of Westernisation was embodied in Marxist-Leninist social models that Maoism transformed into a particular brand of socialism very different from the prevailing Soviet type. The ensuing Cultural Revolution (1966-76) constituted the climax of the rejection of China's own tradition that had begun with the anti-Confucianist movement in the 1910s (besides being a power struggle of a particularly vicious type). It is only since the 1980s that China has (re-)embarked on a more or less orderly and peaceful path of modernization and development.

The current leadership – trying to combine the traditional Confucian-authoritarian harmony with the Western capitalist and conveniently also Marxist scientific approach to development – re-invents Confucianism to deal with the imbalances within the neo-capitalist society (new poverty, income gap, problems of equality due to privatization of public services such as health and education, social security, health and safety at work, emergence of interest groups, ecological problems etc.)

The above paragraphs are inevitably a very sketchy picture (volumes have been written about these things!), but they are meant to illustrate the following points:

- a debate about China's road to democracy has to take account of its strong, but ambivalent tradition and contributing to an interactive modernization process (this tradition includes a strong indigenous legal tradition going back to the early middle ages)
- it has to recognize the negative association in the public mind between democracy (and free trade), national humiliation, turmoil and the West's ambivalent and contradictory role in modern Chinese history and for China's identity and sovereignty
- it has to recognize the "time-warp" of China's modernization, going through the industrial revolution in one generation
- it has to be aware that China's rejuvenation, nation building and quest for its rightful place in the world is an aim and an ongoing process and that the Western response to this ambition will be an important factor for the direction that this modernization process will take.

4. Socialism with Chinese characteristics, or the return of capitalism in China today: stability, growth, development.

In 30 years of opening up and reform, the Chinese leadership has shed in all but rhetoric the Marxist and Maoist heritage. China is still socialist, but is running a market economy admittedly with a lot of government interference (and rent-seeking) at various levels. At the same time China's development has taken a dramatic turn for the better: a country once synonymous with famine is now one of the largest economies in the world with a sustained 10% GDP growth, rising incomes¹³, 400 million people lifted out of poverty¹³ and one of the very few developing countries on track to achieve the Millennium Development Goals. China is widely predicted to overtake the size of the US economy (and that of the EU) in 20 years or so. How is this possible? Is this the full picture?

¹³ Between 1978 and 2007, China's real GDP grew annually at an average of 9.8 percent, increasing more than 13 times in real terms, while per capita GDP rose from 381 yuan to 15,973 yuan.

There is no need in this paper to go into details of economic development and of forecasts on which there are plenty of studies, but this paper will focus on the Chinese domestic discussion, which is centred around a strictly Chinese agenda of development and gradual change. Openness to the outside has increased, but was meant to inform domestic priorities, import missing technology or capital, not to precipitate change and import Western values.

The reform policy started when China was at the brink of bankruptcy and had nearly destroyed its own identity after decades of class struggle and the climax of the Cultural Revolution during which even this most basic of Chinese traditions – education – had shut down. Around 60 people were able to teach law in the newly opened universities... Class struggle was replaced by pragmatism – feeling the stones to cross the river (to reach the opposite shore of development), an ambitious target of a moderately well-off society by 2025 was set (already by Deng Xiaoping) including a per capita GDP level of 1.000 USD which was effectively reached already in 2004. Thus a masterplan for the country's domestic rejuvenation was created within which pragmatic experiences and strategies could be adopted – the end was to justify the means. But the political doctrine had to be kept to fend off political opposition and to keep appearances. Capitalism, thinly disguised as a socialist market economy, gradually grew into the dominant economic system in still nominally socialist China. The ideology was constantly adapted until Marx's class enemy (entrepreneurs) was welcomed in the vanguard of socialism at the occasion of the 80th anniversary of the creation of the CCP...

Domestic reform is conditioned by stability. After a century of turmoil and catastrophes the political elite and the population at large were craving for stability, security and prosperity. Any risk to stability had to be avoided or quelled. The processes which led to the collapse of the USSR and the subsequent turmoil and impoverishment of Russians were analysed in detail with a sense of apprehension. Thus any decisions in the economic and even more so in the political realm were prudent, pragmatic and usually based on pilot experiences that could be either enlarged to the country as a whole when they were successful or quietly shut down if they didn't work. Rural reform started first in a few provinces in the early 1980s and then spread over the country liberating the entrepreneurial energies of the rural masses, hugely reducing poverty. The urban elites, notably those of Red Shanghai, had to wait a bit longer until special economic zones had shown what was needed to fuel urban growth.

Reform and opening up were two sides of the same coin – development and revival of the country. Internationalisation was also a means to this overwhelming end, not an attempt to change China along Western ideals.

The internationalization of the economy and the law has nevertheless repercussions on the domestic polity such as:

- a) working out a Chinese conception of human rights and anchoring them in the Constitution (2004). China uses a broad definition with a focus on social and economic rights and bound to sovereignty and the primacy of development. Earlier the very notion of HR was rejected as counter-revolutionary.
- b) a large number of legal reforms to better protect citizens from arbitrary detention and other violations and more protection of privacy
- c) creating a legal basis for private property rights

- d) competitive local elections
- e) growth of the third sector and NGOs
- f) more individual freedoms (marriage, movement)
- g) more space for academic and media discussions on reforms, the rule of law, fight against corruption, government accountability, citizen's rights, the death penalty and democracy.

While these are all developments falling short of core standards of HR and democracy, they are positive steps for Chinese citizens and a breeding ground for further reforms. According to Balme Chinese citizens nowadays suffer more from a deficit of justice due to poor administrative capacity and corruption than from active state repression¹⁴.

The jury is still out on whether this gradual change in China will continue or a collapse of the regime occurs. In any case, the CCP has been an agent of change and is now steering it with a discourse of democracy (not in the Western sense though) and human rights. The speed of reform is probably the biggest headache for the Chinese leadership – political reform too fast as in the case of glasnost in the USSR may lead to collapse of CCP rule, too slow it may lead to contestation by the urban elites. In the meantime, the losers of globalization in China form a large and heterogeneous part of the society. The urban elites have no interest to give this rural, disgruntled majority the decisive say in running the country. Thus, contrary to the Western liberal thought that the rising middle class would demand political liberalization and democracy is somewhat premature. They are de-facto allies and members of the CCP. The policy space in running their own affairs has grown for the urban elites and a number of groups in Chinese society over the years and government has become more participatory and less arbitrary, more complex and more professional, and thus more responsive to their interests (with a high degree of collusion and corruption), but there is currently no challenge or alternative to the rule of the CCP for the country. This being said, the CCP's internal discussions range from left to right wing much as in a Western Parliament, but the party won't tolerate formal factions (such as in the Japanese LDP) or opposition to what the leadership decides after inner-party discussions. Lenin's democratic centralism is still alive.

5. Rule of/by law and public participation in China today – running capitalism in an authoritarian way?

The globalization of the economy has not prompted a domestic political liberalization to the extent that the West had expected after the collapse of the USSR. Separation of powers, free elections and rule of law, freedom of speech and association – political globalization - have not been able to pass over the Great Firewall even in the internet age¹⁵. However, in order to enhance efficiency and improve the system, many changes were engineered that have transformed Chinese society. In particular the WTO accession prompted a major review of legislation and administrative acts. The WTO accession process was also a device by the reform-oriented parts of the Chinese government

¹⁴ Richard Balme: The European Union, China and human rights. In: Zaki Laïdi (ed): EU Foreign Policy in a Globalized World. Normative power and social preferences. Abingdon (Routledge) 2008 p 143-173; p. 156.

¹⁵ Mireille Delmas-Marty: La construction d'un Etat de Droit en Chine dans le contexte de la mondialisation. In: Mireille Delmas-Marty et Pierre-Etienne Will (eds) La Chine et la démocratie. Paris (Seuil) 2005 p 551-576.

to push through an agenda of domestic reform and reducing local protectionism and rent-seeking. Nevertheless, despite encouraging progress on many legal fronts this encroachment of international law has not been accompanied by a systematic and thorough reform of the legal system, which remains beset with contradictions, the most important among them being issues of constitutionality. Civil and penal law codes have also been substantially improved, but the lack of an independent and often simply a qualified judiciary combined with systemic deficits in the legal system have not yet produced a "Rechtsstaat" or rule of law. But clearly, this is a monumental task and cannot realistically be expected to emerge in the medium term. The commitment to progress on many fronts and the cooperation China has engaged in with many countries (notably the EU) are encouraging.

In terms of human rights, China has privileged the economic and social rights over the civil and political ones (ratification of the UN Conventions of the former, but not yet the latter), but refrains from subscribing to collective rights (association, assembly, independent trade unions etc.). Thus despite the retreat of the state from the economy and the consecration of private property even of production factors in the constitution of a socialist country, the trade unions (ACFTU) remain under the control of the party and government and deny worker self-organisation, with bitter consequences in terms of health and safety at work, collective bargaining, child labour, unpaid wages etc. (fear of Solidarnosc phenomenon). Progress on this front is not a priority for Western investors in China as the initial reactions of the AmCham or the European Chamber of Commerce to the new labour law in 2007 in China have shown¹⁶. In other socio-economic fields there has been progress under the explicit label of human rights (yi ren wei ben): abolition of a millennial rural poll tax, social security systems, work safety and child labour legislation.

The CCP is committed to the rule of law (in the Constitution) while de facto it is ruling by laws as opposed to personal rule (reference to Mao and Confucian tradition). Clearly this has brought benefits and more openness to Chinese society and citizens increasingly take the government by its word and challenge it in courts or in the street.

The fundamental flaw is not a technical one, but a political one – as long as the judiciary is not an independent branch checking and balancing the executive, China's will remain an imperfect legal system. But this phenomenon should also be judged in the light of European or American experience: 1) fundamental rights, now described as the basis of our legal order, have historically emerged as the last building block of Western Rechtsstaat tradition and there are still many problems in this area; 2) to what extent has the rule of law in the West not started to overrule democratic decisions (government of judges); 3) international law is even more problematic¹⁷, with e.g. the US being very selective in signing up to it and systematically putting national sovereignty above international law, with people-centred international law being very weak and not enforceable¹⁸. The problem of double standards levied against the West and the US in particular is not always easy to dismiss.

Criticisms of the current state of Western democracy contribute to a difficulty to lead an active policy on promoting democracy and human rights: limited ability to deal with globalization (financial crisis, loss of competitiveness, unemployment, innovation) and rising inequality,

¹⁶ Günter Schucher: Chinas neues Arbeitsvertragsgesetz – Stärkung der Schwachen oder nur Beruhigungspille? In: China aktuell 4/2006 47-65.

¹⁷ Mireille Delmas-Marty, op.cit.

¹⁸ Zaik Laïdi, op.cit.

short-terminism, role of money in politics, excessive judicial or technocratic interference, populism and the rise of extremist parties, pressure on civil liberties, double standards on migration etc. Clearly, a crisis of democracy and rule of law is also a domestic problem in the West, not simply a problem of global system rivalry. Many spaces have opened up where the rule of law is absent or democratic control is receding, be that cyberspace, civil liberties versus fighting terrorism, or the erosion of state power in economic relations and the ensuing fragmentation of law and legality. Globalisation has favoured the neo-liberal concept of good governance which focuses on making the economy more competitive, not on fundamental rights. These issues combined with the growing self-confidence of China built on its economic, international political or Olympic successes make a policy of lecturing China and others on democracy and human rights look more and more antiquated, hypocritical and ineffective. If these issues are not addressed in the West how can we expect China to reform beyond what is needed for a smooth integration into the world economy and the globalization model we have after all created? The West can no longer continue to promote globalization without a concept for social and economic rights and development, more equality and space for cultural patterns of other world regions and civilizations both domestically and abroad. The solution must lie in re-invigorating a multilateral system which re-balances these ingredients in a functional way to solve issues of global governance without recourse to ideological confrontation. Such an attempt can only work with a degree of tolerance for different values, timeframes for change and a shared definition of the agenda of global governance. The West can be confident enough that its model is attractive for many people around the world if it promotes it the right way and with respect for other views. But is China's resistance to adopt Western values and systems a manifestation of a rise of authoritarianism? Is China actively promoting a counter-model? To answer this question a look at China's policy abroad and in particular on Africa is necessary.

China's non-interference in domestic affairs as a principle of foreign policy has sparked criticism of China for collusion with dictators and perpetrators of genocide (Sudan, Zimbabwe) and more generally undermining Western good governance policy and support to human rights and democracy. This is a picture which has stuck, although it is an oversimplification. China does apparently not pursue an active "dictatorship diplomacy"¹⁹, but simply professes neutrality where Europe promotes norms actively abroad. Neutrality in such cases may be likened to quiet interference (on the side of the ones in power), but the point is that China gets the sense of this criticism that whatever it does in Africa is bad, while whatever Europe does is good and points to numerous double standards in past and present²⁰. Yet, Africa policy is not about ideological rivalry,

¹⁹ Stephanie Kleine-Ahlbrandt and Andrew Small: China's New Dictatorship Diplomacy. Is Beijing Parting With Pariahs? *Foreign Affairs*, January/February 2008.

²⁰ Ian Taylor: Beyond the new "Two Whateverisms": China's Ties in Africa. *China aktuell* 3/2008 181-195. Yu Zhengliang, Que Tianshu: Tixi zhuanxing he zhongguo de zhanlue kongjian (System Transformation and China's strategic space). In: *World Economics and Politics* No. 10/2006 p. 29-35. Wang, Hongyi (2006) Shilun "Zhong Guo weixie lun" (discussing the China threat) In: *West Asia and Africa* N° 163 8/2006 pp; 28-32. Zheng, Yongnian, Zhang Chi (2007): Soft Power in International Politics and the Implications for China. In: *World Economics and Politics (Chinese)* 7/2007 p. 6-12. He, Wenping (2007) The balancing act of China's Africa Policy. In: *China Security* Vol 3 N° 3 Summer 2007 pp 23-40.

but about interests (in resources or diplomatic support for instance). Alternative sources of finance make Western conditionality less effective. South-South solidarity in such cases will also make democratic African countries side with China and dictators on the continent rather than with Europe on the basis of normative solidarity. And when European norms conflict with European companies' profit interests, the outcome tends to be similar. Thus while China may be best advised to continue reviewing its support to impalatable regimes in its own interests, such calculations will only be marginally affected by Western criticism. A smarter diplomacy of engagement with China may be the better alternative to preaching values²¹.

6. Prospects: Chinese style democracy, but when and in which kind of globalization?

China is able to construct a democracy. Its aspirations are more than a hundred years old. Chinese people are no less in search of democratic and legal protection and rights as other people. But they won't copy a model which does not look attractive or fitting the Chinese context. Neither will China export a model of authoritarian rule or development that it is itself constantly adjusting and improving. China's leaders are very much aware of the challenges they are facing, including in terms of legitimacy of their rule. They actually display a lack of self-confidence in some areas that is astonishing.

But a lot depends on Western attitudes towards China's rise. A window of opportunity for constructive engagement, creating incentives and spaces for cooperation even in difficult situations such as Africa policy, a clarity of purpose (instead of giving a lingering impression that all we want is regime change in China or China's Westernisation) and giving the right example by reviewing euro-centric positions and rejecting ideas of a new confrontation between liberal democracies and authoritarian powers. First of all this is an unrealistic option given major economic and other interests in China and interdependence, second the outcome would be the 'West against the rest' and thirdly many major democratic countries would not align themselves to such a club (e.g. India). The world is not good and evil, as many people across the Atlantic believe, but a complex organism.

Europe needs to continue to promote its values, but has to do it differently, in a more open mindset, conscious of perceptions by others and actively encouraging dialogue about the approaches that others have on development and global governance. China has a rich tradition and interesting approaches to contribute, but it is often poorly understood by the West.

²¹ Wissenbach, Uwe: The EU, China and Africa. Global governance through functional multilateralism. In: *Studia diplomatica* autumn 2008 (forthcoming).