

INSIGHT

A bad fit

Paul Letters says analyses that cast today's political quarrels in the mould of pre-war 1914 miss the mark by 100 years, not least because China is no Germany of yesteryear

The dawn of 2014 has seen historians and political commentators provide us with bold comparisons with 1914, and a world on the brink of a calamitous war. The US today may fit Britain of 1914. However, we are also supposed to believe that as Germany plunged into war against the superpower of the day then, today, China is on course to do likewise. So say many Western writers, including Oxford University Professor Margaret MacMillan, whose book *The War That Ended Peace* was published last year.

Germany was, as China is, a rising world power, but beyond that such comparisons – including supposed signs of the greatest powers careering towards war – don't stand up to scrutiny.

In a recent essay, MacMillan reminds us that globalisation is not a modern invention; it took until the 1990s – the end of the Soviet bloc and China's opening up – for globalisation to reach early 20th-century levels. And we shouldn't assume mutual economic interdependence is enough to prevent war: in 1914, Britain and Germany had a trade relationship to rival that of the US and China today.

We could also make a case that Japan is a bit of a France. Each was on the losing side in their previous war against their powerful neighbour (the French were crushed by the new Germany in 1871), and Japan is feeling more assertive now – as did France by 1914.

However, one of many differences with 1914 is that the arrogant assumptions then of a few leading men concocted an eagerness to launch into war – a war each power believed they would win within months. There is no such naive eagerness in today's nuclear world.

MacMillan also points her professorial cane at China's Senkaku/Diaoyu islands dispute with Japan, where, admittedly, both nations have sharpened their sabres. Apparently, such nationalism compares to the situation in Europe a century ago.

But Europe then is not Asia now. Germany was an empire headed by a kaiser and a cabal of military leaders who fomented war-hungry nationalism into their citizenry. China's civilian leadership generally chooses to delimit the actions of their most nationalistic internet users.

China's leadership is not hell-bent on expansion at any cost. Nor does Beijing have any ally it would get embroiled in a war for, as Germany did in signing a "blank cheque" for Austria – which turned a Balkan battle into a continental catastrophe. It's possible the US could be dragged into an East Asian conflict to help an ally, most likely to protect South Korea from the

North. But, whereas Chinese forces fought against the US in the 1950-53 Korean war, today Beijing does little more than tolerate Pyongyang; China is not going to fight against the world's superpower on North Korea's behalf.

American academic Walter Russell Mead recently categorised China, together with Russia and Iran, as today taking the role of the Central Powers of 1914. This is inaccurate for reasons beyond the fact that those nations share no military alliance treaty. Mead suggests "they hate and fear one another as much as they loathe the current geopolitical order, but they are joined at the hip by the belief that the order favoured by the United States and its chief allies is more than an inconvenience".

This falls in the face of history: Austria and Germany didn't hate and fear one another – their Dual Alliance stretched back 35 years before 1914. And China doesn't loathe the current geopolitical system – indeed, it wants to ascend it.

A hundred years ago, Germany sought to overthrow – or, at best, ignore – the three-centuries-old Westphalian principles, which avowed respect for a nation state's sovereign power and its territorial borders. In this sense, modern-day China is a status-quo power. With a strong line

against interfering in a nation's internal affairs, China is waving the flag for a system it was not involved in creating.

For a proud nation which for centuries saw itself as the centre of a world it believed it dominated – while, thousands of miles away, Europeans did likewise – there is one echo from the first world war period that is a motivating factor for China's foreign policy objectives today. China experienced a century of unequal treaties, including the treaty that closed the first world war. That China was on the winning side gained her nothing from the Treaty of Versailles but a lesson in self-reliance: German concessions in Shandong (山東) were not handed back to China, but to Japan.

Any observer who sees boundless, profound comparisons between Asia and Europe does not understand much about at least one of those continents. Instead of using a crowbar to squeeze square nations into round holes, let's admit China today is like nothing history has presented before, and anyone who avows otherwise is probably simply trying to sell a book they've written. Don't buy it.

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HENRY W.

Standing still

Peter Kammerer says a disturbing inclination in Hong Kong to cling to its past, rejecting change, will only see the city fade into irrelevance



The cocoon that is Hong Kong can sometimes be so cosy that we forget to take notice of what is happening elsewhere. While to the north, cities are being transformed, ours is wavering on the brink of being locked in a time warp. A fervent desire to hang on to what we have, physical and otherwise, means we are in danger of being left in the dust. Old-fashioned thinking is holding us back.

Think Macau before 2001, when the monopoly on the gaming industry held by Stanley Ho Hung-sun ended with the opening of the market to new licence-holders. A sleepy backwater that was pleasant to visit, but going nowhere, was instantly given a bright future. It has since been galloping forward.

There are social problems that need to be fixed and the economy has to be broadened beyond gambling. Overall, though, Macau has exploited its potential for all its worth. Those oases of curiosity can still be found and many have been preserved. Residents have moved beyond the past, but have also lovingly retained it in some two dozen Chinese and Portuguese buildings and sites that comprise the Unesco World Heritage-listed historic centre.

Hong Kong is also clinging onto its colonial past, but to its detriment. Since the return to China in 1997, there has been a noticeable resistance to change. The mentality is that our differences from the mainland are our selling point; letting them be eroded is to lose our advantage. Judicial independence, free speech and press freedom are held up most, but our list of "must haves" has grown long and complex.

The Royal Hong Kong Yacht Club's refusal to change its name is among them. Colonial-era Hong Kong flags appearing at protests are another sign. But the rot was most evident when attempts to tear down the Star Ferry and Queen's piers in 2006 and 2007 were met with unruly protests. Since then, any old building or site, no matter how unremarkable, is fair game.

I'm not espousing obliterating the past – merely suggesting that we keep only what is significant. But that has to extend beyond the physical, to laws, government policies and attitudes. Civil servants and lawmakers should take particular note.

The small-house policy in the New Territories is one such dinosaur that has to go. So, too, does the belief that the property and business cartels have the right to keep their monopolies. Allowing the civil service to be a place of privilege, overstaffed and bloated with fiefdoms that do not co-operate, is wasting finances and resources. The government's view of land as a revenue earner rather than a resource for public good is also past its use-by date.

There are many, many more. But it is our attitude towards the mainland and its citizens that is perhaps most troubling. While the rest of the world is open to their tourism and business, we are intent on capping numbers and on protectionism. Remember, these are countrymen, people with pockets bulging to do business in our shops, restaurants, entertainment venues and auction houses. There are even those among us who would prefer they stay at home, just as before July 1, 1997.

We don't have to go far to see what will happen if this mentality continues. Just look to the Macau of old, so quiet and peaceful – and going nowhere, fast.

Peter Kammerer is a senior writer at the Post

China cannot rush reforms needed to democratise its legislative system

Zhou Zunyou says any solution to widespread vote-buying and other problems must be orderly

On January 2, a senior Chinese official, Tong Mingqian (童名謙), was reported to have been sacked and expelled from the Communist Party for his role in an electoral scandal in Hengyang (衡陽), Hunan (湖南) province. A total of 518 delegates of the city's 529-member People's Congress were found to have taken bribes for electing 56 delegates to the provincial assembly. Three other delegates were accused of neglect of duty.

The crackdown was part of China's ongoing anti-corruption campaign initiated by the Communist Party's new leaders.

It also exposed the scope and gravity of graft in Chinese political life. Of the 529 Hengyang lawmakers, only eight were not involved. Authorities said the scandal represents a serious challenge to the so-called "people's congress system", one of China's fundamental political systems.

In China, there are five levels of people's congresses: the National People's Congress and people's congresses in provinces, cities, counties and townships. These congresses are similar to parliaments in the West.

Delegates in counties and townships are "directly" elected through a system of "one man, one vote". At the national, provincial and municipal levels, they are elected "indirectly" from and by people's congresses at the next lower level.

Although under Chinese law, all congresses should be established through democratic

– either direct or indirect – elections, the Communist Party takes a firm control of elections at every level. While most candidates are party members, those from outside are usually handpicked by the party.

China's people's congresses are not terribly democratic, by Western standards; they act only as a rubber stamp for party decisions. But membership does provide substantial benefits, such as status, power and privilege, which are coveted by

Democratisation alone cannot eradicate corruption, as shown by experience

party officials and wealthy businesspeople, especially as there are no effective legal mechanisms to guarantee fair and transparent elections.

When the party in recent years began to introduce competition, albeit limited, into elections in the hope of promoting democracy, this also opened the door to collective vote-buying. In the case of Hengyang, the rampant vote-buying mainly resulted from intense competition in which 93 candidates vied for 76 seats on the provincial body.

When the scandal came to

light, some liberal intellectuals sarcastically commented that "buying votes" was better than "buying appointments", the implication being that most lawmakers are in fact appointed by higher officials and that involves bribery.

The party realised long ago the importance of democracy. In a conversation between Mao Zedong (毛澤東) and Chinese educator Huang Yanpei in 1945, Mao famously said that democracy was the party's cure for avoiding the usual historical cycle whereby political forces witnessed a rapid rise and a hasty demise due to serious corruption. Since 1954, the Chinese constitution has proudly declared that all power belongs to the people.

Last December, President Xi Jinping (習近平) recalled Mao's words on the "historical cycle", sending a clear message that severe corruption is threatening the survival of the party. Almost seven decades on, the party is still struggling with the spectrum of this "historical cycle".

Democracy is not only crucial to the survival of the party; it is also vital for the future of the nation. As such, and given the great importance attached to it, the tempo of democratisation has been unsatisfactorily slow.

This does not mean, however, that more democracy brings better results, or that faster democratisation is more desirable. Democratisation alone cannot eradicate corruption, as shown by the experience of countries such as India and the Philippines, where

rapid democratisation has led to systems that are corrupt, chaotic and incompetent.

In an attempt to make the people's congress system move with the times, a series of major – if not fundamental – reform measures were mapped out at the party Central Committee's recent third plenum to bolster their role. Of particular note was a proposal to establish liaison offices and internet platforms to strengthen relations between delegates and the people. The resolution stressed the importance of orderly political participation by the people.

Party leaders clearly prefer a process of incremental reform of the system. This is no surprise, given the deeply rooted Chinese tradition of "rule of man" and a transitional society full of intense conflicts.

On the one hand, more fundamental reforms are needed to ensure that the people are genuine masters of the country.

On the other, China should heed the lessons of gradual and orderly democratisation from the experiences of both successful and unsuccessful Asian states.

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Allow economic growth to spur change in North Korea

Lee Jong-Wha says a market economy can be built with international help

North Korea's system is failing. Its economy has been stagnating since 1990, with annual per capita income, estimated at US\$1,800, amounting to slightly more than 5 per cent of South Korea's. Meanwhile, a food shortage has left millions starving. In order to survive, the world's most closed economy will have to open up.

A more prosperous North Korea – together with peace and stability on the Korean peninsula – would serve the interests not only of North Korea itself, but also of the international community.

This should spur international institutions and North Korea's neighbours to provide the food aid, technical assistance and direct investment that the country needs to make the transition to a market economy. But there remain significant obstacles – not least the North's often unpredictable politics, exemplified by the recent execution of its leader Kim Jong-un's once-powerful uncle, Jang Song-thaek.

The good news is that North Korea's leadership seems to understand that its current troubles stem from its grossly inefficient economic system. In recent speeches, Kim has emphasised the need for economic reform and opening up to develop agriculture and labour-intensive manufacturing industries.

Furthermore, in a bid to attract foreign investment, the government has announced the establishment of 14 new special economic zones. If only out of a

sense of self-preservation, North Korean political and military leaders are likely to support this effort, as long as it does not undermine their power.

North Korea should now follow the examples of Vietnam and China, pursuing reforms like deregulation, liberalisation, privatisation and macroeconomic stabilisation, while developing a new legal system and new institutions.

The country certainly does not lack growth potential. While

North Korea should follow the examples of Vietnam and China, pursuing reforms

it does not have the agricultural base that initially spurred reforms in China and Vietnam, geographical advantages like natural seaports and rich mineral resources enable it to pursue export-led growth.

Moreover, the relative abundance of well-educated workers implies low initial wages and the ability to compete internationally in labour-intensive manufacturing activities. To this end, a significant share of North Korea's military manpower, which currently amounts to more than 8.5 per cent of the

total labour force, could be used for more productive purposes.

North Korea could capitalise on the "catch-up" effect, because its low per capita income level would help to increase investment productivity and facilitate technology transfer from more developed economies.

This implies a significant role for North Korea's neighbours, especially South Korea and Japan.

But there is more to North Korea's situation than economics. The country is locked in a stalemate with the international community, which wants it to denuclearise and become a "normal" country. Given how unlikely North Korea is to denuclearise, at least in the immediate future, an alternative strategy is needed.

The international community, especially South Korea, should support North Korea's efforts to build a more open, market-based economy through expanded trade and investment, while continuing to work towards a compromise on denuclearisation. The resulting prosperity and accessibility could, over time, bring about political change.

For ordinary North Koreans, who are suffering the most under the current system, such a transformation could not be more urgent.

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