

Prospects for a more liberal China

COMMENTARY

BY ARISTOTLE TZAMPIKIS *

China's economic ascent has deservedly received considerable attention and scrutiny. However, it is the political developments in the world's most populous nation that may cause important realignments in the international politics of the 21st century.

Between the years 1982 and 2002, China's economy grew at an annual rate of 9.5 percent, and it is currently growing at a still impressive 9 percent. One of the world's biggest consumers of cement, oil, coal and steel, China has also become an exporting nation, exports having grown eight-fold between 1990 and 2003. A recent Goldman Sachs study has even estimated that, given current trends, the size of the Chinese economy could exceed that of the USA's by 2041.

However, significant problems continue to exist. These include regional disparities, an underdeveloped financial sector, the social tensions produced by the mass migration of Chinese from the countryside to urban areas, and a population whose sheer size causes colossal budgetary, political and economic strains. Nevertheless, it is impossible to ignore or dismiss the inevitable elevation of China to the status of one of the most significant economic players in the world.

Crucially, though, key political ramifications might also ensue from China's economic ascent. Today, China represents a political paradox: Although its political practices and standards fall far short of Western liberal democratic norms and expectations, it is probably experiencing the most liberal phase in its 3,000-year history. The challenge is, of

course, to ensure that China continues to move along an increasingly liberal path, and there are good reasons why this may indeed prove to be the case.

China now boasts a sizable middle class that is primarily urban, more prosperous and better educated than at any other point in the 20th century. Thousands of Chinese students are excelling at top universities abroad, while the nation's diaspora provides a key source of expertise, capital and information. The ghora and traumas of the Cultural Revolution and Mao's Great Leap Forward may not be visible but cannot halt economic progress and social mobility. It is to be expected that the coming decades will see an increasing desire by China's middle class for further liberties and influence in decision-making procedures.

Weighty academic scholarship has persuasively argued that countries enjoying per capita income of 18,000 (around 6,500 euros) can safely make the transition to democratic regimes. (This does not mean that unless that level of prosperity is reached democracy is not possible, nor does its achievement guarantee democratic practices, as various Far East Gulf kingdoms demonstrate). Nevertheless, empirical evidence strongly suggests that this level of development is optimum for successful democratization efforts. Interestingly, China's per capita income is currently at \$5,600 (around 4,600 euros), once purchasing power parities are factored in. Furthermore, this figure may underestimate the prosperity of urban dwellers who will represent half of China's population by 2010 and who will probably be at the fore-



Workers sew garments at a site of China's largest clothing producer, Youngor Group, in Ningbo. Chinese and US officials last week discussed a dispute over US restrictions on Chinese textile imports.

front of movements toward political change.

Even if China does not become an outright liberal democracy, liberal practices and laws will almost certainly continue to increase in scope, reach and sophistication. The political consequences of this trend would be immense.

First, a continuously liberalizing or democratic China could produce a political domino effect on other authoritarian Asian regimes, allowing the regional completion of what has been called the third democratic wave already sweeping other parts of the globe.

Secondly, regional integrative economic efforts may finally come to fruition. Currently, the Association of Southeast Asian Nations (ASEAN) is hampered by the diverse regimes of

its member states that essentially preclude any European Union-like efforts, especially at temporary integration. A more uniform liberal democratic membership could provide the necessary political cohesion and understanding required to spearhead such efforts.

China's bilateral complaints and issues with other states, such as Japan, might also be addressed in a fruitful way. It could become easier to jointly examine the sensitive and dramatic periods in their history and the way that they are reflected in school textbooks – not unlike the manner in which France and Germany approached similar issues following the end of the Second World War.

Finally, and most intriguingly, a continuously liberalizing or democratic China could become a more legiti-

mate and attractive ally for Russia, as well as for various European and Asian states. At the same time, the United States could also engage China on multiple levels (including political), on the basis of mutual interests and common understanding – not antagonism.

Thus, while the world's attention is focused primarily on the Middle East, it is the outcome of political and economic developments in China that might hold the key to more antagonistic or cooperative international relations in the 21st century.

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