David Shambaugh, *China's Future*, Polity, 2016
doi:10.1017/S1468109916000438

China is at a crossroads. It confronts a new juncture that combines the strengthened political repression with very marginal economic reforms and increasingly acute social problems. The central argument of this book is that without moving on – or returning to – a path of political reform, with substantial liberalization and loosening of many aspects of the relationship between the party-state and society, there will continue to be very marginal economic reform and social progress, which may ultimately lead to the collapse of the current political system.

What makes this book distinct from the ones similarly stressing the significance of political reforms is that it seeks to identify multiple different political pathways: neo-totalitarianism, hard authoritarianism, soft authoritarianism, and semi-democracy. Avoiding a simple dichotomy between autocracy and democracy posited explicitly or implicitly in many previous works, this book presents multiple alternative trajectories of China's future political development and examines how each pathway may affect critical policy spheres – economy, society, and foreign relations.

What then is the nature of the crossroads China now faces? Why should political reforms be're-launched' in the first place? First, economically, the key issue is not just the economic growth model and its declining efficacy, but actually the relationship between economics and politics. Viewed in this light, it seems unlikely that China will be able to make the much-needed structural adjustments to facilitate creation of a fully developed economy without parallel political reforms. For instance, China's capacity for innovation, which is Beijing's self-acclaimed solution to the economic downturn, will be severely limited by its lack of political liberalization, because innovation should also be considered as a bottom-up and outside-in outcome.

Second, in the sphere of society, there is no denying that, with the benefit of economic growth, all strata of Chinese society have improved their lot over the past three decades. But simultaneously, this generates a treadmill of never being fully satisfied (or being oftentimes frustrated) and of seeking perpetual improvement, a situation described as the 'revolution of rising expectations'. This is an especially troubling development for governments like China's, whose regime longevity primarily depends upon 'performance legitimacy', and where the pressure to deliver an ever-improving standard of living and public goods are inexorable.

In addition, the social situation in border regions of Tibet, Xinjiang, Hong Kong, and Taiwan is dire; based on the author's sense, three of the four (Taiwan being the exception) 'live on the brink' of exploding into full-scale civil disobedience and anti-regime activities. When coping with these mounting social pressures, however, the party-state's current strategy of repression shows its limits as a result of, for example, the wide spread use of information technologies.

As for the political situation, the book devotes much of the discussion to how the Party's political reform program has evolved (and eventually failed) over the past 30 years. Throughout these three decades, China's political evolution can be characterized as a *fang-shou cycle*, an oscillating pattern of political opening and tightening shaped by inner-party debates between the Reformers and Conservatives. The political reform program, initiated by Deng and that peaked in late 1980, was almost killed by the events of 1989. Yet the situation began to improve as the leadership balance shifted in favor of the Reformers, with the result of a ten-year period of managed political reform. Throughout the year of 2009, however, the Party leadership reverted to the Conservatives, resulting in a complete abandonment of the reform efforts. Xi Jinping, a proven

https://doi.org/10.1017/S1468109916000438 Published online by Cambridge University Press

Conservative, has overseen an even greater intensification of the repression after assuming power in 2012. Consequently, China is now more repressive than at any time since the post-Tiananmen period.

As noted above, the message of this book is clear: without re-launching political reforms (or returning to soft authoritarianism) that were in place until 2009, China will not be able to move on the pathway to a fully developed modern economy. Further, future political reforms should aim for a semi-democracy like Singapore, if China expects to have another lengthy period of dynamic economic growth. Will the CCP leadership make such a choice? This book answers flatly no. The party leadership is too insecure to make the necessary decisions to give up a relative degree of power in order to stay in power by means other than control and coercion. The potential outcome is that the regime and the whole system will be in a progressive state of atrophy, decay, and decline over time, albeit not fated to see an immediate collapse.

Apocalyptic as the book's final assessment of China's future may sound, the diagnosis of socio-economic problems and challenges presented by the author is not so sweepingly negative as can be assumed from his recent, more controversial newspaper articles (particularly his *Wall Street Journal* article titled 'The Coming Chinese Crack-up, March 6 2015'). Although critical, it is mostly based on qualified and nuanced reading of the reality. The author, for instance, does not deny the possibility that China will innovate and produce world-class technologies and products. Yet the question is the scope of the innovation, that is, how much and how broadly China will be able to innovate. Constrained by the government's strict control on society, contemporary China definitely lacks requirements for broad-based innovation.

Despite the broad scope of issues covered and the clarity with which the present and future of China are assessed, this book is not without pitfalls and limitations. One of them perhaps involves the author's strong emphasis on the significance of domestic political reforms to China's future. To be sure, this book is no exception in seeking the reason for China's economic slowdown and social instability in its flawed political system, as apparent in Acemoglu and Robinson's (2012) recent discussion about political determinants of economic development. Yet this book's embrace of 'political determinism' seems to be based on subjective beliefs rather than empirical evidence or theoretical reasoning. While it is noted that 'there are a considerable number of factors p. 122 and variables that are largely beyond the control of the government', no single element of them is subject to careful scrutiny. This is particularly problematic, given that, as the author himself admits, the post-Mao China's economic success has been achieved without political transformations.

A related, more obvious problem lies with his observations and explanations (or lack thereof) regarding the Party's 'abrupt pivot away' from political reform. Aside from questionable grounds on which he bases his judgment about the timing of the shift (he knew it because he was in Beijing at the time!), it is simply difficult to ascertain from his descriptions whether the party-state's new policies and practices since 2009 really constitute a blanket abandonment of political reform. Quite remarkably in this regard, the author does not explain the persistence of some critical elements of political reform – term limits, retirement regulations, and mid-career training, among others – which may be a mere exceptions from his viewpoint, but ones that must be addressed given the implications for the entire political system. Put differently, it appears that the author puts too much emphasis on state–society relations, conflating 'political liberalization' in terms of softening controls over society with the whole political reform program.

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More fundamentally, this problem relates to a larger issue of how to evaluate the trajectory of China's political development over past decades. One powerful perspective is emphasizing the circular nature of political evolution, with the aforementioned *fang-shou cycle* being a typical variety. Another influential perspective, which has gained wide acceptance in the last decade, is the *adaption* paradigm that highlights the party-state's institutional capacity to adjust to changing environment. Embracing (mostly uncritically) the former approach, the book effectively ignores the cumulative change caused to Chinese politics, in part by the Party's intentional reform efforts. From the adaption framework's perspective, some of the recent unpopular practices – such as censorship technology and expansion of the coercive apparatus – are in their own way indicators of adaptability, although not liberalization. It is for this reason that, despite all the merits in diagnosing the current problems, this book's assessment of China's present and future, particularly in the political realm, should be taken with much grain of salt at best, and in some respects should be subject to careful reconsideration.

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https://doi.org/10.1017/S1468109916000438 Published online by Cambridge University Press