Selected Papers from the 2nd World Forum on China Studies

(Abstracts)

Panel 2

Exploration into the Theory and Practice of the Mode of China’s Development

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Panel 2

Exploration into the Theory and Practice of the Mode of China’s Development

1) From Cultural Migration to Integration of Culture and Economics: Cultural Creative Industries of Modern China
----- By Shaotang Guo (China)

Abstracts:
The evolution of cultural creative industries in China since the end of the 19th Century is a history of cultural migration from the West to China resulting in the whole process of Westernization, modernization and finally globalization. The process also witnesses a major historical development of a complex interaction between culture and economics that has brought about fundamental changes to both culture and economics. The present paper aims to demonstrate how these different levels of historical development can be studied in an integrated style.

2) China’s Economic Catch-up: Washington Consensus or the Beijing Consensus
----- By Keun Lee (South Korea)

Abstracts:
China’s Economic Catch-up: Washington Consensus or Beijing Consensus an earlier paper by Lee, Hahn, and Lin (China Review, 2002) argues that China seems to deviate from the Japan-Korea style East Asian model but has several components found in the Anglo-Saxon model in terms of economic systems. As a follow-up study, this paper focuses on strategies for economic catch-up by China to argue the following two points. First, this paper argues that China’s catch-up policies are not following the Washington Consensus, and exactly for the reason China is succeeding so far and possibly in the future. Rather, it argues that China is following the “east Asian sequencing” (Lee 2006) as it has been adopting the similar policy sequencing of Korea or Taiwan, namely firstly adopting the first 5 policies suggested by the Washington Consensus but delaying the next 5 policies (financial liberalization, massive privatization, deregulation of FDI, etc.). In addition, China has emphasized science and technological innovation and higher education, which are not mentioned in the policy packages of the Washington Consensus but emphasized in Korea and Taiwan. Second, the paper point out and elaborates some uniqueness of China’s catch-up strategies which can be termed as “Beijing Consensus” because they are not explicitly adopted by Korea or Taiwan. Such uniqueness includes emphasis on

3) The Deepening of Marketization Process and China's Future Road to a Rechtsstaat
------- By Weisen Li (China)

Abstracts:
Along with the deepening of China’s marketization-oriented reform, the widespread corruption of the government officials and whether or not the fast economic growth in last 27 years in China is sustainable have become the two serious problems disturbing the Chinese government and people of all circles in China. This paper argues that something must be done in construction of China’s legal system and in its constitutional reform, otherwise the problems of prevalence of corruption will eventually hold back the high economic growth of China. Starting from the discussion of the differentiation of two concepts of “the rule by law” and “the rule of law”, this paper suggests that laws in China should be restored its natural facade of the incarnation of justice on the basis of jurisprudence reasoning, and instrumentalism, pragmatism and utilitarianism in China’s current legal theory inherited from the traditional Chinese culture should be discarded, otherwise, it is impossible to restore the sacredness and authority of law in China, then it will take an unconscionable time to reach the state of “the Rule of Law” with constitutional democracy in China and there will be no way to tackle the problem of institutionalized corruption in the contemporary Chinese society once and for all. Key Words: Marketization, legal system, the Rule of Law, legal instrumentalism, legal pragmatism, strains of institutional change.

4) On China’s Income Inequality in Transition and Government’s Over-Intervention
------- By Heng Quan
Abstracts:
With the analysis for the consequences of China’s income inequality, this paper put forth the “Government’s over-intervene hypothesis” to explain China’s income inequality during transition. The author points that China’s income inequality and its changes could not be described only as a result of pure market-orientation reform, also, not as a result of both market and government’s normal role in economic development, but it is a result of Government’s over-intervenes in income distribution. According to China’s experiences, the author think that the key problems in China’s income distribution is that the monopoly political power is still determining the resources allocation, in stead of market, and as a result, it still controls income distribution and income mobility. Particularly, here the government’s over-intervention to income distribution in China has many different dimensions: the traditional path-dependence of all resources allocated by government in the market economy; the scissors gap between the prices of industrial products and agricultural products and rural-urban income inequality; residence registration system and the disparities in healthcare, education and pensions between rural and urban; the bias of city and coastal areas’ development first and regional differences; corruptions, such as smuggle, rent-seeking and abnormal income; and also, the distorted government’s redistribution and poor transfer payments. The author thinks that all this factors relative to government’s improper or over intervention in income inequality during the transition have been playing a key role in determining China’s income distribution. For the policy’s signification of this paper, the author thinks that China’s government must experience a transition, which means the government should have an exit from growth, simultaneously, should have re-entry to the development, which also means that many steps should be taken to redefine the borderline between the government and market, and to reduce government’s direct intervene to elementary distribution and to perfect its redistribution functions during the transition.

5) An Evaluation on Dr. Sun Yet-senism and the Modern Chinese Economic Development Model
------ By Wou Wei (Taiwan, China)

Abstracts:
An Evaluation on Dr. Sun Yet-senism and the Modern Chinese Economic Development Model There is no conflicting between the mainstream culture of the East and the West. The Confucian thought and the Protestant ethics can be interchanged in some of the respects even if the philosophical background of them is quite different. China had a glorious history in the world civilization before the 14th century, however after the Renaissance, Enlightenments and the Religion Reform of West the world civilization history has been changed. During the past more than two decades China’s economic miracles experience has proved the importance of the culture exchanges, economic exchanges of the East and the West. On the same reason
the post-war East Asian economic development model (Japan, South Korea, Hong Kong, Singapore, Taiwan and others) can also be explained. According to that the Sun Yat-sen’s economic thought is not only workable in the 21st century of the China’s economy but also probably for the rest of the world. Sun Yat-sen’s economic thought first emphasis the essence of the private property ownership system and the function of the market economy; in the meantime it stresses the key role of the government economy. Nevertheless the culture and religion is considered another an invisible hand of the economy in addition to market economy’ invisible hand as stated by Adam Smith (1723-1790). Therefore there are three hands: the market economy (the first an invisible hand), culture and religion economy (second an invisible hand) and government economy (a visible hand). These three hands put together by then is considered three hands economic model of the Sun Yat-sen, it is also can be explained as one of the New-Neo Confucian economic development theory.

6) The Risk of Imbalanced Economic Growth in China
----- By Jun Zhang (China)

Abstracts:
If there were one sentence that can be used to describe China’s growth, it must be as such: China’s growth hinges on the rest of the world. The remarkable growth of China in the past decades has substantially changed the picture of global production chain, and is now challenging the global trading system, though the world, the US for short, doesn’t get ready for China’s rise in the global economic system. Assuming China continues maintain its growth momentum in the next two decades as it does today, then the global system faces lot of big challenges. But the fundamental question worth being raised is not as to whether we can avoid the global imbalance as such, but as to how serious the imbalance would be developing out.