Prospects for Reform in China One Year After the Nobel Peace Prize Award to Liu Xiaobo

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To the Congressional-Executive Commission on China

December 6, 2011

I have been asked to address briefly three issues: The impact of China on global democratic trends, including the significance of its so-called "China model" of authoritarianism; the prospects for democratic reform in China, including the necessary preconditions for a democratic transition; and finally, the influence of the Nobel Peace Prize on Chinese society and official policy.

Regarding China's impact on global democratic trends, it is now common knowledge that China exerts an anti-democratic influence in world politics. Liu Xiaobo has said that China serves as "a blood transfusion machine" for smaller dictatorships in North Korea, Cuba and elsewhere. In addition to providing economic and political support to such regimes, it shares tactics bi-laterally with autocrats such as Lukashenko in Belarus, Mugabe in Zimbabwe, and Chavez in Venezuela; and it cooperates multilaterally with Russia and the Central Asian countries through the Shanghai Cooperation Organization.

China also projects its system of authoritarian capitalism as an alternative model to the system of democracy with a mixed economy that exists in the United States, Europe, and many other countries around the world. There are some people in this country who are persuaded of this model's effectiveness. Just last Thursday, the SEIU's former President Andy Stern published an article in *The Wall Street Journal* entitled "China's Superior Economic Model" that praised its system of central planning.

But this model is flawed for three fundamental reasons. First, as Liu Xiaobo pointed out in 2006 in his essay "Changing the Regime by Changing Society," two decades of reform have eroded, to one degree or another, each of the four pillars of China's totalitarian system. Comprehensive nationalization is giving way to a system where independent economic activity "has given individuals the material base for autonomous choices." The system of "all-pervasive organization" that eliminated all independent activity "is gone, never to return," according to Liu, and the society is now "moving towards freedom of movement, mobility, and career choice." The "mental tyranny" of an imposed ideology has succumbed to the information revolution that has awakened individual consciousness and awareness of one's rights. While the fourth pillar of political centralization and repression remains, people have lost the fear of repression, and the victims of persecution, far from being socially isolated and humiliated, now "inspire reverence" in the society and are able to put their accusers "into the moral position of defendants."

The second reason the model is flawed, according to Yu Jianrong, the well-known Chinese scholar and sociologist, is that it is characterized by "rigid stability" and "dichotomized, black and white thinking" in which the "expression of people's legitimate interests" – land issues for peasants, wages for workers, homeowner rights for urban residents, minority rights for Tibetans or Uyghurs – becomes a threat to the social order and is adamantly opposed. A rigid system, according to Professor Yu, is by definition brittle and can break under stress. It lacks the resilience of democracy where government is accountable and conflicts can be resolved lawfully. Professor Yu fears that without such resilience, China will not be able to escape what he calls "the tragic fate of two millennia of the cycle of alternating chaos and order."

The third flaw is that the Chinese regime lacks political legitimacy. It has achieved a degree of performance-based legitimacy by using market reform to generate material wealth. But such legitimacy is inherently unstable since it is not immune to the business cycle, which is why Chinese Premier Wen Jiabao, speaking after the National People's Congress in 2007, described the economy as "unstable, unbalanced, uncoordinated, and unsustainable." No wonder the recent spike in worker protests in Guangdong has caused such alarm in Beijing. Without the authority that derives from receiving popular consent, Andrew Nathan has written, the Chinese regime lives "under the shadow of the future, vulnerable to existential challenges that mature democracies do not face."

Regarding the preconditions and possibility for China's democratic transition, the picture is mixed. The brightest area is media liberalization, with social media and the Internet as a whole driving traditional media over the last five years. As Liu Xiaobo noted, this has spread democratic values, including rights awareness and the desire to hold government accountable. Even though those most active with social media only account for 40% of all Chinese Internet users and 14.2% of all Chinese, they are having an impact throughout the society, with even workers using cell phones and social networking platforms to organize informally, despite official restrictions.

Less encouraging is the fact that civil-society organizations continue to be highly restricted. The immense Chinese countryside remains woefully underserved by civil-society organizations. In addition, the divide between rich and poor is growing, and a large part of the population now sees China's touted economic growth as being at their expense. Many have lost faith in rule of law as a result of recent government decisions to give more power and funding to the security apparatus and to bar independent candidates for district-level elections.

Most democrats now look to the rights defense movement as a critical way to advance the possibility of a transition. With increasingly broad participation and a convergence between the middle class and the working class, this movement strives to bring the struggle of workers and farmers into the mainstream. It is pushing for concrete gains in rule of law, more distributive equity, better human rights protection, and more freedom of association and speech.

However, the government has to date shown little interest in giving this movement the space it needs to foster the conditions for a gradual and peaceful transition. The concern of many Chinese activists is that increasing repression will delay a regime transition for so long that, when it does happen, which they think is inevitable, it will be accompanied by bloodshed and social turbulence. Thus, the probability of the regime surviving in its current form dwindles along with the possibility for a peaceful transition and democratic consolidation.

Finally, regarding the influence of the Nobel Peace Prize, I think it deepened the Chinese government's legitimacy crisis. For one thing, as *The Economist* noted at the time, Beijing's "disastrous" response to the Prize betrayed for the whole world to see "the government's insecurity at home." And it didn't help when the audience of thousands rose in repeated standing ovations as Liv Ullmann read "I Have No Enemies," Liu's final statement at his trial, with his empty chair of honor constituting a powerful indictment of the regime.

With all its stirring symbolism, the Nobel ceremony represented the confirmation by the international community of the sentiments of a good part of Chinese society. As Liu himself said three years before the Nobel award, political persecution "has gradually turned into a vehicle for advancing the moral stature of its victims, garnering them the honors for being the 'civic conscience' or the 'heroes of truth,' while the government's hired thugs have become the instruments that 'do the dirty work'" Herein lies China's hope. May its leaders begin to listen to such heroes before it is too late.