

China's Model of Development: Lessons for Pakistan

Ambassador (R) Syed Hasan Javed (Karachi: New Fakhri Printing, 2020, 322 pages)

Reviewed by Khawaja Dawood Tariq¹

Rise of China is a quintessential rag to riches story. In 1978, almost 90 per cent of Chinese population lived below the poverty line. In 2021, Chinese leadership declared victory in war against poverty. The exponential rise of China in last four decades have compelled academics and policy makers to study China's model of development to learn lessons from it. The book under review is collection of personal observations and reflections by a seasoned Pakistani diplomat who practically witnessed the era of reform and growth in China. Ambassador Javed served in China when comprehensive reforms were in full swing.

The book is divided into ten chapters with a postscript. It is based on Ambassador's lectures on 'China's development experience.' The overarching theme of the book is explaining what compelled Chinese leadership to undertake comprehensive reforms. How these reforms impacted the society and what are the results of these reforms. Deng Xiaoping famously said, 'only development matters, nothing else.' The book starts with origins of Chinese civilization. Next chapters delve into history of development in China and epoch of centralized socialist planning in line with Marxist-Leninist ideology. These chapters narrate a story of making mistakes and learning from them. The 'great leap forward' and 'cultural revolution' decimated the Chinese economy and society. In next two chapters, the author details what lessons were learnt and how these mistakes were rectified by reformist leadership. The next two chapters are a detailed study of explaining main components of China's development; leadership of Deng Xiaoping, and

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the role of media and soft power. The author concludes the book by examining the future role of China in an Asian century.

The author recounts nine stages of China's development paradigm. However, it was Deng Xiaoping who recognized that Marxist-Leninist model is not going to work for China without necessary modifications. He advocated socialism with Chinese characteristics. He believed Chinese value system is different than European centric Marxist-Leninist ideology and it was possible to combine market economy with socialist ideological principles, especially while remaining within the Chinese cultural value system.

Xiaoping believed that Socialists do not have to be poor. He recognized that there is a self-imposed poverty trap that China has inflicted on itself. One needs to recognize that China has developed itself not through conquer and plunder or through natural resources but through sheer theoretical and practical experiences, that they've learned over the decades and centuries. It has led them to adopt a hybrid economic regime that allows development at rapid speed.

There was a realization among Chinese leadership that it was necessary to not be ideologically driven in pursuit of their objectives. In 1979, the Chinese leadership realized that it needs a change of mindset in order to take the masses out of poverty and develop China. They created a four-point modernization plan and launched a series of comprehensive policy reforms. This four-point agenda was: developing agriculture, industry, science and technology, and national defence in that order to meet the requirement of emerging market economy.

The Chinese leadership initiated a four-phase transition. The first one was that reformist leadership changed the way self-criticism process was working. It was decided that it has to be done in a scientific and civilized manner with the only rationale being that, it needs to be constructive with regards to self-examination, and it must allow for an honest and unbiased review process, so that any mistake can be corrected. Second, streamlining local governments and

revitalizing local government in the Western part of China to improve efficiency and efficacy of public service and state services. The third would be strengthening market regulatory and supervisory institutions.

In chapter five, the author introduces us to an important aspect as to how the decision-making process actually worked in China after the reforms. A system of three tiers of decision making was introduced; the idea was that there should only be three layers or levels of officers that should process, examine, deliberate, and decide. It was considered an adequate hierarchical mechanism to resolve issues efficiently and with accountability.

The author devises four cardinal objectives of China's Investment Promotion strategy, first, establish special economic zones; second, develop foreign trade; third, to attract foreign investment; and fourth, to develop foreign technology and management expertise.

Chinese leadership sought to keep low profile while keeping ground realities in mind. Anyone wishing to emulate Chinese model of development needs to adhere to five components. First, leadership needs to have the capacity to acknowledge and accept mistakes. Second, they must revitalize social capital. They must have the capacity to undertake comprehensive policy reforms. They need to learn from global best practices. And that can only be done by investing in higher education in training program. They must keep international financial institutions away from policymaking institution.

In the last two chapters, the author reflects on the future of China's economic diplomacy. Since 1978, China has come a long way. It has already established multiple bilateral and multilateral free trade agreements. This is a dawn of Asian century. One can recognize that China is not only a part of international rule-based order, but it is now an agenda setter. Moreover, if it cannot bend the international institutions, it has enough capacity to develop international Institutions e.g. Asian Infrastructure Investment Bank.

The last chapter discusses China's development cooperation, specifically with regards to Pakistan. This chapter marks the end of the book, but it is reminiscent of the long history of economic cooperation between China and Pakistan. It tells the story of how Pakistan played an important role in China's quest of opening up to the world and China for its part has reciprocated technical, diplomatic, and financial support whenever Pakistan was in dire need. Even today, China is Pakistan's largest foreign investor. Pakistan is also an important player in China's Western China rejuvenation policy. CPEC will not only be a source of development for Pakistan, but it is supposed to economically revitalize the western part of China. It is prudent to remember how geo-strategically important Western China is to the Chinese leadership.

There exists international pressure and propaganda against Chinese policies in Western China. China believes that unlike like every other problem, the only solution to the problems in Western China is to ensure development and for rapid development there is a need for the projects to succeed and for that Pakistan's contributions are going to play an important part. Similarly, deep-water port Gwadar is of paramount importance to Chinese future geostrategic calculations.