

# China Policy for Dummies

DEVIN STEWART

“Timing in life is everything,” the film critic Leonard Maltin once said. This is as true in book publishing as it is in life. Stefan Halper’s new book—*The Beijing Consensus: How China’s Authoritarian Model Will Dominate the Twenty-First Century*—is, like Halper’s previous works, unoriginal. But it benefits from good timing.

The book’s argument is that China’s economic inroads into the developing world are “shrinking the West,” and that the country’s values will be “corrosive to Western preeminence,” leading to a global “war of ideas.” Despite Halper’s implication that he is alone in offering such observations, Asia hands have been making them for a decade.

Nevertheless, recent events have made Halper’s book seem particularly relevant. First, the 2008–2009 financial crisis in the West discredited the notion that the free market would necessarily deliver an optimal combination of prosperity, stability, and innovation. The crisis also underscored the need for the state to take a role in policing the market, since the market clearly will not police itself. As a result, many have taken a fresh look at state capitalism, an economic system of which China is the world’s leading example.

Second, in the wake of the financial crisis, a wave of austerity has washed over free-market economies where government budgets are badly out of balance. Consequently, states from Britain to Japan are retrenching their foreign assistance and “soft power” initiatives in the developing world, creating a vacuum for China to fill.

Third, Halper’s book benefits from the interest created by the recent publication of Ian Bremmer’s *The End of the Free Market: Who Wins the War Between States and Corporations*, though Bremmer’s book is significantly more substan-

tive and authoritative than Halper’s. The difference between these two works is that, while Halper’s is essentially a basket of chestnuts on China, Bremmer’s work presents the economic and historical background of state capitalism and explains how it is systematically applied in policy making. (Bremmer defines state capitalism as an approach to economic management in which politics trumps profits as a driver of decision making.)

Both books identify state capitalism as a threat to the West and offer sensible policy proposals aimed at competing with China’s influence. In Halper’s case, the recommendations include the creation of a US-Africa forum on cooperation, a US soft-power government agency, the promotion of domestic savings and research and development, and the leveraging of US relations with India, Japan, and Russia.

**The Beijing Consensus: How China’s Authoritarian Model Will Dominate the Twenty-First Century**  
by Stefan Halper. Basic Books, 2010.

## REPEAT AS NEEDED

The attention that Halper’s book has received reminds me of a piece of advice a journalist gave me years ago when I was based in Washington: If you have a good idea, you should keep repeating it until its time has come. That way you will eventually get the credit. In this case, the ideas are not the author’s, but he repeats them anyway. *The Beijing Consensus* is a breezy list of China truisms that specialists have been espousing for years.

One is former Ambassador Winston Lord’s observation that whatever you can say about China, the opposite is also true. (Despite Halper’s simplistic take on China, he does note that there are “many Chinas”—poor China, rich China, Han China, Muslim China, and so on.) Another truism is that the economic interdependence between the United States and China constitutes a form of mutual assured destruction, or a “marriage of liabilities,” as Halper puts it.

More than one China watcher has told me that if someone wants to write a book on China, the author should first live in the country for at least

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a year. Halper has parachuted into China studies, but this has not prevented him from putting a well-timed book on the market and gaining a stake in the China debate.

Halper, a senior fellow at Cambridge University's Center of International Studies, argues that a Beijing consensus on economic development is challenging the Washington consensus. But the author fails to define precisely what he means by "Beijing consensus." And he does not credit former *Time* editor Joshua Cooper Ramo for coining the phrase in 2004. (In the same year, renowned economist Justin Yifu Lin published a paper that cautioned against holding up China as a model.)

This failure to credit Ramo is odd because Halper's self-declared mission is to dispel simplistic notions regarding China's course. In naming his book after a phrase that was coined several years ago, he is in effect showing the reader that China experts have realized for some time that the People's Republic is complicated, that China offers authoritarian governments new options for alignment, and that the future struggle in international affairs will be a war over ideas and influence.

In fact, the argument that China presents an appealing option for authoritarian regimes in the developing world is well-worn. In 2007, Joshua Kurlantzick (a *Current History* contributing editor) published a pathbreaking yet sober book titled *Charm Offensive: How China's Soft Power Is Transforming the World*, based on hundreds of interviews conducted throughout Asia and the developing world. In the same year, Joshua Eisenman, Eric Heginbotham, and Derek Mitchell published an edited volume called *China and the Developing World: Beijing's Strategy for the Twenty-First Century*, which traced the history and strategies of China's presence in developing countries.

Larry Wortzel and I wrote of the idea's importance in an *Asia Times Online* article in 2005: "A world is possible in which states follow China's path to economic growth without the constraints of democratic institutions—the 'Beijing consensus.' But it would be a more capricious and dangerous place. . . . Unlike radical Islam, China can offer something attractive—prosperity—so an ideological challenge will enjoy greater longevity."

Even as it co-opts worn tropes about China, the argument in *The Beijing Consensus* is based on a fallacy—that Halper alone understands China's complexities. When he contends that ideas about China in policy circles are monolithic, he dismissively discusses Washington lobbyists, such

as pro-business "panda huggers," protectionist "trade watchers," or defense "hawks" who have a vested interest in promulgating a simplistic China threat. Then again, when the author wants to prove his points about the China challenge, he cites sage China experts such as Elizabeth Economy and Minxin Pei.

Over the past few years, discussions about "the China model" have progressed, but Halper is either unaware of many of these developments or is unwilling to join the debate about them. What, for instance, is the potential negative impact of state capitalism on domestic innovation? What about the possibility of blowback from perceived Chinese neocolonialism in the developing world? Halper leaves these difficult questions unanswered.

## A FLAWED MODEL

As a model of economic development, the China "case" (as some refer to it, precisely to avoid grandiose discussion of "models") is problematic. When Leo Horn-Phathanothai was posted in China as the national coordinator for a British-Chinese initiative on sustainability two years ago, he published a much talked-about article called "Challenging the China Model." This essay identified several problems with the "model."

First, China's economic development experience was characterized by improvisation, rather than design, in line with Deng Xiaoping's advice to "cross the river by feeling for stones." Such an experience is difficult to replicate. Second, China's rapid economic growth has been on par with other countries that have followed the export-oriented East Asian development model—first, Japan, and then the "Asian Tigers" of Taiwan, Singapore, Hong Kong, and South Korea; it has not outstripped those countries except in scale. Finally, China's development path has been only a qualified success, accompanied by several serious failures or risks, including endemic corruption, ecological crisis, and income disparities (issues of which Halper does make note).

In Halper's previous book, *The Silence of the Rational Center: Why American Foreign Policy Is Failing* (2007), he and his coauthor Jonathan Clarke warned against the seductive "big idea" in foreign policy. *The Beijing Consensus* represents a "Dummies" guide to the best ideas on US-China policy over the past decade, and its main point is well taken: China presents both threats and opportunities. Unfortunately, the book offers few ideas of its own. ■

The politics of the People's Republic of China takes place in a framework of a socialist republic run by a single party, the Chinese Communist Party (CCP), headed by the General Secretary. State power within the People's Republic of China (PRC) is exercised through the Communist Party, the Central People's Government (State Council) and their provincial and local representation. The state uses Internal Reference, secret documents produced by Xinhua News Agency, similar to US's President's Daily Brief... China's foreign policy assertiveness represents a policy choice that should be understood in the broader context of its external relations, which is one of uncertainty. Both the impact of China's emergence in international affairs and the use China intends to make of its power and influence remain uncertain. This uncertainty is explained by the interdependence between a number of international and domestic factors as well as by the absence of a grand strategy. The uncertainty in China's foreign policy opens avenues for the EU to influence China and further deepen the scope of the EU-China Stra... China was preindustrial, with the vast majority of all Chinese living in the countryside. They were being exploited by a landed aristocracy. There was little industry in China, and a small working class was concentrated in a few large cities. According to Marx, a class revolution couldn't occur in China because the revolutionary class, the working class, was missing. China first had to go through industrialization and create a capitalist society with a large working class, and only then could it go Communist. Source: Library of Congress. Mao Zedong, founding father of the People's Republic of China. Would you like to join the Dummies newsletter so that you can be informed of new content, promotions and the latest on books and authors? You have entered an invalid email. Please re-enter it.