China’s governance model and system in transition
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ABSTRACT

Background: The modernization of China’s system and capacity for governance that China has promoted in recent years could be understood as China trying to reform its state governance.

Purpose: This article investigates the characteristics of the basic structure of China’s state governance model since the reform and opening up.

Main Argument: China’s governance model is a dual structure model that can be observed in its organization, decentralization, value and efficiency systems. At the same time, this reform, marked by the reform of Party and state institutions, establishes a party-centered state governance system and structure; that is, the adjustment of the relationship between politics and administration, promotes the construction of the state governance system of party centralism.

Conclusion: Based on ongoing reform activities, the essence of China’s current governance reform is a more comprehensive revision of China’s governance model since the reform and opening up.

1. Introduction

In November 2013, during the Third Plenary Session of the 18th Chinese Communist Party (CPC) Central Committee, the Party adopted the decision of “the CPC Central Committee on Several Important Issues of Comprehensively Deepening Reform”, clearly defining the goal of the large-scale reform as promoting “modernizing China’s system and capacity for governance”. Therefore, we can fully regard or understand this reform activity as China trying to reform its state governance. Xu Xianglin, a Chinese political scientist who previously proposed the concept of “state governance”, defined the concept as “the process through which the highest authority of the state controls and manages society by administrative, legislative, and judicial organs and the decentralization between states and local authorities.” Xu Xianglin’s concept of state governance mainly comes from the analysis of the modernization of the transitional society in Western countries, which emphasizes the leading role of the state and takes social demands into account. In practice, state governance can be demonstrated as a structural dynamic process seeking equilibrium. Xu Xianglin hopes to construct a “more balanced and objective theoretical perspective” that includes the “governance concept”, that is, “interpreting and analyzing the modernization of the transitional society from a state governance perspective.” However, this
concept of state governance has been in line with the practical reality of China’s reform, which may have had a positive effect on it.

Based on the practice of China’s reform, this paper tries to put forward the concept of China’s state governance from the perspective of comparative public administrative by stating that China’s state governance refers to an ideal situation in which, with the original legitimate authority of state governance, political institutions such as the government, the legislature, and political parties, by further promoting and improving top-down legitimacy, authority and autonomy to solve public problems. If this concept is appropriate, then the expectations of the state governance reform are mainly reflected in two aspects. First, the reform can enhance the autonomy of the state, break through the barriers established by interest groups, and promote overall reform to pursue the country’s long-term interests. Second, the reform can achieve a greater concentration of power and enhance the political responsiveness of the government administrative system, thereby stimulating the bureaucratic system to improve the implementation of the reform policy. Moreover, judging from the reform process and the implementation of the reform policy, the essence of the reform activities also lies in correcting the Chinese governance model since the reform and opening up, which has become more mature and stable during the period before the reform.

If this judgment or assumption is appropriate, then we should determine the governance structures of the state governance model, which has already created a huge economic success, even though it has had a great impact on society as a whole since the implementation of the reform and opening up policy in China and now may become the traditional model. Under this premise, this paper attempts to clarify the advantages and disadvantages of China’s governance model since the reform and opening up and, after comparing the model with the current situation, analyzes the direction of the reform and future prospects for state governance in China.

2. The overall characteristics of China’s state governance since the reform and opening up

2.1. The debate over the China model

After 40 years of rapid economic and social development, China has become the world’s second largest economy. It can be said that the reforms implemented in China have achieved great success. However, the mechanism and how the path of the reform plays its role still need further exploration. “The Chinese path of reform and its associated rapid growth is puzzling because it seems to defy the necessity part of the conventional wisdom.” Whether China’s economic growth model or China’s reform and development model are unique has caused discussion among scholars.

The focus on the China model begins with a comparison of the “Beijing Consensus”, which is a term used by John Cooper Ramo in 2004 to describe China’s unique development approach, and John Williamson’s 1989 term the “Washington Consensus”, which connotes a more conventional approach. On the one hand, some scholars have the opinion that China’s economic success violates conventional theories of development

Qian, “How reform worked,” 2.
and offers developing countries an alternative vision to the Washington Consensus. On the other hand, critics have questioned the validity of the Beijing Consensus. First, China’s economic development is more related to imitation than to innovation in China’s technological and policy initiatives. Second, China’s development is unbalanced and unsustainable, thereby leading to many problems, such as the lack of environmental protection. Third, China’s economic development strategy is not unique and shares similarities with a wide range of countries.5

There are also studies that have analyzed the China model from the perspective of the relationship between the market and the government. There is a seemingly contradictory combination in the China model, namely, the combination of the rapid development of the market economy since the reform and opening up, including the economic prosperity achieved, and the Party’s high degree of control and management of the government and society. “The China model, in this case, is often in a shorthand way described as a combination of economic freedom and political oppression”6.

However, there is no doubt that discussion on the issue of the China model is necessary for us to think about the modernization of China’s state governance since the reform and opening up. Starting with the Third Plenary Session of the Eleventh Central Committee in 1978, over the next few decades, China’s public policy can be understood as an economic-led development policy. Additionally, China’s state governance model during this period should be considered an economic-led model, as it has indeed achieved economic development and great prosperity. Therefore, the state governance model since the reform and opening up has basically achieved the ultimate goal pursued by China’s macrolevel public policy. Thus, the institutions, systems, and mechanisms for creating the economic development of a country with a population of more than one billion are the subjects this section needs to explore.

2.2. The overall characteristics of China’s state governance

In general, we can define a development model as a combination of policy instruments that can effectively achieve development goals. Thus, China’s state governance model that has promoted China’s economic development should be regarded as a relatively successful development model with certain universal significance. Although the term “China model” is now rarely used by people, terms such as the “Chinese path” and “Socialism with Chinese characteristics” continue to exist as formal ideological discourses. Especially after the publication of political reports from the 18th National Congress of the Communist Party of China in 2012, expressions such as “confidence in the path, theory, system and culture of socialism with Chinese characteristics” have been able to confirm China’s basic governance model in formal ideology.

Generally, the Third Central Committee of the 11th CPC Central Committee enabled China to achieve the basic transformation of policy priorities to economic development policies. Thus, China has begun to establish an economic-led model since the reform and opening up, and by adhering to the leadership of the Party, the basic attributes of the

5Kennedy, “the Beijing Consensus,” 461–477.
6Zhao, “The China Model,” 419–436.
7Tang, Dangdai Zhongguo Zhengzhi, 3.
country, and the construction of the decentralized authoritarian state governance model discussed in the next section, China has moved toward the historical stage of an economic-led model that aims to achieve industrialization and modernization. The overall characteristics of this stage are mainly as follows. The first characteristic is implementing the reform and opening-up policy under neoliberalism, reforming the traditional management systems of planned economy, and actively introducing marketing strategy and competitive principles. The second characteristic is adopting a moderate governance approach, reforming the traditional unified leadership model, and beginning to emphasize law-based governance and democracy in state governance. The third characteristic is emerging highly mobilized state-society relations and mobilizing the government (the central government and especially local governments), society (social organizations including traditional enterprises and institutions) and individuals (public servants in public sectors and members of society) to all participate in economic development.

In connection with the discussion of the state governance model in this paper, it should be noted that since this development happens during the transition from the planned economic system to the market economic system, the mobilization of the government and its members is even more important. To a certain extent, this importance is also reflected in the construction of the public administration discipline in China, that is, the trajectory from traditional administration to public administration and even public management. This trajectory actually demonstrates the process of changes and development within China’s state governance model with increasing maturity and stability at the current stage, which has a very strong symbolic significance. Here, we need to answer the following question: what are the characteristics of the basic structure of China’s state governance model since the reform and opening up? The next section attempts to answer this question by exploring the four aspects of dual organizational structure, dual decentralization structure, dual value structure and dual efficiency structure. If the preset conclusions of this discussion do exist, then the characteristics of decentralization should run through the four dual structures.

3. China’s state governance model since the reform and opening up

3.1. Dual organizational structure

The most nationally differentiated content of China’s governance model should be China’s special political structure, i.e., the Party and state leadership system that has been formed since the founding of the People’s Republic of China, which is closely related to the politics-administration dichotomy model. This model can also be referred to as the “party government system”, or the ruling party-state system (commonly referred to as the “party-state system”), which means the superiority of the party or the ruling party.

However, different from the understanding that as the single ruling party in China, the Party covers the politics, the state, and the whole society, through the reform and opening up and the state governance reforms since the 1980s, the party-state system and China’s governance structure have shown a distinction between “party” and “state” as part of the
claim of the politics-administration dichotomy. This distinction is mainly manifested in the fact that despite the dominance of the Party in the major policy decision-making processes, cadre and personnel management, the integration of ideology, and the leadership of the military, through reestablishing the constitutional structure, the government as stipulated in the Constitution – a state body composed of a number of state organs – has become the basic state entity with external representation and internal legitimacy. To achieve rapid and sustainable development, China has introduced several tools, such as decentralizing governance, reducing or expanding the government in relation to circumstances, and organizational restructuring to suit the reform of the administrative system.

It is generally believed that the organization of the Party that covers the whole country is not included in the series of state organs. Meanwhile, there is only a general description in the preamble of the Constitution. Therefore, from the constitutional perspective, it is still clear that the Party and the state (the country) are clearly distinguished, which is also the symbolic feature of China’s state governance model since the reform and opening up, leading to the distinction between party and state in China’s state governance structure. Compared with the traditional state governance model that strictly emphasizes the Party’s unified leadership before the reform and opening up, it can even be understood as the decentralization of the Party to the state in China. Even when we discuss the actual operation of China’s state governance model, the emphasis on the leadership and superiority of the Party cannot be overestimated; however, the subtle changes in China’s governance structure should never be neglected.

Although the connotation of the Party in the Constitution needs to be constantly questioned, China’s state governance issue in the sense of law-based governance may also face severe distress, as this subtle and complicated change of China’s state governance structure does exist. As we learn from the party and state dichotomy model, there are in fact overlaps between the Party and state organs in organizational arrangements. However, compared with the traditional Chinese state governance model before the reform and opening up, the state’s organization, the way in which civil servants exercise power and the civil servants’ capacity structure experienced changes, as did the process of promoting law-based governance and democracy, which requires the state to constantly regulate itself with different state governance logics and rules. The state now has a certain autonomy, exclusivity and even rationalization and neutrality with the implementation of China’s reform and opening up policy and the country’s remarkable economic and social development. At the same time, the Party that empowers the state, i.e., the decentralized party, is still in a leading or superior position in China’s state governance structure. The most significant function of China’s governance model since the reform and opening up is that under the premise of long-term adherence to the absolute policy goal; that is, through the transformation of its economic policy to promote economic development, China has realized the mobilization of all its social entities, including the state.

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10 Chen and Li, “Gongchandang Zhengzhi Tizhi,” 81–89.
11 Baskaran and Ihjas, “The Development of Public Administration,” 305–323.
12 Xie, “Minsheng Zhengfu Zhili,” 213–235.
13 Mori, Chugokuseiji Shukinpei Jidai Wo Yomitoku, 28.
This realization may be the greatest function of the dual organizational structure of the state governance model and a form of decentralized authoritarianism in China’s state governance structure.

### 3.2. Dual decentralized structure

Since the reform and opening up, in addition to the decentralized authoritarianism in China’s governance structure, which is characterized by the dual organizational structure of party and state, in the top-level political institutions and the government of China’s state governance structure, there have been more distinguished features of the dual decentralization structure, which have become essential elements in China’s implementation of economic-led development policies. All of these elements have enabled China to enhance the learning ability of the political organization of the state governance structure in a top-down manner and have even spurred China’s policy transition from an economic-led development policy to a welfare state policy after the 21st century; this transition denotes that China has completely experienced all public policy processes related to the modernization of a country by promoting democracy and decentralization within the Party and the state, thereby introducing market competition into the public sector nearly 40 years after the reform and opening up.\(^{14}\)

The first need to be discussed is the decentralization of the top political institutions in China’s state governance structure. Hu Angang, a famous Chinese scholar, supports the idea of collective presidency, which encourages the decentralization of the top political institutions in China’s state governance structure in a practical way since the reform and opening up. We can consider the collective presidency of the top political institutions at the central level as the top-level horizontal decentralization in the state governance structure, which is strictly different from the situation of the Mao Zedong era before the reform and opening up, i.e., a kind of state governance that is highly centralized to individual political leaders. Regarding the significance and superiority of collective presidency in comparative public administration research, Hu Angang has already described it in detail.\(^{15}\) Connected with the realization of the economic-led development policy objectives since the reform and opening up, in a collective presidency, change in the state governance structure contributes to forming a more relaxed ruling atmosphere so that the empowered top political institutions whose relatively high degree of autonomy and initiative are guaranteed in their own policy areas work together toward the realization of the economy policy goal, i.e., this long-term constant national goal, thereby mobilizing at the highest level as previously mentioned.

Second, decentralized governance between central and local governments should be taken into consideration.\(^{16}\) As illustrated by the research conclusion that China’s economic development model is characteristic of the local government-led model of economic development, local party committees and governments in China have played an irreplaceable role in the rapid development of China’s economy.\(^{17}\) This local government-led economic development model in China is attributed to the emergence of

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\(^{14}\) Bai and Yang, “Guojia Zhli Xiandaihua,” 68–76.

\(^{15}\) Hu, Jiti Lingdao Tizhi, 53.

\(^{16}\) Yu, “Zhili Bianqian 30nian,” 5–17.

\(^{17}\) Miyake, Chugoku Kaikakukaihou no Seijikeizaigaku, 87.
a more significant vertical decentralization pattern in the state governance structure. Different from how collective presidency at the top political institutions in China is horizontally decentralized, the local governments in a vertically decentralized government system are characterized by the presidential system, that is, political power such as decision-making is relatively concentrated on the secretary of the local Party committee. Then, the interweaving and combination of this horizontal decentralization collective presidency system and the vertical decentralization presidential system under the premise that China’s economic-led development policy objectives are relatively constant long term not only highlights the importance of local governments, autonomy, and the enthusiasm and initiative of participation in policy implementation but also makes it easier for the local authority to achieve great outcomes while pursuing economic development in centralized contexts under the presidential system.

3.3. Dual value structure

The dual organizational structure and the dual decentralized structure of China’s state governance model since the reform and opening up have actually brought out many elements of the value structure hidden in the process of political decision-making and policy implementation that run through the Party and state, as well as the politics and administration. However, in combination with China’s state governance model since the reform and opening up, we need to focus on the elements of structural value that can directly promote China’s development and prosperity to achieve China’s economic development. Certainly, this focus is mainly related to ethical norms in the study of the behavior patterns of public servants.

China’s governance model since the reform and opening up has been built on traditional state governance. Within the process of constructing its governance model, as a socialist country, China shares the basic national attributes of the socialist countries in which party leadership is regarded as the main characteristic. Thus, some values emphasizing the absolute supremacy of the Party, the state and the collective are still preserved, and the ethical norms of public sector members such as loyalty and selflessness remain the highest requirements for civil service. We will not judge the extent to which these values or ethical codes actually comply; however, since the reform and opening up, public servant who conform to these institutionalized values or ethical norms have been praised and publicized as role models, which indeed makes these values important in the value structure of China’s state governance model. We need to conduct further in-depth research on whether this value structure is also an institutional source of China’s economic development. Even so, since economic construction and rapid development have been national goals of the party-state system for a long time, the value structure of the loyalty and collectivism that contribute to obtaining the shared goal is even more important for this article.

Here, we need to pay more attention to the fact that in addition to the abovementioned values or ethical norms such as “loyalty”, “selflessness” and “collectivism”, there are different, “alternative” value structures in China’s state governance model since the reform and

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18Dai, “Zhongguo Ganbu Kaohe Xianzhuang,” 12.

19Bai, “Zhongguo Ganbu Guanli,” 245–247.
opening up, which constitutes the dual value structure that we need to do in-depth research. This alternative value structure should be said to be contrary to the abovementioned traditional value structure of “selflessness”, “dedication” and “spirit”, and more recognition of incentive function of the “power”, “right”, “interest” and “material”, which is actually a mechanism or incentive logic of personnel management in the public sector that exchanges the specific personal interests, for example, positions, promotions, honors, bonuses, treatments, etc. with equivalent contributions to the organization, such as reform performance and economic development performance. This value structure demonstrated by the exchange mechanism between the profit incentive and contributions to the organization actually constitutes the other end of the value structure in China’s state governance model since the reform and opening up. Its greatest function is undoubtedly that, under the initial conditions of a low level of economic and social development and the shortage of available resources for economic development, through the effective mobilization of relatively superior human resources in the public sector, it has promoted the highly mobilized modern development model in China. At the same time, it has made the state governance model develop an efficient system with better input and output performance since the reform and opening up.

3.4. Dual efficiency structure

We conclude that the state governance model formed since the reform and opening up is an efficient development system, which is mainly due to the role played by the above three dual structures of the state governance model. At the same time, the efficiency structure contained in this state governance model also has a dual character.

We have mentioned many times that China’s state governance model since the reform and opening up has not been completely constructed by breaking the state governance model formed before the reform and opening up, which can be clearly observed in the abovementioned dual organizational structure and dual value structure. This is the low-cost and low-risk characteristic of China’s state governance model since the reform and opening up. Considering the economic development prosperity of China in the context of not fundamentally reconstructing the traditional state governance model, we should agree that either the traditional state governance model does have an efficiency structure or it has constituted the efficiency structure of China’s state governance model since the reform and opening up. In fact, if we explore these characteristics in depth, such as the experimental approach to reform and the decentralized government system, they are inextricably linked with the traditional state governance model before the reform and opening up. The formation of this model itself needs more research regarding the history that China’s state governance relies on to determine its development trail.

At the same time, it is also necessary to pay attention to the fact that although decentralization has been a prominent feature of China’s state governance model since the reform and opening up, the model has not substantially abandoned the tradition of state governance, namely, the previous “whole nation system” (juguo tizhi), which means that the whole nation is mobilized to ensure economic growth. In the process of the

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20 Zhou, “Guanyuan Jincheng Jinbiaosai,” 36–50.
21 Bai, “Chugoku ni okeru Chihobunken no Nagare,” 21.
construction of the economic-led model and the promotion of economic prosperity, the “whole nation system” (juguo tizhi) has indeed played a role in efficiency in different senses. It can be seen that the economic efficiency of this state governance model is mainly characterized by maximizing the use of existing limited financial resources, human resources and knowledge resources to create the greatest output, thus successfully achieving economic growth under the condition of the traditional party-state system. The development model of efficiency mentioned here is based on the reduction or evasion of the huge cost and high risk of reform or development, which is also characterized by highly mobilized economic development and the partial disintegration or decomposition of the traditional state governance structure. The final result is also manifested in the emergence or solidification of individual interests, society interests and group interests in public sectors in China; in addition, how to deal with the vested interests or break through the blockades of vested interests has become a subject of the modernization of China’s state governance.

3.5. Dual survival structure

Since the reform and opening up, China’s state governance model based on the goal of an economic-led model has achieved great economic development performance but also contains many issues that need to be addressed, which have become a part of the modernization of China’s state governance. The greatest function of this state governance model should be the maximum achievement of the national goal of China’s economic development, and we cannot emphasize the positive evaluation of it too much. However, from the perspective of China’s state governance or the modernization of governance, the inherent problems of the dual decentralization structure in China’s state governance model, such as the chaos and irresponsibility of state governance and the difficulties in pursuing the deeper level of reform, seem quite obvious at present and have become the subjects of the current reform of China’s state governance. Similarly, the dual value structure and the dual efficiency structure both lead to damages to the public interest and high social costs caused by the incompleteness of the construction of law-based governance and the lack of publicity. The most significant problems should be the three profound policy themes of environmental issues, corruption and income disparity that have been coexisting with or produced by China’s long-term high-speed economic development since the reform and opening up.

Anti-corruption reform could be said to be the deepest and most productive area of current reform. It is closely linked to the occurrence of environmental problems and income gaps, which is also related to the government-led or local government-led economic development model. The reason for this link is that on the one hand, under this model, enterprises and other economic entities can only survive in the incomplete market of fierce competition by attaching to public organizations and civil services, which makes it necessary for enterprises to seek rent from the government and regulators. On the other hand, under the state governance model with dual structure, the national goal of long-term high-speed economic development has involuntarily become

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22 Bai, “Zhongguomeng Xingzheng Biange,” 16–20.
23 Miyamoto, Shukinpei no Chugoku, 3.
an institutional condition for the lack of the restraint of public power, and the economic interests of public organizations and public servants have become the official incentives to pursue economic development, thus making it necessary for government organizations and regulators to engage in rent seeking from economic entities such as enterprises. In addition, power abuse is always combined with opportunities brought by reform, and “economic success means replacing the office hierarchy as the most important symbol of personal advancement. Consequently, as the relationship between power and wealth draws ever closer and the utility of political power as a means to acquiring assets still holds, wealth holds a much stronger influence over power than before”24.

Here, in fact, the last dual structure of China’s state governance model since the reform and opening up has been derived. In the process of the country sparing no effort pursuing economic development and enterprises, society and individuals pursuing economic interests reach a consensus on the goal of national economic development. The state here not only has the characteristics of an economic-led model that actively formulates and implements economic policies but also has the governance characteristics of entrepreneurial government25, which means introducing business management methods to the governance public sector and public affairs, which can be illustrated by local governments in China. The essence of the dual survival structure is that the state and its members, as well as economic entities such as enterprises, all seek to survive and develop in the competitive market, which deeply infiltrates Chinese national bodies. The ultimate result is that the pursuit of economic development and economic interests has become a lubricant for the operation of this economic-led model and entrepreneurial government under tremendous survival pressures. Meanwhile, accompanied by market principles and law-based governance, corruption has even become the means, tool or element of China’s national administration or governance, which has become the primary issue that modernization of China’s state governance has to resolve.

From the perspective of the efficiency concept in public administration, the continuation of the traditional party and government system embodied in the dual organizational structure of China’s state governance model since the reform and opening up has indeed at least made this model increase its efficiency and realize China’s incremental reform. We should recognize the tremendous progress made by China in the political, economic, and social fields under the state governance model since the reform and opening up. However, we should also notice that in contrast to the rapid development of China’s economic and social modernization, there has been a lack of profound state governance changes in the last several decades. Especially in a more diversified and complicated economic society, national administration or governance and politics are most needed. As the most important and primary means of mitigating and resolving conflicts of interest, this partial missing phenomenon in state and politics has aggravated the urgency of advancing the modernization of state governance.

24Simon and Grossman, “Incentives and corruption in reform,” 195–206.
25Ibid., 9.
4. Reform of China’s political system from the perspective of the modernization of state governance

4.1. The return of political system reform

Considering the current modernization of China’s state governance, we should pay particular attention to the study of Fukuyama, a Japanese-American scholar. His research on modern state construction is related to China’s state governance or governance construction, especially the three characteristics of an impersonal bureaucracy, rule of law and mechanisms of accountability that modern state governance should have. His research has received extensive attention. What is more important for China is the enthusiasm over the research on state administration or state governance, which is a manifestation of the rise of research on modern state construction in China. Thus, as a starting point, whether China could work toward the goal of realizing the modernization of state governance through the current reform, i.e., the fifth modernization goal, and finally complete its modern state construction, thereby creating the new China “miracle” after industrialization and economic modernization is the political and state phenomenon that we need to further observe. Certainly, the modernization of the system and the capacity for governance will undoubtedly touch on the issue that has been involved in the subjects of state administration or state governance, which implies the construction of a modern state characterized by law-based governance and democracy. Just as China has already proposed that “the reform of the state supervisory system is a major political system reform that is related to the overall situation,” China’s modernization of its state governance is either extending to political system reform or is driving structural changes in China’s state governance system.

The concept of state governance in the context of China’s modernization of its state governance, as Xu Xianglin suggested above, emphasizes the role of the state in the transitional society and takes the social demands emphasized by the governance concept into consideration, while the increasing demands for democracy, rule of law, fairness and justice, security, and a better environment are included as the current society requirements, which has been clarified in the report of the 19th National Congress of the Communist Party of China. “Democracy” is listed in the first place of China’s social demands, which is indeed an inevitable social aspiration after achieving great success in economic prosperity and modernization development in the past several decades. The Chinese government’s intention, which aims to advance the government’s transition from an economic-centered state to a people-oriented state, can also be observed over recent decades. It should be said that China has a strong learning ability, such as policy target setting and policy transition. To adapt to the transitional society and the demands for democracy, rule of law, fairness and justice, security, and a better environment, China has promoted the modernization of state governance, which also has the meaning of returning to politics and avoiding politics deficiency.

26 Zhao, “Fushan Bian Yu Bubian,” 2.
27 Li, “Guanyu Zhili Xiandaihua,” 57–62.
28 Gongchandang Quanti Huiyi Gongbao, 2.
29 Xue and Zhong, “Domestic reform and global integration,” 284–304.
4.2. Changes in the political system

The issue of “how to deepen the reform of the political system under the leadership of the Communist Party of China is at the core of the improvement and development of the socialist system with Chinese characteristics” as a substantive implication or the ultimate orientation of the modernization of China’s national system and its capacity for governance. The practices related to China’s modernization of state governance since the Third Plenary Session of the 18th CPC Central Committee mainly reflect two orientations. The first is the orientation of “the construction of the state governance system of party-centralism” pointed out by Chinese administrative scientist Liu Junsheng, while the second is the orientation of the construction of the modern institutions and modern states represented by officialization, institutionalization and state neutralization. Together, these two orientations form the overall trend of China’s modernization of state governance since 2013.

We could also find the orientation of the construction of the state governance system of party centralism within the decision of the CPC Central Committee on Several Important Issues of Comprehensively Deepening Reform made by the Third Plenary Session of the 18th CPC Central Committee in 2013, which could be named the policy design of the new centralism of the state governance system reform. This design specifically includes the reorganization of the top-level governing institutions of the party with the concentration of power, such as the “Central Leading Group for Comprehensively Continuing Reform”, which is in charge of arranging and coordinating reform. For this reason, even the state governance of group politics has emerged. At the same time, although the experimental, decentralized reform model often viewed as “crossing the river by feeling the stones” still has vitality, it goes without saying that the top-level design method, which is constantly emphasized under the context of new centralism, has changed the traditional state governance model.

Undoubtedly, along with the construction of the state governance system of party centralism and the revision of the Constitution by the National People’s Congress at the two sessions in 2018, the leadership of the Communist Party of China as the defining feature of socialism with Chinese characteristics is written into the constitutional text; thus, the leadership and role of the Party in the sense of the constitution are clarified. Moreover, the party and state institution reform activities initiated by the Third Plenary Session of the 19th CPC Central Committee in 2018 not only transformed the political form “group” to “committee” but also made it permanent and thus further institutionalized and standardized. More importantly, the reconstruction and reorganization of the party and state institutions were achieved. This outcome is mainly manifested in the fact that some of the institutions and functions that originally belonged to the state are currently managed by the organs of the party as a whole, and thus, the reform style of “the construction of the state governance system of party-centralism” that Liu Junsheng remarked on is widely appeared.
Moreover, in the process of the reform of the party and state institutions, the State Administration of Civil Service was incorporated into the Party’s Organization Department, as was the management of establishment and wages, which realized the Party’s overall management of the civil service. At the same time, at the end of 2018, by amending the Civil Service Law enacted in 2005, the management of the Party cadre was further connected and integrated with the modern civil servant system established at the end of the last century, thereby highlighting the civil service system with Chinese characteristics. In fact, in early 2018, Chinese administrative scientist Mao Guirong, through analyzing the revised regulation on the selection and appointment of Party and government officials in 2014 who were associated with the civil service system found that “the provisions of the ‘regulation on the selection and appointment of Party and government officials’ which are superior to those of the Civil Service Law, maintains and strengthens the principle of the party supervising officials and institutionalizes the connection with the civil service system”. In summary, the final conclusion of the study is that the “regulation on the selection and appointment of Party and government officials” is the institutionalization of the party-state system in the civil service system.

4.3. Reexamining the political system reform

As pointed out by Chinese experts, “according to the article by the general secretary of the Communist Party of China Central Committee, Xi Jinping, published in the Qiushi Journal in January 2014, the connotation of China’s state governance system is the institutional system of China’s governance, in which the Party and the state fulfill their duties and play the role of governing the country, which emphasizes the institutionalization, standardization and proceduralization of all aspects in the system, rather than the systemization of state governance referred to by foreign countries.” Therefore, it is not difficult for us to conclude that the connotation of the modernization of the state governance that was basically formed or formalized in 2018 is indeed closer to the concept suggested by the author. That is, with the original legitimate authority of state governance, political institutions such as the government, the legislature, and political parties, through further promoting and improving the top-down legitimacy, have the autonomy and authority to solve public problems.

In other words, in connection with the concept of state governance proposed by Xu Xianglin, the essence of China’s state governance should be that the Communist Party of China, which has the highest legitimate authority for state governance, through the modernization of the state governance system and capacity during the social top-down transition period, improves its legitimacy and authority in the constitutional sense. At the same time, through the restructuring of organizations of both the Party and the state and the reforming of the civil service system, the officials and institutions of the state are highly consistent with the Party that originally had the authority and the legitimacy of state governance, thereby enhancing the autonomy of the highest authority of the state to manage and control society.

34Ibid., 4.
35Mao, “Chugoku Kyosanto ga Kanbu wo Kanrisuru Gensoku no Seidoka,” 213–245.
36Chang, “Guoji Yu Zhongguo Neihan,” 3.
If our understanding above is correct, then the most essential features of the modernization of China’s state governance are the further strengthening of the Party’s leadership in the traditional sense and the comprehensive deepening reform of institutionalization of the party-state system. Although this modernization is rarely regarded as a wide-ranging political system reform in China’s formal political discourse, taking all the factors into consideration, including the content of constitutional amendments, the establishment of the National Supervision Committee, the transformations in the institutions and functions of the Party and the state, and the management of civil servants, we come to the conclusion that it is highly related to the reform of the basic state governance system or factors related to the ruling system, such as the constitution, the Civil Service Law, and institutional establishment. Therefore, the modernization of China’s state governance is not just an administrative system reform but a real political system reform. An accurate understanding of the modernization of China’s state governance should be developed.

In short, the modernization of state governance oriented by the construction of the state governance system of party centralism is still at the stage of determining how to improve the state governance capacity of political parties outside the state or administrative system. China’s state governance reform reached a critical juncture with the basic completion of the reform of the local Party and state institutions in March 2019 and the implementation of the Civil Service Law in June of the same year. In addition, the report of the 19th National Congress of the Communist Party of China further pointed out that “we must uphold and improve the system of socialism with Chinese characteristics and continue to modernize China’s system and capacity for governance. We must have the determination to get rid of all outdated thinking and ideas and all institutional ailments”. At the same time, the report also proposed that the modernization of China’s system and its capacity for governance would be basically achieved in 2035 and then fully achieved in 2050. It can be foreseen that the modernization of China’s state governance will continue, and its core content should still be to constantly improve the system of socialism with Chinese characteristics and deepen related institutional reforms.

5. Conclusion

Above all, we can safely draw the conclusion that China’s state governance model since the reform and opening up has been relatively mature and stable and has achieved great success in the implementation of policy and economic development, although it is based on the debugging of the traditional state governance model. However, judging from the current modernization of China’s state governance, it is not the state governance model that China will eventually establish in the future. Therefore, we may say that China is still in the process of constructing a stable and sustainable state governance model, which may be the ultimate goal and the practical motivation for China to promote the modernization of state governance known as the fifth modernization.

Then, at the current stage, we should look forward to the future development of the modernization of China’s state governance from the perspective of the current macro-structure and public policy objectives or national goals. It could be said that thanks to the

37 Xi, “Quanguo Daibiao Dahui Baogao,” 4.
38 Zhou, “Guojia Zhili Moshi,” 5–11.
state governance model since the reform and opening up, China has basically completed the previous policy objectives of the economic-led model and has realized the transition to the welfare state policy, which has indeed achieved a certain level of policy effect due to the effort made by successive governments. From the perspective of the characteristics of the welfare state policy, its effective realization mainly depends on the following three public policy processes or functions at the national level: the balanced and standardized design of relevant public policies, the fairness of policy formulation and implementation and effective political control. Based on this, China’s modernization of its state governance needs to improve the governance system in the following five aspects: the construction of the new centralism system, the decentralization and institutionalization of government system, the rights security system, the law-based governance system, and the political accountability system.

From the discussion above, we have found that from China’s current state governance modernization, the outcome of the implementation of this reform policy is mainly concerned with a large correction of the dual decentralization structure and the dual value structure, which will inevitably affect the composition of other dual structures39. Therefore, we can conclude that the essence of the current substantive reform of China’s state governance lies in a more comprehensive revision of the state governance structure since the reform and opening up. When we evaluate China’s state governance modernization in the future, we need to consider the following premise elements. First, the reform of China’s state governance modernization, which has amended the state governance model since the reform and opening up, is a reform path choice to achieve the current national goals set by China, and the degree of its successful achievement should be considered. Second, this reform is the reform of the governance mechanism aiming to revise the deficiencies in traditional state governance. Third, the reform is a change of the state governance structure or the paradigm shift of state governance.

In 2017, the 19th CPC National Congress proposed that the modernization of China’s system and capacity for governance is basically achieved by 2035 and realized in full as New China celebrates its own centenary. However, whether and how the promotion of democracy and the rule of law, i.e., the fifth modernization, can be achieved require further research on the future reforms. In addition, on the basis of the above discussion, considering the development of China’s state governance modernization, we should recognize that the subjects of the realization of law-based governance, the issue of national centralization, the return to the constitution, the return to the state, the return to politics, the overcoming of the problems of the separation of the state and society, and the reform of state governance under the special traditional political structure of China are still existing and arduous, and further efforts made by China are needed.

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39Ibid., 10.
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