A critique of Eric X. Li’s
“A tale of two political systems”
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Imagine confusing the following two statements from a cancer doctor: 1) “You may die from cancer” and 2) “I want you to die from cancer.” It is not hard to see a rudimentary difference between these two statements. The first statement is a prediction — it is saying that something may happen given certain conditions (in this case death conditional upon having cancer). The second statement is a preference, a desire, or a wish for a world to one’s particular liking.

Who would make such a rudimentary mistake confusing these two types of statements? Many people, including Eric X. Li, in today’s TED Talk. The Marxian meta-narrative drilled into Li’s head — and mine in my childhood and youth in the 1960s and 1970s — is a normative statement. When Marx came up with his ideas about evolution of human societies, there was not a single country in the world that even remotely resembled the communist system he advocated. The communist system Marx had in mind had no private property or of ownership of any kind. Money was also absent in that system. The Marxian version of communism has never come to fruition and, most likely, never will. Marx based his “prediction” on deduction; his successors did so by imposing their wish, enforced by power and violence.

By contrast, the narrative that was apparently fed to Li when he was a “Berkeley hippie” is based on the actual experience of human affairs. We have had hundreds of years of experience with democracy and hundreds of countries/years of democratic transitions and rule. The statement that countries transition to democracy as they get rich is a positive statement — it is a prediction based on data. In the 1960s, roughly 25 percent of the world was democratic: today the proportion is 63 percent. There are far more instances of dictatorships transitioning to democracies than the other way around. The rest of the world has clearly expressed a preference for democracy. As Minxin Pei has pointed out, of the 25 countries with a higher GDP per capita than China that are not free or partially free, 21 of them are sustained by natural resources. But these are exceptions that prove the rule — countries become democratic as they get richer. Today not a single country classified as the richest is a single-party authoritarian system. (Singapore is arguably a borderline case.) Whether Li likes it or not, they all seem to end up in the same place.

Are democracies more corrupt? Li thinks so. He cites the Transparency International (TI) index to support his view. The TI data show that China is ranked better than many democracies. Fair enough.
I have always thought that there is a touch of irony with using transparency data to defend a political system built on opacity. Irony aside, let's keep in mind that TI index itself is a product of a political system that Li so disparages — democracy (German democracy to be exact). This underscores a basic point — we know far more about corruption in democracies than we do about corruption in authoritarian countries because democracies are, by definition, more transparent and they have more transparency data. While I trust comparisons of corruption among democratic countries, to mechanically compare corruption in China with that in democracies, as Li has done so repeatedly, is fundamentally flawed. His methodology confounds two effects — how transparent a country is and how corrupt a country is. I am not saying that democracies are necessarily cleaner than China; I am just saying that Li's use of TI data is not the basis for drawing conclusions in either direction. The right way to reach a conclusion on this issue is to say that given the same level of transparency (and the same level of many other things, including income), China is — or is not — more corrupt than democracies.

A simple example will suffice to illustrate this idea. In 2010, two Indian entrepreneurs founded a website called I Paid a Bribe. The website invited anonymous postings of instances in which Indian citizens had to pay a bribe. By August 2012 the website has recorded more than 20,000 reports of corruption. Some Chinese entrepreneurs tried to do the same thing: They created I Made a Bribe and 522phone.com. But those websites were promptly shut down by the Chinese government. The right conclusion is not, as the logic of Li would suggest, that China is cleaner than India because it has zero postings of corrupt instances whereas India has some 20,000 posted instances of corruption.

With due respect to the good work at Transparency International, its data are very poor at handling this basic difference between perception of corruption and incidence of corruption. Democracies are more transparent — about its virtues and its vices — than authoritarian systems. We know far more about Indian corruption in part because the Indian system is more transparent, and it has a noisy chattering class who are not afraid to challenge and criticize the government (and, in a few instances, to stick a video camera into a hotel room recording the transfer of cash to politicians). Also lower-level corruption is more observable than corruption at the top of the political hierarchy. The TI index is better at uncovering the corruption of a Barun the policeman in Chennai than a Bo Xilai the Politburo member from Chongqing. These factors, not corruption per se, are likely to explain most of the discrepancies between China and India in terms of TI rankings.

Li likes to point out, again using TI data, that the likes of Indonesia, Argentina and the Philippines are both democracies and notoriously corrupt. He often omits crucial factual details when he is addressing this issue. Yes, these countries are
democracies, in 2013, but they were governed by ruthless military dictators for decades long before they transitioned to democracy. It was the autocracy of these countries that bred and fermented corruption. (Remember the 3,000 pairs of shoes of Mrs. Marcos?) Corruption is like cancer, metastatic and entrenched. While it is perfectly legitimate to criticize new democracies for not rooting out corruption in a timely fashion, confusing the difficulties of treating the entrenched corruption with its underlying cause is analogous to saying that a cancer patient got his cancer after he was admitted for chemotherapy.

The world league of the most egregious corruption offenders belongs exclusively to autocrats. The top three ruling looters as of 2004, according to a TI report, are Suharto, Marcos and Mobutu. These three dictators pillaged a combined $50 billion from their impoverished people. Democracies are certainly not immune to corruption, but I think that they have to work a lot harder before they can catch up with these autocrats.

Li has a lot of faith in the Chinese system. He first argues that the system enjoys widespread support among the Chinese population. He cites a Financial Times survey that 93 percent of Chinese young people are optimistic about their future. I have seen these high approval ratings used by Li and others as evidence that the Chinese system is healthy and robust, but I am puzzled why Li should stop at 93 percent. Why not go further, to 100 percent? In a country without free speech, asking people to directly evaluate performance of leaders is like asking people to take a single-choice exam. The poll numbers for Erich Honecker and Kim Jong-un would put Chinese leaders to shame.

(Let me also offer a cautionary footnote on how and how not to use Chinese survey data. I have done a lot of survey research in China, and I am always humbled by how tricky it is to interpret the survey findings. Apart from the political pressures that tend to channel answers in a particular direction, another problem is that Chinese respondents sometimes view taking a survey as similar to taking an exam. Chinese exams have standard answers, and sometimes Chinese respondents fill out surveys by trying to guess what the “standard” answer is rather than expressing their own views. I would caution against any naïve uses of Chinese survey data.)

Li also touts the adaptability of the Chinese political system. Let me quote:

“Now, most political scientists will tell us that a one-party system is inherently incapable of self-correction. It won’t last long because it cannot adapt. Now here are the facts. In 64 years of running the largest country in the world, the range of the party’s policies has been wider than any other country in recent memory, from radical land collectivization to the Great Leap Forward, then privatization of farmland, then the Cultural Revolution, then Deng Xiaoping’s market reform, then successor Jiang
Zemin took the giant political step of opening up party membership to private businessmen, something unimaginable during Mao's rule. So the party self-corrects in rather dramatic fashion."

Now imagine putting forward the following narrative celebrating, say, Russian "adaptability": Russia, as a country or as a people, is highly adaptable. The range of its "policies has been wider than any other country in recent memory," from gulags to Stalin's red terror, then collectivization, then central planning, then glasnost and perestroika, then privatization, then crony capitalism, then the illiberal democracy under Putin, something unimaginable during Lenin's rule. So the country "self-corrects in rather dramatic fashion."

Let me be clear and explicit — Li's reasoning on the adaptability of the Chinese Communist Party (CCP) is exactly identical to the one I offered on Russia. The only difference is that Li was referring to a political organization — the CCP — and I am referring to a sovereign state.

The TED audience greeted Li's speech with applause — several times in fact. I doubt that had Li offered this Russian analogy the reception would have been as warm. The reason is simple: The TED audience is intimately familiar with the tumult, violence and astronomical human toll of the Soviet rule. Steven Pinker, in his book The Better Angels of Our Nature, quoted the findings by other scholars that the Soviet regime killed 62 million of its own citizens. I guess the word "correction" somewhat understates the magnitude of the transformation from Stalin's murderous, genocidal regime to the problematic, struggling but nonetheless democratic Russia today.

I do not know what a Berkeley hippie learned from his education, but in Cambridge, Massachusetts, where I received my education and where I am a professor by profession, I learned — and teach — every day that words actually have meaning. To me, self-correction implies at least two things. First, a self-correction is, well, a correction by self. Yes, Mao's policies were "corrected" or even reversed by his successors, as Li pointed out, but in what sense is this "a self-correction?" Mao's utterly disastrous policies persisted during his waning days even while the chairman lay in a vegetative state and his successor — who came to power through a virtual coup — only dared to modify Mao's policies after his physical expiration was certain. If this is an instance of self-correction, exactly what is not a self-correction? Almost every single policy change Li identified in his talk was made by the successor to the person who initiated the policy that got corrected. (In quite a few cases, not even by the immediate successor.) This is a bizarre definition of self-correction. Does it constitute a self-correction when the math errors I left uncorrected in my childhood are now being corrected by my children?
The second meaning of self-correction has to do with the circumstances in which the correction occurs, not just the identity of the person making the correction. A 10-year-old can correct her spelling or math error on her own volition, or she could have done so after her teacher registered a few harsh slaps on the back of her left hand. In both situations the identity of the corrector is the same — the 10-year-old student — but the circumstances of the correction are vastly different. One would normally associate the first situation with “self-correction,” the second situation with coercion, duress or, as in this case, violence. In other words, self-correction implies a degree of voluntariness on the part of the person making the correction, not forced or coerced, not out of lack of alternatives other than making the correction. The element of choice is a vital component of the definition of self-correction.

Let me supply a few missing details to those who applauded Li’s characterization of 64 years of China’s one-party system as one of serial self-corrections. Between 1949 and 2012, there have been six top leaders of the CCP. Of these six, two were abruptly and unceremoniously forced out of power (and one of the two was dismissed without any due process even according to CCP’s own procedures). A third leader fell from power and was put under house arrest for 15 years until his death. That is 3 strikes out of 6 who did not exit power on their intended terms. Two of Mao’s anointed successors died on the job, one in a fiery plane crash when he tried to escape to the Soviet Union and the other tortured to death and buried with a fake name. Oh, did I mention that 30 million people were estimated to have died from Mao’s disastrous Great Leap Forward, and probably millions of people died from the violence of the Cultural Revolution? Also, do you know that Mao not only persisted in but accelerated his Great Leap Forward policies after the evidence of the extent of famine became crystal-clear?

Li calls the policy changes after these wrenching tumults “self-corrections.” His reasoning is that an entity called the CCP, but not anybody else, introduced these policy changes. First of all, doesn’t that have something to do with the fact that nobody else was allowed a chance to make those policy changes? Secondly, this fixation on who made the policy changes rather than on the circumstances under which the policy changes were made is surely problematic. Let’s extend Li’s logic a little bit further. Shall we rephrase the American Independence Movement as a self-correction by the British? Or maybe the ceding of the British imperial authority over India as another British self-correcting act? Shall we re-label the Japanese surrender to end the Second World War a self-correction by the Japanese? Yes, there were two atomic bombs dropped on Hiroshima and Nagasaki and all of that, but didn’t the representatives of Emperor Hirohito sign the Japanese Instrument of Surrender on the battleship of USS Missouri?
To a hammer, everything is a nail. Li sees ills of democracies everywhere — financial crises in Europe and the United States, money politics and corruption. I readily agree that money politics in America is a huge problem and that it is indeed making the system utterly dysfunctional. But let’s be very clear about exactly how and why money politics is dysfunctional. It is dysfunctional precisely because it is fundamentally antithetical to democracy. Money politics is a perversion of democracy. It undermines and invalidates a canonical pillar of democracy — one person, one vote. To be logically consistent, Li should celebrate money politics because it is moving the United States in the direction of the authoritarian way of politics that he is so enamored of.

This may be a shocking revelation to Li, but US and European democracies did not patent financial crisis. Many authoritarian regimes experienced catastrophic financial and economic crises. Think of Indonesia in 1997 and the multiple junta regimes in Latin America in the 1970s and the 1980s. The only authoritarian regimes that go without suffering an explicit financial crisis are centrally planned economies, such as Romania and East Germany. But this is entirely because they failed to meet a minimum condition for having a financial crisis — having a financial system. The consequences for this defect are well-known — in lieu of sharp cyclical ups and downs, these countries produced long-term economic stagnations. A venture capitalist would not fare well in that system.

Li claims that he has studied the ability of democracies to deliver performance. At least in his talk, the evidence that he has done so is not compelling. There is no evidence that countries pay an economic price for being democratic. (It is also important to note that there is no compelling global evidence that democracies necessarily outperform autocracies in economic growth either. Some do and some do not. The conclusion is case by case.) But in the areas of public services, the evidence is in favor of democracies. Two academics, David Lake and Matthew Baum, show that democracies are superior to authoritarian countries in providing public services, such as health and education. Not just established democracies do a better job; countries that transitioned to democracies experienced an immediate improvement in the provision of these public services, and countries that reverted back to authoritarianism typically suffered a setback.

Li blames low growth in Europe and in the United States on democracy. I can understand why he has this view, because this is a common mistake often made by casual observers — China is growing at 8 or 9 percent and the US is growing at 1 or 2 percent. He is mistaking a mathematical effect of lower growth due to high base with a political effect of democracies suppressing growth. Because democratic countries are typically richer and have much higher per-capita GDP, it is much harder for them to grow at the same rate as poor — and authoritarian — countries with a lower level of
per-capita GDP. Let me provide an analogy. A 15-year-old boy is probably more likely to go to see a movie or hang out with his friends on his own than a 10-year-old because he is older and more mature. It is also likely that he will not grow as fast as a 10-year-old because he is nearer to the plateau of human height. It would be foolish to claim, as Li’s logic basically did, that the 15-year-old is growing more slowly because he is going to movies on his own.

Li is very clear that he dislikes democracy, more than about the reasons why he dislikes democracy. Li rejects democracy on cultural grounds. In his speech, he asserts that democracy is an alien concept for Chinese culture. This view is almost amusing if not for its consequential implications. Last time I checked, venture capital is a foreign concept but that apparently has not stopped Li from practicing and prospering from it. (And I presume “Eric” to be foreign in origin? I may be wrong on this.) Conversely, would Li insist on adhering to every and each precept of Chinese culture and tradition? Would Li object to abolishing the practice of bound feet of Chinese women?

The simple fact is that the Chinese have accepted many foreign concepts and practices already. (Just a reminder: Marxism to the Chinese is as Western as Adam Smith.) It is a perfectly legitimate debate about which foreign ideas and practices China ought to accept, adopt or adapt, but this debate is about which ideas China should adopt, not whether China should adopt any foreign ideas and practices at all.

If the issue is about which ideas or which practices to adopt or reject, then, unlike Li, I do not feel confident enough to know exactly which foreign ideas and practices 1.3 billion Chinese people want to embrace or want to reject. A cultural argument against democracy does not logically lead to making democracy unavailable to the Chinese but to a course of actions for the Chinese people themselves to decide on the merits or the demerits of democracy. Furthermore, if the Chinese themselves reject democracy on their own, isn’t it redundant to expend massive resources to fight and suppress democracy? Aren’t there better ways to spend this money?

So far this debate has not occurred in China, because having this debate in the first place requires some democracy. But it has occurred in other Chinese environments, and the outcome of those debates is that there is nothing fundamentally incompatible between Chinese culture and democracy. Hong Kong, although without an electoral democratic system, has press freedom and rule of law, and there is no evidence that the place has fallen into chaos and anarchy. Taiwan today has a vibrant democracy, and many mainland travelers to Taiwan often marvel that Taiwanese society is not only democratic but also far more adherent to Chinese traditions than mainland China. (I have always felt that those who believe that democracy and Chinese culture are incompatible are closet supporters of Taiwanese independence. They exclude Taiwanese as Chinese.)
Indeed Li himself has accepted quite a few political reforms that are normally considered as “Western.” NGOs are okay and even some press freedom is okay. He also endorses some intra-party democracy. These are all sensible steps toward making the Chinese system more democratic than the Maoist system, and I am all for them. The difference is that I see freedom to vote and multi-party competition as natural and logical extensions of these initial reforms, whereas Li draws a sharp line in the sand between the political reforms that have already occurred and the potential political reforms that some of us have advocated. As much as I tried, I fail to see any differences in principle between these partial reforms and the more complete reforms encompassing democracy.

There is a very curious way Li objects to democracy: He objects to many of the mechanics of democracy. In particular, he has a thing against voting. But the problem is that voting is simply a way to implement the practice of democracy, and even Li endorses some democracy. For example, he favors intra-party democracy. Fine, I do too; but how do you implement intra-party democracy without voting? This is a bit like praising tennis as a sport but condemning the use of a racket to play it.

Li has not provided a coherent and logical argument for his positions on democracy. I suspect, although I do not have any direct evidence, that there is a simple modus operandi — endorsing reforms the CCP has endorsed and opposing reforms that CCP has opposed. This is fine as far as posturing goes but it is not a principled argument of anything.

That said, I believe it is perfectly healthy and indeed essential to have a rigorous debate on democracy — but that debate ought to be based on data, facts, logic and reasoning. By this criterion, Li’s talk does not start that debate.

In this aspect, however, democracy and autocracy are not symmetrical. In a democracy, we can debate and challenge democracy and autocracy alike, as Li did when he put down George W. Bush (which I greatly enjoyed) and as I do here. But those in an autocracy can challenge democracy only. (Brezhnev, upon being informed that there were protesters shouting “Down with Reagan” in front of the White House and that the US government could not do anything to them, reportedly told Reagan, “There are people shouting ‘Down with Reagan’ on Red Square and I am not doing anything to them.”) I have no troubles with people challenging people in power and being skeptical about democracy. In fact, the ability to do so in a democracy is the very strength of democracy, and a vital source of human progress. Copernicus was Copernicus because he overturned, not because he re-created, Ptolemaic astronomy. But by the same criterion, I do have troubles with people who do not see the merit of extending the same freedom they have to those who currently do not have it.
Like Li, I do not like the messianic tone some have invoked to support democracy. I support democracy on pragmatic grounds. The single most important benefit of democracy is its ability to tame violence. In The Better Angels of Our Nature, Pinker provided these startling statistics: During the 20th century, totalitarian regimes were responsible for 138 million deaths, of which 110 million occurred in communist countries. Authoritarian regimes caused another 28 million deaths. Democracies killed 2 million, mainly in their colonies as well as with food blockades and civilian bombings during the wars. Democracies, as Pinker pointed out, have trouble even bringing themselves to execute serial murderers. Democracies, Pinker argued, have “a tangle of institutional restraints, so a leader can’t just mobilize armies and militias on a whim to fan out over the country and start killing massive numbers of citizens.”

Contrary to what he was apparently told when he was a Berkeley hippie, the idea of democracy is not that it leads to a nirvana but that it can help prevent a living hell. Democracy has many, many problems. This insurance function of democracy — of mitigating against disasters — is often forgotten or taken for granted, but it is the single most important reason why democracy is superior to every other political system so far invented by human beings. Maybe one day there will be a better system than democracy, but the Chinese political system, in Li’s rendition, is not one of them.