# The Idea of Governance and the Spirit of Chinese Neoliberalism

#### Quan Li

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For my teachers Ray Forrest, Gong Ting and Philip Ivanhoe

#### PREFACE

The central theme of this book is how China has adapted so rapidly to a neoliberal path explicitly opposite to its socialist tradition. I approach this paradox by exploring the ideological formation, which defines the nature of the political-economic experiments buttressed by a governance discourse. There are several reasons for this intellectual pursuit. First, it aims to offer a critical interpretation of the intellectual landscape, which articulates and legitimates the state-led capitalist transformation. Second, it represents a fundamental theoretical attempt to understand the dialectical relationship between ideas and social existence. Last but not least, it reflects my life experiences and my changing view of neoliberalism. Since the first two reasons will be elaborated in the following chapters, I would like to start the book by introducing my own encounter with the neoliberal world.

I grew up in a poor and crowded urban community. Both of my parents worked in the same state-owned enterprise throughout their lives. In my neighbors' eyes, I was a child of a working-class family, an intelligent young man and a quiet listener in the nightly discussions among off-duty workers. I was moved by their optimism toward the toughness of daily life. I often imagined that one day, using what I was then learning in school, I could help my elder neighbors change their destinies. Unfortunately, starting in the mid-1990s, my parents and many others began to witness the collapse of their working communities due to ineffective production, unfair competition or simply managerial corruption. (Later I read from textbooks that these were the "necessary cost" of reform.) My parents rarely complained—at least in front of me—about

their sufferings and always did their best to raise me. However, until my father passed away, I never fully read their sorrows, the realities of their life chances and the expectations they had for me.

Then, I spent nearly ten years with my mother, struggling together: we could rely on no one but each other. This was my formative period. To make a living and support my studies, my mother never stopped working. Even when she retired, she spent most of her spare time serving the local community as a volunteer and soon became a very popular figure in the neighborhood. Every week when I talked with her during long-distance calls, she told me interesting stories. While she was always subject to extreme poverty and illness, she continued to be a role model of diligence, perseverance and willingness to serve others. These character traits have become the strongest motivation for my scholarly research, teaching and professional service. More specifically, understanding the painful experiences of my parents and the fate of the oppressed classes at large in China is now a fundamental concern in my intellectual adventures.

Besides family experiences, my enthusiasm for social enquiry has another source. My teenage ages were rather isolated from the larger society until one abrupt summer evening in 1989. My father and I were ambling down the street when we noticed many groups of college students holding sit-in demonstrations around bridges, train stations and government buildings. With fear in his eyes, my father quickly took me home. In subsequent weeks, the television news told us that those students and their intellectual conspirators had been clamoring for so-called "democracy" but had been silenced by our wise party leadership, with a few traitors leaving for Europe or America. "Democracy is a bad thing" was my father's verdict. These words were deeply ingrained in my psyche, and thus in my expectations of a future career. I became serious about my studies, hoping to become a public servant rather than to follow what I saw to be the capriciousness of intellectuals. Thus, when I graduated from high school, I chose to study the science of government at a leading university with a Communist background—it had been founded by Mao Zedong in the 1930s to train revolutionaries to build an equal and just society. For a certain period, I imagined that I was one of these great patriots, and I hungered for such a society, as for an earthly heaven. However, not until I was shaken by George Orwell's vivid novel 1984 did I have any sense of the ideological structure that had shaped my mind for so long. It was the beginning of my personal enlightenment, my disillusionment with the party-state regime.

I grew eager to find more reliable answers in the ocean of political and philosophical classics. On one occasion, a classmate introduced me to a Bible-study group on campus, and I was soon immersed in this amazing book and accepted its truthful messages. Meanwhile, there was a profound change in my disciplinary identity—from public administration to political theory. Before I engaged in such theoretical thinking, I had regarded myself as a young professional and expected to fill a position in the central government. My academic performance was quite good. While not always satisfied with the technical and pragmatic tendencies of my teachers, I trusted the knowledge that I was gaining. I was particularly enthusiastic about the research agenda proposed by certain governance scholars, who seemed to offer a robust framework for the institutional collaboration among the state, market and civil society and who seemed to promise governance development in China. I thus decided to devote myself to identifying a contextual form of governance theory in transitional China. Inspired by Max Weber, David Harvey and Wang Hui, I reconstructed the conceptual elements of governance.

However, I soon observed that such discursive practice was blind and even obscured the tensions in Chinese social life caused by the transition to capitalism. Furthermore, when I interviewed local scholars, I was surprised by their distorted diagnoses and prescriptions, which grew out of the normative principles of governance. These findings led me to a difficult conclusion: the establishment of governance discourse is nothing but a part of the broader paradigm of the party-state, and those admirable thinkers have formed an insider class (a priesthood, as it were) for the political regime. I realized that the truth itself is not self-evident. To explore any truth about the social world requires an examination of the possible distorted forms of knowledge and of their attributes.

This book can be seen as the first fruits of my intellectual odyssey. It offers a critical assessment of governance ideas in the context of contemporary China. It argues that the Chinese version of governance has emerged as important discursive practice in the articulation of the neoliberal spirit of the national reform agenda. My argument proceeds in three main parts. It first examines the policy and ideological background of governance ideas, capturing the key features of neoliberalization in transitional China as well as the ideological adjustments in each stage. Since the advocacy of social harmony during the Hu-Wen administration, the idea of governance has become the cornerstone for official ideological projects. This book's main body of investigation then offers an interpretive analysis

of governance discourse in terms of its normative principles and technical skills. Compared with left- and right-wing ideologies, governance has proved more effective at packaging the mature neoliberal vision and reality. Thus, we can say that governance, more than any other idea, indicates the dominant ruling structure of Chinese neoliberalism. The subsequent analysis is a genealogical review of governance ideas in the Chinese political context, showing the dynamic features of the concept in evolution and tracing its adaptation to local neoliberal experiments. The book concludes with my reflections on possible ways of critical engagement with governance ideas and with the intellectual aspects of neoliberalism.

I have learned in life that the real power of ideology is to create and energize a specific version of reality in the human mind. Over the last three decades, neoliberal theorists and practitioners in China have achieved substantial success in this task. For anyone who seeks a different direction, this may be the first and foremost reality he or she needs to recognize.

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