

# China

**Author: Shabbir Cheema<sup>1</sup>**

## Introduction

China is clearly not a democracy, as defined and practised in the West and other regions of the world. It is a one-party system with about 70 years of uninterrupted rule by the Communist Party. The national government has centralised political and administrative control over the sub-national and local units of government. Competitive politics through a multi-party system – a hallmark of local democracy in the West – does not exist. The system of checks and balances among different institutions of government is heavily tilted towards the executive, led by the president who controls executive, political, financial, legislative, Party and military spheres in the country. Civil society is tightly controlled and regulated. The press and media are not free and are tightly regulated. The legislative branch of the government does not exercise powers that are independent of the Communist Party. Indirect elections do take place at different levels, but the candidates are pre-approved by the Party, which has branches in each ministry, department, enterprise, university and other entities in the public sphere. Unlike Western countries, civil and political rights are not guaranteed.

An alternative way to describe the situation in China, however, is to focus on key components or principles of local democracy: participation, accountability, transparency, access, subsidiarity, the rule of law, equity and human security. Viewed from this perspective, China has its own

## About ICLD

The Swedish International Centre for Local Democracy (ICLD) is part of the Swedish development cooperation. The mandate of the organization is to contribute to poverty alleviation by strengthening local governments.

This report is part of a publication series that investigates local democracy in the 19 countries where the ICLD municipal partnership programme operates.

*This report covers events up to 31 May 2019. Events occurring after this period are not considered.*

unique system of institutions and processes that incorporate elements of each of these principles. For example, there are mechanisms for citizens to participate at local levels, guided and steered by the Party. There are processes and procedures to ensure accountability of public office holders at the local level, which has recently led to dismissals and the imprisonment of corrupt officials and a large number of public protests against local officials. China has led the developing world in ensuring access to rural and urban services and in dramatically reducing poverty. China also has a highly decentralised fiscal systems and a high level of local government capacity, which had a significant role in the country's economic development. Information and communication technologies have been transformative in terms of enabling citizens' access to information. These and related possibilities, combined with internal and external pressures, indicate the potential to make China a more open and transparent place.

<sup>1</sup> Senior Fellow, Harvard Kennedy School  
Email: shabbir\_cheema@hks.harvard.edu

## General country analysis

The Constitution of China provides for a system of ‘indirect democracy’. The general population elects members of the Local People’s Congress including villages, towns, counties and urban districts. The members of the Local People’s Congress then vote for municipal members, who in turn vote for regional/provincial members, who then select members for the National People’s Congress. The National People’s Congress holds the power to confirm appointments of the executive leadership of the Politburo through all-member votes.

Similarly, the local and regional congresses can do the same when selecting local mayors and governors. In practice, the citizen’s right to vote is constrained by the Communist Party which pre-approves candidates for election at various levels. There is, however, intense political competition (often referred as ‘political meritocracy’) within the Communist Party to assume positions at higher levels. Many political leaders go through long periods of service at various levels of government, including President Xi Jinping. The descendants of former Party officials have an advantage in this regard.

## Fiscal decentralisation: local government’s power to provide services

China’s decentralisation has focused on economic development and fiscal reforms. The institutional system of public service delivery in China is closely related to the country’s political and administrative system. China’s administration operates on five levels. The five divisions and their administrative mechanisms are organised by central, provincial, prefectural, county/district and township levels. National defence and diplomacy are the exclusive purview of the central government while public services

such as education, health, culture, sports and safety are shared responsibilities between central government and local governments at or above the county level. Local governments have limited tax and spending discretion. However, they have a high degree of freedom for using non-tax revenue, such as revenue from land development and business fees. A major source of revenue of local governments has been the use of public land for local economic enterprises authorised by the central government.

## Political decentralisation: elections and accountability

Though village and neighbourhood committees at the local level provide a semblance of grassroots self-government, political power in China is highly centralised. The Party serves as the primary institution to ensure that the exercise and management of political power at village, county, district, municipality, prefecture and provincial level are centralised. Candidates for positions at these levels are pre-approved by the Party branch at each level.

Locally, there are a large number of citizen protests against actions of government agencies and local leaders. These are allowed to take place as long the writ of the State and the Party is not challenged. Village Committees manage public affairs and the welfare of the village. They mediate disputes, maintain public order and communicate villagers’ opinions to higher levels of government. In the late 1980s, China introduced village elections on an experimental basis, allowing villagers to directly nominate candidates through a secret ballot for the Village Committee. Yet the authority of Village Committees is checked by the Village Party Secretary and the township government. Often, the government experiments with various institutional reforms in cities and prefectures and then tries to replicate these.

## Conclusion: possibilities and barriers for municipal partnership

Two decades of sustained economic growth in China have led to improved civil liberties, reduced rural and urban poverty, improved access to basic services and citizen trust in government. Yet there are pressures on the Communist Party to adhere to China's constitution and to reduce censorship. Furthermore, the country's economic transformation has resulted in rising inequalities, protests and corruption. The government of China emphasises municipal and public-private partnerships as important tools for delivering urban services and infrastructure in rapidly expanding cities and towns. Municipal partnerships, with the engagement of Chinese cities, are taking place at national, regional and global levels. China has been playing a proactive role in CityNet Asia<sup>2</sup>, United Cities and Local Government<sup>3</sup>, and other regional and global municipal partnerships.

Rapid economic growth, a focus on public-private partnerships, keen interest among cities in China to forge partnerships with cities in Asia and further afield, and the high financial and administrative capacity of local government for local economic development all create a conducive environment for municipal partnerships, especially local economic development projects. But centralised political control, top-down planning and management processes, and the extremely weak role of civil society are barriers to municipal partnerships, especially those that aim to promote a local democracy agenda.

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<sup>2</sup> CityNet is a regional network of over 130 cities and organizations specializing in sustainable urban development.

<sup>3</sup> United Cities and Local Governments (UCLG) is an umbrella organisation for cities, local and regional governments, and

municipal associations throughout the world that is concerned with representing and defending the interests of local governments on the world stage.

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