

Accountable Authoritarianism: Why China's Democratic Deficit Will Last

Benjamin Herscovitch

EXECUTIVE SUMMARY

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The last two centuries seem to stand testament to the widely assumed connection between prosperity and democracy. In 1800, there was not a single bona fide democracy in the world, and global GDP per capita hovered around a mere US\$667. In the wake of the Industrial Revolution's massive productivity gains and worldwide industrialisation, global GDP per capita was pushed to just shy of US\$12,000 in 2011, while the number of democracies rose to an all-time high of 96. This mirrors a striking correlation between economic development and democratisation in particular countries: In the past 200 years, the transition from dictatorship to democracy, on average, accompanied an increase in a country's GDP per capita of US\$33,330.

In the last few decades, however, the connection between economic development and democratisation has frayed. Between 1972 and 2012, the transition from dictatorship to democracy would have, on average, required an increase in a country's GDP per capita of a staggering US\$499,999. At the same time, the global spread of democracy stalled in the face of a revitalised authoritarian challenge. Typified by the seemingly perpetual presidency of Vladimir Putin in Russia and the monarchical and Islamist House of Thani in Qatar, authoritarian regimes around the world are successfully plotting paths to relative peace and prosperity.

The Chinese Communist Party (CCP) arguably presides over the leading model of successful authoritarian rule. Under the stewardship of a one-party state, China now boasts the world's second-largest economy, a middle-class of more than 400 million, and an average annual economic growth rate of more than 10% over the last 35 years. Despite this spectacular explosion of prosperity, it is commonly believed that the economic, social and political shortcomings of China's authoritarian system will make democratic reforms essential, while the country's rapidly expanding middle-class will demand more accountability and political freedom from government.

Contrary to dire predictions, the CCP's authoritarian one-party system looks set to buck the trend of democratic reforms following economic development and an expanding middle-class. As much as 75% of the Chinese middle-class think that citizens do not need to participate in government decision-making, and only 25% believe multiple parties should be able to contest elections. Furthermore, 72% of Chinese say they are satisfied with national conditions, and 76% expect to improve their position in society over the next five years.

Although ensuring that the one-party state is able to meet rising expectations requires robust reforms to stamp out corruption, mitigate environmental degradation, and rein in government interference in society, the CCP seems to have the will and wherewithal to see through such an ambitious agenda. The CCP is authoritarian in that it will not countenance any challenge to its grip on government, and yet it also has the capacity to undertake necessary reforms to bolster its power and stave off popular dissatisfaction.

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The CCP's evolving model of 'accountable authoritarianism' combines top-down decision-making with sensitivity to popular opinion to ensure that public policy broadly reflects society's preferences. Notwithstanding 'black swan' events that could precipitate regime change (e.g. severe inflation or a major economic slowdown) the political survival of the CCP's accountable authoritarian system is secure. By pursuing a moderate reformist agenda within the framework of one-party rule, the CCP is set to prove that prosperity need not produce democracy.

The end of history

As the Soviet Empire entered its death throes and the Iron Curtain crumbled across Eastern Europe, the institutions and ideas of free societies and markets seemed irrepressible. Having outflanked authoritarian imperialism, belligerent fascism, and communist totalitarianism during humanity's bloodiest and most brutal wars between 1914 and 1991, capitalist liberal democracy reigned supreme.* With China already drifting from its communist moorings and all forms of authoritarianism—nationalist, monarchical, military and otherwise—having lost the moral high ground, if not the reins of government as well, all of capitalist liberal democracy's serious ideological competitors had been defeated.¹

Typifying the ebullient mood among the world's liberal elites, Francis Fukuyama speculated that we were witnessing nothing short of 'an unabashed victory of economic and political liberalism.'² The 'end of history' had arrived; politically and economically, there was 'nothing else towards which we could expect to evolve.'³ The 'occurrence of events, even large and grave events,' had obviously not come to an end.⁴ But liberal democracy had emerged as the global gold standard of political legitimacy, while capitalism was clearly the most effective economic system for securing humanity's material wellbeing.

As the Cold War morphed into the era of unchallenged US global primacy, capitalist liberal democracy looked set to consolidate its hard-won gains. This was not just because an unrivalled hegemon with political and economic freedom in its DNA would spur the spread of liberal economics and politics; it was also because worldwide industrialisation and prosperity would make the world safe for liberal democracy.⁵ Capitalist liberal democracy was fated to 'create a world in its own image' (to appropriate Karl Marx and Friedrich Engels' famous phrase): As global commerce swelled the ranks of the world's middle-class, authoritarianism would give way to forms of liberal democracy that could cater to the needs and aspirations of newly prosperous and assertive citizens.⁶

Although gushing, the triumphalism provoked by communism's collapse and US pre-eminence was short-lived. In the decades since the end of the Cold War, capitalist liberal democracies have faced menacing ideological, political, economic and military threats. Genocide and brutal civil war in the Balkans, Rwanda, the Democratic Republic of the Congo, and Syria brought the practical limits of a 'new world order' built on liberal internationalist ideals into bloody relief.⁷ Resurgent and emboldened strains of Islamic fundamentalism made it terrifyingly clear that powerful and profoundly illiberal poles of ideological influence remained.⁸ The seemingly inexorable rise of authoritarian politics and state capitalism in China and Russia punctured the confidence in the supremacy of free markets and societies.⁹ And systemic financial and sovereign debt risk shook faith in the free market and set in motion waves of extra-electoral political frustration in established parliamentary democracies.¹⁰

Nevertheless, faith in the inevitable evolution of political and economic life towards something resembling capitalist liberal democracy endures. This steadfast belief that the world will eventually liberalise and democratise partly reflects an aspiration that all individuals should be able to take advantage of the freedoms, rights and material prosperity that the world's capitalist liberal democracies enjoy in abundance. Importantly, though, it is also the product of a simple and powerful narrative that holds sway in the world's wealthy liberal democracies.

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* What historian Eric Hobsbawm called the 'short twentieth century' between 1914 and 1991 was one of the most destructive and dangerous periods in history. World Wars I and II killed as many as 100 million people, while the spectre of nuclear annihilation haunted the globe during the Cold War. See Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century 1914–1991* (London: Abacus, 1995).

Democracy seems to have ridden the wave of rising prosperity as it spread around the world from the North Atlantic.

From ordinary citizens to policymakers, academics, bureaucrats, and elites in politics and business, it is commonly thought that prosperity and democracy go hand in hand.** As countries become wealthy, they also become democratic; middle-class consumers demand open and accountable government and handcrafted European handbags alike. In short, the liberal democratic orthodoxy is that despite renewed ideological, political, economic and military challenges, the worldwide rise of liberal democracy will continue as globalisation spreads prosperity.¹¹

The proliferation of prosperous liberal democracies

Modernisation theory is typically used to explain the supposed connection between prosperity and democracy: As political and economic systems evolve in tandem, industrialisation begets democratisation and *vice versa*.¹² Diverse economic, social and political hypotheses can be found in support of modernisation theory. Wealthier citizens are more politically demanding; sophisticated industrialised economies require more open and responsive democratic decision-making; and the abundance of communication channels in wealthy and technologically advanced societies naturally undermine authoritarian rule. Whatever the precise explanation, modernisation theory's core tenet—that economic development and democratisation march in step—is commonly thought to account for democracy's global spread in the age of worldwide industrialisation.¹³

Rather than a reflection of economic, social and political reality, suspicions might be raised that the connection between newfound wealth and hunger for political participation and freedom actually projects the wealthy liberal democrat's hopes.¹⁴ And yet the last two centuries of history tell the story of a remarkable correlation between economic development and democratisation. Just as individual wealth has surged, so too has democracy's global fortunes.

As Western Europe and then North America saw a monumental expansion of economic productivity during the Industrial Revolution, democracies began to emerge and monarchical absolutism waned. Notwithstanding brief periods of democratic decline during World War II and the collapse of many unstable post-colonial democracies in the 1960s and 1970s, democracy seems to have ridden the wave of rising prosperity as it spread around the world from the North Atlantic. Indeed, one could be forgiven for thinking that the fate of democracy was tied to the hip pockets of citizens.

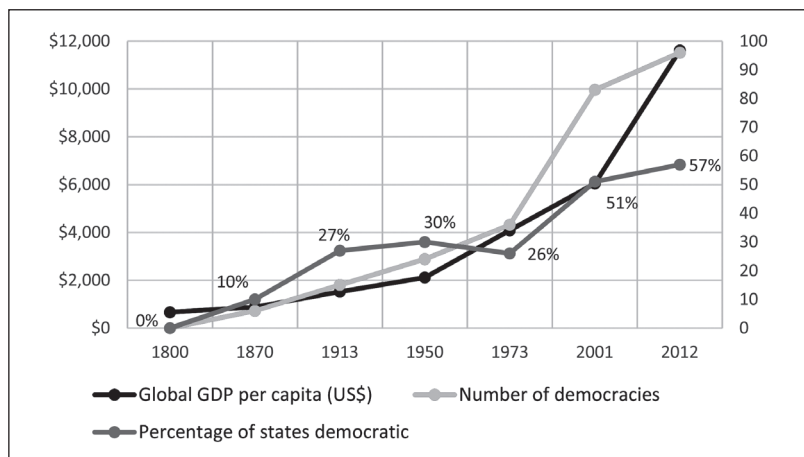
** Following the Freedom House and Economist Intelligence Unit (EIU) democracy indexes, democracy is a system of government that embodies basic liberal democratic values. Democracies feature government based on majority rule and consent of the governed; free and fair elections; protection of minority rights; respect for basic human rights; equality before the law; due process; and political pluralism. See The Economist Intelligence Unit, *Democracy Index 2012: Democracy at a Standstill* (London: The Economist Intelligence Unit, 2013), 24–29; Freedom House, *Freedom in the World 2013* (Washington, DC: Freedom House, 2013), 32–34. It should be noted that democracy need not be a dichotomous concept according to which a regime is either democratic or non-democratic. Instead, this report relies on a continuous conception of democracy encompassing various degrees of democratisation. These degrees include liberal democracy of the type described above; parliamentary democracy that involves electoral competition without the protection of many liberal rights and freedoms; and pseudo-democracy that possesses some of the formal constitutional requirements for democracy without genuinely institutionalising democratic practice. See Larry Diamond, 'Is the Third Wave Over?' *Journal of Democracy* 7:3 (1996), 21, 23, 25. For a fuller discussion of the merits of dichotomous versus continuous conceptions of democracy and other conceptual questions, see Carles Boix, Michael Miller, and Sebastian Rosato, 'A Complete Data Set of Political Regimes, 1800–2007,' *Comparative Political Studies* (2012).

In 1800, there was not a single bona fide democracy in the world, and global GDP per capita hovered around a mere US\$667.¹⁵ The subsequent century saw slow but solid democratic gains in European nations and their settler colonies, bringing the number of democracies worldwide to 15 by the eve of World War I.¹⁶ At the same time, global GDP per capita rose to approximately US\$1,525, thanks to massive productivity gains spurred by the Industrial Revolution, particularly in the North Atlantic economies.¹⁷

Following the disintegration of European empires after World War II, and subsequent decolonisation, the number of democracies rose to 35 or so by the early 1970s. This coincided with rapid industrialisation in East Asia and the post-war economic recovery in the North Atlantic, which together pushed global GDP per capita above US\$4,000.¹⁸ By the early 2000s, global GDP per capita had surpassed US\$6,000, while more than 80 democracies had taken root around the world.¹⁹ With breakneck economic development in emerging economies pushing global GDP per capita to just shy of US\$12,000 in 2011, the number of democracies rose to an all-time high of 96.²⁰

With breakneck economic development in emerging economies pushing global GDP per capita to just shy of US\$12,000 in 2011, the number of democracies rose to an all-time high of 96.

Figure 1: Growth in global GDP per capita and number of democracies, 1800–2012****



Source: Various.²¹

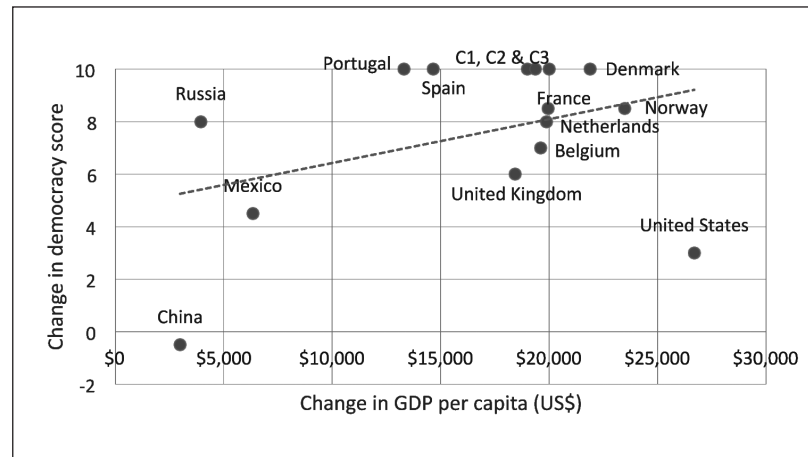
There is also a striking correlation between rising prosperity and democratisation in particular countries. In 1800, no country for which data is available for the last 200 years qualified as a fully fledged democracy, and every country had a GDP per capita of less than US\$2,000.²² By 2001, all but one of these countries was democratic and the average GDP per capita had risen to nearly US\$18,000.²³

*** Although it might seem anomalous, the United States is typically not considered genuinely democratic until the age of Jacksonian democracy, which roughly coincided with the presidency of Andrew Jackson, 1829 to 1837. This period saw the expansion of the franchise to all men of European heritage, and greater decision-making powers taken from state and federal legislatures and given to voters. See 'American President: Andrew Jackson (1767–1845),' *The Miller Center*. Pre-1972 democracy scores are taken from the Polity IV data set. Carles Boix, Michael Miller, and Sebastian Rosato have developed a competing dataset that covers the same period as Polity IV and includes a minimal suffrage requirement (omitted by Polity IV). See Carles Boix, Michael Miller, and Sebastian Rosato, 'A Complete Data Set of Political Regimes, 1800–2007,' as above, 13. However, as this report is focused on measuring the relationship between incremental economic development and democratisation and Boix, Miller and Rosato's dataset is 'geared toward the [dichotomous] distinction between democracy and nondemocracy,' the Polity IV dataset is used throughout for pre-1972 democracy scores. See as above, 20.

**** GDP per capita data for 1800 to 2001 comes from Angus Maddison, *The World Economy Volume 2: Historical Statistics* (Paris: OECD Publishing, 2006) while 2012 GDP per capita data comes from the World Bank and mostly reflects 2011 data. GDP per capita data from 1820 is used for 1800.

On average, a country improved its democracy score by 1 point (out of a possible 10 points) for every increase in GDP per capita of US\$4,995. This implies that, on average, the transition from dictatorship to democracy—an improvement in a country’s democracy score from 0 to 10—accompanied an increase in GDP per capita of US\$49,995.[†]

Figure 2: Changes in GDP per capita and democracy score in select countries, 1800–2001^{††}



Source: Polity IV Project, ‘Political Regime Characteristics and Transitions, 1800–2012,’ www.systemicpeace.org/polity/polity4.htm; Angus Maddison, *The World Economy Volume 2: Historical Statistics* (Paris: OECD Publishing, 2006), 262.

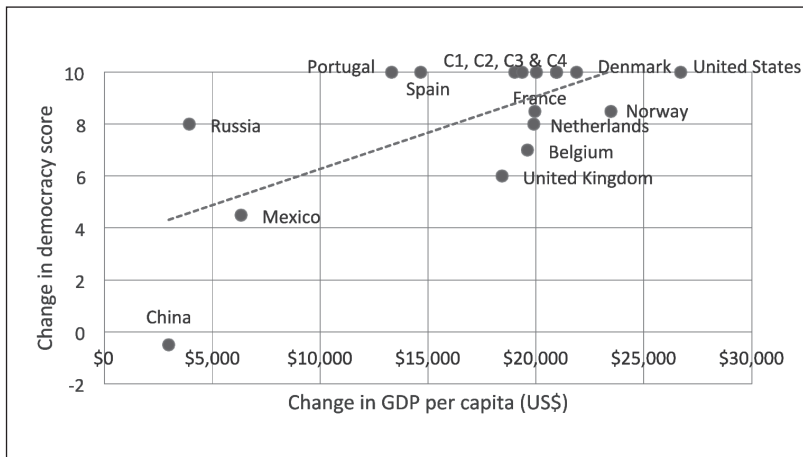
Not only does Figure 2 show that increases in GDP per capita were, on average, associated with large democratic dividends, but it underplays the strength of the correlation between economic development and democratisation. The data records the massive post-Industrial Revolution increase in GDP per capita in the United States without reflecting the important democratic reforms that took place shortly before 1800. In addition, the data does not account for the dramatic concomitant rises in prosperity and democracy in European settler colonies, such as Australia, New Zealand and Canada. Imputing rough values for these pieces of missing data suggests that countries, on average, improved their democracy score by 1 point for every GDP per capita increase of US\$3,330. This in turn implies that a transition from dictatorship to democracy, on average, accompanied an increase in GDP per capita of US\$33,330.

Between 1800 and 2001, a transition from dictatorship to democracy, on average, accompanied an increase in GDP per capita of US\$33,330.

[†] The democracy scores used throughout this report range from 0 (thoroughly undemocratic regime) to 10 (genuine liberal democracy). As indicated, these democracy scores are variously based on the Polity IV, Freedom House, and EIU democracy indexes. For simplicity, all these indexes are standardised as a score of 0 to 10.

^{††} GDP per capita data from 1820 is used for 1800. Belgium’s 1830 democracy score is used for 1800. C1, C2 and C3 are Austria, Sweden and Japan, respectively.

Figure 3: Changes in GDP per capita and democracy score in select countries, 1800–2001^{†††}



Source: Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' www.systemicpeace.org/polity/polity4.htm; Angus Maddison, *The World Economy Volume 2: Historical Statistics* (Paris: OECD Publishing, 2006), 262.

The long-term correlation between increases in levels of prosperity and democracy does *not* show that economic development causes democratisation. Synchronised economic development and democratisation could be the product of disparate causes or a common third cause. As Seymour Martin Lipset, one of the pioneers of modernisation theory, conceded in an influential academic paper published in the 1950s:

The high correlations which appear in the data to be presented between democracy and other institutional characteristics of societies [e.g. high GDP per capita] must not be overly stressed, since unique events may account for either the persistence or the failure of democracy in any particular society.²⁴

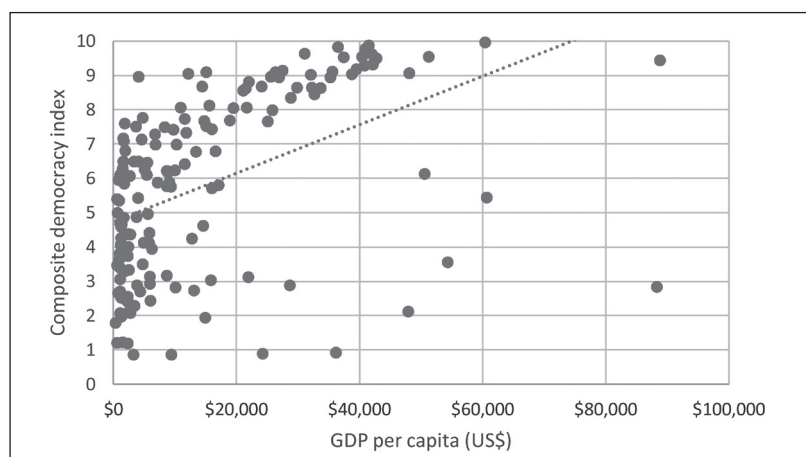
Lipset's caution is wise; even the strongest correlations do not entail causation. However, the striking correlation does at least indicate that over the last couple of centuries, economic development and democratisation have typically accompanied each other.

Even if we step back from the macro view of two centuries of history, modernisation theory still looks plausible. Despite the rapid technological, political, social and economic changes of recent decades, prosperity and democracy are still strongly correlated throughout the world. Prosperous countries tend to score well in indexes of democracy, while poor countries are often relatively undemocratic. In fact, for every extra US\$14,281 in GDP per capita, on average, countries have democracy scores 1 point higher.

Despite the rapid technological, political, social and economic changes of recent decades, prosperity and democracy are still strongly correlated throughout the world.

^{†††} GDP per capita data from 1820 is used for 1800. The United States is given a democracy score of 0 for 1800 to reflect pre-independence eighteenth century colonial rule. Countries classified as 'other Western offshoots' (e.g. Canada, New Zealand and Australia) are collectively given a democracy score of 0 for 1800 to reflect pre-independence eighteenth century colonial rule. Belgium's 1830 democracy score is used for 1800. C1, C2, C3 and C4 are Austria, Sweden, Japan and a weighted collection of 'other Western offshoots,' such as Australia, New Zealand and Canada, respectively.

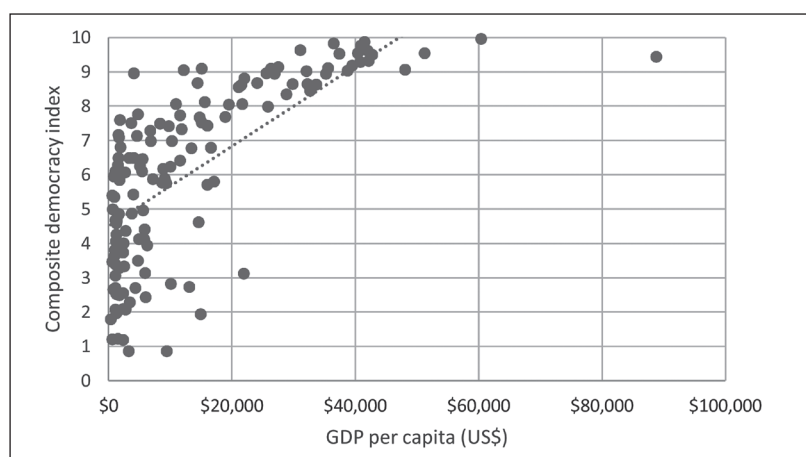
Figure 4: GDP per capita and democracy score, 2012^{††††}



Source: Various.²⁵

Although prosperity and democracy are typically found together, democratisation tends to be delayed in city-states and states that are heavily reliant on revenues from natural resources.⁵ Excluding countries in these categories (e.g. Singapore and Qatar) therefore produces an even stronger correlation between prosperity and democracy. For every extra US\$9,996 in GDP per capita, on average, countries have democracy scores 1 point higher.

Figure 5: GDP per capita and democracy score (excluding city and natural resources dependent states), 2012^{§§}



Source: Various.²⁶

For every extra US\$9,996 in GDP per capita, on average, countries have democracy scores 1 point higher.

†††† This democracy score is a composite score equally weighted between the EIU democracy and Freedom House indexes. The GDP per capita data is taken from the World Bank and mostly reflects 2011 data.

§ The comparative ease of controlling geographically concentrated urban populations and providing them with services may mute democratic forces in city-states. At the same time, the immense wealth that states in control of large reserves of natural resources typically amass makes it easier to exercise political power and provide citizens with high standards of living, which is likely to create, as Robert J. Barro suggests, 'less pressure for democratization than income associated with the accumulation of human and physical capital.' See Robert J. Barro, 'Determinants of Democracy,' *Journal of Political Economy* 107:2 (1999), S164.

§§ This democracy score is a composite score equally weighted between the EIU democracy and Freedom House indexes. The GDP per capita data is taken from the World Bank and mostly reflects 2011 data. The city-states excluded are Hong Kong and Singapore. The natural resources dependent states excluded are the members of the Organization of the Petroleum Exporting Countries (OPEC) and countries that derive more than 50% of their fiscal capacity from natural resources revenues: Algeria, Angola, Bahrain, Ecuador, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Oman, Qatar, Saudi Arabia, Trinidad and Tobago, United Arab Emirates, Venezuela and Yemen. See Organization of the Petroleum Exporting Countries (OPEC), 'Member Countries,' http://www.opec.org/opec_web/en/about_us/25.htm; Stephen Haber and Victor Menaldo, 'Do Natural Resources Fuel Authoritarianism?: A Reappraisal of the Resource Curse,' *American Political Science Review* 105:1 (February 2011), 4–11.

Neither the strong current worldwide correlation between prosperity and democracy nor the historical correlation between rising prosperity and democratic reforms establish a causal relationship between economic development and democratisation. Nevertheless, this evidence is at least *consistent* with modernisation theory's central hypothesis that, as Lipset famously argued, 'Increased wealth is ... related causally to the development of democracy.'²⁷ Although this causal relationship remains to be established, the idea that rising prosperity leads to democracy looks increasingly plausible.

Liberal democracy's discontents

Since the heady post-Cold War days of liberal democratic triumphalism, the last great waves of worldwide democratisation have peaked.⁵⁵⁵ Between 1988 and 1998, the number of countries designated 'free' by Freedom House shot up from 60 (36% of countries) to 88 (46% of countries).²⁸ With the Soviet empire imploding in the 1980s and early 1990s, and globalisation spreading the mantra of open markets and societies around the world, it seemed as if the rise of liberal democracy was ineluctable.

In the 15 years after 1998, however, the percentage of countries that were liberal and democratic remained unchanged at 46%, representing a real increase of just 2.²⁹ And despite this small rise in the overall number of free nations to 90, countries that saw democratic backsliding outnumbered those that experienced democratic gains. As Freedom House ruefully observed, '2012 ... marks the seventh consecutive year in which countries with declines outnumbered those with improvements.'³⁰ It may be overly pessimistic to conclude, as Joshua Kurlantzick from the Council on Foreign Relations does, that the first decades of the twenty-first century have seen liberal democracy go one step forward, two steps backwards.³¹ Nevertheless, liberal democracy's spectacular twentieth century victories over fascism and communism have hardly been consolidated.

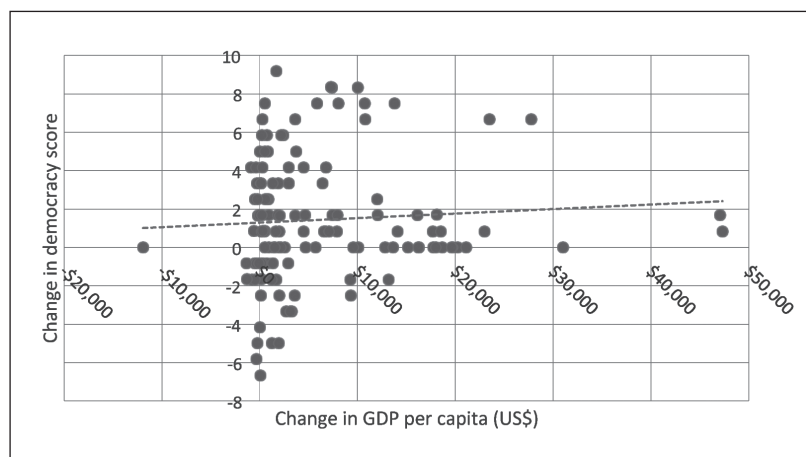
This is not just a matter of momentary stagnation; it arguably points to an often overlooked aspect of the relationship between economic development and democratisation. Just as liberal democracy's worldwide advance ground to a near-complete halt, global prosperity continued to surge. Between 1998 (when liberal democracy's progress plateaued) and 2011, global GDP per capita increased by more than US\$5,000—from US\$6,321 in 1998 to US\$11,616 in 2011—representing a rise of 84%.³² These twin mega-trends suggest there is more to the story of the relationship between economic development and democratisation than a graph plotting a simple correlation reveals. Indeed, digging a little deeper into the data and comparing changes in the levels of prosperity and democracy shows that newfound wealth is not, on average, associated with a substantial democratic dividend.

Between 1972 and 2012, economic development was, on average, associated with negligible improvements in a country's Freedom House score. For every GDP per capita increase of US\$49,999, a country's democracy score only rose, on average, by 1 point. This means that improving a country's Freedom House categorisation from 'not free' to 'free' would have, on average, required an increase in GDP per capita of a staggering US\$499,999. Assuming that this weak correlation between economic development and democratisation holds, any realistic increase in GDP per capita is unlikely to be associated with a significant increase in a country's democracy score.

Between 1972 and 2012, economic development was, on average, associated with negligible improvements in a country's Freedom House score.

§§§ It is typically thought that there have been three major waves of democratisation: A long, slow wave starting with Jacksonian democracy in the United States in the 1820s and lasting until the Great Depression and democratic counter-currents in the 1920s; a second wave from the defeat of the fascist Axis powers in the 1940s to the democratic retreat in newly established post-colonial democracies in the 1960s; and a third wave beginning with the fall of military regimes in Portugal, Spain and Greece in the 1970s and gaining momentum in the 1980s and 1990s with the end of the Cold War. See Larry Diamond, 'Is the Third Wave Over?' as above, 20. Some scholars have pointed to an apparent fourth wave of global democratisation—affecting countries such as Indonesia and Iraq—which peaked in the late 1990s and continued into the early 2000s. See Joshua Kurlantzick, *Democracy in Retreat: The Revolt of the Middle Class and the Worldwide Decline of Representative Government* (New Haven: Yale University Press, 2013), 51.

Figure 6: Changes in GDP per capita and democracy score, 1972–2012^{§§§§}



Source: Freedom House, *Freedom in the World* (Washington, DC: Freedom House, 2013); Center for International Comparisons of Production, Income and Prices, 'Penn World Table,' https://pwt.sas.upenn.edu/php_site/pwt_index.php.

On average, a rise of US\$49,999 in a country's GDP per capita was associated with an increase of only one point in its democracy score between 1972 and 2012.

To see just how weak the association between economic development and democratisation is, let us consider one of the highest levels of GDP per capita growth of any country between 1972 and 2012. Even if a country's GDP per capita rose by as much as Singapore's—a monumental rise of US\$47,057 in a 40-year period—it would only improve its democracy score by 0.94 points if, the weak correlation between economic development and democratisation held. Given that such a prodigious rise in prosperity in such a short period is extremely rare, economic development is, on average, likely to be only associated with insignificant democratisation. Indeed, the connection between economic development and democratisation is still extremely weak even if city-states and states that are dependent on natural resources are excluded: On average, a rise of US\$49,999 in a country's GDP per capita is associated with an increase of only one point in its democracy score.

Clearly, rising prosperity is not necessarily matched by democratic reforms. Countries can become poorer while they become more democratic (e.g. Liberia), just as they can become wealthier as they become less democratic (e.g. Malaysia). Equally, countries can see their wealth stagnate as they become more democratic (e.g. Malawi), just as they can expand their wealth as democratic progress stalls (e.g. Morocco). In short, economic development is not, on average, associated with significant democratisation.^{‡33}

The weak correlation between economic development and democratisation over the last 40 years leaves us with a difficult question: Why have economic development and democratisation stopped moving in tandem after having done so for the last two centuries (figures 1, 2 and 3)?³⁴ One plausible hypothesis is that prosperity and democracy emerged concurrently in certain European nations and some of their former colonies as a result of an exceptional confluence of events.³⁵ These societies embarked on development paths that simultaneously reined in the powers of elites

§§§§ GDP per capita data for the last available year of the Penn World Table (2010) is used for 2012.

‡ Although not the focus of this report, the evidence from the last 40 years also undermines the theory that countries become wealthy because they are democratic. If improvements in democracy scores are not strongly correlated with increases in GDP per capita, then we can conclude that just as economic development is, on average, associated with a meagre democratic dividend, democratisation is also, on average, associated with a meagre economic dividend.

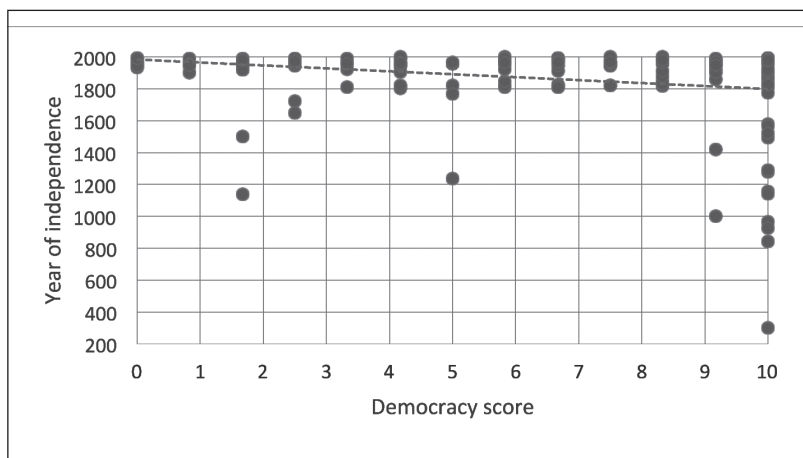
through greater democratic rights and produced rapid economic development by combining industrial methods of production and relative freedom of commerce.³⁶ In other words, political rights and freedoms flourished just as citizens began to enjoy never-before-seen wealth, thanks to the Industrial Revolution's massive productivity gains and the growth of truly global commerce.

The idea that prosperity and democracy emerged concomitantly in certain European nations and some of their former colonies because of a contingent combination of political and economic developments suggests the current worldwide correlation between prosperity and democracy (figures 4 and 5) is not structural. Rather, it may be the legacy of certain societies having taken divergent development paths towards a free economy and society.³⁷ Prosperity and democracy progressing hand in hand may therefore not be the norm; it may have only been a historical anomaly peculiar to certain European nations and some of their settler colonies in the nineteenth and twentieth centuries.³⁸

The hypothesis that democracy is the result not of prosperity but certain contingent historical factors is supported by the correlation between an early date of independence and a high democracy score. Countries that gained independence before the twentieth century—overwhelmingly from Europe and the Americas—are much more likely to be democratic.³⁹ By contrast, the majority of countries with low democracy scores—below Freedom House's 'partly free' category—achieved independence after 1900.⁴⁰ The connection between a high democracy score and an early date of independence is so strong that a state with the highest democracy score of 10 would, on average, have gained independence in 1799, while a state with the lowest democracy score of 0 would, on average, have gained independence in 1984.⁴¹

Prosperity and democracy progressing hand in hand may have only been a historical anomaly peculiar to certain European nations and some of their settler colonies.

Figure 7: Year of independence and democracy score, 2012^{##}



Source: Freedom House, *Freedom in the World* (Washington, DC: Freedom House, 2013); The CIA World Factbook, 'Independence,' www.cia.gov/library/publications/the-world-factbook/fields/2088.html.

The correlation between an early date of independence and democracy, striking though it is, obviously does not demonstrate that an early date of independence causes democracy.⁴² Rather, it adds weight to the hypothesis that the strong contemporary correlation between prosperity and democracy can be explained by the specific

^{##} Although this democracy score is based purely on the Freedom House Freedom in the World index, the strong correlation between an early date of independence and a high democracy score remains if the democracy score is instead calculated by giving equal weight to the EIU democracy and Freedom House Freedom in the World indexes.

development paths historically taken by certain European nations and some of their former colonies.

Clearly, there is no proof of a causal connection between economic development and democratisation.⁴³ Not only is the association between economic development and democratisation over the last 40 years extremely weak, but the striking contemporary correlation between prosperity and democracy is consistent with currently wealthy and democratic states having taken specific development paths that simultaneously fostered wealth *and* democratic government. Consequently, even if rising prosperity is, on average, associated with democracy getting a small hand up, this minor advantage may not actually be a result of economic development per se.

An authoritarian resurgence

The idea of divergent development paths is able to explain the striking contemporary correlation between prosperity and democracy without relying on an unsubstantiated causal relationship between economic development and democratisation.⁴⁴ However, this is not the complete story of the early twenty-first century's expanding prosperity and liberal democratic standstill.⁴⁵ With fascism and communism defeated in the short twentieth century of 1914 to 1991, the post-Cold War waves of democratisation have now stalled in the face of savvy forms of authoritarianism. From state capitalism (e.g. China under the Chinese Communist Party (CCP)) to anti-democratic populism (e.g. Russia under the seemingly perpetual presidency of Vladimir Putin) and technocratic and monarchical Islamism (e.g. Qatar under the House of Thani), global democratisation now confronts a revitalised authoritarian challenge.⁴⁶

Although these various models of authoritarianism have distinct origins, employ different methods of governance, and do not represent cohesive ideological competitors to liberal democracy's vision of open societies and markets, they nevertheless serve their citizens' limited material interests.⁴⁷ These authoritarian regimes crush their political opponents and heavily restrict political rights and freedoms, and yet they also meet basic human needs by successfully executing the core functions typically ascribed to government: They make and enforce rules and deliver services.⁴⁸

The CCP does not tolerate any challenge to its rule, controls the judiciary, censors the Internet, and keeps more than 1,400 political activists behind bars.⁴⁹ Nevertheless, the CCP has also given the Chinese more personal freedom than they have enjoyed at almost any time in their nation's thousands of years of history, while presiding over more than 30 years of uninterrupted economic growth that has lifted roughly 600 million Chinese out of poverty.⁺⁺⁺⁵⁰ Although Russia under Putin has seen repeated electoral irregularities, crackdowns on non-governmental organisations, and state interference in media reporting, on average, the economy has expanded by more than 5% a year since he assumed the presidency in 2000, and GDP per capita has increased from approximately US\$8,000 in 2000 to US\$22,000 in 2011.⁵¹ Notwithstanding the ruling family's monopoly on political power and proposed media laws that would criminalise criticism of the government, Qatar has a GDP per capita of approximately US\$88,000 and the highest Human Development Index score in the Arab world.⁵²

The success of these authoritarian regimes seems startling when their performance is compared to the recent stumbles of some of the world's leading liberal democracies. While 70% of Chinese said they were better off financially in 2012 than in 2007, only 11% of Japanese said the same; while GDP per capita rose by 173% in Russia in the decade before 2011, it only rose by 24% in United Kingdom during the

There is no proof of a causal connection between economic development and democratisation.

+++ Although debatable, the Chinese may have enjoyed more personal freedom during the republican era in the early decades of the twentieth century.

same period.⁵³ Although striking, such comparisons are not particularly instructive. Growth rates and levels of satisfaction do not reveal much about the success of a model of government because these measures are largely a function of factors unrelated to whether a country is democratic or authoritarian. These factors could include a country's position on the development path (e.g. Japan's urbanised post-industrial economy versus China's rapidly urbanising developing economy) or the availability of natural resources and prevailing economic conditions (e.g. Russia's massive oil and natural gas reserves versus the United Kingdom's economic battering during the global financial crisis).

The real significance of the revitalised authoritarian challenge to continued global democratisation is not the superior performance of particular regimes on certain metrics. Rather, the rise of successful forms of authoritarianism casts doubt on the idea that the world will be remade in the image of capitalist liberal democracy because only this economic and political system can satisfy basic human needs and desires.⁵⁴ Capitalist liberal democracy's twentieth century victories against expansionist forms of fascism and communism were hard-won and yet also unequivocal. Now capitalist liberal democracy faces unassuming but more formidable challenges: Shrewd forms of authoritarianism that deny citizens democratic rights and freedoms while carefully plotting paths to relative peace and prosperity.

The success of various models of authoritarianism poses tough questions for liberal democrats. Will authoritarian regimes achieve a measure of legitimacy by securing material comfort without the checks and balances on power provided by robust parliamentary democracy? Will calls for democratic rights and freedoms be consigned to history as authoritarian regimes offer the personal freedom and prosperity that were once thought to thrive only in liberal democracies? And will citizens in dysfunctional democracies be drawn to authoritarian models of government as unelected leaders deliver on commitments to security and economic development?

The Chinese challenge

The most revealing test case for authoritarianism's prospects is also the most important for the world-at-large. The CCP presides over the most populous nation in history and one of the most influential models of authoritarianism. The Chinese state's evolution will not just affect the Chinese people; it will also shape the political and economic trajectories of countries around the world. Even if the CCP does not seek to export its authoritarian model, the power of diffusion means that the Chinese example will influence regimes in the Middle Kingdom's neighbourhood and beyond.⁵⁵ Indeed, as the Australian academic John Lee suggests, rather than 'the last great Communist domino waiting to fall,' China may well be a new 'model for autocrats everywhere—from Asia to Africa and South America—to learn from.'⁵⁶

Having only escaped international isolation and what journalist Rowan Callick calls Mao Zedong's 'cul de sac of collectivisation' a little more than 30 years ago, the CCP has managed to pull off a massive resurgence in China's international power and prestige, along with a mesmerising increase in prosperity.⁵⁷ China boasts the world's second-largest military budget and economy, and is expected to have the world's largest economy by 2018 and spend more on its military than any other nation by the 2030s.⁵⁸ Under the CCP's stewardship, China's middle-class has ballooned to more than 404 million—approximately 30% of the population—while the number of Chinese living in poverty has fallen to 170 million—just 13% of the population.⁵⁹

The meteoric rise from poverty-stricken communist collectivism to comparative free-market abundance might be the most immediately striking feature of recent CCP rule, but the 'Beijing consensus' is no longer just a development strategy of nominally communist export-orientated state capitalism.⁶⁰ The Chinese model has evolved into a blueprint for governance more broadly: authoritarian but competent top-down one-party decision-making. Could the success of this model make China's

The rise of successful forms of authoritarianism casts doubt on the idea that the world will be remade in the image of capitalist liberal democracy.

The conventional wisdom is that China's authoritarian system will eventually collapse and be replaced by a form of liberal democracy.

'enlightened authoritarianism' the harbinger of the end of the worldwide correlation between prosperity and democracy?⁶¹ And does this mean that the latest post-Cold War waves of democratisation will finally crash on the Great Wall of China?

As we have seen, economic development does not necessarily translate into democratisation. This suggests that China's continued economic expansion—between 7% and 8% in 2013 and 2014, with predicted annual growth rates of as much as 7% until 2023—is not reason to expect China to become a parliamentary democracy.⁶² Despite this, the conventional wisdom is that China's authoritarian system will eventually collapse and be replaced by a form of liberal democracy.⁶³

Minxin Pei, a world-renowned China expert, maintains that China's 'current system is simply morally, intellectually bankrupt; it offers no future for the Chinese people.'⁶⁴ This reflects the consensus view that a rapidly expanding middle-class will demand more accountability and political freedom from government, while economic, social, environmental and political problems born of institutional inflexibility will make democratic reforms essential.⁶⁵ Just as the clamour of middle-class calls for accountability and the strain of authoritarianism's inherent flaws precipitated regime change in Eastern Europe in 1989 and North Africa and the Middle East in 2011, Beijing's CCP rulers will be swept from power. Some commentators and observers are even prepared to make precise predictions: The Hoover Institution's Henry S. Rowen says China will rise into Freedom House's 'partly free' category by 2015, and will become 'free' by 2025.⁶⁶

Not only is 'the middle class on average more politically active than the lower or upper classes,' but support for democracy tends to be approximately 5 to 20 percentage points higher among the middle-class than among lower income groups across the developing world.⁶⁷ With China's middle-class expected to expand from 404 million in 2011 (30% of the population) to 1,273 million by 2050 (92% of the population), there would seem to be a large and growing reservoir of support for democratisation.⁶⁸ This comes on top of already vocal demands for more democratic accountability across the nation: The 90,000 'mass incidents'—a euphemism for social unrest and protest—in China each year point to widespread appetite for more open and responsive government.⁶⁹

Flagrant maladministration and severe environmental, social and political problems are also undermining the stability of CCP rule. Approximately 18,000 corrupt CCP officials have collectively funnelled as much as US\$120 billion out of China since 1990—equivalent to China's entire education budget from 1978 to 1998—and 143,000 government employees were convicted of graft or dereliction of duty between 2008 and 2012.⁷⁰

At the same time, the CCP faces rising discontent from extremely unpopular policies, such as the One Child Policy (OCP) and forced land seizures, while rising income inequality and chronic pollution are constant thorns in the CCP's side. The OCP continues to result in forced abortions; land seizures cause as much as two-thirds of China's 90,000 annual 'mass incidents'; and 48% of Chinese think that the gap between rich and poor is a 'very big problem.'⁷¹ Pollution in China's northern industrial centres is so severe that residents of China's south live at least five years longer than their northern counterparts, while air pollution accounted for 1.2 million premature deaths in 2010.⁷² The legitimacy of Han Chinese-dominated CCP rule is also challenged by China's minorities: Ethnic riots in the restive Xinjiang province left nearly 200 dead in 2009 and political and inter-communal violence claimed more than 100 lives in the northern summer of 2013, while 122 Tibetans have self-immolated in a wave of protests that began in February 2009.⁷³

Given these staggering economic, social, environmental and political problems, and a rising and restless middle-class, it appears that China's authoritarian system is careening towards crises that will eventually force it to 'democratise or die.'⁷⁴

The allure of authoritarianism with Chinese characteristics

It is easy for middle-class liberal democrats to assume that their prosperous peers want the same political rights and freedoms they cherish, and therefore confidently claim, as Fukuyama does, that ‘everywhere it has emerged, a modern middle class causes political ferment.’⁷⁵ The first problem with this narrative is that it is wildly out of step with the attitudes and aspirations of the Chinese middle-class. Notwithstanding the need to interpret survey data with caution, the available evidence suggests that, like its South Korean and Taiwanese counterparts, the Chinese middle-class will not be at the forefront of any democratic movements.^{### 76}

Using survey data collected in Beijing, Chengdu and Xi’an, academics Jie Chen and Chunlong Lu found that more than 90% of middle-class Chinese support protecting the right to work, education, free information, privacy of personal correspondence, and travel abroad, while more than 80% support protecting the right to reside anywhere in the country and worship freely.⁷⁷ Despite an appetite for individual rights and freedoms, the Chinese middle-class’ interest in political rights and freedoms is lukewarm.⁷⁸

As much as 75% of the Chinese middle-class think they do not need to participate in government decision-making, and only 25% say multiple parties should be able to contest elections.⁷⁹ Furthermore, 86% of middle-class Chinese respect China’s political system and 83% believe the CCP represents their interests, while only 24% and 23% respectively support the formation of citizens’ non-governmental organisations or potentially disruptive demonstrations.⁸⁰

In short, middle-class Chinese ‘are neither interested in democratic institutions, such as the fully competitive election of leaders without restriction on political parties, nor enthusiastic about participating in government affairs and politics.’⁸¹ With one-party rule entrenched in China, the country certainly suffers what David Marquand called a ‘democratic deficit,’ and yet it seems to cause little disquiet among middle-class Chinese.⁸²

Why is China’s middle-class largely indifferent towards democracy? In part, this is a product of the middle-class’ dependence on the state.⁸³ As Lee points out, ‘the CCP has conducted a tireless and largely successful campaign to co-opt, and in many respects create, the rising educated and economic classes.’⁸⁴ As well as overseeing the emergence of the socioeconomic environment that created China’s massive new middle-class in the last 40 years, the CCP provides middle-class Chinese with jobs and career opportunities within the state apparatus, and has encouraged business owners and entrepreneurs to join the party since the 1990s.⁸⁵

In Chen and Lu’s survey, ‘a majority (about 60 percent) of middle-class respondents were employed in the state apparatus,’ and, not surprisingly, there is a significant ‘negative correlation between employment in the state apparatus and support for democracy and democratization.’⁸⁶ This means that ‘China’s authoritarian leaders have ensured that the middle classes’ future is tied to the Party’s’: The CCP offers an invaluable network to those in the private sector and a salary to those in the public sector.⁸⁷ Far from being an agent for democratisation, the CCP’s successful co-opting of China’s emerging middle-class has made it what China expert Jonathan Unger calls a ‘bulwark of the current regime’ that effectively blocks the path to democracy.⁸⁸

Not only is the Chinese middle-class unlikely to be an agent for regime change, but the Chinese population-at-large is not in the mood to rebel against the political system. There is a significant negative correlation between satisfaction with social and economic status and support for democracy within China’s general population.⁸⁹ This suggests that the more satisfied people are with their social and economic conditions, the less supportive they are of democratic change.

The Chinese middle-class’ interest in political rights and freedoms is lukewarm.

There are admittedly limitations on how accurate any picture of the attitudes and aspirations of individuals living under authoritarian regimes can be. Pollsters will often be unable to ask questions freely, respondents may be reluctant to answer honestly, and the understanding of key democratic values and procedures may differ.

Severe economic, social, environmental and political problems do not guarantee political reform.

Given how comfortable and optimistic the Chinese people are, broad-based calls for democratisation are a very distant prospect. The Chinese are more likely than any public in the 2012 Pew Global Attitudes Survey to say they are better off than their parents, while China is the world leader in hope for the future on a composite index of optimism.⁹⁰ Added to this, 72% of Chinese say they are satisfied with national conditions, and 76% expect to improve their position in society over the next five years.⁹¹ With the Chinese economy on track to expand at approximately 7% annually over the next decade despite the aftershocks of the global financial and sovereign debt crises, Chinese optimism is likely to prove well founded.⁹² Indeed, even if fewer Chinese are dependent on the state as employees of state-owned enterprises (SOEs) as a result of ongoing economic liberalisation and the growth of the private sector, continued economic expansion would still provide a powerful rationale for the political status quo.

Just as China's emerging middle-class does not make democratisation inevitable, severe economic, social, environmental and political problems do not guarantee political reform. To be sure, China's one-party system aggravates some of the country's economic, social, environmental and political problems. For example, corruption is likely to be exacerbated by an absence of the checks and balances provided by government transparency and free media.⁹³ This is consistent with estimates that approximately 60% of the 60 most corrupt countries and nearly all the 30 most corrupt countries are authoritarian, while 90% of the 60 least corrupt countries are democratic.⁹⁴ However, even those economic, social, environmental and political problems that are compounded by China's authoritarian system are not entirely due to authoritarianism and would not necessarily be solved by democratisation, while other serious challenges are largely unrelated to the CCP's one-party rule.

The secretiveness of authoritarian regimes might offer easy refuge for corrupt officials: It is no surprise that some of the most corrupt regimes have been authoritarian (e.g. the dictatorships of Mohamed Suharto in Indonesia, Ferdinand Marcos in the Philippines, and Mobutu Sese Seko in Zaire).⁹⁵ However, corruption is not just a systemic problem in non-democratic systems of government, which suggests that democratisation would not be a panacea for China's endemic corruption.

Transparency International (TI) places India, the world's largest democracy, 14 places below China on its Corruption Perceptions Index, which ranks countries and territories based on perceptions of public sector corruption.⁹⁶ Although government transparency and a free media in India's democracy might lower its position in the TI index by bringing more corruption to light, corruption is clearly not just the product of a country's system of government.⁹⁷ It would therefore be grossly simplistic to attribute all of China's problems with corruption to its authoritarian system, or to assume that corruption could be eliminated through democratic reforms.

The OCP and forced land seizures are certainly unpopular and poorly administered policies, but democracies are not immune from bad public policy. Equally, World Health Organization data shows that China's pollution levels are not dissimilar to those in other developing countries, irrespective of whether they are authoritarian or democratic.⁹⁸ China's unequal distribution of wealth is a source of social tension, but the latest data reveals that China's GINI coefficient of income inequality has dropped from 0.51 in 2010 to 0.49 in 2012, while the share of income of the top 10% of households declined from 26 times the share of the bottom 10% in 2007 to 20.9 times the share of the bottom 10% in 2011.⁹⁹ Finally, the unrest and separatism in China's western provinces are replicated to varying degrees in numerous democracies: Basque separatism in Spain, the West Papuan independence movement in Indonesia, the Corsican National Liberation Front in France, the Tamil independence movement in Sri Lanka, and so on.¹⁰⁰

Although democracy may be a 'means to good governance,' it would be naïve to expect it to solve all of China's challenges.¹⁰¹ As Kishore Mahbubani, a former senior

Singaporean diplomat, observes: Democracy is not a 'sufficient condition for good governance.'¹⁰² Just as authoritarianism is not the root cause of many of China's challenges, democracy would not immediately neutralise corruption, poor public policy, and social unrest.

Accountable authoritarianism

Democratisation is not a panacea for all of China's economic, social, environmental and political ills. But this does not necessarily mean that the current authoritarian system will be able to effectively mitigate these problems within the framework of one-party rule. Could these strains on China's authoritarian model be severe enough to undermine the legitimacy of CCP rule and make a democratic transition irresistible?

Notwithstanding the CCP's many detractors, the theory of 'accountable authoritarianism' developed in this report suggests that China's authoritarian system is not fated to collapse. Building a prosperous and powerful China under one-party rule will require reforms to stamp out corruption, manage environmental degradation, and rein in government interference in social and economic affairs. Despite the CCP's steadfast commitment to perpetuating its own political dominance through repression and violence, the party also has the will and wherewithal to see through such an ambitious reform agenda.¹⁰³

The key to the CCP's survival will be its pragmatic reformism: It recognises that constant adaptation is a prerequisite for power and political longevity. This is most strikingly highlighted by China's economic revitalisation over the last 35 years. When Mao Zedong died in 1976, the Chinese economy was contracting by 1.6% annually and GDP per capita was a paltry US\$163.¹⁰⁴ Determined to dismantle the most suffocating elements of Maoist central planning, the reform-minded Deng Xiaoping de-collectivised agricultural production and created business-friendly special economic zones. Since Deng launched China's real Great Leap Forward, the economy has experienced uninterrupted expansion, annual economic growth has averaged 10%, and GDP per capita has risen to more than US\$5,500.¹⁰⁵

The CCP might be avowedly authoritarian, but it is what has been called a 'Darwinian Leninist Party.'¹⁰⁶ In Deng's words, the guiding philosophy of the CCP's accountable authoritarianism is not communism but evolution through pragmatic reform: 'It doesn't matter whether a cat is black or white, as long as it catches mice.'¹⁰⁷

Another revealing example of the CCP's reformist authoritarianism is the introduction of village elections, which have made local government somewhat more effective and responsive, despite also preserving the CCP's monopoly on political power. Starting in the early 1980s, elections were introduced at the village level of government, and by 1988, village leaders were charged with responsibility for fiscal management, land allocation and education.¹⁰⁸ By the mid-1990s, 90% of village leaders held their posts by virtue of popular ballots, with open nominations becoming national law in 1998.¹⁰⁹ Elected village leaders are unlikely to openly oppose central government policy, and CCP influence can decide electoral outcomes.¹¹⁰ Nevertheless, elected leaders can delay or ineffectively enforce unpopular measures, such as the OCP and the forced expropriation of land.¹¹¹ Village elections thereby provide citizens with some protection from Beijing's edicts and ensure that government spending better reflects local preferences.¹¹²

The CCP is authoritarian in that it will not countenance any challenge to one-party rule. Yet it is also clearly willing to undertake necessary reforms to consolidate its power, stave off popular dissatisfaction, and ensure that government remains at least minimally responsive to the will of the people.¹¹³ This accountable authoritarianism means the party will reform public policy where necessary to adapt to new economic, political and social challenges, while also jealously guarding its position of unrivalled political power.¹¹⁴ In other words, the CCP melds both quasi-democratic impulses towards more accountability and responsiveness with determination to not cede control over the organs of state.

The CCP recognises that constant adaptation is a prerequisite for power and political longevity.

The CCP exhibits genuine resolve to clamp down on corruption, overhaul the deeply unpopular regime of forced land expropriations, tackle chronic pollution, and reduce income inequality.

As the label suggests, a key element of Beijing's accountable authoritarianism is government oversight and responsiveness to the demands of citizens. Despite using repression and violence to cement its grip on government, the CCP exhibits genuine resolve to clamp down on corruption, overhaul the deeply unpopular regime of forced land expropriations, tackle chronic pollution, and reduce income inequality.

Acknowledging that corruption poses a 'severe challenge' to CCP rule and must be combatted for 'the party and the country,' President Xi Jinping's administration has launched an Internet-based platform for 'netizens' to report cases of corruption.¹¹⁵ Although selective and at least partly motivated by internal jockeying for political power in the party leadership, the CCP has also pursued a series of high-profile corruption investigations against senior officials.¹¹⁶ This comes on the back of a revised land management law stipulating that farmers be paid 'fair' market value for their land to minimise exploitation by officials who acquire farmland cheaply and sell it at a massive mark-up to businesses.¹¹⁷ The CCP's 2011–15 five-year plan also includes spending commitments worth more than US\$350 billion to reduce pollution, while policies have been enacted to limit coal consumption, reduce water and air contamination, and take high-polluting vehicles off the roads.¹¹⁸ Finally, with income inequality falling slightly in recent years, there are tentative signs that the CCP will live up to its longstanding commitment to narrowing the yawning gap between rich and poor.¹¹⁹

Essential clean government, land management, and environmental and social policy initiatives will face stiff resistance from vested interests. Nevertheless, they are consistent with the CCP's impressive track record of reform over the last 40 years: from moribund socialist economics and brutal totalitarianism to state capitalism and a massive expansion of personal freedoms. Like Deng's spectacularly successful program of economic liberalisation, these reforms show that the CCP is not a rigid and doctrinaire organisation. The CCP certainly wants to stay in power, but it will abandon ideological verities of old and pull vested interests off the public teat if that means securing its own power and long-term survival.

Just as surely as the Chinese model of accountable authoritarianism produces public policy that better reflects community preferences in some policy arenas, it also employs repression. The CCP muzzles speech that questions its rule and is intent on subordinating the Chinese legal system to the party. Although China's more than 550 million Internet users pose a massive challenge to the CCP's attempts to control the flow of information, the party has not abandoned the goal of shutting down forms of expression that challenge its power.¹²⁰ In a thinly veiled move to quash dissenting political comment, the CCP in 2013 decided to charge netizens with defamation if social media messages that spread 'rumours' are visited by 5,000 users or reposted more than 500 times.¹²¹

Despite attempts to use high-profile prosecutions of senior officials, such as former Chongqing party secretary Bo Xilai and former railways minister Liu Zhijun, as evidence of the rule of law, the CCP continues to rule by means of the law and exhibits little tolerance of a truly independent judiciary.¹²² Indeed, the CCP's denunciation of constitutionalism in 2013 in the leaked 'Document No. 9' suggests that, like the military, the legal system should remain at the behest of the CCP leadership.¹²³ With Beijing still taking its cue from the Mao-era decree that 'party policy is the soul of the law,' genuine rule of law remains aspiration rather than reality in China.¹²⁴

Notwithstanding the CCP's repression of dissent and jealously guarded monopoly on political power, the party does not preside over a blunt and rigid authoritarian regime. Although unable to claim legitimacy through electoral victories, the CCP carefully ensures that government decisions in a wide range of policy arenas are broadly responsive to the will of the people.¹²⁵ This evolving model of accountable authoritarianism thereby combines top-down decision-making with sensitivity to popular opinion to ensure that public policy reflects society's preferences, provided, of course, that these preferences do not challenge the CCP's political dominance.

An alternative route to the end of history?

Although Fukuyama's detractors painted him as an overzealous liberal triumphalist, *The End of History and the Last Man* concludes on a decidedly cautious note. Fukuyama acknowledged that we can neither be certain that all societies are moving towards capitalist liberal democracy, nor that societies will not eventually abandon this political and economic system after adopting it.¹²⁶ The closing paragraph distils this measured assessment with the metaphor of a wagon train of humanity exploring new and untested political and economic ways of life:

It is doubtful that we are at that point now [such that any reasonable person looking at the situation would be forced to agree that there had been only one journey and one destination], for despite the recent worldwide liberal revolution, the evidence available to us now concerning the direction of the wagons' wanderings must remain provisionally inconclusive. Nor can we in the final analysis know, provided a majority of the wagons eventually reach the same town, whether their occupants, having looked around a bit at their new surroundings, will not find them inadequate and set their eyes on a new and more distant journey.¹²⁷

The Chinese model of accountable authoritarianism exemplifies just how circuitous the wagon-wanderings may be. Consistent with Fukuyama's predictions, the CCP presides over a political and economic system that embodies more and more elements of capitalist liberal democracy. The Chinese economy has been supercharged by a measure of economic liberalisation, while the power of Chinese leaders is circumscribed by the imperative to not lose legitimacy in the eyes of citizens, and their actions are scrutinised by powerful non-electoral monitory mechanisms, such as social media.¹²⁸ And yet China is far from Fukuyama's image of a capitalist liberal democratic state at the end of history: The CCP monopolises political power—in characteristically Maoist fashion, with the barrel of a gun, if necessary—and with control over 144,700 SOEs that rake in 43% of China's total industrial and business profit, government still has a commanding hand in the economy.¹²⁹

What lesson should we draw from the survival and strength of China's capitalist and reformist version of authoritarianism? Public opinion and the consensus among journalists, policymakers and academics suggests that the CCP's continued reign masks deep-seated structural tensions that will eventually force the party out of office.¹³⁰ For liberal democrats wedded to the universal legitimacy of individual rights and freedoms and parliamentary democracy, this is an alluring diagnosis. But it arguably overlooks a more plausible outcome: The CCP will navigate an alternative route to the end of history. Capitalist liberal democracy still 'constitutes the best possible solution to the human problem,' but as China's accountable authoritarianism seems to show, it is not the only effective solution.¹³¹

Notwithstanding the internal and external challenges to perpetual CCP rule (see Appendix), and despite assurances from its detractors that it cannot last, the Chinese model of accountable authoritarianism has had a remarkably successful few decades. The CCP has been able to maintain its monopoly on political power while adapting its economic and political system to spur development and ensure that the state remains attuned to many of the concerns of citizens.¹³² And with President Xi determined to realise the 'Chinese dream' of continued modernisation and ever greater prosperity, the one-party state is set to continue delivering on many of the demands of the Chinese people, and thereby secure power and political survival.¹³³

In 1998, US President Bill Clinton castigated Beijing on its failure to live up to liberal ideals by suggesting that the regime was 'on the wrong side of history.'¹³⁴ This was certainly true of the CCP's brutal, bloody and intellectually bankrupt Maoist past. But by continuing to pursue a moderate reformist agenda within the framework of one-party rule, the CCP may yet carve out an enduring place at the end of history for its own brand of accountable authoritarianism.¹³⁵

The CCP may yet carve out an enduring place at the end of history for its own brand of accountable authoritarianism.

Appendix: The future of Chinese Communist Party rule

Even if the Chinese Communist Party (CCP) is able to implement an effective reform agenda to deal with underlying economic, political, social and environmental problems, 'black swan' events could derail the party's rule. For example, if China experienced a bout of severe inflation or hyperinflation, the CCP would likely face a serious crisis of legitimacy. Witness the role of inflation in fomenting deep dissatisfaction with government in the lead up to the Arab Spring.¹³⁵ Severe inflation or hyperinflation would be particularly dangerous for the CCP given China's unusually high savings rate: At more than 50%, China has the highest rate of personal savings in the world, according to the IMF.¹³⁶ By destroying the value of savings and putting the basic necessities of life beyond the reach of many ordinary citizens, inflation could become a powerful force for political instability, and ultimately, even regime change.

More broadly, CCP rule could be undermined by the inevitable slackening of economic growth rates. Of course, a great deal depends on how much growth the Chinese people expect and how willing they would be to voice their dissatisfaction with failures to meet expectations. Nevertheless, as the Chinese economy expands at a slower rate, which some analysts predict could average as low as 3% to 4% annually for the decade after 2013, a dangerous gap could emerge between China's economic reality and Chinese aspirations.¹³⁷ Although it is difficult to predict how such an expectations gap will affect the populace's perceptions of the CCP, it could set in motion a groundswell of discontent with the regime and imperil the one-party state.¹³⁸

Any expectations gap is likely to have further destabilising effects if the CCP is unable to shake off the perception that the ruling elite is exploiting its position to secure its own wealth. As demonstrated by the CCP's concerted effort to crack down on corruption—or at least appear to do so—and the attempt to suppress stories of the staggering wealth acquired by the families of Chinese political leaders, such as former Premier Wen Jiabao and current President Xi Jinping, the CCP is guided by the imperative of projecting a clean image, if not actually offering clean government.¹³⁹ The CCP knows that its survival will in part hinge on whether the party is able to follow the logic of enlightened self-interest that controls kleptocratic impulses in the name of political preservation.

The seeds of democratisation could also eventually germinate thanks to the efforts of the CCP's own leadership. The regular references to China's democratic future of the Hu Jintao and Wen administration have not been echoed during Xi's presidency.¹⁴⁰ At the same time, senior CCP officials and Chinese academics caution that democracy requires a 'preparatory phase' to ensure that the right 'economic, cultural and practical conditions are in place,' while also advising that China should 'insist on a democratic model that suits itself.'¹⁴¹ Nevertheless, there remain regular murmurings among influential party figures that 'democracy is the best political system for humankind,' and that China will eventually become democratic because 'the great revival of the Chinese nation cannot be achieved without democracy.'¹⁴²

It is admittedly unclear what precisely 'democracy with Chinese characteristics' entails. Would it mean full-blown liberal democracy or the managed version of democracy envisioned by former Premier Zhao Ziyang—'Chinese citizens can enjoy genuine democracy and freedom under the leadership of the party'?¹⁴³ Irrespective of the precise vision of China's democratic future, it seems that, in the words of one senior CCP official: 'The debate in China is no longer about whether to have democracy, but about when and how.'¹⁴⁴

Endnotes

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- 10 As above.
- 11 Robert D. Kaplan, 'Was Democracy Just a Moment?' *The Atlantic* (1 December 1997); Jamil Anderlini, 'How Long Can the Communist Party Survive in China?' *Financial Times Magazine* (20 September 2013); Nayan Chanda, 'A global middle class strikes back,' *The Times of India* (6 July 2013).
- 12 Seymour Martin Lipset, 'Some Social Requisites of Democracy: Economic Development and Political Legitimacy,' *The American Political Science Review* 53:1 (March 1959), 75, 83.
- 13 See, for example, as above; Robert J. Barro, 'Determinants of Democracy,' *Journal of Political Economy* 107:6 (1999), S182; Robert J. Barro, 'Democracy, Law and Order, and Economic Growth,' *2013 Index of Economic Freedom* (Washington, DC: The Heritage Foundation, 2013), 55; John B. Londregan and Keith T. Poole, 'Does High Income Promote Democracy?' *World Politics* 49:1 (October 1996), 28; Adam Przeworski and Fernando Limongi, 'Modernization: Theories and Facts,' *World Politics* 49:2 (January 1997), 166; Yu Liu and Dingding Chen, 'Why China Will Democratize,' *The Washington Quarterly* 35:1 (Winter 2012), 47; Henry S. Rowen, 'When Will the Chinese People Be Free?' *Journal of Democracy* 18:3 (July 2007), 48.
- 14 Enlightenment thinking's tendency to be caught in a solipsistic trap partly explains modernisation theory's stranglehold on elites and popular opinion: The universalistic project of liberal democratic values—providing all individuals with economic, political and personal rights and freedoms—assumes that all people want not just material abundance and individual autonomy, but also political power.
- 15 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' www.systemicpeace.org/polity/polity4.htm; Angus Maddison, *The World Economy Volume 2: Historical Statistics* (Paris: OECD Publishing, 2006), 262.
- 16 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above.
- 17 Angus Maddison, *The World Economy Volume 2*, as above, 262.
- 18 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above; Angus Maddison, *The World Economy Volume 2*, as above, 262.
- 19 Angus Maddison, *The World Economy Volume 2*, as above.
- 20 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above; The World Bank, 'Data,' <http://data.worldbank.org/>.
- 21 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above; Angus Maddison, *The World Economy Volume 2*, as above; The World Bank, 'Data,' as above.
- 22 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above; Angus Maddison, *The World Economy Volume 2*, as above;
- 23 Polity IV Project, 'Political Regime Characteristics and Transitions, 1800–2012,' as above; Angus Maddison, *The World Economy Volume 2*, as above;
- 24 Seymour Martin Lipset, 'Some Social Requisites of Democracy,' as above, 72, 75.
- 25 The Economist Intelligence Unit, *Democracy Index 2012: Democracy at a Standstill* (London: The Economist Intelligence Unit, 2013), 3–8; Freedom House, *Freedom in the World 2013* (Washington, DC: Freedom House, 2013), 13–18; The World Bank, 'Data,' as above.
- 26 The Economist Intelligence Unit, *Democracy Index 2012*, as above, 3–8; Freedom House, *Freedom in the World 2013*, as above, 13–18; The World Bank, 'Data,' as above..
- 27 Seymour Martin Lipset, 'Some Social Requisites of Democracy,' as above, 75, 83. This view is still widely defended. See, for example, Barro's claim that 'a higher standard of living promotes democracy.' Robert J. Barro, 'Determinants of Democracy,' as above, S182. See also Robert J. Barro, 'Democracy, Law and Order, and Economic Growth,' as above, 55.

- 28 Freedom House, *Freedom in the World 2013*, as above, 27.
- 29 As above.
- 30 As above, 1.
- 31 Joshua Kurlantzick, 'One Step Forward, Two Steps Back,' *Foreign Policy* (4 March 2013); Joshua Kurlantzick, *Democracy in Retreat: The Revolt of the Middle Class and the Worldwide Decline of Representative Government* (New Haven: Yale University Press, 2013).
- 32 The World Bank, 'Data,' as above.
- 33 Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' *American Economic Review* 98:3 (2008), 820, 836.
- 34 This finding is consistent with Carles Boix, Michael Miller, and Sebastian Rosato's conclusion that the connection between robust democracy and economic variables, such as high GDP per capita, has steadily weakened since World War I. See Carles Boix, Michael Miller, and Sebastian Rosato, 'A Complete Data Set of Political Regimes, 1800–2007,' *Comparative Political Studies* (2012), 20–21.
- 35 Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' as above, 829.
- 36 In a similar vein, Barrington Moore Jr attributed the rise of democracy not to prosperity, but to an alliance of interests between major segments of the landed aristocracy and the urban elite against royal authority. See Barrington Moore Jr, *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World* (Boston: Beacon Press, 1993), 424. Although Moore is most famous for the dictum 'no bourgeoisie, no democracy,' his argument was not that whenever economic development creates a bourgeoisie, democracy will follow. See as above, 418. Rather, he meant to emphasise the historically important role that the bourgeoisie played in winding back the power of royal authority. See as above, 413–432.
- 37 Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' as above, 812–813; Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Reevaluating the Modernization Hypothesis,' *Journal of Monetary Economics* 56:8 (2009), 1054.
- 38 Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' as above, 832.
- 39 Freedom House, 'Freedom in the World,' as above; The CIA World Factbook, 'Independence,' www.cia.gov/library/publications/the-world-factbook/fields/2088.html.
- 40 Freedom House, 'Freedom in the World,' as above; The CIA World Factbook, 'Independence,' as above.
- 41 Freedom House, 'Freedom in the World,' as above; The CIA World Factbook, 'Independence,' as above.
- 42 This strong correlation is also consistent with Daron Acemoglu, et al.'s conclusion based on extensive analysis of the last 500 years of political regimes that 'there is no evidence that income per capita has a causal effect on transitions to or away from democracy once controls for omitted variables simultaneously affecting the evolution of income and democracy are included.' See Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Reevaluating the Modernization Hypothesis,' as above, 1053; Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' as above, 810; Daron Acemoglu and James Robinson, 'Middle Class Rising?' *Why Nations Fail* (2 July 2013). If variables simultaneously affecting economic development and democratisation explain the strong contemporary correlation between prosperity and democracy, then it is hardly surprising that democracy is correlated with a historical phenomenon like an early date of independence.
- 43 Although there is emerging agreement that economic development is not a key driver of democratisation, there is ongoing debate as to whether prosperity buttresses democratic rule. Contra the sceptical line taken by Acemoglu, et al., Adam Przeworski and Fernando Limongi suggest that 'the probability that a democracy will die during any particular year in a country with an income above \$4,000 is practically zero: two in a thousand years.' See Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Reevaluating the Modernization Hypothesis,' as above, 1053; Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Income and Democracy,' as above, 810; Adam Przeworski and Fernando Limongi, 'Modernization: Theories and Facts,' as above, 166. See also Jan Teorell, 'Statistical Evidence,' in Isobel Coleman, Terra Lawson-Remer, and Charles Landow (eds.), *Pathways to Freedom: Political and Economic Lessons From Democratic Transitions* (New York: Council on Foreign Relations, 2013), 22, 24.
- 44 Daron Acemoglu, Simon Johnson, James A. Robinson, and Pierre Yared, 'Reevaluating the Modernization Hypothesis,' as above, 1057.
- 45 The Economist Intelligence Unit, *Democracy Index 2012*, as above, 1.
- 46 Robert D. Kaplan, 'Was Democracy Just a Moment?' as above; Thomas L. Friedman, 'Takin' it to the streets,' *The New York Times* (29 June 2013).
- 47 Seymour Martin Lipset, 'Some Social Requisites of Democracy,' as above, 91.
- 48 A.H. Maslow, 'A Theory of Human Motivation,' *Psychological Review* 50:4 (July 1943), 375, 394; Francis Fukuyama, 'What is Governance?' *Governance* 26:3 (July 2013), 4.

- 49 Freedom House, 'Freedom in the World 2013: China,' www.freedomhouse.org/report/freedom-world/2013/china; Anonymous, 'China's Holistic Censorship Regime,' *Far Eastern Economic Review* 171:4 (May 2008).
- 50 Rowan Callick, *Party Time: Who Runs China and How* (Collingwood: Black Inc, 2013), xii; The World Bank, 'Data,' as above; The World Bank, 'China Overview,' www.worldbank.org/en/country/china/overview. World-renowned China watcher Richard McGregor calls the combination of political repression and massively expanded personal freedoms and wealth 'China's grand bargain': 'The party allows citizens great leeway to improve their lives, as long as they keep out of politics.' See Richard McGregor, '5 Myths About the Chinese Communist Party,' *Foreign Policy* (January/February 2011).
- 51 Freedom House, 'Freedom in the World 2013: Russia,' www.freedomhouse.org/report/freedom-world/2013/russia; The World Bank, 'Data,' as above.
- 52 Freedom House, 'Freedom in the World 2013: Qatar,' www.freedomhouse.org/report/freedom-world/2013/qatar; The World Bank, 'Data,' as above; Salman Siddiqui, 'Qatar celebrates first HDI ranking in Arab world,' *Gulf Times* (29 April 2013).
- 53 Pew Research Center, *Growing Concerns in China About Inequality, Corruption* (Washington, DC: Pew Research Center, 2012), 7; The World Bank, 'Data,' as above.
- 54 Francis Fukuyama, *The End of History and The Last Man*, as above, 339.
- 55 Pankaj Mishra, 'Why China's Riches Won't Bring It Freedom,' *Bloomberg* (19 May 2013). Daniel Brinks and Michael Coppedge find that 'countries tend to change their regimes to match the average degree of democracy or non-democracy found among their contiguous neighbors and that ... countries tend to follow the direction in which the majority of other countries in the world are moving.' See Daniel Brinks and Michael Coppedge, 'Diffusion is no Illusion,' as above, 463, 482. On the geostrategic dimension of the rise of successful authoritarian states, see Azar Gat, 'The Return of Authoritarian Great Powers,' *Foreign Affairs* 86:4 (July/August 2007).
- 56 John Lee, *Putting Democracy in China on Hold*, Issue Analysis 95 (Sydney: The Centre for Independent Studies, 2008), 4.
- 57 Rowan Callick, *Party Time: Who Runs China and How*, as above, 131.
- 58 'How to get a date,' *The Economist* (31 December 2011); Trefor Moss, '5 Things the Pentagon Isn't Telling Us About the Chinese Military,' *Foreign Policy* (23 May 2012).
- 59 Karen Ward and Frederic Neumann, *Consumer in 2050: The Rise of the EM Middle Class* (London: HSBC Bank, 15 October 2012), 21; The World Bank, 'China Overview,' as above. Research by McKinsey & Co suggests that by 2022, more than 75% of China's urban consumers will earn RMB60,000 to RMB229,000 (US\$9,000 to US\$34,000) a year. See Dominic Barton, Yougang Chen, and Amy Jin, 'Mapping China's Middle Class,' *McKinsey Quarterly* (June 2013). That would put these Chinese middle-class consumers between the average income of Brazil and Italy in Purchasing-Power-Parity terms, which means urban household income will at least double by 2022. See as above.
- 60 Katrin Bennhold, 'What is the Beijing consensus?' *The New York Times* (28 January 2011).
- 61 Nicu Popescu, 'Democracy vs Reformism in the Eastern Neighbourhood,' *European Council on Foreign Relations* (11 January 2011).
- 62 'IMF cuts global growth outlook,' *South China Morning Post* (9 October 2013); 'World Bank sees slower growth in China, East Asia,' *South China Morning Post* (8 October 2013); David Llewellyn-Smith, 'China's bears and raging bulls,' *The Age* (25 September 2013).
- 63 Yasheng Huang, 'Democratize or Die: Why China's Communists Face Reform or Revolution,' *Foreign Affairs* (January/February 2013); Minxin Pei, 'The Politics of a Slowing China,' *Project Syndicate* (6 July 2013).
- 64 Cheng Li and Minxin Pei, 'Li vs. Pei on China's prospects for political reform,' *The Wall Street Journal* (8 November 2012).
- 65 See, for example, Dali L. Yang, 'China's Long March to Freedom,' *Journal of Democracy* 18:3 (July 2007), 63; Minxin Pei, 'How Will China Democratize?' *Journal of Democracy* 18:3 (July 2007), 55; Minxin Pei, 'Great party, but where's the communism?' *The New York Times* (30 June 2011); Jamil Anderlini, 'How Long Can the Communist Party Survive in China?' as above. In a similar vein, Fukuyama argued in a recent opinion piece that the 'potential mismatch between expectations and opportunities for China's new middle class' will conspire to make the Chinese political model unsustainable. See Francis Fukuyama, 'The rise of China's middle class,' *The Australian Financial Review* (16 August 2013).
- 66 Henry S. Rowen, 'When Will the Chinese People Be Free?' as above, 48.
- 67 Glenita Amoranto, Natalie Chun, and Anil Deolalikar, *Who Are the Middle Class and What Values Do They Hold?: Evidence from the World Values Survey* (Manila: Asian Development Bank, October 2010), 18; Pew Research Center, *The Global Middle Class: Views on Democracy, Religion, Values, and Life Satisfaction in Emerging Nations* (Washington, DC: Pew Research Center, 2009), 9–16. See also Elizabeth J. Zechmeister, Laura Sellers, and Mitchell A. Seligson, 'Assessing the Impact of the New Middle Class on Politics and Democracy,' *Americas Quarterly* 6:4 (Fall 2012), 75.

- 68 Karen Ward and Frederic Neumann, *Consumer in 2050*, as above, 21, 25; The Department of Economic and Social Affairs (DESA), *World Population Prospects: The 2012 Revision* (New York: United Nations, 2013); Yu Liu and Dingding Chen, 'Why China Will Democratize,' as above, 47.
- 69 James Pomfret, 'China village seethes over land grabs as Beijing mulls new laws,' *Reuters* (7 March 2013).
- 70 Yasheng Huang, 'Democratize or Die,' as above; Benjamin Kang Lim and Ben Blanchard, 'Xi Jinping hopes traditional faiths can fill moral void in China: Sources,' *Reuters* (29 September 2013).
- 71 Ma Jian, 'China's brutal one-child policy,' *The New York Times* (21 May 2013); James Pomfret, 'China village seethes over land grabs as Beijing mulls new laws,' as above; Freedom House, 'Freedom in the World 2013: China,' as above; Pew Research Center, *Growing Concerns in China About Inequality, Corruption*, as above, 9.
- 72 Edward Wong, 'Pollution leads to drop in life span in Northern China,' *The New York Times* (8 July 2013); Edward Wong, 'China's plan to curb air pollution sets limits on coal use and vehicles,' *The New York Times* (12 September 2013).
- 73 Julie Makinen, 'Death toll in Xinjiang violence rises to at least 35,' *The Los Angeles Times* (28 June 2013); 'Xinjiang violence: Two sentenced to death in China,' *BBC News* (13 August 2013); Andrew Jacobs, 'Uighurs in China say bias is growing,' *The New York Times* (7 October 2013); 'Tibetans allowed to openly revere the Dalai Lama in two Chinese provinces,' *Radio Free Asia* (26 June 2013); 'Chinese police fire on unarmed Tibetan protesters in Driru,' *Radio Free Asia* (7 October 2013).
- 74 Yasheng Huang, 'Democratize or Die,' as above. See, for example, Minxin Pei, 'The Politics of a Slowing China,' as above; Ryan Rappa, 'China's Democratic Future,' *Journal of Political Inquiry* (Spring 2013).
- 75 Francis Fukuyama, 'The middle-class revolution,' *The Wall Street Journal* (28 June 2013).
- 76 Acemoglu and James Robinson point out that 'democracy arrived in high-growth authoritarian regimes such as South Korea and Taiwan not because of the wishes or the actions of the middle class, but because of the effective protests, in the face of repression and sometimes violence, organized by students and workers.' See Daron Acemoglu and James Robinson, 'Middle Class Rising?' as above. See also David Martin Jones, 'Democratization, Civil Society, and Illiberal Middle Class Culture in Pacific Asia,' *Comparative Politics* 30:2 (January 1998), 147.
- 77 Jie Chen and Chunlong Lu, 'Democratization and the Middle Class in China: The Middle Class's Attitudes Toward Democracy,' *Political Research Quarterly* 64:3 (September 2011), 707.
- 78 As above.
- 79 As above, 709–710. Although almost 70% of middle-class Chinese are in favour of multi-candidate elections for government officials, they are comfortable with all the candidates representing the CCP. See as above, 710.
- 80 Jie Chen, *A Middle Class Without Democracy: Economic Growth and the Prospects for Democratization in China* (Oxford: Oxford University Press, 2013), 71, 83.
- 81 As above, 90.
- 82 David Marquand, *Parliament For Europe* (London: Jonathan Cape, 1979), 65.
- 83 Jie Chen and Chunlong Lu, 'Democratization and the Middle Class in China,' as above, 712.
- 84 John Lee, *Putting Democracy in China on Hold*, as above, 11.
- 85 Jie Chen and Chunlong Lu, 'Democratization and the Middle Class in China,' as above, 713; Kellee S. Tsai, 'China's Complicit Capitalists,' *Far Eastern Economic Review* 171:1 (January/February 2008), 15.
- 86 Jie Chen and Chunlong Lu, 'Democratization and the Middle Class in China,' as above, 713, 715; See also John Lee, *Putting Democracy in China on Hold*, as above, 15.
- 87 John Lee, *Putting Democracy in China on Hold*, as above, 15.
- 88 Jonathan Unger, 'China's Conservative Middle Class,' *Far Eastern Economic Review* 169:3 (April 2006), 28, 31; Richard McGregor, *The Party: The Secret World of China's Communist Rulers* (New York: HarperCollins, 2010), 266. The average CCP member is a professional, and 39% have tertiary degrees. See Rowan Callick, *Party Time: Who Runs China and How*, as above, 3.
- 89 Jie Chen and Chunlong Lu, 'Democratization and the Middle Class in China,' as above, 715.
- 90 Pew Research Center, *Growing Concerns in China About Inequality, Corruption*, as above, 7; Pew Research Center, *China's Optimism* (Washington, DC: Pew Research Center, 2005), 3.
- 91 Pew Research Center, *China's Optimism*, as above, 3 and 5.
- 92 'IMF cuts global growth outlook,' as above; 'World Bank sees slower growth in China, East Asia,' as above; 'World Bank president expects China to hit GDP growth target but warns of tapering risk,' *Reuters* (15 September 2013). Notwithstanding gloomy predictions from China 'bears,' such as Michael Pettis, that China's economic growth rate will only average 3% to 4% annually over the next 10 years, the IMF, the World Bank, leading global investment banks, and the CCP expect it to expand by more than 7% in 2013 and 2014. See 'World Bank president expects China to hit GDP growth target but warns of tapering risk,' as above; Zheng Yangpeng, 'Minimum growth rate set at 7 percent,' *China Daily* (17 September 2013); Michael Pettis, 'Why China faces four per cent growth,' *Business Spectator* (13 September 2013).

- 93 Yasheng Huang, 'Democratize or Die,' as above.
- 94 Minxin Pei, 'Government by Corruption,' *Forbes* (22 January 2009).
- 95 Yasheng Huang, 'Why democracy still wins: A critique of Eric X. Li's "A tale of two political systems",' *TED Blog* (1 July 2013).
- 96 Transparency International, 'Corruption Perceptions Index 2012,' <http://cpi.transparency.org/cpi2012/results/>.
- 97 Yasheng Huang, 'Why democracy still wins,' as above.
- 98 World Health Organization (WHO), 'Database: Outdoor air pollution in cities,' www.who.int/phe/health_topics/outdoorair/databases/en/.
- 99 Zhang Hong, 'China's income inequality slowly improving, survey finds,' *South China Morning Post* (19 July 2013); Wang Xiaolu, 'Measuring the width of the wealth gap,' *Caixin Online* (23 September 2013).
- 100 For a nuanced assessment of the origin and significance of recent civil disturbances in Xinjiang and the level of religious repression in Tibet, see Liam Powers, 'Xinjiang: Reassessing the Recent Violence,' *The Diplomat* (4 August 2013); 'Tibetans allowed to openly revere the Dalai Lama in two Chinese provinces,' as above.
- 101 Eric X. Li, 'The Life of the Party: The Post-Democratic Future Begins in China,' *Foreign Affairs* (January/February 2013). See also Eric X. Li, 'Counterpoint: Debunking myths about China,' *The New York Times* (18 July 2012).
- 102 Kishore Mahbubani, 'Mahbubani on "What is governance?'," *The Governance blog* (26 March 2013). See also Eric X. Li, 'Why China's political model is superior,' *The New York Times* (16 February 2012).
- 103 Bruce J. Dickson, *Populist Authoritarianism: The Future of the Chinese Communist Party* (Washington, DC: Carnegie Endowment for International Peace, 2 November 2005); Karen Eng, 'A tale of two systems: Eric X. Li at TEDGlobal 2013,' *TED Blog* (13 June 2013). Pointing to 'undemocratic reformism' and 'authoritarian modernisation,' Nicu Popescu observes that the 'disconnect between democracy and reformism is not unusual.' See Nicu Popescu, 'Democracy vs Reformism in the Eastern Neighbourhood,' as above.
- 104 The World Bank, 'Data,' as above.
- 105 As above.
- 106 Nicholas Bequelin, 'The Limits of the Party's Adaptation,' *Far Eastern Economic Review* 172:10 (December 2010), 47.
- 107 'Deng Xiaoping,' *BBC News* (2003).
- 108 Nancy Qian, 'Village Governance in China,' *The Oxford Companion to the Economics of China* (Oxford: Oxford University Press, 2012), 2–3; Henry S. Rowen, 'When Will the Chinese People Be Free?' as above, 44.
- 109 Nancy Qian, 'Village Governance in China,' as above, 2–3, *The Oxford Companion to the Economics of China* (Oxford: Oxford University Press, 2012), 2–3; Henry S. Rowen, 'When Will the Chinese People Be Free?' as above, 44.
- 110 Nancy Qian, 'Village Governance in China,' as above, 5; Henry S. Rowen, 'When Will the Chinese People Be Free?' as above, 45; John L. Thornton, 'Long Time Coming: The Prospects for Democracy in China,' *Foreign Affairs* 87:1 (January/February 2008).
- 111 Nancy Qian, 'Village Governance in China,' as above, 5; John L. Thornton, 'Long Time Coming,' as above.
- 112 Nancy Qian, 'Village Governance in China,' as above, 4.
- 113 A key feature of the CCP's accountable authoritarianism is what Baogang He and Mark E. Warren call 'authoritarian deliberation': Deliberative mechanisms that can generate information about society and policy for an authoritarian regime, thereby helping avoid governance missteps. See Baogang He and Mark E. Warren, 'Authoritarian Deliberation: The Deliberative Turn in Chinese Political Development,' *Perspectives on Politics* 9:2 (June 2011), 269, 281. See also John Lee, *Putting Democracy in China on Hold*, as above, 13.
- 114 As noted China watcher Arthur Kroeber observes, 'If for no other reason than an interest in self-preservation, it [the CCP] is responsive to all manner of ills.' See Arthur Kroeber, 'The underestimated party-state,' *The Financial Times* (26 February 2007). See also Minxin Pei, 'How Will China Democratize?' as above, 55; Richard McGregor, *The Party: The Secret World of China's Communist Rulers*, as above, 266–267.
- 115 'CPC to maintain high pressure on corruption,' *Xinhuanet* (5 August 2013); 'Party discipline agency opens official website,' *Xinhuanet* (2 September 2013); 'Party discipline agency vows timely exposure of corruption,' *Xinhuanet* (12 September 2013).
- 116 Benjamin Herscovitch, 'China's Icarus sheds light on the limits of the law,' *Ideas@The Centre* 9:38 (September 2013); 'Jiang Jiemin: China sacks former energy chief,' *BBC News* (3 September 2013). A death sentence with a two-year reprieve in the case of Liu Zhijun, the former railways minister who was found guilty of accepting more than US\$10 million worth of bribes from 1986 to 2011, is typical of Beijing's attempt to be taken seriously on anti-corruption. See Yang Jingjie, 'Liu gets "suspended death",' *Global Times* (9 July 2013).
- 117 James Pomfret, 'China village seethes over land grabs as Beijing mulls new laws,' as above.

- 118 Tom Phillips, 'China invests £235 billion to tackle pollution,' *The Telegraph* (28 August 2012); Edward Wong, 'China's plan to curb air pollution sets limits on coal use and vehicles,' as above; 'Beijing toughens pollution rules to clean up air,' *Xinhuanet* (2 September 2013).
- 119 Zhang Hong, 'China's income inequality slowly improving, survey finds,' as above; Wang Xiaolu, 'Measuring the width of the wealth gap,' as above; Bob Davis and Tom Orlik, 'Beijing plan signals reform to come quick,' *The Wall Street Journal* (6 February 2013).
- 120 Chris Buckley, 'Crackdown on bloggers is mounted by China,' *The New York Times* (10 September 2013); Xie Zhihai, 'Chinese democracy gets help,' *Japan Times* (25 August 2013).
- 121 'Online rumours like Cultural Revolution denunciation posters, says party journal,' *South China Morning Post* (16 September, 2013).
- 122 Benjamin Herscovitch, 'China's Icarus sheds light on the limits of the law,' as above; 'China's commitment to rule of law,' *Global Times* (22 September 2013); 'An exemplary trial,' *China Daily* (23 September 2013); Willy Lam, 'Legal Reform in China: An Empty Ritual,' *China Brief* 13:18 (12 September 2013); Yang Jingjie, 'Liu gets "suspended death",' as above.
- 123 Chris Buckley, 'China takes aim at western ideas,' *The New York Times* (19 August 2013); 'Xi: Troops must strictly follow CPC leadership,' *Xinhuanet* (29 July 2013). The crackdown on social media and the attacks on constitutionalism in the first year of Xi's presidency suggests He and Warren's assessment is overly optimistic: 'China seems to be changing, gradually, from an instrumental "rule by law" to a normative "rule of law" which binds not only citizens but also government officials.' See Baogang He and Mark E. Warren, 'Authoritarian Deliberation,' as above, 284.
- 124 Rowan Callick, *Party Time: Who Runs China and How*, as above, 47.
- 125 Baogang He and Mark E. Warren, 'Authoritarian Deliberation,' as above, 281
- 126 Francis Fukuyama, *The End of History and The Last Man*, as above, 339.
- 127 As above.
- 128 In recognition of the power and influence of social media, the CCP has taken the extraordinary step of employing as many as two million people to monitor and analyse online conversations and has established the People's Daily Online Public Opinion Monitoring Center. See Patrick Boehler, 'Two million "internet opinion analysts" employed to monitor China's vast online population,' *South China Morning Post* (3 October 2013); Max Fisher, 'Is China's vast web monitoring actually helping to grow democracy?' *The Washington Post* (5 August 2013). Whether the influence of social media signifies the emergence of 'monitory democracy' or 'proto-democracy' in China, it certainly acts as a powerful check on the abuse of power: More than 170 CCP officials have been prosecuted as a result of being exposed online. See John Keane, 'The origins of monitory democracy,' *The Conversation* (24 September 2012); Max Fisher, 'Is China's vast web monitoring actually helping to grow democracy?' as above; Simon Denyer, 'In China, Communist Party takes unprecedented step: It is listening,' *The Washington Post* (2 August 2013); Leslie Hook, 'China's environmental activists,' *Financial Times* (20 September 2013).
- 129 Mao Tse-Tung, *Problems of War and Strategy* (Peking: Foreign Languages Press, 1954), 14; Eve Cary, 'Reforming China's State-Owned Enterprises,' *The Diplomat* (19 June 2013).
- 130 See note 64 above.
- 131 Francis Fukuyama, *The End of History and The Last Man*, as above, 338. This, of course, does not imply that accountable authoritarianism is an equally effective solution to the human problem. Indeed, statistical studies suggest that 'democracies do produce a higher level of public services than other types of regimes.' See David A. Lake and Matthew A. Baum, 'The Invisible Hand of Democracy: Political Control and the Provision of Public Services,' *Comparative Political Studies* 34:6 (August 2001), 617.
- 132 This is consistent with Lee's observation that 'reforms and the country's economic growth have actually enhanced the CCP's ability to remain in power. Rather than being swept away by change, the CCP is in many ways its agent and chief beneficiary.' See John Lee, *Putting Democracy in China on Hold*, as above, 10. See also Baogang He and Mark E. Warren, 'Authoritarian Deliberation,' as above, 281–283; Minxin Pei, 'How Will China Democratize?' as above, 55.
- 133 Robert Lawrence Kuhn, 'Xi Jinping's Chinese dream,' *The New York Times* (4 June 2013).
- 134 Michael Elliott, 'Beyond history's shadow,' *Newsweek* (1998).
- 135 Francis Fukuyama, 'The End of History?' as above, 4.
- 136 Rami Zurayk, 'Use your loaf: Why food prices were crucial in the Arab Spring,' *The Observer* (17 July 2011).
- 137 'China's savings rate world's highest,' *People's Daily Online* (30 November 2012).
- 138 Michael Pettis, 'Why China faces four per cent growth,' as above.
- 139 Francis Fukuyama, 'Is China next?' *The Wall Street Journal* (12 March 2011).

- 140 Revelations in *The New York Times* that former Premier Wen's family controls assets worth at least US\$2.7 billion prompted the CCP to block the newspaper's website, while access to the *Bloomberg News* website was also blocked when it reported that current President Xi's extended family had amassed US\$376 million in assets. See David Barboza, 'Billions in hidden riches for family of Chinese leader,' *The New York Times* (25 October 2012); William Wan, 'China blocks New York Times web site after report on leader's wealth,' *The Washington Post* (25 October 2012).
- 141 For example, Hu said in 2003: 'Democracy is the common pursuit of mankind, and all countries must earnestly protect the democratic rights of the people.' See 'Hu's speech,' *The Sydney Morning Herald* (24 October 2003). In 2007, Wen said: 'A highly developed democracy and a complete legal system are inherent requirements of the socialist system and an important benchmark of a mature socialist system.' See Edward Cody, 'China's premier calls democracy a distant goal,' *The Washington Post* (28 February 2007). See also John L. Thornton, 'Long Time Coming,' as above.
- 142 'Chinese professor warns of "democracy trap",' *Xinhuanet* (20 August 2013); Yu Keping, 'Ensuring stability through democracy,' *China.org.cn* (16 July 2013); Zhu Zhangping, 'Egyptian chaos shows Western-style democracy not universal panacea,' *Global Times* (8 August 2013).
- 143 Yu Keping, 'Democracy is a good thing,' *EastSouthWestNorth* (23 October 2006); Yu Keping, 'Cold feet among China's elite,' *China.org.cn* (14 August 2013); Yu Keping, 'Search for balance in China: A quest for dynamic stability,' *East Asia Forum* (22 September 2013).
- 144 See 'Zhao's legacy,' *The Economist* (20 January 2005).
- 145 See John L. Thornton, 'Long Time Coming,' as above.

