

JOURNAL OF DEMOCRACY

January 2012, Volume 23, Number 1 \$12.00



China and East Asian Democracy

Francis Fukuyama ■ *Minxin Pei* ■ *Yun-han Chu* ■ *Larry Diamond*

Morocco: Outfoxing the Opposition

Ahmed Benchemsi

Corruption in India

Sumit Ganguly ■ *Prakash Sarangi*

Danielle Lussier & M. Steven Fish on Indonesia
Meisburger vs. Reynolds & Carey on Electoral Systems
Joel Barkan on Democracy Assistance
Nicolas van de Walle on Competitive Authoritarianism

Turkey Under the AKP

Meltem Müftüler-Baç & E. Fuat Keyman ■ *Ersel Aydınli*
Berna Turam ■ *Ragan Updegraff*

China and East Asian Democracy

THE PATTERNS OF HISTORY

Francis Fukuyama

Francis Fukuyama is Olivier Nomellini Senior Fellow at Stanford University's Center on Democracy, Development, and the Rule of Law. His most recent book is The Origins of Political Order: From Prehuman Times to the French Revolution (2011).

This essay begins with a simple premise. In order to understand the nature of democracy in East Asia, we must understand the nature of authoritarian government there. The contemporary problems of democracy in the region, and its ability to deal with future challenges, cannot be understood except in the context of a region whose largest player is a rapidly growing and relatively successful authoritarian regime—that is, China. In this essay, I am not considering this challenge as a matter of foreign policy, although I expect that accommodating a rising China will be an immense problem for the international system. Rather, it is a question of development models. East Asian democracy will be evaluated not in comparison to authoritarian regimes in Africa or the Middle East, but in comparison to China. We therefore need to understand the China model—both its strengths and weaknesses—as a prelude to discussing the future of democracy in Japan, Korea, Taiwan, and other countries.

The field of comparative politics has not developed an adequate conceptual framework for categorizing and understanding different forms of authoritarian government in comparison to the very rich vocabulary that we have for classifying democratic regimes. Put differently, we lack a language for describing the state, shorn of the institutions of law and accountability. We need to fill in this gap and develop an understanding of how the specific characteristics of East Asian government arise out of the historically determined development path that the region followed. There are as many similarities between democracies and nondemocracies in East Asia as there are between democracies in this region and democracies elsewhere. This constitutes both an advantage and a challenge for the future of democratic development there.

The core states of East Asia—China (both the People’s Republic of China and Taiwan), Japan, and Korea—developed relatively high-quality, centralized bureaucratic states early in their histories and consolidated relatively uniform national identities on the part of ethnically homogeneous populations centuries before any of them developed countervailing institutions of law and accountability that would check and balance state power. As I argue in *The Origins of Political Order*, the first society to develop a modern state in the Weberian sense of the term—one based on impersonal recruitment, meritocratic bureaucracy, uniform administration, and the like—was China, which had accomplished this by the time of the founding of the Qin dynasty in 221 B.C.E.¹

Modern liberal democracy is a combination of three sets of institutions: the state itself; the rule of law, which is a system of social rules regarded as binding on the actions of the de facto ruler; and mechanisms of accountability, which in the modern world are periodic multiparty elections. The state concentrates and uses power to enforce its will; the rule of law and mechanisms of accountability, by contrast, serve to constrain state power. The success of a liberal democracy depends on achieving a balance between strong state power and the checks and balances constituted by the legal and electoral systems. Unchecked state power is dangerous from any number of perspectives; at the same time, liberal democracies that are weak or paralyzed do not produce good outcomes for their citizens.

In contrast to other world civilizations, China never developed a rule of law. The legal codes of the Qin, Han, Sui, Tang, and Ming dynasties were all species of positive law, administrative enactments of the emperor. Needless to say, dynastic China also failed to create formal institutions of accountability. In Europe, state power was limited initially by the early emergence of law and then by the ability of certain well-organized social actors outside the state to resist state power and force states into a constitutional compromise. The precocious consolidation of a modern state allowed Chinese governments over the centuries to prevent the spontaneous emergence of new social actors that would challenge its power, such as a blood aristocracy, a commercial bourgeoisie, independent cities, religious institutions, or an organized peasantry.

This Chinese mode of governance then set the pattern for the rest of East Asia. Japan and Korea, and later the polities in Southeast Asia under Chinese cultural influence, inherited Confucian traditions of coherent centralized states and meritocratic bureaucracy. All of East Asia’s traditional states were undermined, altered, and replaced in the process of confrontation with the West; but in the second half of the twentieth century, a powerful and highly institutionalized executive branch re-emerged in nearly all of them.

Unlike many new democracies in other parts of the world, where states were weak and lacking in capacity when they established rule-of-law and accountability institutions, East Asian democracies could

presuppose the existence of a strong and coherent state. The problem of democratic development lay more on the side of society. For the most part, East Asian societies lacked strong and well-institutionalized social groups that could effectively resist state power, as well as a political culture that legitimated social protest and adversarial politics. With the onset of industrialization, new social actors such as a bourgeois class, trade unions, and students began to emerge, and in Japan, South Korea, and Taiwan the state was further checked by the international system (in the guise of the U.S. military). This permitted the development over time of democratic regimes in which indigenous social actors continued to evolve and became able to balance the state on their own.

A number of important consequences for contemporary development flowed from this particular institutional sequence. First and most important, almost all the recent examples of successful authoritarian modernization cluster in East Asia rather than other parts of the world. Hong Kong under British rule, Japan, Singapore, South Korea, Taiwan, Thailand, and of course China itself all developed rapidly in the second half of the twentieth century (in Japan's case, the process started a century earlier) under the stewardship of authoritarian governments that were only weakly constrained by democratic accountability. In contrast to the highly predatory states that emerged in the Middle East, South Asia, Latin America, and particularly sub-Saharan Africa, many of East Asia's authoritarian rulers preserved a developmental focus that created a stable platform for later democratization. Most of the arguments in favor of sequencing economic growth and law before a democratic opening are based on East Asian models.

A second consequence of this development pattern is that many East Asian states have been able to institute industrial policies to promote economic growth—policies which, in the hands of a less capable state, would result in a morass of rent-seeking and state capture. The final consequence is that the quality of liberal democracy is different in East Asia than in Europe, North America, or other parts of the West. Japan was the first Asian society to experiment with democracy, initially during the Taisho period in the 1920s and then more successfully under U.S. tutelage after 1951. Political sociologist Barrington Moore once suggested that Japan could successfully democratize because its social structure differed from that of China and other Asian agrarian societies. As in the West, power during the Tokugawa period (1603–1868) was diffused across a feudal aristocracy, and village communities possessed a degree of community and self-organization not present in China.²

Nonetheless, even now Japanese democracy looks and feels different from democracy in Europe or, particularly, the United States. First and most important is the domination of the political system by the Japanese state. A long tradition of analysis has noted that it was bureaucrats in alliance with the business community who, having usurped the role in

determining policy normatively given to parliaments, were the principal decision makers.³ (This dominance has faded since the end of Japan's high-growth period in the early 1990s, which partly reflects a decline in the bureaucracy's competence.) Second, a single hegemonic party (the Liberal Democratic Party) ruled Japan almost without interruption from 1955 to 2009; even today, when the country is led by the Democratic Party of Japan, it is not possible to say that Japan has made a transition to a stable two-party system with periodic alternation between government and opposition. And finally, Japan has never developed a Western-style adversarial political culture in which social discontents and demands for accountability are rapidly translated into political action. The Japanese public's grave dissatisfaction about the March 2011 Tohoku earthquake, tsunami, and nuclear disaster has resulted in surprisingly little political mobilization.

Other, newer East Asian democracies are actually more "Western" than Japan: South Korea, Taiwan, and Thailand have all seen more decisive shifts in power from government to opposition and a more adversarial political culture. Even so, there has been a strong undercurrent of support for a Japanese-style dominant-party system in South Korea and Taiwan, and in both countries the role of the central bureaucracy has been strong.

Authoritarian Government in East Asia

In many respects, the legitimacy and appeal of democracy in East Asia will depend not on how democratic countries in the region stack up on some global scale, but on how they are seen in relation to the region's dominant authoritarian country, China. Like Singapore before it, China represents a huge challenge because it has been so economically successful; the temptation to copy parts of the China model are strong both in the region and beyond. But before we can critique the model, we need to understand it, and here we face a major conceptual gap.

The field of comparative politics has developed a rich vocabulary for categorizing and analyzing liberal-democratic regimes, distinguishing their institutional features, and relating the latter to both political and economic outcomes.⁴ The same cannot be said for the analysis of nondemocratic systems. Some recent attempts to establish taxonomies of regime types that extend from fully democratic to fully authoritarian have been made by Steven Levitsky and Lucan Way and by Andreas Schedler.⁵ The primary contribution of this literature is to establish categories such as "competitive authoritarian" or "electoral authoritarian" to describe regimes that hold elections but are fundamentally in the grip of an authoritarian leader, like Vladimir Putin's Russia and Hugo Chávez's Venezuela. The criteria used in establishing these taxonomic hierarchies are based on democratic best practice, with different degrees

of authoritarian deviation from this norm. Indeed, one of Levitsky and Way's conclusions is that organizations such as Freedom House are too generous in rating countries as democratic.

These criteria seek to measure only the quality of institutions related to the rule of law and accountability, however. They do not include independent measures of the quality of the state. In this realm, there is a large deficiency in analytic categories: To the extent that we have a shared vocabulary, we revert to terms coined by Max Weber such as patrimonial, prebendal, sultanistic, and the like; alternatively, there is a literature expanding on the authoritarian-totalitarian distinction.⁶ Indices like the Worldwide Governance Indicators developed by the World Bank Institute (WBI) try to capture some of the qualities of states in their measures of "government effectiveness," "regulatory quality," and "control of corruption." These, however, are not well thought-out concepts based on a theory of how a state should work; rather, they are convenient baskets in which WBI researchers aggregate existing quantitative governance measures. (It is not clear, for example, why "regulatory quality" should not be a subcategory of "government effectiveness" rather than a stand-alone measure.) There is no clear mapping between the WBI indicators and the older Weberian vocabulary. Contemporary measures of corruption do not, for example, distinguish between patron-client relationships within a bureaucracy and prebendalism, in which officials simply appropriate public resources for private use without any obligation to take care of clients. Nor do we have measures of the degree to which bureaucratic recruitment is merit-based or patrimonial.

There is a further respect in which our conceptual categories fail to take account of important distinctions between types of nondemocratic regimes. In the *Politics*, Aristotle develops a taxonomy of regimes based on two criteria: first, whether they are based on rule by the one, the few, or the many; and second, whether rule is based on the interest of the ruling group alone or on the common interest. Arraying these dimensions against one another leads to a six-fold categorization of regime types and allows Aristotle to distinguish between kingship, in which the rule of the one serves the common interest, and tyranny, in which it serves the tyrant's personal interest.⁷

As a matter of common sense, most people would allow for the possibility of benevolent dictatorship. There is a clear moral distinction between Singapore under Lee Kuan Yew, for example, and the predatory rule of Mobutu Sese Seko in Zaire or Kim Jong-Il in North Korea. Yet contemporary comparative politics has largely lost sight of the Aristotelian distinction between kingship and tyranny, and has no good way of categorizing nondemocratic regimes that nonetheless can be said to serve a broader public interest. The closest we come to such a term is the admission that some authoritarian states are "developmentally" minded—in other words, they seek to promote economic growth. And

yet the view that a nondemocratic regime could promote common interests surely extends beyond questions of economics.

The term “accountability” has come to be associated almost exclusively with procedural accountability—that is, the presence or absence of free and fair multiparty elections. The idea that a regime can be procedurally unaccountable and yet morally constrained to act in response to perceived public interest is not one that receives much traction today. The failure to define accountability in terms of substantive outcomes rather than procedure is problematic on two grounds. In the first place, it is clear that many procedurally accountable democratic regimes are in effect unaccountable in terms of actual governance. Voters often fail to hold leaders accountable due to poor information, indifference, ethnic voting, patronage, or manipulation. The mere fact that the regime has put in place formal democratic procedures is no guarantee that substantive accountability will result.

The second problem is one that applies particularly to East Asia. Although dynastic China never developed either the rule of law or formal accountability mechanisms to limit executive discretion, moral accountability was central to the functioning of the system. This was the essence of Confucianism: It was an ethical doctrine designed to moderate the behavior of rulers and orient them toward the interests of the ruled. This moral system was institutionalized in a complex bureaucracy whose internal rules strictly limited the degree to which emperors, whose authority was theoretically unlimited, could act.⁸ One of the important functions of that bureaucracy was to provide princely education and ensure that anyone who rose to a position of power understood that rule was not simply personal but a matter of fulfilling traditional duties.

There are, of course, any number of strong reasons to prefer procedural accountability over moral accountability. One basic problem with the latter concerns information. Even if a despot is benevolent, how does he or she know, in the absence of a free press and formal procedures such as elections that reveal preferences, what the common interest is? Moreover, in the absence of procedural accountability, how does one ensure a continuing supply of benevolent despots? In dynastic China, this was known as the “bad emperor” problem: Every now and then, a terrible tyrant would emerge and burst the boundaries of custom and accepted morality, doing enormous damage to the society.

Evaluating State Performance

This essay is not meant to lay out a comprehensive framework for analyzing state effectiveness that would close the gaps in the existing measures. A full measure would be extremely complex and probably sector-specific as well, since in most states the performance of some ministries and agencies is superior to the performance of others. Let us begin, however, by using three categories of state modernity as a start-

ing point for analyzing China's authoritarian government. These categories are institutionalization, recruitment, and responsiveness.

Institutionalization. By institutionalization, I do not mean institutions as rules in the extremely broad sense used by Douglass North (a definition that encompasses both formal law and culture), but a thicker definition, drawn from Samuel P. Huntington's *Political Order in Changing Societies* (1968), in which institutions are "stable, valued, recurring patterns of behavior" that can be more or less complex, adaptable, autonomous, and coherent.

If we ask how well institutionalized China is, the answer would in most respects be "highly" when compared to almost all other authoritarian regimes. The ruling Chinese Communist Party (CCP) has evolved as a highly complex, adaptable, autonomous, and coherent organization, one that is run by an elite cadre system and is able to mobilize members across an extremely large society. Huntington was much criticized for arguing in *Political Order* that the former Soviet Union was highly developed politically, especially in light of communism's collapse in 1989. He was surely wrong in saying that the Communist Party was a mechanism for eliciting political participation. But his view that it represented a highly institutionalized organization was true.

The same can be said about the CCP. When compared to, say, the now-defunct Arab dictatorships of Mubarak in Egypt, Ben Ali in Tunisia, and Qadhafi in Libya, the Chinese regime is far more rule-bound. Leadership does not revolve around a single individual and his family; since 1978, the Party has developed a collective-leadership system that observes term limits and vests power in the Standing Committee of the Politburo. Leadership succession, one of the great weaknesses of many authoritarian regimes, is thus much less of a problem in China, nontransparent though the process is. Like all classic Leninist parties, the CCP has an elite structure that can transmit instructions from the hierarchy down to the neighborhood level. Its ability to enforce rules, from economic directives to control of political opposition, is much stronger than that of other authoritarian regimes.

The Party's greatest problem with regard to institutionalization is adaptability. Certainly an organization that shifts from being a doctrinaire communist party to one that includes businessmen and professionals (as under Jiang Zemin's "Three Represents") and fosters a capitalist economy is a model of adaptability. But there are also clear limits upon the CCP's ability to jettison ideological Marxist-Leninist baggage. Indeed, its paranoid response to the "Arab Spring" suggests a failure to envision a more liberalized form of dictatorship.

Recruitment. One of the hardest things to judge is the degree of patronage and corruption that exists within the Chinese political and administrative system. China has a poor reputation with regard to corruption. It ranks 78th out of 178 countries on Transparency International's 2010

Corruption Perception Index—close to Greece, Vanuatu, and Colombia.⁹ This index, however, is singularly unhelpful in explaining the nature and extent of corruption in the Chinese system. The term *guanxi* means informal influence, and there are clearly factions and patronage chains that operate throughout the CCP's structure. Countless stories appear in the Chinese press or on microblogs about corrupt deals involving local officials, developers, and other elites. Periodically, one will erupt into a major scandal, such as the melamine-tainted infant formula of 2008 or the shoddy construction revealed by the Sichuan earthquake that same year. Selection of political leaders, including for the upcoming transition in 2012, is a totally nontransparent process.

On the other hand, when compared to the neopatrimonial politics of many other developing countries, China's system is far more impersonal and modern. Following a very ancient tradition, there are highly meritocratic features to the system, beginning with recruitment into the Party and state bureaucracy and promotion within these hierarchies. While *guanxi* may be necessary to open doors, one can stride through them only on the basis of a track record. Most stories of egregious corruption come from the lower levels of the party and government. Although high CCP cadres enjoy huge perks for themselves and their families, one does not get the sense that they are diverting massive sums of money to their own accounts on the scale of, say, senior Russian political figures. The informal vetting of new members of the Standing Committee of the Politburo is thorough; it is hard to be considered without having extensive administrative experience across a variety of provinces and economic sectors.

Again, one question for the future is whether, as Minxin Pei¹⁰ suggests, this system is breaking down. The 2000s have seen the rise of a class of "princelings," whose family backgrounds and opportunities have propelled them into positions of power. As Martin Shefter notes, communist parties in their early days tended to exhibit relatively lower levels of corruption because they had to fight their way to power and had few resources to distribute.¹¹ Once securely in power, however, they tended toward repatriomonalization and the self-perpetuation of elites. It is, of course, difficult to measure the degree to which this has happened in contemporary China.

Responsiveness. There is virtually no formal downward political accountability in the Chinese political system. There are limited local elections, and Chinese citizens have the right to sue local government agencies for performance failures as in other Asian countries. Most observers contend, however, that these institutions do not confer any significant power on citizens to change government behavior. The press, which in democratic countries constitutes a critical check on state power, is strictly controlled.

Formal accountability in the Chinese system is entirely upward, toward the Party and the Party's higher decision-making echelons. In this respect, the current Chinese government replicates the structure,

and revives the problems, of centralized government in dynastic times. Because lines of accountability flow upward through an enormous bureaucracy, the central problem for the senior levels of the government is how to monitor and control the behavior of the lower levels, a classic principal-agent problem. In dynastic China, there was a tendency to layer levels of hierarchical control on top of one another: The central bureaucrats in Luoyang or Chang'an or Beijing would monitor several layers of provincial bureaucrats; a corps of eunuchs would monitor the central bureaucrats; and a "eunuch-rectification office" would monitor the eunuchs.¹² This is not terribly different from the current situation of a party sitting on top of and monitoring a formal government bureaucracy.

The Party uses a number of techniques, some classic and some novel, to enforce accountability on lower-ranking officials. Local governments are rated on their economic performance, and local officials are made to compete against one another for resources and promotions. While corruption is prevalent at lower administrative levels, there are informal red lines that officials cannot cross; when they do, accountability can include a summary trial and execution.

The fundamental problem of any centralized hierarchy is one of information. Even if they do not concede the principle of democratic accountability, authoritarian governments will operate more effectively with greater knowledge of what is happening at the grassroots level. In principal-agent terms, there has to be some way of monitoring agent behavior that is not dependent on the agent's own reporting. This explains a couple of phenomena about contemporary China—the much expanded use of polling in government administration and the limited tolerance of online criticism of government performance.

The Chinese government's control and monitoring of the Internet is legendary and, with a reported fifty-thousand censors, much more extensive than in other authoritarian countries. As is well known, when the extensive microblogging and Internet discussions move toward criticism of government performance, they are usually shut down. But that several-hour window in which comments circulate allows the government not just to identify its critics, but also to listen to what they say. It is rumored that Hu Jintao receives regular reports of public opinion as expressed on Internet forums and Sina.com's Weibo (Twitter-like) service.

Through this kind of mechanism, the Party does not just shape public opinion, but seeks to stay on top of it enough to be able to respond to popular pressures before they erupt into violent acts of social protest. One can look at this cynically and say that the government is letting people blow off just enough steam to protect its own power and privileges; or one can regard it as a form of democratic mimicry by which rulers seek to be responsive to public opinion.

In a sense, Chinese authoritarian governance is structured like corporate governance in a modern Western firm. In both cases, formal ac-

accountability runs only upward, to the senior levels of the Party in the Chinese case and to the shareholders or board in corporations. Neither is downwardly accountable in formal terms, whether to citizens or to workers and customers. If the hierarchy fails to heed the wishes of these stakeholders, however, it will suffer.

In noting these features of the Chinese state, I am not arguing that the accountability of the Chinese government is in any sense comparable to that of democratic governments. The Party argues that it has a tacit authorization to rule China as it does, and there is some polling data that indicates that many Chinese believe the government is acting in their best interests.¹³ But how will we ever know whether this is true in the absence of formal accountability mechanisms and freedom of speech?

Real democratic accountability is desirable, moreover, not just as a means of achieving economic growth, but as an end in itself. Every day the rights and dignity of ordinary Chinese citizens are ignored or denied by the government, and the wellspring of anger that this creates underlies the huge numbers of violent social protests that break out each year.

Nonetheless, the ability of the Chinese government to give citizens things that they want—in particular, security, jobs, and rising living standards—is clearly greater than for most authoritarian regimes. Unless we understand this, we will not understand the challenge that China poses to democratic practice in the region and further afield.

Democracy and the Future of the State in East Asia

Several countries in East Asia are heirs to a Chinese-style centralized state, which lies at the core of their economic success. Japan, South Korea, and Taiwan have all had highly competent developmental states that pursued ambitious industrial policies during their high-growth phases, and only later added the rule of law and democratic institutions to serve as checks on executive power. Instead of asking the typical question of how the democratic institutions will fare in and of themselves, we need to examine how the presence or absence of the rule of law and democratic institutions will affect the performance of the state in East Asia. I believe that this is a legitimate question, since democracy will be judged in large measure on how it affects economic performance and other outcomes of state behavior.

The rule of law and democratic accountability are important to high-quality state performance. If governments are not rule-bound and predictable, if they do not protect property rights, then they will constitute obstacles to economic performance. And if they are not democratically accountable, there will be no way of removing bad leaders or giving them feedback on their performance. The Chinese government's recent refusal to permit public discussion of the causes of the July 2011 high-speed rail accident does not bode well for the future of rail safety in the country.

Yet it is possible to have so many checks and balances in a democratic system that the costs of making decisions become excessive and the process bogs down. An example would be the reported inability of Japan's national government to override a legal prohibition on the helicopter airdropping of critical supplies during the recent Fukushima Dai-ichi nuclear-reactor crisis. Obviously, the problem is more severe when institutional separation of powers is supplemented by what Gary Cox and Mathew McCubbins call "separation of purpose"—that is, strong disagreements on policy issues within the electorate.¹⁴ Japan, South Korea, and Taiwan have all been suffering from what one might label a crisis of increasing separation of purpose over the years, as democratic politics has increasingly become polarized around parties that have been more interested in gaining tactical advantage than in making difficult decisions about national issues. This has led to stasis on important issues such as economic reform in Japan and national defense in Taiwan.

An important empirical question that I have never seen systematically addressed is the impact of democracy on bureaucratic quality in East Asia. I noted earlier that East Asian democracies were built around strong states and relatively weak organized social actors. This balance has been shifting rapidly. Powerful interest groups have emerged, as tends to happen during long periods of peace and stability.¹⁵ A common analysis of the Japanese inability to act on a variety of fronts—from trade liberalization to agricultural modernization—points to the ability of relatively small interest groups to block significant reform. One of the hallmarks of classic post-war Asian governance was the state's ability to discipline private-sector actors when necessary—or, as Stephan Haggard and Robert R. Kaufman put it, a lower propensity for rent-seeking and state capture compared to other regions.¹⁶ Anecdotally, it would seem that this is less characteristic of East Asian democratic governments now than it was forty years ago.

All countries in East Asia, whether democratic or authoritarian, will face certain large problems in the coming two decades that will test their political systems. It is worth speculating as to whether the region's authoritarian or democratic systems will be better able to handle them.

One issue concerns the shift out of an export-driven growth model, which all countries in the region employed to a greater or lesser extent, to a more balanced system in which exports are supplemented by strong domestic demand. Raghuram Rajan has pointed out that the Japanese effort to do this has been a notable failure: Although Japanese leaders have recognized the need to move toward a domestic demand-based system at least since the signing of the Plaza Accord on currency markets in 1985, relatively little progress has been made in increasing levels of consumption or reducing the productivity gap between export-oriented industries and the rest of the economy.¹⁷ The reasons for this are at least partly political. The stimulus efforts undertaken since Japan's asset bubble burst in the early 1990s have been highly inefficient, being directed toward inter-

est group-driven infrastructure projects that yielded little in terms of increased productivity while putting Japan on a fiscally unsustainable path.

Will authoritarian China be able to do better in this regard? The Chinese government has recognized the need to stimulate domestic demand for some years now and has committed substantial sums toward the development of poorer inland areas. We do not yet know enough about the efficiency of those investments to predict whether or not they will have the desired long-term effects. Clearly, there are interest groups that have an impact on Chinese decision making, if for no other reason than because many Chinese officials have gotten rich from collaborating with a variety of developers, industrialists, and the like. Is the Chinese authoritarian system strong enough to resist the blandishments of coastal export interests, or has it already been captured? This is an empirical question whose answer is not currently clear.

A second important long-term issue concerns the necessary renegotiation of the social contract as a result of falling birthrates and increased longevity. As is well known, Japan has been a leader in this regard, but all states in East Asia—democratic and authoritarian alike—will suffer the same fate during the first half of the twenty-first century. China's birth rates have not fallen as dramatically as those of Japan, Singapore, South Korea, or Taiwan, but even with a lifting of the one-child policy it will start down this road with perhaps a fifteen-year delay. Increasing dependency ratios will entail a number of painful decisions, including higher taxes on the smaller future cohorts of workers; cuts in pension and health-care benefits; higher retirement ages; and possibly the rationing of medical procedures.

As is clear from the mounting fiscal woes of nearly all developed democracies, these are not decisions that they make easily or well. Superficially, it might appear obvious that an authoritarian system would have an easier time forcing painful tradeoffs on a population without formal means of protesting. But here we get to one of the great advantages of a democratic system based on consent of the governed: Precisely because democratic systems consult and require the consent of more social actors, decisions once taken enjoy much greater support. As Cox and McCubbins might put it, democracies trade decisiveness for resoluteness. While an authoritarian system such as China's may force unpopular decisions on an unwilling populace, it risks generating a social explosion in response when the sacrifices are as draconian as the ones envisioned here.

NOTES

1. Francis Fukuyama, *The Origins of Political Order: From Prehuman Times to the French Revolution* (New York: Farrar, Straus and Giroux, 2011).

2. Barrington Moore, Jr., *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World* (Boston: Beacon, 1966), 228–313.

3. See Gerald L. Curtis, *The Logic of Japanese Politics: Leaders, Institutions, and the Limits of Change* (New York: Columbia University Press, 1999).

4. On the economic side, see Torsten Persson and Guido Tabellini, *The Economic Effects of Constitutions* (Cambridge: MIT Press, 2003).

5. Steven Levitsky and Lucan A. Way, "Elections Without Democracy: The Rise of Competitive Authoritarianism," *Journal of Democracy* 13 (April 2002): 51–65; Andreas Schedler, *Electoral Authoritarianism: The Dynamics of Unfree Competition* (Boulder, Colo.: Lynne Rienner, 2006); and Schedler, "Elections Without Democracy: The Menu of Manipulation," *Journal of Democracy* 13 (April 2002): 36–50.

6. This distinction was originally made in Carl J. Friedrich and Zbigniew Brzezinski, *Totalitarian Dictatorship and Autocracy*, 2nd ed. (Cambridge: Harvard University Press, 1965). One of the more comprehensive efforts to characterize such states is Juan J. Linz, *Totalitarian and Authoritarian Regimes* (Boulder, Colo.: Lynne Rienner, 2000).

7. Aristotle, *Politics* III.v.1. Marc Plattner noted the utility of this taxonomy in making distinctions among authoritarian regimes in a presentation to the Draper Hills Summer Fellows at Stanford University, 2011.

8. For examples of how constrained Chinese emperors were in the Ming Dynasty, see Ray Huang, *1587, A Year of No Significance: The Ming Dynasty in Decline* (New Haven: Yale University Press, 1981).

9. See http://transparency.org/policy_research/surveys_indices/cpi/2010/results.

10. Minxin Pei, "China and East Asian Democracy: Is CCP Rule Fragile or Resilient?" *Journal of Democracy* 23 (January 2012): 27–41.

11. Martin Shefter, *Political Parties and the State: The American Historical Experience* (Princeton: Princeton University Press, 1993), 30–31.

12. See Fukuyama, *Origins of Political Order*, ch. 21.

13. See Tianjian Shi, "China: Democratic Values Supporting an Authoritarian System," in Yun-han Chu et al., eds., *How East Asians View Democracy* (New York: Columbia University Press, 2008), 209–37.

14. Gary W. Cox and Mathew D. McCubbins, "The Institutional Determinants of Economic Policy Outcomes," in Stephan Haggard and Mathew D. McCubbins, eds., *Presidents, Parliaments, and Policy: Political Economy of Institutions and Decisions* (Cambridge: Cambridge University Press, 2001), 21–63.

15. See Mancur Olson, *The Rise and Decline of Nations: Economic Growth, Stagflation, and Social Rigidities* (New Haven: Yale University Press, 1982).

16. See, for example, Stephan Haggard and Robert R. Kaufman, *The Politics of Economic Adjustment: International Constraints, Distributive Conflicts and the State* (Princeton: Princeton University Press, 1992).

17. Raghuram G. Rajan, *Fault Lines: How Hidden Fractures Still Threaten the World Economy* (Princeton: Princeton University Press, 2010).