

THE BROOKINGS INSTITUTION

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CHINA'S GOVERNANCE PUZZLE:  
TRANSPARENCY AND PARTICIPATION IN A ONE-PARTY STATE  
CO-HOSTED WITH THE ASIA FOUNDATION

Washington, D.C.

Friday, March 31, 2017

**Opening Remarks and Introduction:**

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## P R O C E E D I N G S

MR. BUSH: Good morning. My name is Richard Bush. I'm the director of the Center for East Asia Policy Studies here at Brookings. And on behalf of Brookings and our friends at the Asia Foundation next door, it's my great pleasure to welcome you to today's program, "China's Governance Puzzle: Transparency and Participation in a One-Party State." The subtitle describes the puzzle. And our presenters today are going to unpuzzle the puzzle.

This program also gives us, at Brookings, an opportunity to acknowledge the arrival of Jonathan Stromseth, a new colleague in the East Asia Center. He is holding our Lee Kuan Yew Chair in Southeast Asians Studies, but he is also, concurrently, a senior fellow in our John L. Thornton China Center. So, Jonathan, it's great to have you. (Applause) I won't introduce him any further because that's somebody else's job.

And the person whose job it is Nancy Yuan, whom I'm happy to welcome. She's the vice president of the Asia Foundation and director of its Washington D.C. center. Nancy?

MS. YUAN: It's time to move the mic down. Thank you, Richard. We are delighted to be able to collaborate with Brookings on this event. As many of you know, the Asia Foundation is a nongovernmental organization that has offices in 18 countries throughout Asia. We've had an office and a program in China since normalization. Our office opened in '90s, but we've been working in China since normalization of relations.

Our China country representative, Ji Hongbo is here with us today, and we are delighted to have her here.

The program in China is a multifaceted one that looks at the charitable sector, disaster preparedness, and China's global engagement. So we are delighted to be able to co-sponsor this event.

Jonathan has just joined Brookings, and we are delighted that he's next door, but he is our long-time colleague, having worked for the Asia Foundation for 14 years, both in Vietnam and in China post his Ph.D. at Columbia University, and he's also spent some time, as many of you know, in policy planning.

So, I'm delighted to have him come up and take over the dais here, and invite our

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speakers to come up as well. And we hope you enjoy the program. Thank you. (Applause)

MR. STROMSETH: Well, thank you very much, Nancy; and thank you, Richard, for your kind introductions to us and our book. Before introducing my colleagues at the table, I thought I would start by kind of recounting what appears to be the conventional wisdom about China today.

That is that China is a kind of global powerhouse that has achieved a remarkable economic transformation but with very little political change. In other words, despite rapid socioeconomic change the political system seems all but immutable. This perception of a kind of suspended political development I think was deepened during the period of Hu Jintao and Wen Jiabao from 2002 to 2012. A period that is sometimes characterized as a sort of lost decade of reform; and in some minds it's also deepened further under the leadership of Xi Jinping, where some see expanded control over the press, social media and NGOs.

But what we want to talk about is that, kind of, alongside these trends. Chinese leaders have also carried out far-reaching governance reforms. These include open government information reforms focusing on transparency, as well as public participation reforms that introduce things like public hearings and notice in common procedures into lawmaking and policymaking across the country.

So, what are the motivations behind these reforms? What impact are they having across the country? And what are the implications for China's long-term political trajectory? These are the main questions that we address in this new book, "China's Governance Puzzle."

Now, you can see that we have a pretty good panel, a good-sized panel up here, and I would like to note that this really reflects the highly collaborative nature of our book and the research process that went into it.

I've already been introduced very generously, and I think you have the bios of all of us in your event programs, but briefly I would like to introduce my esteemed colleagues one by one.

First, Eddy Malesky on my left, is a Political Economy professor at Duke University, and is a noted specialist on the topics of economic development, authoritarian institutions, and comparative political economy especially in Vietnam and China.

Dimitar Gueorguiev is an assistant professor of political science at the Maxwell School at Syracuse University, and he covers a wide range of issues in his research related to governance and

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public relations in quasi-democratic systems.

On my right, I'm very pleased that we have Professor Wang Xixin with us. He is vice dean and professor of constitutional and administrative law at Peking University Law School in Beijing. In my mind, he's one of China's preeminent authorities on administrative law, and is a widely-recognized expert on Chinese governance more generally.

Now, in terms of our respective roles this morning, I will begin by describing the kind of genesis of this book, quickly summarize our main findings, and then raise a few, maybe theoretical issues that could tickle our discussion.

Next, Dimitar will take a deeper dive into our participation work and results, and Eddy will then discuss both our transparency research and the implications of our findings for the future of China's politics.

We will then turn to Professor Wang, an important contributor to this volume, who will reflect on recent developments and offer his thoughts and insights on our research findings.

Finally, I also want to recognize my Brookings colleague, Jamie Horsley, who has written extensively on these issues, as many of you know. That we owe Jamie a very great intellectual debt, it's illustrated by the vast number of footnotes that appear in our book that bear her name.

So, let me just begin and talk for a few minutes about the genesis of the project before turning things over to my colleagues. First, as we say in the preface, this book emerge from the kind of inner play of governance reforms, legal debates, and actually legal development projects that were taking place in China in the mid to late 2000s.

My own involvement really came in the mid-2000s, around 2006 when I became head of the Asia Foundation in China. And I was very fortunate to inherit a series of projects that were supporting administrative law reform. One of these reform efforts that Professor Wang was involved in, was helping to draft a Comprehensive Administrative Procedure Law that would mandate transparency, participation and consistency across Chinese policymaking.

That effort ultimately stalled, at least for now, but it was the beginning of a larger journey, where legal reformers and others began to look to the provinces. Places like Hunan, Shandong, or cities like Xi'an, to support locally-enacted administrative procedure rules, or related legislation that would

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promote transparency and participation.

I had the very fortunate opportunity at that time, to sort of witness first-hand how these reforms are being implemented and carried out in diverse settings across the country, and also to sort of see how citizens were reacting. Many were basically starting to demand access to these information rights that had now been codified into law, and we are very excited about being able to participate in policymaking that would affect their daily lives in ways that they hadn't had such an opportunity before.

I also noticed the kind of new form of interaction between citizens and the state. I think many citizens were starting to have more popular expectations about what they could expect from, say, government disclosure, and also for responsiveness as well.

So, it was around this time that a few of us at this table, started talking about a kind of project that we thought would basically look at the extent of these reforms, and try to assess them over time, and across provinces. Among other things we wondered, for instance: how would China stack up against other countries in the world in terms of this broad concept of good governance that was very popular in development circles, which emphasize things like transparency, participation, accountability and rule of law.

We were also struck by a kind of perplexing puzzle, that is, we knew that there was convincing evidence in the political economy literature that good governance generally contributes to economic growth and development. China, as we all know, had had rapid development for three decades, perhaps unprecedented in history. But curiously, international measures of Chinese governance by Freedom House, and Polity IV and others, had flat-lined since the '80s.

Basically, Chinese governance had not changed, and you can see this according to these measures in the bottom-half here. And so you have rapid economic growth, but a flat line in terms of changes in Chinese governance.

So, we asked ourselves: Was it possible that governance had played no role in China's economic success? Moreover, could we believe that in spite of this success and grand transformation, Chinese governance had basically remained unchanged?

So, eventually we assembled a group of Chinese and American researchers, to investigate this question under an Asia Foundation project called the Chinese Governance Assessment

Project, or C-GAP, so named by Eddy; with the goal of providing, basically, a more nuanced picture of Chinese governance reforms, again, across provinces and over time.

So, to frame our study, we set out to examine basically two aspects of Chinese governance in particular: first, a transparency in the provision of information on government activities and law and regulations, and public participation in the formulation of government policies. And we decided that we weren't just going to look at kind of the scope and origins of these reforms, but we would also try to test two hypotheses that were prominent in, say, the governance literature. Namely, does greater transparency lead to reduced corruption?

And secondly, does greater participation in policymaking enhance downstream compliance? In other words, when citizens participants in the making of policies that affect their lives, are they likely to be more satisfied and comply with the outcomes as a result?

Then to test this hypothesis we created a kind of mixed method research design, involving both quantitative and qualitative aspects. On the quantitative side, we developed measurable indicators and collected hard data containing information on 31 provinces over two decades. Subsequently for our qualitative work we carried out case study research in several provinces with diverse conditions in varying levels, and varying levels of participation and transparency.

Reflecting this design, we divided the main body of our book into two parts. Basically, there are three chapters on transparency, and three chapters on participation. And in each case the first chapter looks at the origins and history of reform, the second chapter does the quantitative analysis and hypothesis testing, and the third presents our case studies.

So, after all this work, which took quite a while, what did we encounter and what findings did we achieve? Eddy and Dimitar will each talk about this in more detail, but generally speaking, for transparency, we found robust statistical evidence that increased transparency is strongly associated with reduced corruption. Reinforcing these findings, our case studies also revealed that Guangzhou's early adoption of OGI, or Open Government Information policies, contributed to its success in reducing corruption; whereas, Chongqing's aggressive state-led approach ultimately failed.

For participation, looking at the labor and environmental sectors, in particular, we found that higher rates of participation were effective in reducing labor disputes, environmental violations, and

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even mass grievances. We also found that higher rates of participation contributed to improved environmental conditions, but only in the presence of an active civil society. And Dimitar will return to this in a minute.

In short, we were able to conclude that transparency and participation reforms have helped to reduce corruption and enhance policy compliance in China.

Importantly, however, and this is a very important aspect of our research, we discovered that these aspects varied significantly across Chinese provinces. Often depending on how vigorously local officials were implementing the reforms in their respective locations.

So, let me conclude this segment of our discussion by touching on just a couple theoretical issues that sort of animate debates or touch on the reforms. I think in the broadest terms, one could say that there are cynics and optimists who look at these kinds of reforms. The cynics tend to see them as half measures or window dressing, providing a kind of democratic veneer to an otherwise authoritarian system, whereas optimists tend to view the reforms as being more conducive to democratization, because they involved citizens and policymaking, and they also raise expectations for political inclusion over time.

There is also, I think, a more nuanced approach to this, which looks at the more instrumentalist aspects of these reforms, represented by scholars like, say, Andrew Nathan who argue that they are being carried out for highly instrumental reasons, with the aim of enhancing regime legitimacy, and therefore also contributing to a kind of authoritarian resilience.

We actually share an instrumental view of Chinese governance, but we argue that these reforms are having strong, tangible effects on governing outcomes, that are relevant to society as a whole, not just to those in power. Indeed, we think the reforms have probably improved the living conditions of millions of Chinese citizens, bringing better laws, less corruption, and probably more efficient public services.

At the same time, however -- and I'll end on this -- we believe that these tangible impacts depend on a broader societal ecosystem that basically includes basic protection for civil society and an active media. Again, my colleagues will touch on this further.

Let me now invite Dimitar to ask -- to go ahead and give us a review and a deeper dive

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on our participation research in particular. Dimitar?

MR. GUEORGUIEV: Thank you, Jonathan. All right. So, I'm going to be speaking -- First of all, thank you so much to the Asia Foundation, and to Brookings for inviting all of us, and inviting me as well. This is fantastic; and such a wonderful audience on a very rainy day.

I'm going to be speaking about public participation and policy outcomes. So, I want to start with the latter part first, policy, in policymaking. And so at the risk of being overly presumptuous here, I would suspect that in being in D.C., there are some people in D.C. who might look at China's policymaking process with a little bit of envy. There is less need to build broad coalitions, there is less need to overcome procedural hurdles, and so that can be very, very attractive.

But of course we know there is drawbacks, if you don't have a broad coalition there is going to be very few people that are going to actually fight to implement the policy later on. If you don't have a lot of diverse input and if you don't have to compromise, you end up missing a lot of details, and making unforced errors.

And China has a lot of these examples, colloquially we can refer to them as EY or unexpected. One of my favorite examples, and it's in the book, is from 2011 in Hunan Province when local party officials organized the exhumation of over 2 million tombs out of the ground to make space for arable land, which they really need. Unfortunately they hadn't figured out what to do with those bodies, those cadavers, once they took them out of the ground.

And so after a lot of public opposition, violent protesting, they ended up putting them right back in, and Hunan still has a lot of problems with a limited supply of land. And so of course this isn't anything new, and it's not new to China. From the very outset, the Chinese Communist Party, and specifically Mao Zedong (inaudible) very much felt like, in order to have an effective government, in order to have an effective political system, you have to start by generating policy from the masses, and then bringing it back to the masses.

Unfortunately, as most of us will recall, history proved that this mechanism was often politically manipulated to very violent ends. But what we are starting to see now in China, is a far more kind of standardization or depoliticization of the public engagement in policymaking.

And so this is a picture of a local kantang, or a local meeting with citizens to make local



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decisions on budgeting, and ordinance. And so, there are so many examples I can't get into them in anywhere near the details that we get into them in the book, but examples of public engagement are happening throughout China. And the Chinese leadership's understanding of why they are doing this is very much consistent with what the international community has been arguing all along, of why public engagement is important.

Specifically these are bullet points taken from a thesis produced by the Chinese Central Party School, which argues that participation helps identify problems by acquiring information, resolving problems and reaching consensus, and generating legitimacy and facilitating policy implementation, right? It sounds really good. Right?

And if we look at what's been happening in China over the recent term, we are starting to see kind of monatomic improvements in most cases, in wide ranges of public engagement. Whether it's a citizen engagement, asking people what they think about the policy, asking people what they think about different policy versions, or different alternatives, engaging local representatives and the legislatures to criticize government and to make proposals.

Or, simply facilitating an environment where nongovernmental organizations and civil society organizations can do what they do best. And so, again, it sounds really good to be true. Unfortunately, when we look at these types of trends it's very hard to draw out any sort of substance.

So, is civil society increasing? Does that mean that China is becoming a more participatory, more pluralist society? That's hard to say, and especially it's hard to disentangle these trends with simply the fact that China is becoming more sophisticated, right; it's developing.

And so what we did in C-GAP was, we took a sub-national approach, right. We couldn't look at China as just simply an (inaudible) of one, or one example, so we drew on the variation that exists around China, and the fact that different provinces, and different sub-national units engage in different levels of participation and later transparency, as Eddy will talk about, and we try to leverage that variation to tease out something more from the empirics.

And this is super important, for example, if we think about labor policy, this is just a very simple graph showing labor disputes over time, and public consultation over time, and one thing you could see is, for example, in 2007 and 2008, we are not only seeing a vast increase in labor disputes, but

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we are also seeing a vast increase in consultation, which might lead you to believe that consultation and public participation is producing public protest and labor disputes.

But what's actually happening is that China is changing the labor laws, it's implementing the labor contract system and it's consulting at the same time, and this change in policy is creating a lot of turbulence on the ground. And the question is not whether or not these things are trending together, but whether or not, places that implemented the labor contract law in a more open manner, saw fewer disputes in places that did not.

The same thing for things like environmental consultation, and environmental participation, this is a simple graph that gives you a sense of the public complaining to the regime about pollution, and then the government coming in and taking action and punishing polluters. It looks like a very strong relationship, but again, we have to ask, what's really going on. Is public input really driving what the state is doing? And we could think of many, many alternative explanations for why we see this strong relationship, and there's no reason why these two have to be related at all.

And this is where C-GAP, I think, has most -- and the book has most of its strengths, is that we combine this quantitative analysis with a qualitative section, that tried to figure out: okay, if this was a spurious relationship, what might it look like? And trying to go to case studies to answer that question; for participation we focused on three provinces Gansu, Sichuan and Chongqing. None of them were particularly high on our index of participation, or particularly low, these were kind of average cases, so to speak.

But they represent different types of environment. So, if we think that consultation is simply something that the government does in addition to all sorts of other measures that are actually producing better outcomes, we might think of it as an all good things come together type of problem, right. And in that particular situation there is not much you can draw out for an independent effective participation.

By contrast, if it's the places that are really suffering, the places that have problems with policy implementation, the places that have problems with public grievances, if they are the ones that are implementing participation, and they are seeing improvements, it's a much stronger argument, and that's exactly kind of what we see.

So, in these particular case studies, we found that even though they all kind of looked the same -- even though they all kind of looked the same in their levels of consultation, they implemented them in very, very different ways. Whereas, Chongqing, which enjoyed all sorts of benefits from Central Government transfers, a lot of attention with, whereas they used Chongqing as a developed city; Sichuan, which is one of the poorest and most poorly governed parts of China, actually utilized participation to achieve smoother governance, because they really had no other alternative.

So, to quickly wrap up, we find strong evidence through the quantitative and the qualitative analysis that this type of public engagement, this type of consultation, is contributing to better policy, and better policymaking.

But within the details, which I'll be happy to talk a little bit more about during Q&A, we did find strong interaction effects. So when you engage the citizens in policymaking it's really hard to generate positive outcomes unless they are facilitated by civil society groups. So, there are these important complementaries.

But also thinking more broadly, the places that we saw getting the most out of participation, were also places that were the most open, and the most transparent, because citizens really can't participate much, civil society organizations really can't participate much unless they are given the tools, the information from the government to have input and to have comments. So, I'll stop there.

(Applause)

MR. MALESKY: All right. So, thank you so much. I'm honored to be here. And I want to thank the Asia Foundation for funding this research, and Brookings for hosting us today, and all of the wonderful China experts that are here to talk about it. I'm especially grateful that Jamie Horsley is here because her work did serve as such an influence for our chapters, and I'm really excited to hear what she has to say about them.

So, I have a few goals here. I think my main goal is to convince you to buy books, and so what I want to do is kind of run through the arguments in the book, and give you a taste of what's in the book, enough to whet your appetite that you want to -- so you will want to read further. I also want to give you a sense of the logical reforms, and so that we can have a broader conversation about what this means for China today.

So, the way the book works, as Jonathan explained, the way it specifically works in regard to transparency, is we first spend chapter two in the book talking about the motivations for transparency reforms in China, and then benchmark China against other countries in the world in terms of international measures of transparency.

Then the second thing we do, is do a within China analysis, provinces, and to look at how transparency reduced the misuse of public funds, and I'll be very specific, that is our measure of corruption, misuse of public funds, and I'll be clear about what that means in a second.

And third, we do two case studies, like Dimitar did, of Guangzhou and Chongqing to compare how two places used anti-corruption campaigns, used transparency very differently.

So, one thing I wanted to start off with is to articulate the logic of transparency, and this is the theoretical logic more broadly, but it's also the logic that you see in Chinese documents underlying the transparency reforms, which we sometimes characterize as OGI, or Open Governance Initiative.

So now, the reforms we look at actually go back before OGI, so all the way back to 2002, even though the official documents for OGI came out much more recently, because a lot of these things were being posted online.

So, how does transparency work? Well, first you need access to the information, right. So, budgets need to be posted online, discretion standards, administrative fees; that allow citizens, media, NGOs to be able to access that information, and then use it to find out whether government officials are behaving the way they are supposed to.

Then, you want something that allows them to aggregate into a larger campaign, right? So this would be media exposure, Internet, online campaigns, the types of things that we see Netizens do in China. That brings attention to the situation, and can either lead to punishment on behalf of central officials, or constraint due to shame on the part of local officials, and that should eventually lead to reduced misuse.

So the main thing I want to point out with this slide, is that number one, there is a very instrumental logic to this. In a complex, growing economy of over a billion people, why they disbursed, this allows central officials to monitor what's happening with local officials, by essentially turning citizens into deputizing citizens to monitor government.

Second, and I want to point out, as Jonathan, that we'll talk about later, the aggregation process is really important. Just having information online without that aggregation step reduces the ability to constrain officials. And so when we talk about the future of China, we'll talk a lot about what's happening with that aggregation step, even as access continues.

The third thing I want to point out is the constraints on officials, constraints does not necessarily mean officials are punished. Right? When we see officials in sort of a deterrent effect reducing their misuse that should also lead to reduced corruption even though we don't see more punishments. It's really the behavior of the officials to reduce their activities that leads to reduce of misuse.

All right. So, to kind of illustrate this a little bit, I want to just talk about the story. I don't know how many of you know. Maybe you could put your hands up; the Brother Wrist Watch story, Yang Dacai, how many people know about this? All right. So this is a famous story in China, so there is a bus accident, the Head of the Inspectorate for the government agency goes out there, his name is Yang Dacai. It's a horrible accident, he is supposed to be in charge of it, he's wearing this kind of -- really kind of weird Cheshire cat grin that upsets a lot of people.

Who then do what's called a human flesh search in China, where they look up pictures of him online, and they identified all of these different watches that he's wearing. Now, this is only 11, apparently there were 15. I had to look up some of these, right. They are Rolexes, Omega Constantine, some of these ranged 11,000 to \$15,000, right. So this is the watch that I wear, so you can tell I didn't really have much experience with this.

So, the people started asking a lot of questions. How does then, government official, whose salary is so much lower than this, afford these types of watches? And eventually a really sort of entrepreneurial young student named Liu Yanfeng, started to file requests under OGI, which is a little bit like a Freedom of Information Act, though it's more restricted, to request the salary schedule from Shaanxi Province, to basically find out how much he was paid and if he can afford these watches.

Now, after a request that's filed for a set of information that's legally allowed to be obtained, Shaanxi had 15 days to respond to it. They said that this was a national security concern and they didn't respond to it, in violation of the rules. But what eventually happened is Yang Dacai was

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eventually -- the Central Government eventually got in, the Inspectorate looked into what was happening and he eventually was punished for his corrupt activities. Right? So, it gives you a sense of how these transparency activities can lead to corruption even though not through the direct measures that we might think about.

Now, when you just sort of focus on that instrumental nature, the focus on what we talked about in chapter two, I wanted just to show you, to sort of benchmark China against other countries. So, here, four larger measures of transparency.

Now, two are very aggregate, one is the Press Freedom Index, so this is a larger measure of media freedom, the second one is the Open Budget Index, so this is the measure of Central Government transparency about its budget activities. The third is a transparency index about economic information online, so information about GDP, inflation. And the fourth is information about sub-national officials and civil servants.

What you can see very clearly here, when we are benchmarking China, is that China does very poorly on two measures of transparency: media freedom, even though there's been some improvement it's still one of lowest in the world, and open budget index, measuring its Central Government officials. Where China does really well is on information to measure subordinate officials. So that gives you a sense of what's going on here, on aggregate measures, it's a very instrumental nature of the Central Government using this to look at lower-level officials and civil servants.

But that's cross-nationally, what we want to do is go further. So what we did, and Wang Xixin's team did an amazing job of this, is to collect information on all the things that are specifically supposed to be listed online, by provinces, including discretion standards, administrative fees, this cool thing called power list, that I really like, which is basically a sort of a job description of what officials are allowed or not allowed to do, and budgets.

So, we collected this over time. This is the number of provinces that posted these things, you can see that improves a little bit, but there's some up and downs as they fail to maintain their level of transparency. And we wanted to look across provinces and see how that was correlated with a measure of misuse of public funds.

Now, measuring transparency is so difficult, right. Because this is an activity that people

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don't want you to see, so there's not like a national dataset that you can download on it. But there is this great dataset generated by the Chinese National Audit Office, and this comes out every year, it's called the Audit Storm, it's a set of randomized audits where the Audit Office looks at Chinese agencies, and then monitors them for misuse.

So, misspending, overspending above budgets, money that went missing, and we were able to get their randomized audits at the provincial level to look how much money was misused each year by Chinese provinces so that we could look to see how transparency was related to this misuse.

So what we found, in general, was that transparency was strongly -- this is a little bit geeky, there are some econometrics here, but I'll walk you through it. What you can see is that transparency was correlated with the reductions in misuse, were to the left of this line here, but what was actually statistically significant is measures of government processes, how government makes decisions like Power Lists, and how -- in transparency of government institutions, and also measures of how fees were posted online.

So, very specific forms of transparency tended to be correlated with misuse, and you can sort of think through the logic of how this level of openness constrained Chinese officials.

Then, like Dimitar said, we chose two case studies, so we basically took what we call typical case studies, so we ran the regression, held constant economic forces, population, and chose two locations that were on the regression line, but at different levels.

So to give you a sense, like, so here is Guangdong Province which is high transparency, low levels of misuse, and Chongqing Province which is low transparency, high levels of misuse, to go in and actually for those mechanisms that I took you through before, that sort of causal process. And what we found, sort of, and we focused specifically on Guangzhou, because this is where a lot of the transparency reforms were taking place. And we also wanted to compare urban center to urban center.

So, what we found is that in Guangzhou you have a lot more access to information. There is access to information in Chongqing, at least there was at the time, but it wasn't the full set of information you would need to monitor. So, for example, there was information about trees, how much Chongqing was planning online for how many trees it was planting, but not actually how much that was costing the government, right, which is a list of how many trees and where they were being planted.

By contrast, in Guangzhou you could actually get information on how much was being spent on the renovation of Metro Line 1 which, once again, a very young entrepreneurial high school student named Chen Yihua, who apparently is a -- you don't hear about this very often, but a Metro Line fan, used to monitor or protest about what he thought was overspending on Metro Line 1.

So, to give you -- just to sort of follow that logic he accessed that information, he generated an online and physical campaign, that got a lot of people interested in it, including the Guangzhou People's Congress, and eventually it led them to actually reduce the spending on Metro Line 1. They had a bunch of expensive lighting ideas, and art renovations, and just focused directly on how much was going to be spent; and actually changed the contract from one state-owned enterprise to a different one, which turned out to be overspending on it.

So, this just gives you a sense of exactly how this works. We didn't see this type of causal chain happening in Chongqing. So, the bottom line is that transparency does appear to be fulfilling this very instrumental role in the places what are implementing it.

So, the last thing I wanted to do, is step a little bit back, and talk about what this, overall, means; right? What does governance reform mean? So, you know, as you can see that there is wide variance, there is no one Chinese model here, provinces are implementing this very differently, and that matters a lot. Second, you can see these reforms are highly linked, right? So access to information doesn't work without open media and ability to aggregate those.

And third, that these reforms tend to be quite fragile, remove one step in this causal chain and you won't get this process. And I think that matters for how we think about the future of China. But I do want to sort of talk about, how do we think about transparency reforms and governance reforms right now in the short, medium and long term about -- when we think about engagement with China?

So I think, as Jonathan pointed out, in the short term it's very clear that these reforms are leading to an improvement in everyday people's lives. We are seeing a reduction in waste, we are seeing more efficient public services, we are seeing smarter regulations in policies that are resulting from these reforms, and that's very clear. And in fact, and we'll talk about a little bit, many of these reforms that we are looking at are continuing today in China even as other things are -- other governance policies are being altered.



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In the medium term, it's very clear as well that this is leading to a more resilient Chinese regime, right? These reforms are contributing to better governance which is creating legitimacy and is allowing them to rule better. That was the goal, and that's what they are achieving.

But what does this mean in the long term, right? In the long term I do think it means that Chinese citizens are better understanding how to make use of governance activities in democracy, governance reforms, and I think that in a time where China becomes a more open, and even possibly a Democratic State, you'll see citizens better able to take advantage of those norms, because of this current process, and that's what we've seen cross-nationally.

And second, I do think it should lead us to question about, what this legitimacy gains mean for the future of China? One thing we've seen is that regimes that have been able to generate this type of legitimacy can step down when they want and compete in democratic elections and win. We've seen that in Taiwan, Korea and Indonesia so having these types of governance reforms does prepare a regime for competition in a multi-party system. And I hope we can talk about in the future. Thank you very much. (Applause)

MR. STROMSETH: Well, thanks Eddy, and Dimitar, for taking us into our transparency and participation work in a deeper way, and looking at our case studies. Now, finally, I want to turn to Professor Wang Xixin, who will reflect on some recent developments and other insights that he has on our research findings. Professor Wang?

MR. WANG: I want to thank the Asia Foundation as well the Brookings Institution for hosting this very interesting event, but really want to thank the audience for coming here despite of the rain. I hope you it will be getting better when we end this event.

I am a legal scholar, so this is the difference between me and, you know, those political scientists. You know, political scientists, they really -- their work is to make a simple fact very sophisticated if not very complicated (laughter). It seems to me, it's quite clear that this transparency, participation, those are good.

Why they are good? Because really, you know, helpful for individuals -- for stakeholders to protect their interests, further it will provide means for those players within the political system that was the social context, to reach a broad, a broad and a longer-term ends. So, I think that despite -- in spite of

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the sort of the implication of -- no, I'm sorry -- The sophistication that you have provided through those very sophisticated charters, I do believe that this kind of empirical database to research is very important even for me.

Because I've been doing, you know, the practices of government information disclosure, and participation in China for over 15 years, and we have been running programs right now on assessing the performance of governments and central and local levels in cooperation with our colleagues here, Jamie Horsley, in the China Law Center, for example.

Now, as you definitely have noted that all this data collected in this book, and analyzed by these political scientists before the year of 2012, except when this -- this is the Internet access, this is up to the year of 2015. So, after that time where we experienced leadership transition, and it has been observed that there are some step back, in sense of, you know, the situation for the press, for free discussions on public life, and also some more restraints on the NGO, you know, establishment, the management of NGOs across China.

So, what is the current situation that's still at play in terms of, you know, those transparency and participation? I really want to briefly mention that there are some further developments in this context and I think -- I firmly believe, from my personal observation that this trend of promoting transparency and public participation in policymaking, lawmaking context are continuing.

As we can see that soon after leadership transition in the year of 2013 the Chinese Communist Party Central Committee issued a decision on sort of deepening the comprehensive reforms, in which participation transparency were treated as major part of political reforms in China.

And to follow that, in the year of 2014, now many of you may now that CCP Central Committee issued a document called the Decision Further Promoting Rule of Law in the country which, again, emphasizes the importance of transparency and participation.

In the year of 1915 the State Council and the CCP Central Committee jointly issued a document of further promoting openness of government affairs which go beyond only disclosure of governmental records, but the party and the State Department, and the State Council really requires that all administrative process must be open to the public and allow participation by stakeholders.

Now we can also see some laws, but particular example I really need to mention is the

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newly amended Environment Protection Law, in which transparency and participation are listed as a separate chapter of this law training to emphasizing those two things and provide detailed procedures.

So, to conclude by this observation, that we have seen the (inaudible) trend not only during the year that this book has started, but after that we have seen the continuing efforts of promoting transparency and participation for the purpose of sort of a good governance in China.

Secondly, but very short, I just want to respond very quickly about sort of your different views about the governance reforms, instead of the political reforms in China. As Jonathan has mentioned, there are sort of cynicism toward the reforms and also optimism, maybe there are also, understandably, pessimism. But I think that probably the Chinese -- the understanding of Chinese leaders towards this governance reforms, it is -- I think it's pragmatism, it really tried to introduce these measures to achieve good governance.

Now, good governance is quite different from the political structure from some, you know, political values, particularly the (inaudible), but I do think those reforms matter in the sense of, to protect individual interests, in the sense of to enable the general public to participate in the public life, and therefore possibly to increase the quality of the public life.

Thirdly, as we can see from Eddy's example of the official from Shaanxi Province, who wears a lot of expensive watches, now transparency has been functioning and the example is that today if you attend any kind of meetings attended by those officials they, well, never wear watches. (Laughter) That is, I think that this is way to show that, how powerful those, you know, tactics -- those governance reforms will affect the outcome, you know, misuse of the power will be restrained. So, that will be my observation. Thank you. (Applause)

MR. STROMSETH: Thank you very much, Xixin. Before we turn to Q&A, I thought I would take the moderator's prerogative and try to point out a few policy implications that also emerge from our research. We've talked a bit about theory, what about policy? And we are of course, at the Brookings Institution today, a public policy organization. So, I think it's fitting.

I like to think sometimes, as we also say in the book, and I like to think big, if one were a governance advisor to Xi Jinping, one could logically recommend that he sustain and expand these reforms that were so prevalent, and still continue at Xixin noted.

But we have seen a great variability across the country, so why not hit the gas pedal, apply the reforms more consistently across all provinces, and try to get these impressive outcomes on a broader scale. So, indeed, one sort of sees that there is a kind of modern governance toolkit that has been emerging, that as we show in the book, has been effective in helping to reduce corruption through transparency, and help to have better policy compliance, and frankly better laws in places where public participation is most prevalent.

We are a little concerned that although these reforms, by and large, continue, again, as we've noted, maybe they are being diluted a little bit by, let's say, in the anti-corruption case, a parallel program that's very hard-hitting, coercive, top-down, and so on. And as I think many of you have read in the press, in the media, this has been going on for about five years, and has, I think, disciplined 7 and 50,000 or more officials in that time.

We would like to believe, and I think you do, that a more sustainable and effective approach would be based on: sunlight is the best disinfectant, in other words, the kind of transparency approach that we point out and describe in the book. Here, I would reiterate the case study that Eddy talked about in our transparency chapters of Chongqing, where we noted the pitfalls of a state-led aggressive approach to anti-corruption.

And finally, I just want to point out kind of a civil society implication, or the policy perils of curtailing the growth of civil society organizations, particularly on environmental issues in particular, which are a top priority of the Government and Party. We kind of need a combination. What I mean by that, is as we noted in the book, we find that greater public participation is effective in reducing environmental violations by polluters.

But this enhanced participation by itself, won't necessarily lead to better environmental conditions, rather that has to be combined with robust civil society networks, which we measure by the number of registered NGOs in a given province for it to simultaneously lead to fewer violations and also a better environment in, say, water quality.

So, this kind of presents a bit of conundrum in the sense that, should the Government and Party continue to place constraints on civil society or perhaps loosen the reins and allow these groups to become partners in combating key source of massive incidence and unrest in China today,

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which is environmental accidents, for instance in environment degradation.

On that, we conclude the presentation part of this event today. And I first, in the Q&A, would like to turn Jamie Horsley, who we've mentioned, and ask if she has a comment or a question, and please don't make it too hard.

MS. HORSLEY: I think by the size of crowd we have here, it's a topic that's of great interest to a lot of people, and I'm thrilled, too, I'm a lawyer, a legal person like Wang Xixin, and we studied this from a certain perspective, and to have the political science get involved is great. One brief comment in my looking at all of these developments that I think has been striking, is what's helping promote the open government information transparency piece, is that the leadership and the party were willing to give citizens the right to go to court and enforce it.

And as you've mentioned, they have a 15-Day Rule. If you don't get a response from the Government, if they are ignoring you: boom, you can go to court, and the court will find in your favor. They may not tell you that the government -- that they have to give you the information, but the government loses that case, and it's a big loss to face. And it's helped make the government take this new obligation a lot more seriously.

In the public participation area we don't have that yet. There is no specific legal minimum, so the (inaudible) of legalizing what has become a very strong policy to encourage participation, including in environmental protection law. It doesn't give you any minimum. You know, there must be one hearing, there must a 30-day notice. It's not there.

And so, for me, that's going to be a big Litmus Test of where the leadership is going now, because they are working on some regulations where they have the opportunity to start stepping up and giving the Chinese people, civil society individuals, the right then to legally enforce the participation right as well. And I think that will be key.

So I had two quick questions, if I could? I mean I have another puzzle for you. Given all that this has been going on, and for so long, and I think we all agree that it's very significant in different ways and on many levels: why is it that China political science establishment is not recognizing this?

I mean, there is little recognition or study of these developments, and I hear, particularly so often now, the prescriptions we read in the Op Ed pieces, almost invariably, at the end they say: what

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China needs to do is become more transparent and more participatory. And I keep going: yes, they do, but they are working on it. And there just doesn't seem to be that recognition. So that's question one.

Question two is: are you having this book translated into Chinese so that the Chinese political scientists and leaders can read it too? And thank you so much. It was really great, and the presentations were great too.

MR. STROMSETH: When you say the China political science establishment, do you mean outside of China looking in?

MS. HORSLEY: Political science (crosstalk)

MR. STROMSETH: Oh. Okay. Well, why don't we take Jamie's question and then we'll take a series of questions, and then we'll take a series of questions. Xixin, do you have any thoughts on the sort of Litmus Test, and whether there could be more enforceability in the future? Is there any discussion on the participation side as we already see on the transparency side?

MR. WANG: Yes, we do. And back to -- I think that back to the year around 2014, we had the Guangzhou Municipal Government draft this very first procedural rule on some participatory rulemaking, it was argued that, or recommended, and Jamie Horsley actually participated in the project too. That we must, you know, provide the right for these participants, for the stakeholders to go to court, to legally enforce the procedural right of participating in the process, otherwise, you know, the procedure will be too weak.

And it has been, you know, debating over the issues, but I think on the Chinese Administrative Litigation Law, they'll use the possibility of challenging a procedure which require by rules that there must participated by stakeholders, but it turned out that the participation rights are not well protected. So, logically you can go to court to file -- you know, to file a case.

The problem is that whether or not the court will take this case, and I think that the current judicial reform has provided most likely the answer will be yes if, you know, an individual goes to court challenging the decision-making process, violating the procedure. So that's a problem, but more importantly, I think that the stakeholder is making the regulation, regulation on major decision-making procedure requirements. So, we hope that in that regulation that those can invite to challenge, or be included. Thank you.

MR. STROMSETH: Just to follow up your other two questions. When we conceived of the book we did plan to plan to publish it in both languages. It's just come out in English, and now we need to kind of go back to the original question, and we are hopeful. On the political science questions, I think I should ask the political scientists, Eddy and Dimitar.

MR. MALESKY: So, your question reminds me of this old joke about the shoe salesman visiting the country where nobody was wearing shoes, right. So, the shoes salesman would go and like, and the first says, this is terrible, nobody is wearing any shoes, we won't be able to sell anything here. And then the second goes and says, this is awesome, nobody is wearing any shoes.

So, I kind of think of it, it's kind of cool, as a political scientist, to see that there's this extensive set of reforms that can be easily measured, and then this is a real opportunity for scholarship. So, I'm going to push back a little bit and say that I think people notice these reforms but they would usually get sort of listed in this long list of other reforms that were going on, inner party democracy, village elections, and nobody was trying to study them systematically in the way that we did.

And I think the reason for that was two-fold, I think one was there wasn't a lot of data on the process and I'm hoping that we can contribute to that, because we are going to put our dataset online and people can look at this more systematically, and test other hypotheses beyond the ones that we did.

The second thing I think is that -- was a way that people were sort of encountering non-democratic regimes in general, which was to immediately look for what were the analogues of democratic institutions, and not look for the -- and say, you know, look at the Chinese Assembly, or look at village elections, and see how those were working, and not look at the other types of reforms that were taking place.

They were trying to achieve other purposes within -- but I do think that's changing now. So now there's this very healthy scholarship in political science that's picking up these issues, and especially on China.

So one of the things you are seeing now is people doing randomized experiments, we are informing people about their opportunity to participate and see how that has to do with legitimacy, that some work that Rory Truex is doing at Yale. Dimitar has been picking up on this and looking at how these consultation processes have affected whether laws are amended or removed or not, and finding

that the consultation process lead to generally more durable law.

And I think that this is expanded beyond China now too. So it's people looking at these governance reforms in other places. In fact, myself, I've been inspired to do a whole set of randomized experiments in Vietnam based on the second part of the book, Participation. So I think this is a new research agenda, and I think we are just at the frontend of it.

MR. STROMSETH: Dimitar, do you have a comment?

MR. GUEORGUIEV: I don't have much to add to what Eddy said, other than to just emphasize that I think one of the reasons why China political science hasn't looked at this as much, it's just China is really, really big, and honestly, to engage in this type of research effort you need a lot of support, and you need a lot of collaboration, and so it's not easy to create that type of research program.

At the same time, there has been a lot of stuff locally, by Chinese political scientists, and just in general China political science, looking at individual locations so, you know, some of the most popular being the deliberative democracy type of sessions that we see in Eastern China. And so that's going on, and at the same time, and this is I think very interesting, that the Central Party think tanks that some of us know are actually studying this quite extensively.

And I can tell you right now, that one of the biggest research topics going on in China is this idea of smart governance. And the idea that you can leverage transparency, leverage public engagement specifically through the mechanism of online connectedness and crowd sourcing information from the public, to achieve more effective governance. So this is a very active research agenda, and I think we are only -- can now, beginning to hear more about it.

MR. STROMSETH: And if I could just briefly comment as well. The goals of the C-GAP Project that the Asia Foundation supported and we started, we really saw it as a cross-cutting kind of initiative. Where, we hoped that we would help kind of provide the policy tools for better analysis and research for Chinese policymakers on these issues. Hence the reason for translation, we hope. And also for political scientists around the world who can maybe have another look in to the Chinese governance model that hadn't been so prevalent.

But also because the Asia Foundation is in a sense a development organization, also for development practitioners, and some of these hypotheses we tested for instance, are sort of articles of



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faith that, you know, civil society is good, or public participation leads to better laws and policies, but it is rarely kind of tested rigorously.

So, we hope also that this research, and Eddy has already -- as he mentioned, looking at it in Vietnam, and I think development organizations that support governance reforms in different countries, we hope will buy our book, and have something to learn from it as well. So, thanks.

We'll start now, taking general questions.

SPEAKER: Lori, George Mason University. So, two questions about the book which I haven't seen: Do you have any information in the book about the risks that people are taking by participating in terms of causing them to fall on the wrong side of powerful powerbrokers, and facing either discrimination or violence, or is there a cost?

And secondly, the title is a single-party state, so it would seem to me one would want to compare this to multi-party democracies that also have participatory mechanisms, maybe India, Bangladesh; to see if maybe a single-party state can actually develop a participatory accountability, transparency kind of nexus, maybe in ways either different or maybe even more effective than a multi-party democracy can?

MR. STROMSETH: Why don't we actually take that question? And I'm going to ask Dimitar, and Professor Wang to?

MR. GUEORGUIEV: Okay. So, this question actually interesting, it touches on something that Jamie mentioned earlier about the courts being as a kind of intermediary to help citizens in this process of asking for information. And I think one of the reasons that the courts are there for transparency is because there is a natural aversion among government officials to be transparent. And often they fight back. And often they will bite back. And so I'll say something on that in just a moment.

On the participatory side, there's less of it, because there isn't this natural aversion to be participatory. Indeed, Chinese participatory system, one way to think about it is it's kind of a closed-circuit mechanism, in which citizens contribute information to the state, contribute information to policymakers which is great for policymakers, now they have extra information, but there is very little horizontal sharing of opinions in organizations around particular positions.

So, it's not that costly for citizens to participate. The most costs are, if you attend the

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public hearing you are going to lose the better part of a day or maybe two days sitting in a very boring room. So, I think the costs are different. Now, with transparency, the cost can be very, very severe, and what's interesting is that as early as 1987, a few provinces in China passed whistleblower protection laws, to protect the anonymity of informants, so that whoever ends up getting burned can't come back and bite them.

And so we see some of the same provinces enacting stricter whistleblower protection laws throughout the next 20 years. A few additional ones doing it, and then in 2012 we see, at a national level, whistleblower protections, kind of, just in anticipation of this massive anti-corruption campaign, which coincidentally, and we hear a lot about the tigers at the top that are being punished, but there's hundreds of thousands of others that are being punished below, and many of those, I would a majority of those are being punished because of bottom-up information.

And so I think that definitely there are risks involved, and leaders who depend on this information to hold their agents in check, are trying to mitigate some of those risks, they are not there yet. We still hear so many stories about people losing their livelihoods, their careers, for speaking out, but at least, in my sense, we are moving in a direction where the State is recognizing that it needs to solve that problem in order to keep getting this very, very valuable information.

MR. WANG: I want to add very quickly, you know, about the risk. I agree with what Dimitar has just said. But I just want to add that, from my personal experience, because I actually have participating in a lot of processes, and also made a lot of requests for disclosure of government information every year. And I found that has made me quite famous; (laughter) Yeah, yeah.

And I can tell you that a lot of our students are encouraged to just, you know, fire requests for just -- for information disclosure; so, I think that the general attitude toward those activists are positive. Now, the second thing I just want to respond to your second question, that I think that that's a quite common, particularly in the West, and many people would believe that: how can you achieve such kind of governance reform within a single-party state?

And actually I'm -- you know, the book also indicated that in a single-party state I think probably we, in the translation to Chinese we can analyze a little bit why we particularly indicate the single-party state. My understanding that in the West it's quite understandable, but in China, I really want

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to mention that horizontally, we can see, you know, there are usually the relationship between the state and the society.

By the state we mean the Party state. Okay, so you include the Party state. Okay, so you include the Party state and the society. This is only one way to look at the picture. Another way, which I believe is quite important, is a vertical perspective. You look from top to bottom, or bottom to top, and you see different layers of governance, and it seems to me, and I believe it seems to many of Chinese people, they have to deal with local officials every day.

So, most of them have to deal with local officials, so we can apply the, you know, encouragement by the leadership, by the top, to fight against local officials, that's good for them. But this is also good for the top, for the top leaders because top leaders, by introducing those mechanisms, they can more effectively oversee and control lower-level officials. So, I think that probably at this point they reach some common interest in doing so. Thank you.

MR. STROMSETH: A question over here; looking back here, yes, right over here.

SPEAKER: Good morning. Thank you so much for the informative presentations. I'm Sichi, I'm studying at Duke University, a junior, taking lessons from Professor Malesky. So, during my senior thesis research I'm trying to compare the philanthropic giving in China and the U.S., by looking at top givers philanthropic giving pledge. So I would really be curious to see what the scholars here would have to -- like the theories you guys would have to explain the big gap in philanthropic giving across the U.S. and China; especially in the perspective of governing and legal perspective.

MR. GUEORGUIEV: Can you specify a little bit what you mean by a big gap?

SPEAKER: So, there's a huge gap in the sense of, like, how much people give -- like their willingness to give and stuff like that. So I'm curious to see what government's role played in this huge gap from your understanding; and also the legal perspective as well.

MR. MALESKY: So, I think, one thing, your question is really interesting, and I think this wasn't our research and it's difficult when a scholar is asked to speak outside of their research, we get really uncomfortable and nervous and start sweating. But I will say, the U.S., if you look at international indicators of philanthropy, the U.S. is a real outlier, generally. So, compared even to other Western democracies; and that has to do with the fact that in other places there tends to be a more general social

welfare state.

Whereas, in the U.S. both sort of the religious appeal, and the fact that churches are involved in this; and then second, the fact that this is, to some extent, substituting for social welfare states generates larger philanthropy in the U.S. Now, I think that when you think about China there's a bunch of things that need to go on here, right?

So one is, would there be a substitution process? So, are there places where philanthropists can make up for places where the state is not providing? Second, what is the ideological or religious dimension that undergirds a lot of the literature on philanthropy? And then third I would ask the question, there is a big question about trust, both trust in institutions, and in trust in civil society, trust in the people you are working with.

And that's a big issue that has to be overcome, which is: Do I think -- every time you give to a charity, do I think this money will be effectively? Do I think that there's not going to be waste? And how do you find out information, enough information about that to feel that your giving is going to pay off. And so I think if you were going to compare that, I would focus on those three dimensions to try and get up and answer that.

MR. STROMSETH: Now we have a question over here, on the right?

SPEAKER: Thank you very much. My name is Arnold Zeglen, I teach -- I have been teaching in Guangzhou. There was a brief mention of village elections just before, and I wondered if you looked into the subject of conducting local elections which in fact are the ultimate participation formula? And also, when you looked into Chongqing, was that during the Bo Xilai period?

MR. STROMSETH: Maybe, Eddy, you can answer the last part of the question, and Dimitar could look into the first part.

MR. MALESKY: Yeah. So we -- It was during the Bo Xilai period. Our team was there literally just a few months before the Neil Heywood incident. And in fact, like one of the things that we take from the case studies, and I find the case study on Chongqing for me was so fun to write because of this, because we were writing it, and then looking back at our interview transcripts after having been aware of what happened with Bo Xilai.

And one of the things that comes out again, and again, and again, is the sort of, Bo Xilai

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had this very unique idea of how Chongqing was going to be governed, and was trying to implement this Chongqing model, but it was just this aggressive attack against corruption, this kind of strike back campaign, and you can see that in the data.

Transparency is highly fragmented. It's information on what he was doing, and what his regime was doing but not information that citizens would use to model him. And what came out again and again in the interviews was this question of: Who guards the guardian in this strike back campaign? Right? We are fighting corruption aggressively, we are going after, we are punishing people, but who watches over the people that are making those decisions about who to go after, right? And that's what comes out in Chongqing, that's the danger of those types of aggressive campaigns against corruption.

MR. STROMSETH: Dimitar, do you want to comment on the village election aspect of the question?

MR. GUEORGUIEV: Sure. And just really quickly for the previous question about charity stuff; I've done experiments in China, just to underscore Eddy's point about trust, where I give people money and then I randomly give them a choice of whether or not to donate it to a Chinese charity, versus a Western charity. And Western charities get more Chinese money back; so, definitely a trust problem on that. Okay. So, there is a trust problem.

Now the election problem: so here is what, in my view, what the election problem is in China. And I think it's to some extent it's a China problem, but it's also an observer's problem. When we think about elections we tend to think of them primarily through a competitive lens. And when we don't see competition that is when one party always wins, or when the party candidate always wins, we impute that it has no effect.

But when you look at Chinese elections; so I just got back a few months ago from observing Local People's Congress elections in China, and what you find is that they are very well orchestrated, you know exactly who is supposed to win, and when they are supposed to win, but sometimes there's deviations. People don't win as much as they are supposed to win. Voters don't turn out as much as they are supposed to turn out.

And that is also very informative, and for local leaders who are overseeing these electoral constituents below them, that information is still there. So, there's definitely some mechanism of

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accountability that is even being generated through these non-competitive elections. It's just not very obvious, and we are just now beginning to try and disentangle it.

MR. STROMSETH: All the way in the back, over there.

SPEAKER: I'm interested in learning more about the smart governance, Professor Dimitar mentioned. In doing your research, do you see some of the data innovation holds promise for better transparency, governance, and what is we are talking about? Open data, which is more like making government information more -- better disclosure, user-friendly, easier for participating. But we are also talking about some of the disruptive technology, like bulk chain which can track payments, identify business to government ties, and analytics, machine learning, which is discovering pattern maybe?

Yeah. I'm just interested in whatever you learn in this field, and do you think if somewhere in China, who is going to sponsor this kind of -- Is it local government like Shenzhen or Hangzhou, or is like Zhong Jiwei, someone is very determined in pushing this technology thing?

MR. GUEORGUIEV: First, yeah, technology is no panacea, there's definitely bad parts to it. In terms of what we've seen happen, I can tell you without a doubt that technology, access to Internet, better Internet, amplifies the good outcomes that we describe in the book. And who is doing it? This goes back to what Professor Wang mentioned earlier, about vertical levels. So, there's an expression in Chinese, "Shang you zheng ce, Xia you dui ce (上有政策, 下有对策)", it's the top makes policy and the bottom makes counter policy.

And so, really who is pushing it is the central level utilizing technology to try and get better information about lower levels. And that includes, just over the last couple of years, publishing millions and millions of land transactions where people can see who is buying property, which is a very contentious issue, publishing millions and millions of court cases.

So, they are definitely taking advantage at the top level, usually to get information about what's going on at lower levels. But we can talk more about smart governance generally, later.

MR. MALESKY: I just want to add one little footnote on the transparency question. So, you know we didn't -- when we were coding data, we were coding what information we found, and we weren't paying attention -- or we didn't code how difficult it was to find. And there was as much variation

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as there was in what was available, there was even more variation on how much work had to be done to get it. Websites were organized very differently. Some of this information we had to go deep, deep into the website archives to find this type of information.

And that really is about smart governance too. Which is about how do you -- If you decide to post this information, how do you make it accessible and user-friendly to the citizens who can best take advantage of it.

MR. STROMSETH: All right. Right over here?

SPEAKER: Thank you for taking this question. I have a comment on the underlying point about looking to the provinces. And I work on Tibet, governance in Tibet, and have been part of pushing forward, very slowly, a seven-year research project called the Tibet Governance and Practice Forum, so we call it TGAP (laughter). And Tibet is possibly the least transparent and the least participatory of the many far-flung regions of the Chinese State. And yet, there is malleability there, and there is actually, going back to the original point of expectations that citizens have of the state, and I think we are seeing that changing too.

So, I wanted to say the need to broaden the variables that we are looking at, because in the case of Tibet, to see the shifting in approach through -- if we look through the governance paradigm, we would have to look at other variables, but we are seeing it. And I think this goes back to the very excellent question about discourse that Jamie asked, because I think there does require a sort of -- a shifting in whole political frameworks in order to understand why this is happening, and yet it's so hard to see in our global public conversation.

And if there was a larger synthesis, a greater synthesis of the many different local studies of governance; I would love to know about it. Thank you.

MR. STROMSETH: Thank you for that comment. Richard, did you have a question?

MR. BUSH: I would like to come back to the very interesting comments about comparisons with systems that are not single party. I've long been impressed by the similarities between China now and the United States about 110 and 120 years ago. Think back to those times, I wasn't living then, but what I understand is that we had had a period of rapid economic growth. We had also a period of deepening inequality; there was profound corruption of the political system by the powers that be. Not

the state necessarily, but large corporations.

And there was growing frustration and alienation in the political system. And what happened? The Progressive Moment; and that really targeted the same things that you were looking at, participation and transparency. And it was more a bottom-up than top-down, but it strikes me that we are looking in China today, a certain stage of the development of the political economy, that calls forth its own reaction. I wonder if you have a comment.

MR. MALESKY: You know, I think that's a fascinating way to think about it and, you know, like I have a project that's looking at the Progressive Movement, and so some of the reforms in the Progressive Movement when I was thinking about this project, the way, moving from strictly mayoral systems to mayor council systems as a way of checking the mayor, or the types of information that was required to be put up by city councils at that time.

It's very similar to things we are looking at. And I think you put your foot -- your finger on the -- I've put my foot in my mouth -- (laughter) -- You put your finger on, like, the key difference, which is that, you know: who was driving it? Was it an organic movement asking for these reforms, or was it a central government that was trying to better monitor subordinate officials. And that's the difference.

And I wonder how much of a difference that makes, or whether -- but I think one of the things that Dr. Wang has made, again and again, this point about, is this growing sort of being accustomed to these types of reforms and Chinese citizens using these and now thinking more of them, and so that may be the genesis for the bottom-up movement you are thinking about.

I want to just sort of, on the multi-party, single-party thing, I wanted to flag this a little bit. You know, we use this term single-party state, and that's because in a multi-party system a lot of these types of activities, so information gathering, participation, the opposition does take those on, right.

And so, you see -- we as the opposition are going to study those policies so that we can make this information explicit. So, it's unusual to try and sort of allow for those activities in the state without an opposition, which is why we were so intrigued by it. But it is true that we do see exactly these types of freedom of information acts, and transparency acts taking place in developing countries that are democracies.

And I think an interesting project would be to basically take our analysis and see what



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you could do in those places as well. And whether it has the same fact, or whether multi-party democracy even to some extent amplifies the benefits of those reforms.

MR. BUSH: Just a quick comment. If we are about 90 years in U.S. history, from the 1870s to the 1960s, in the South, it was a single-party system.

MR. MALESKY: It was a single-party state, yes.

MR. STROMSETH: So, we've hit the witching hour here. It's 11:00 o'clock, and we promised to end at this time. I think we'll be mulling around, so if any of you want to ask us questions individual, we'll be around, and will be happy to take some questions like that.

But let me just close by thanking both the Brookings Institution, my new home; and the Asia Foundation where I spent many years, and we really appreciate the support of both organizations for organizing this event today. And thanks to all of you for asking some great questions, and having a good discussion. So, thank you. (Applause)

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