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INTELLECTUALS DIVIDED:
THE GROWING POLITICAL AND IDEOLOGICAL DEBATE IN CHINA

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P R O C E E D I N G S

MR. LIEBERTHAL: Hello everybody. My name is Kenneth Lieberthal, and I am the director of John L. Thornton China Center at Brookings. There is a lot going on in China that we're going to try to capture in this afternoon's presentations and panel discussion.

China, the society in China, is just undergoing huge changes. I mean, even for those of us who have watched China for a long time, this is an unusually dynamic time within the country. The digital communications revolution is really enhancing the immediacy of both public awareness and public reactions to those changes that are occurring.

The Chinese state, it seems to me, is seeking to change significantly its own development model and you see that at the core of the Twelfth Five-Year Plan. But my sense is, is being very cautious about the significant political adjustments that are needed to make those Twelfth Five-Year Plan objectives real.

The political succession in China is well underway. That's always a time when intellectual discourse about core problems becomes more intense. So, not surprisingly, we're witnessing a very rich and complicated, I would say, explosion of intellectual ferment, much of which is barely registering on American understanding of what's taking place in China, which is why we're having this panel.

The panel brings together, I think a really extraordinary blend of speakers to bring some clarity to what's taking place and what its implications are. I especially want to thank two of our speakers, Zha Jianying and Liu Yawei for coming from elsewhere to Washington today to join us and to share their insights with us.

The structure of today's event is quite straightforward. We're going to have the three panel presentations, each panelist has promised to speak for no more

than 20 minutes. We'll have a timer up here to make sure that that occurs because we value your questions so highly as part of this event, and then we'll have Q&A for the remainder of the time.

Let me note, by the way, that the Brookings website, by early next week, will have a full audio recording of this, a full written transcript of it, and also the slides from Mr. Liu's presentation, so that we'll provide a lot of the content of this to you on the website if you don't want to spend all afternoon writing notes furiously as people speak.

Let me briefly introduce the first two of the panelists and then I'm going to ask Jeff Bader to introduce the third and then have the panelists come up one-by-one to give their opening remarks.

We'll lead off this afternoon with Cheng Li, who is at our China Center, obviously, is the director of research at the Thornton China Center and is also a senior fellow in the Foreign Policy Program at Brookings. Cheng, as I'm sure everyone in this room knows, is an enormously prolific author and intellectual entrepreneur.

He will focus on three questions concerning the growing intellectual and ideological debates in China. Question number one: What's new? Question number two: Why are these debates extraordinary? And question number three: What will these debates ultimately lead to?

Then Liu Yawei, who is the director of the Carter Center's China Program, an extraordinarily active and engaged program, I might add, will focus on the debate in China over whether China needs to introduce political reform. And if political liberalization can be achieved, what that debate means for China's political future.

Our third speaker is Zha Jianying, who has come down from New York or Beijing, I'm not sure which one you directly came from. She's half in one and half in the other. To introduce her I'd like to ask Jeff Bader, who himself is a visiting scholar at

the China Center, former director of the China Center. In between he spent a few years as senior director for Asia on the National Security Council. I'll ask Jeff to come up and make some remarks to introduce Zha Jianying and then I'll ask each of the speakers to come up in turn. Thank you. (Applause)

MR. BADER: Thanks, Ken. Good afternoon, you all. I asked Ken if I could introduce Zha Jianying because I've had some personal encounters and experiences with her in the past and saw she might be coming here and I wanted to be associated with her presence here.

I first met Jianying at the Aspen Strategy Group about six or seven years ago. She gave a fascinating, superb presentation on China's youth culture. She had written a book in English called *China Pop* and the presentation reflected some of the work she had done in that book. Subsequently, Brookings organized -- the Brookings board of directors organized a tour of China and we wanted to have some civil society events, not just meet with government officials, fascinating though government officials in both China and the U.S. are, and Jianying was at the top of our list. She gave a similar presentation to the Brookings board of directors, which was one of the highlights of the trip.

I was so impressed by what I heard that when I was at the White House and President Obama was preparing for President Hu Jintao's visit in January -- President Obama likes to have some outreach, he doesn't like to rely simply on the wisdom of his in-house staff, much as we think we know everything -- and so we organized a couple panels, and for one of the panels -- one was on what was going on in China's policy domestically and abroad, and the other one we wanted to have people who understood the way Chinese intellectuals and ordinary Chinese were thinking to get some sense of what was going on in the civil society, rule of law, human rights issues in

China – so, I added Jianying to the list. I thought she wasn't going to make it; she was in Shanghai at the time. She flew in, she arrived about, I think, 45 minutes before the session began, out of breath and exhausted, and came in, and of the six presenters, I don't know if any of the others are here today, but I'll just say that the President listened more closely to Jianying's presentation and was more impressed by Jianying's presentation than by any of the other five presentations.

I remember a particular insight that she offered about the way we should be talking to and addressing Chinese, the kind of language that the President should be using that would appeal to Chinese rather than simply be seen as lecturing from on high. And this is actually the kind of insight that President Obama particularly valued and it made a great impression.

Jianying is the author of a new book, which you'll find out there, called *Tide Players*, which I urge you all to buy. She is the director of the India China Institute at the New School, and as Ken alluded, she's a transpacific commuter, bouncing between Beijing, where she is a commentator on current affairs issues on television, and New York.

MR. LI: Well, thank you, Ken and Jeff, for that very nice introductions. I'm honored to both speak to you and speak along with Jianying and Yawei, and two Chinese intellectuals I deeply admire, and I think they both shape the Chinese intellectual debate in a profound way. For Jianying, her articles with *New Yorker* and her publication in China really have profound impact to Chinese intellectual thinking. And Yawei, besides his own writings, he's also a founder and editor of, I believe, the most important website -- Chinese website -- on Chinese political and socioeconomic issues, which is called "China Election and Governance." The website is chinaelection.org, and anyone who speaks Chinese, I think it's a very, very valuable source.

And as Ken mentioned, that I will cover three topics, one, what's new about this intellectual -- ongoing intellectual debate? Second, what is exceptional or extraordinary? And third, what will it ultimately likely lead to? These are the three major issues I will cover in the next 19 minutes or so.

Now, what's new? Let me give you some background, and particularly the political background, as we know, that the concept of intellectuals (*zhishifenzi*) has some Chinese characteristics. And particularly in the first three decades of the Mao era, the intellectuals were really treated very badly, largely because of Mao's anti-intellectualism, as those who speak Chinese all know the term (*chou laojiu*). It translates to stinking (inaudible) category, which is a part of the bad elements in a country.

I still remember that Mao once said during the Cultural Revolution, he said, "I can guarantee two intellectuals are good, only two." One was his high school teacher; the other, I think, is Guo Moruo, you know, a poet that liked to praise Mao.

So, besides these two, other people are subject to, you know, as a target, so that was the case during the Cultural Revolution.

Now, things certainly change. One thing is the demographic change. The intellectual, the previous concept is like anyone receive college education consider their selves intellectuals. That was not surprising because in 1982 only 0.4 percent of population have any kind of college education, including four years or two years college education, but that number certainly changed rapidly and by last year, because -- based on the census, that about 9 percent of the population have a college education.

Now, also it's the economic change in the environment. The intellectuals no longer -- or, many of them, no longer are on the state payroll, they could start their own business, so the so-called (*danwei*), the influence that diminish, at least to certain -- to many intellectuals. And also the commercialization of media make many intellectuals

become household names and there's also not only formal media, but also, you know, informal or unofficial media or social media that Jianying will talk about.

And also that educational globalization, particularly the foreign educated returnees, the so-called sea turtles, now return to China, also play very important role in the political, economic, and foreign policy discourse.

Certainly political situation also reflects the importance of intellectuals. Previously the leader, Mao, certainly does not trust intellectuals. Deng Xiaoping liberated intellectuals, but did not pay too much attention to intellectual discourse. He would rather listen to his daughter's advice rather than someone else. But, of course, with the collective leadership, they wanted to have more advisors, intellectuals, and people like Wang Huning play a very important role for both Jiang and for Hu Jintao.

And also this increasing importance of the think tanks have become a major phenomenon in today's China, the rise of lawyers and NGOs also contribute to intellectual debate or discourse, and finally the emerging interest groups, which did not exist until the last decade, now play a very important role. They wanted to have some intellectual economists or policy analysts to give them advice, to legitimize some of their demand.

Now, let me also mention there are several splits according to Wang Sirui and Zhu Dongli, two Chinese scholars. There's three major splits since the -- after the Cultural Revolution, at that time the intellectuals call enlightenment intellectuals on the eve of the end of the Cultural Revolution, they experienced three major splits. The first split occurred in the middle 1980s largely on the issue of democracy or the debate about the new authoritarianism. This is the first split among the liberal or enlightenment intellectuals.

The second split occurred in the middle 1990s, largely caused by the

famous book, *China Can Say No*. It's related with nationalism. This *minzu, minzhu, minsheng* three principles. The third split certainly related with peoples' livelihood, what Chinese call (*minsheng*). So that occurred at the turn of the century, largely focused on the so-called new left. Those people believed that China's transition to market economy has a huge side effect that needs to be correct.

So, these are the three splits over the things -- the post-Cultural Revolution era.

Now, more recently, particularly in the last decade, according to Ling Zizhun and Ma Licheng and two senior reporters for *Peoples Daily*, there are multiple voices that emerge -- coexistingly emerge. One is the so-called mainstream voice that embrace Deng Xiaoping's reform policies. The second is where they argue the voice of dogmatism that advocates a return to a socialist planned economy. The third one is the voice of nationalism. And the fourth one is the voice of feudalism influenced by the new Confucianism and the so-called Asian values. And finally, the voice of democracy.

Now, this is the description by -- again, by two Chinese intellectuals about the last decade also.

But now things changed. What's new? What's really extraordinary about this debate?

Let me give you some general observations about the current debate. The first is what -- you know, for the American, you know, everything can go -- everything goes, like the Broadway show tells us. It's really an incredibly wide range of views. It's not necessarily just five voices, but 50, 50 voices, and you can characterize. And not these kind of three splits very clearly cut, but very confusing. And also it's mixed with profound ideas, a very serious intellectual discourse, but also with the propaganda or rhetoric or hypocritical claims, you really just wonder whether they're really telling what

they believe or just something they just wanted to make a point. And also that the lack of civility in discourse, not only the online discourse has become very ugly, but also even some official or semi-official media, also things getting very ugly, the personal attack, and et cetera.

And also there's a close link between domestic policy and foreign policy debates. You cannot really separate them. Usually they are very intimately related or closely linked.

Another one is there's not clear generational distinctions or academic fields -- economics usually take that position, lawyer take another position -- they split it within each discipline, within each generation, and also educational background do not make any -- give us any clue about how they divide. They could have come from the same level of degrees, I mean, PhDs -- there's a lot of PhDs nowadays -- and also related with foreign or domestic educated so-called sea turtles or land turtles, also they divide within each of these groups. There's no clear distinction within these groups.

And also PLA the military strategists, who they call opinion leaders, become increasingly articulate. They become like a spokesperson to reflect China's national sentiment. And finally, there's a linkage to factional identities and interest group politics among these opinion leaders, so this is also a quite new phenomenon, so closely linked to the power.

Now, this is what I described the failure -- five major issue areas of debate. Now, what do they debate about? Again, they debate a lot of things, but these, in my view, are the most important issue areas. One is related with China's rise. Now, I choose the one extreme, there are other extremes, there are also many different views in between. Now, the extreme views is one thing that's argued that there is a coming Chinese century, there's a clear American decline, but the other extreme is talking

instead of China's rise, they think China is a very dangerous situation. The regime can collapse. This is very similar to the end of Qing Dynasty, someone even used the term called the so-called -- that the rise of China, they said -- can collapse anytime. And also that also people believe there's a U.S. superiority, not just decline, but actually will become even stronger in terms of both hard and soft power -- the hard power including military power and science and technology, tremendous natural resources -- soft power, American democracy, American value system, American civil society, it's very, very strong. So, these are two sides -- two extremes of the debate.

The second one related with so-called China model. One argued that we already witnessed China's economic miracle and actually the one-party rule is the reason of that miracle, they provided the political stability -- social-political stability, and also that model will be followed by many other countries, so-called Beijing consensus vis-à-vis Washington consensus. This is one extreme.

The other is that they believe that the Chinese model, if there's a model, is a wrong model, is a bad model. Particularly they raise issue of the state monopoly in terms of the state enterprises, the SASAC companies monopolize the Chinese economy and there's a shrinking of the private sector, really Deng Xiaoping's reform policy. And the political bottleneck is already hurting China, become our greatest liability. And finally China's foreign policy, it just goes nowhere. It's really internationally isolated according to Ze Zhongyun, a very prominent scholar. He said -- she said that China only had a few of the -- the friends could not even feed their people, namely North Korea, Burma, maybe Pakistan.

Now, the second -- third issue is about democracy and some -- the one extreme argues democracy is a source of instability, will lead chaos, so China should not go to that -- should not be too naïve. The other is an argument of the universal value of

democracy and the global trends of a democratic wave -- two sides of the views.

Now, also, a lot of debates with Mao and the Cultural Revolution and with Deng and China's reform era under Deng that people divided very sharply. One is that some people call Mao as China's George Washington. And Li Yao, this is a Taiwan scholar, even said Mao is "the greatest man in China's 5000 year history." So, this is a direct quote.

Now, also talk about a Cultural Revolution as really China's utopian era. I mean, again, for a while we saw that the people -- no one wanted to return to the Cultural Revolution, but now it sounds like a lot of people want to go back to the Cultural Revolution according to some of the media -- media, opinion leaders, and et cetera, even politicians.

Now, the other is people argue that Mao should really be considered as someone like a Stalin and some scholars even say like a Hitler, right. And they believe the Cultural Revolution is really the dark age of contemporary China -- very strong views from many liberal intellectuals.

Now, how about Deng Xiaoping? There also peoples' views divide. Now one believe that the economic disparity, official corruption and the side effects of globalization really attributed to Deng Xiaoping's kind of open-door policy. They think that should be corrected, to a certain extent. But the other group believe that market reform, particularly the rise of the private sector, really is the reason for China's miracle and also the thought liberation -- liberalization, the (*sixiang jiefang*) is really -- says China should go with that trend to really have the liberal environment, people should really liberate their thoughts from dogmatism, and et cetera. And also opening China certainly contributed to China's development.

Now, let me also explain that not necessarily people have the view that

was supported then or were opposed now, it's more complicated than that. This is what I call beyond the dichotomy. You can see at least four groups -- maybe plus another group who cares -- no one cares about Mao or Deng, you know. There are a lot of young people, probably, even to not know much about the Mao or Deng era. But if -- besides that, you can see that at least there's four groups. First "A" group really like both Mao at the time, the second group may have a favorable view about Mao, but not necessarily with Deng or maybe very unfavorable with Deng. And also the "C" group, group is unfavorable to Mao but like Deng. And finally, you know, some of the intellectuals, including both liberal or even conservative, some people think neither of them is that impressive. So, this is really why the spread -- why the divide among the intellectuals.

Now, earlier I mentioned the cross-generations. These are the leading thinkers in my view that belong to the liberal wing, including Mao Yusi. He really challenged Mao and he said that we should really call things by their real names. And the other one is Zi Zhongyun who used to serve as *mishu*, English secretary to both Mao and Zhou Enlai. Really launched a strong critique about the new left, the thinking, and also the problems, China's domestic and foreign policies. And He Weifang is a lawyer at the Beijing University. He also really argued for the Chinese constitutionalism. He believes that only constitutionalism will make China have lasting peace and social stability.

And finally the young intellectual, his name is Xu Zhiyuan. He used to be the editor of the *Economic Observer*, now is a contributor of foreign -- called the *Financial Times*, a Chinese website, belongs to the 1970s. He was born in 1976, also very articulate to advocate the liberal views.

Now, this is the cross-generations.

Now, also, some of the other non-traditional media people also become

major players. One is China's Jay Leno and now he actually goes beyond Shanghai. He mimics leaders. He loves to talk about the middle class issues. The other is Han Han. He is China's number one blogger, I assume that also the world's number one blogger. And a few months ago his blog has a cumulative 300 million hits. Three hundred million hits. I think at Brookings we have 100 senior fellows. The combination of our hits, probably only 1 percent of Mr. Han Han to talk about his influence. (Laughter) You know, fascinating guy. You know, very, very funny.

And now military. Military opinion leaders or strategists also occupied a major seat in Chinese discourse, including Mr. Yang Yi, a retired rear admiral, and the Luo Yan rear admiral, and actually I debated with both of them in the Phoenix TVs and then the next day I receive a lot of hate e-mails from China. You can imagine that I really put in a bad spot to debate with these very popular military opinion leaders. The other is Zhu Chenghu for of those follow China very well, you know. Actually three or four years ago he was banned because he basically said that we should launch our nuclear weapon to target, you know, your Los Angeles. But then Chinese leaders, civilian leaders said it's too much and shut him up. But now he come back, became more articulate. Now, this is Zhu Chenghu grandson of the Zhu De.

Another is a young writing star, called Dai Xu. He is only the senior colonel in the air force, wrote a lot of books. These are the books he wrote to talk about American conspiracy and circulation or containment of China. He give a lecture -- a very popular lecture, you know, a few months ago and also a couple of years ago to talk about the United States want to really dismantle China, and this is called, "2030: The Conspiracy of the United States." Now, it's become very, very popular among the Chinese, in the Chinese discourse.

Now, let me give you two quick examples in terms of both on the left and

on the right -- or the liberal. Now let's start with the leftist example. His name is Kong Qingdong. He is a social professor of Chinese literature at Peking *Beida*, Peking University. He has a nickname as a drink man of *Beida*. I guess he probably loves alcohol, I guess, if he got that nickname. And also he was born in 1964 in Shandong. Actually, this is -- I think it's real, at least he claims he's a '70s, third generation descendant of Confucius. You have the (inaudible) the trees, and -- but ironically, he become very critical of the Confucianism and many other things. He is the author of more than 10 books. Now he said, "North Korea is a good model for China." He said very strongly he admired the Great Leader. No wonder that picture, you can see from that.

He also said that, well, he is a fan of the Chongqing police chief, really, crack down the intellectual discourse or arrest a lot of people, you know, in terms of the so-called underground mafia, but also really cracked down any debate in Chongqing, but he, ironically, he's very critical about the Guangdong, saying that the university -- college game in the 2011, that the Shenzhen government want to deport, you know, 80,000 people, they called dangerous elements -- actually, Kong Qingdong criticized that, said, this is really inhumane.

So, it's very funny the inconsistency. He is very politically divided. He's for Chongqing, but against Guangdong even the same -- similar issue.

Now, let's look at a liberal. The example is a professor and the associate dean law school after the Chinese University of Political Science and Law, (*zhengfa daxue*). It's a very good law school -- university. He was born in '64 in (inaudible). Now here is a quote, it's widely circulated in Chinese media. This is actually delivered in the commencement speech just a few months ago. He said, "This is a very absurd era. You are encouraged to sing revolutionary songs," referring to Chongqing, "but not encouraged

to pursue revolution. You are asked to watch the famous movie called *The Great Founding of the Party*, but you are not allowed to found a new party.” This is widely circulated; still he is doing well. I hope that my lecture, my presentation will not cause him trouble, you know, but that’s, again, thousands, thousands of hits for his YouTube.

Now, what -- the final point, what will it ultimately lead to? Several things, I think, I want to make four or five observations. The ongoing political discourse or ideological discourse, like many things in China, is a paradox of hope and fear. It is a promising and dangerous at the same time.

Secondly, my observation is, both liberals and the leftists seem to push for radical change and reflect the widespread political resentment in the country, and the leftists promote rebellious sentiment inspired the Cultural Revolution. This is a very dangerous game despite how wonderful they thought the Cultural Revolution was, but this is -- if this is really -- people want to practice, eventually, will cause tremendous, you know, problems and instability. And also this kind of discussion or debate may lead to a policy deadlock due to a lack of consensus. You know, when Deng Xiaoping started reform there was a tremendous consensus, but now you really hardly can find any consensus or even worse, this caused social, political disorder resulting from the absence of the elite cohesion.

And finally, in my view, the division among intellectuals may accelerate a spirit of the CCP leadership, particularly at a time of the major generational transition of power.

Now let me, very quickly, to use Wen Jiabao as an example to see how leadership split. The -- Wen Jiabao, this is in the middle, when he talks about the assessment of China’s economic roles, he used four words. He called unstable, unbalanced, uncoordinated, and unsustainable. Talk about tremendous challenges of

Chinese economy. This is from China's Premier, very candid, you can see that, but the other -- some other leaders believe there's a China model.

On the property and the rural land reform, Wen Jiabao worked very hard, tried to have macroeconomic control, and particularly want to protect the peasant's land rights. This is their last resource. But the other people, other leaders, talk about marketization of property development, particularly those people represent the interest of the major state-owned companies, and also talk about land enclosure in the name of urbanization.

And the third area is the political reform. Wen Jiabao said, famous -- he has a famous quote. He said, "China, just like a person that has two legs, but the one leg is long, the other leg is short. The long leg is economic reform, but the short leg is political reform, so it cannot run." But other leaders -- this is from Wu Bangguo, the number two leader, the head of the National Peoples' Congress, saying that the "five no's" -- first, no multiparty election, second is no ideological pluralism, third is no separation of power, fourth is no federal system, and finally, no privatization. I particularly have trouble with no privatization. I thought that the Chinese economy is already half privatized, but this is the statement, direct quote, from China's number two leader, Wu Bangguo.

And finally, ideology, and Wen Jiabao constantly talk of democracy as universal values, he criticize what happened in Chongqing is like a remnant of the Cultural Revolution, but instead other leaders still engage in so-called Mao's fever -- Maoist fever, resistance to the Jasmine Revolution, and also consider China's one-party rule as a wonderful thing for China.

Now, this is, very quickly, the Chongqing's -- the political campaign by a famous politician, Bo Xilai; this is the recent photos. On the other hand that Guangdong

is the same. Wang Yang, this is a very famous picture that he is surrounded by the people who really like him in Guandong.

Now, finally, I want to give two quotes. One is from the leftist website, Utopian (inaudible). This is a direct quote. "Guangdong model will lead to the end of CCP rule and the failure of the Chongqing model will cause the outbreak of revolution in China." And Mr. -- Dr. Liu Yawei highlights about the Chongqing and Guangdong model, why this is essential, so I don't want to further elaborate.

But let me end with a quote by President Lyndon Johnson, he gave a speech of his decision not to seek reelection in 1968. That quote was requoted by Wang Jisi, the distinguished professor at *Beida* recently. "I'm a free man, an American, a public servant, and a member of my party, in that order, always and only." Of course we know that Chinese political culture may have a different order, but it's interesting to see that things start to change and some of the people participate in discourse, they are not only party members, but also party officials, so I think we see a very diversified China. I think this ongoing political discourse will have a strong impact to individual, to elite, whether cultural or political elite, to the party as the elite ruling party, to China as a country, and to the entire world. Thank you very much. (Applause)

MR. LIEBERTHAL: As Dr. Liu comes up, I just want to mention, we have an overflow crowd both back here and outside. We've opened up an overflow room, it's called Somers. You can get to it by going out the door, straight across the lobby to your left, and then when you get to the stairs, take a right and Somers will be in front of you. It's got seats, it's got a video feed, and so forth, so if you would prefer to go there, please feel free to do so. Obviously, if you want to stand in back, feel free to do that too.

Okay, sorry for the interruption.

MR. LIU: Good afternoon. I want to thank Li Cheng for inviting me to

come over here. I want to thank Ken for the nice introduction. I also want to thank Jeff for the nice lunch and sharing of your working experience insight about China.

I'm thrilled because in Atlanta, whenever we have a seminar or forum on China, you would be happy you got 20 people down there. Here we have, you know, full house. I'm also nervous because it's hard to follow Li Cheng, you know, who did a panoramic view of what's going on in China. I don't think I have anything to offer, so I probably want to go there and answer your questions.

Some of the things Dr. Li said -- I'm not going to repeat, but I do have a PowerPoint. I want to focus more on the debate and particularly in regard to the so-called Chongqing model and Guangzhou model. And I named my presentation "The Rise of Chinese Intellectuals and its Consequences." You know, often time we talk about (*zhongguo jueqi*), the Rise of China. I think it's probably the intellectuals who have reason, first, and then they're trying to define, you know, what the rise of China is and what does that mean.

But before I'm going to talk about Chinese intellectuals I want to talk about the ultimate American intellectual, Henry Kissinger, who recently visited Chongqing. There is a report, you know, it's hard to figure out where that report exactly came from. He said it was translated but I couldn't find the English version of the report, and if you look at the pictures and if you look at what that report is all about, it's -- it's very interesting. For example, Kissinger told Bo Xilai that, you know, Xi Jinping visited Chongqing the first thing after he was elevated as the vice chairman of the Central Military Commission. You know, he stayed three days here, he had high praise for you. Either he is trying to praise Bo Xilai or he is praising himself, I don't know.

And then he said, you know, in Beijing I met the young generation, he gave all the names, and obviously you are one of them, and lastly he said, in you and in

Chongqing I see the vision of the future of China. I was really shaken by the vitality of the city.

So, this is an American intellectual playing a role in China. And now we have a lesser -- I don't know if my classification is right or not -- but, you know, I consider him as lesser than Kissinger because Kissinger, after all, is a senior statesman, not, you know, Friedman, but he was invited to Guangdong because Wang Yang, actually, is a great fan of his book on globalization. When Wang Yang was ironically in Chongqing, he required every official to read his book, *The World is Flat*. And then he was invited to Guangzhou and they talked and he wrote an op-ed in the *New York Times*. And this is what he wrote, "The only way forward is for China to gradually develop a cleaner, knowledge-based service finance economy. It has to move from 'Made in China' to 'Designed in China' to 'Imagined in China'."

And whether this is Guangdong model, we don't know, but certainly Friedman has been under publicity for Guangzhou. And in Chinese we call (*xiao zhishifenzi*), so we have a petite American intellectual here. Again, you know, I'm not so sure about my classification, but, you know, he's a partner at the Kissinger Associates, but he was really relevant to this debate because he coined the term "the Beijing Consensus," you know, he wrote that little pamphlet called the Beijing Consensus in 2004.

And here, I'm not going to go through what he said, basically he has three definitions of what the Beijing Consensus was all about. Li Cheng just mentioned this, so before I go down to the intellectuals, we want to see what's going on at the top, and here is, Wen Jiabao while talking about political reform. I think the best time that he talk about is when John Thornton was leading Brookings delegation and he spent two hours with a group and talked about how China is going to move forward from here and

on, all the way down. So, there are three areas. You know, it's an action plan. We have no timetable, but we do -- at least he, himself, knows how China should move forward. One is elections from village level to township to county. Second is independent judiciary branch. And third is checks and balance, things like that.

However, you know, his voice fell on deaf ears, you know, at the very top, but among the society at large, people don't seem to believe what he said is for real, so that's why people say he should go to Hollywood to get the best actor award, because he's really good. And obviously most of the time when we talk about political reform, the audience are foreign with the exception of the NPC press conference. All the other occasions he talked to foreigners and Li Cheng already mentioned, you know, our chairman of the standing committee of NPC can say no, and he said a lot of no's that Li Cheng just mentioned, so I'm not going to go through those no's and, again, I'm also shocked by the last no, which is no privatization, without any qualification here. People say after this sixth no, the agencies that will help people to migrate to other countries, the visit tripled as a result because there is a growing concern of private -- you know, concern of private property.

MR. LIU: So here -- and again, you know, I'm repeating some of the things Li Cheng said. But I'm giving examples focused more on the sound and fury.

So these are just -- you know, they're numerous to list. But these are the three. Yu Keping, Brookings published his book, *Democracy is a Good Thing*. Mao Yushi, of course, recently -- people on the Utopian website, they try to organize a national petition to sue him because he demonized Mao in one of his writings.

And at the bottom is Zhang Qianfan is a law professor at Beijing University. He basically said China needs to -- you know, it's not that China doesn't have a system for checks and balances, or for holding the government accountable. China

does. But that system is really not enforced. And that's the People's Congress system.

Now on the other side -- so, on the left side of the spectrum we have Chen Kuiyuan, who is vice chairman of the Chinese Political Consultative Conference, where he's also the president of Chinese Academy of Social Sciences. You know, he gave a speech and that speech was now being perceived by people on the left as a clarion call for a final confrontation with those on the right side. And in this speech he basically -- he didn't mention Deng Xiaoping's theory. And that's very extraordinary. He reintroduced the concept of class struggle. I think Dr. Li mentioned about that. And he publicly and openly identified the United States -- the national mission of the United States is to slow down, if not to destroy, China. And he calls for a renaissance of Sinified Marxism.

Xu Guangchun the second one, used to be the Party secretary of Hunan Province. You know, he wrote a long article, again trying to use Marxism as the lead ideology. And his call is to develop or create a Marxism of the Chinese style and Chinese power.

And Zhang Weiwei recently wrote a book called *China Shakes*. And when I was in Shanghai, I heard that this was a required reading for all the officials. And the main thesis of his book is that for all those countries, by trying to reform following Western ways, they all fail. And China did not go down that road, and that's why China is so successful. China is successful economically and eventually China will be very successful politically.

Now down to the Guangdong and Chongqing. This is known as the *dangaolun*, the cake theory. Now what this whole thing is all about is, you know, in Chongqing Bo Xilai was talking about (*fen dangao*), you know, dividing the cake before you're going to bake the cake. And he said if people know that they're going to have part

of the cake, you'll have more incentive to work harder. So priority is to make it clear how the cake is going to be divided before you're going to bake it. And in July this year the city adopted a resolution. They're going to eliminate the three gaps. They're going to eliminate poverty and eliminate the differences between the urban and the rural sector, and the regional differences. And you know, they have all the numbers. You know, you'll be shocked to see how Chongqing within a few years will make it really paradise under the sun.

And in terms of Wang Yang, July of this year he said that the top priority for Guangdong is still going to bake cake without talking about how the cake is going to be divided.

Now, is this cake theory important? According to a poll in China, I think the sample is about close to 25,000. So it's a representative sample. And 85 percent -- 88 percent of the people believe this is very, very important because it is crucial in terms of forming consensus in terms of where China is going to go in the coming 5 or 10 years.

And it seems in this round Bo Xilai has gained the upper hand because only 2 percent of the people believe in that you should just focus on baking the big cake without giving any attention to how the cake is going to be divided. I think this is a reflection of the growing anger and frustration of many, many Chinese at the bottom, that they are not getting any benefits from the economic reform. Now, if you look at the two cities, you know it's really a story of two cities if we see Guangdong as a big city. This is also a debate about efficiency and justice.

In terms of GDP, you look at Guangdong is slower than Chongqing. Chongqing last year is 17 percent. But Guangdong is a coastal province. Guangdong led the nation in economic growth. Chongqing is different. In terms of Gini coefficient, Guangdong is very high at .65. And Chongqing is relatively low, but still high at .45.

So in economic and political totality, it's really Guangdong that should be concerned about how to divide the cake and Chongqing growing the cake. However, that's not what is happening. But, you know, I think this is just like, you know, Washington State, Georgia. You know, governors have their different vision for the future of its state. But in China it gets blown up because of the political uncertainty in China.

So here is just the sound and fury part. This is the -- Yu Chongsheng is a professor at Beijing Normal University, who used to teach at Wuhan University. So he is opposing the so-called getting rich together, (*gongtong zhi fu*). So for him, that's just a socialist utopian that can never be achieved. And he said, you know, the best way to have a harmonious society is to extend rights protection to all the individuals to make them feel happy, not a government-imposed way of ensuring more equitable distribution of wealth.

And Zhao Lei, you know he's the representative of those who are supporting the cake being divided theory. He teaches at the Southwestern Finance University. And this is what Dr. Li just mentioned. He basically said if the Chongqing model fails, the party -- the Communist Party will be driven out. And what happens next, civil war and disintegration of China? And this is the nightmarish scenario that only Japan and particularly the United States wants to see. So you see, they elevated the debate from a policy difference to a much bigger and political debate. Very much charged.

And Guangdong model, I'm going to skip this slide. Basically this is a professor from Zhongshan University. So it depends on where you're from, you seem to support, you know, your leader. And Xiao Bin teaches at Zhongshan University. You know, he has full praise for the Guangdong model. But I think he does have a point. And he also acknowledges that Guangdong does have problems.

But you know, whenever you call something, like China model or Guangdong model or Chongqing model, you're implying that this is -- this can be reproduced. But neither of the two models can really be reproduced. Because if you look at Guangdong, Guangdong has Hong Kong. Guangdong has cheap labor, migrant workers from all over the country. Guangdong has policy, you know, *zhongyang gei zhengce*. And Guangdong doesn't have those kind of, you know, preferable treat -- policy treatment from the Central government. As, you know, Shenzhen or these special economic zones.

But Chongqing is not reproducible either because Chongqing has Bo Xilai and Huang Qifan. Huang Qifan is known as the finance genius. You know, he's just able to get money from nowhere, we don't know. (Laughter) And Chongqing has a lot of land to develop and Chongqing has the banks, as I just mentioned.

So I think the debate itself is less important. What is more important is what can we learn from this debate and what debate -- what this debate is informing us.

So here are some of my tentative sort of conclusions. Number one is, this whole debate has slowed down a long-overdue political reform. Because, you know, while this debate is ranging, the top leadership seem to agree that the top priority for China is what Li Cheng just mentioned, the *Minsheng zhengzhi*, welfare politics. Not political reform. Ken mentioned the Twelfth Five-Year Plan. In the Plan, there are social, economic reform, there is administrative reform, there is no political reform in -- on that plan. And in the speech given by Hu Jintao at the celebration of the 90th birthday of the Party, he talks about *fazhan shi ying daoli*, development. You know, that's the hard goal to pursue when *wending* is the top priority. Without stability, we're not going to be able to develop.

And in the wake of the Arab Spring, this is becoming even more of a

consensus at the top. It's welfare, welfare, welfare. Otherwise people are going to rise up and we're going to be in danger. Second, I think this is what Li Cheng has already mentioned. Is this debate reveals a lack of consensus at the very top?

I'm going to skip this slide, with one exception. Is that if you read the speech given by Hu Jintao on July the 1. I think he has certainly dampened the arrogance of those China model advocates because he made it very clear China is still the largest developing nation in the world. China's economic growth cannot meet the need for both physical and cultural satisfaction of the Chinese people.

Another, this is the theme of this panel, is intellectuals. I have some findings here. As once scholars themselves have sharply divided among themselves. You know, I talk about the regional scholars, but there are other scholars who go to all places. They seem to be -- at least they want to be too close to the leadership. In China, there is a saying: "you can write your way into the government." So maybe some of these scholars have this intention that they want to write their way into the government.

Second is on the right side. I mean the liberal, you know, reform-minded scholar. They have no one to follow, because they cannot identify. Even though Wen is calling for reform, but nobody believes he can deliver. Nobody can believe that, you know, he will be able to do so. However, those on the left, they have coalesced around Bo Xilai. And they even want to count Xi Jinping as one of their own. So they do have icons to follow.

The left also -- I think this is something that is worth at least paying attention, if not research. Is on the left camp, there are U.S.-educated scholars, particularly Wang Shaoguang, who is chairman of the Department of Political Science Chinese University of Hong Kong. Cui Zhiyuan from MIT, he actually is now working for Bo Xilai in Chongqing. He's actually in the government as -- in Chinese they're called

(*guazhi*). And Pan Wei you know, UC Berkley and at *Beida*. And Zhang Weiwei, you know, *China Shakes* author, he lives in Geneva. And they seem to add more credibility to the left side, because these are the people who expose themselves to the West. And so when they say the West ways are bad, you know, they're more credible.

So I think the right has long been cast as slaves, you know, we call (*ximin*), slaves of the United States, and they are severely compromised by WikiLeaks. Right now there is a raging debate. You know, these reform-minded scholars now being labeled as informants of the U.S. Government. So you're not going to be very effective.

And here is just a -- there is a website, ironically, which is hosted here in the United States. It's called (inaudible). It has a long list of what they call slaves of the West. So if you look at this, you know, Li Cheng mentioned the He Weifang, so I think they changed the picture, before it's a noose. They think that might be too harsh, so they change it, you know, to a sort of a triangle. He Weifang is here, (inaudible), who is number one on the list of informants for the government. The list goes on. It is here.

I think this is what I wrote over there. It's a hate crime of Chinese characteristics. So whenever you say something about China needs democracy, then you are a slave of the United States. You are agents of the U.S. Government and, therefore, you deserve to die.

And a silver lining of this is my last slide over here. So, is there anything positive that we can draw from this? Could this be China's Hamilton-Jefferson debate? I mean, eventually lead to parties and politics? Li Cheng probably knows more than all of us here. He already wrote on this subject. So at least there are factions here. So, I think if there is no elite cohesion at the top, that's bad. But it's also good, at least the debate now is coming into the open. So people are aware what is being debated in China.

However, I think what China does need is a mature politics. Is the sense

of a loyal opposition. So, you should not use patriotism as clubs of suppression. Whenever you say something then, you know, you are a running dog of the United States.

The future of Bo Xilai certainly will have a huge impact on the future of China, particularly if he ascends to the Standing Committee of the Politburo and with a more important portfolio. You know, I don't know once he's there, he will continue to do what he's doing in Chongqing. If that's the case, it's a little scary, you know, in terms of (*da hei*), in terms of (*chang hong*), you know, all these mobilized campaigns to try to accomplish some of the, you know -- the intention probably is good, but the way to do it is kind of scary.

So this is making 2012 very suspenseful. But years after that uncertain and even dreadful.

Thank you. (Applause)

MS. ZHA: Thank you, Ken and Cheng, for inviting me. And thanks, Jeff, for that very generous introduction. Hugely flattered.

Well, this title, "Intellectuals Divided," I think when Brookings first came up with the title I liked it immediately, particularly the word "divided," because it seems to capture something critical about how China feels on the ground.

I think the world was both impressed and scared by China ever since they watched the Beijing Olympics opening ceremony. I am a fan of Steven Colbert, I was watching his show the other night and he was talking about this. I mean, there's something unnerving about watching such spectacular unity on display. I mean, Chinese understood it. We went along because, after all, we were Chinese, not Indians.

(Laughter) We clean up our house a little bit before putting on a party.

But internally, all the -- every Chinese person actually knows that how chaotic and slap-dash everything is and how -- what a fine mess we're in, despite great achievements and that how much sacrifice has been made by people for this Chinese GDP, soaked in tears, sweat, and blood and how divided we are, not just in power and wealth, but also in cultural sensibilities, in political attitudes, in opinions about present and future. In fact, you've just heard an earful about this almost like a surreal, you know, bipolar schizophrenia scene of Chinese intellectuals.

But actually a lot of this is very good to me because I think if democracy is the future we'd like to see in China, how could you build real consensus true consensus -- before you have real differences and this unity and, you know, divisions? And we know from history that if you rush to consensus, that it could very well backfire.

So the two presenters just now have given you a sense of how divided Chinese intellectuals are in their debates. I think I'll just talk a little bit about Chinese intellectuals in action, especially in regards to political reform and the emerging new civil rights movement.

I think many of us who's observed China in the last couple of years have marked it as a great setback politically. And this makes a lot of sense if you think of prominent cases like Liu Xiaobo and Ai Weiwei and the disappearance of dozens of advocates in China. And if you, you know, think about the continued censorship and the strange campaign of singing the red songs spreading from Chongqing. And so on and so forth. And you know, even as China rises economically, it seems to be marching ideologically in a backwards direction.

And what can -- how much pressure can international community do -- put on Chinese leadership? Now, let me see this, let's see this slide. This is an American cartoonist's view of how much President Obama can, you know, pressure

China on political human rights situation. I think Obama is in chains of debt and Hu Jintao is holding the chain. And Obama is saying, could we just for a moment -- I mean, Obama says, could we for just a moment talk about political prisoners?

So Nobel Peace Prize aside, Liu Xiaobo continues to sit in jail. This is Liu Xiaobo. I think probably all of you know about the empty chair that he wasn't able to make it to the ceremony. But I wanted to say that this is merely one aspect and one layer of the Chinese reality. And it's as much a reaction as action.

And it's also a murky surface which tends to obscure certain deeper undercurrents. To look at a big old culture in great transformation, I think we need multiple sets of lenses. So if you -- we shift our lens to one with a longer timeframe and a wider angle, we'll be able to see a different picture and different trends. Looking at in the past 30 years, it seems apparent to me that with the exception of the depressing period immediately after Tiananmen, China on the whole has gradually and continuously opened up. Society has become more porous, the culture more diversified and tolerant, and people's consciousness about their rights and the value of democracy has been rising steadily.

This is of course the result of many factors in the aggregated efforts of many people from ordinary people to government officials. But I'd like to highlight here that the actions of Chinese intellectuals have been at the center of what may be called a great enlightenment project about modernity.

This process has started a century ago with the famous May 4 New Cultural Movement, but was interrupted by wars and warped, and stalled by the revolution. And the process resumed with -- in the 1980s. And despite ups and downs, has continued and flourished to this day.

What I'm referring to here, of course, is the countless publications in the

past three decades of a massive amount of translations of Western modern thinkers by -- or by Chinese intellectuals themselves that have broken the official bound of ideological dogma and educated the Chinese public about free enterprise, the rule of law, human rights, and the dangers of abuse of power; about how democracy evolved and was built in different cultures and different societies, how it worked and not worked. And this great new thought reform movement -- "SiXiang GaiZao YunDong" you know, in the Maoist jargon -- has taken place in so many venues and channels: in foreign exchanges, research institutes, foundation fellowship projects, at universities and schools, includes that most famous school in China, the Central Party School, "ZhongYang DangXiao" and also through the mass media, television talk shows, and via the great Internet through millions of blogs and websites. And it's been going on and on.

And this is China's modern public intellectuals in action. So, while the states have been busy building these gleaming airports and bullet trains, which change the face of China, these public and intellectual's work have been quietly changing the cultural soil.

A poem by a great town poet, Dufu, I think somehow would summarize this process beautifully. It's a poem about spring rain. And the first two couplets goes something like this: In the spring season, a fine rain happens. Following the wind, stealthily it seeps into the night and the soil becomes moist without a sound. "Hao Yu Zhi Shi Jie, Dang Chun Nai FaSheng. Sui Feng Qian Ru Ye, Run Wu Xi Wu Sheng."

It's very beautiful in Chinese. So, but I'm not going to cite the rest of the poem, because while making this fine rain, behaving like a secret agent for change, the rest of the poem goes on to describe that after a particularly dark night with the fire looking very lonely and bright, flowers bloom at dawn. So, what with the Arab Spring and Jasmine Flower Alert, I think these poetic allegories can really make some paranoid folks

in China even more upset.

Anyway, I just want to also say that these public intellectuals in China are not only educators for change. They have actually increasingly joined the citizens protest movement emerging in China. For years, we've been heard what a disappointing middle class China has produced, that they have no political passion and they're selfish and they're cowardly. All they are interested in is making money and protecting their own privileges. And whenever I try to dissuade people about this, I actually was secretly known by Daoists, myself, because China has proven to be such odd case, surprising so many people, that maybe the middle class, the conventional wisdom doesn't apply to the Chinese middle class.

But I think if you -- we look at the recent trends, this seems to be changing under our own nose. What I'm referring to here are some of the recent, you know, social protests in China which are clearly not the actions of those few brave individuals, dissidents, nor worker peasant rebellions. They're in fact China's educated middle class stepping into political action.

I don't have a chart here, but just briefly going over a few well-known incidents all happened in the last four or five years. For example, in 2007, there is this Xiamen citizens' walk movements to protest against a dangerous chemical plant being constructed in their city. And this got support both of senior scientists and some local Political Consultation Committee members.

A similar event happened this summer in Dalian, which drew over 10,000 citizens and young students and professionals who staged a demonstration against this potentially dangerous chemical plant in their city. And there's also last year Shanghai middle class people had a peaceful protest after a teacher's building burned down. And the protest took form of, you know, laying flowers and playing music -- violin music in

public and also petition officials for a thorough investigation.

And also, there is Beijing property owner committees organizers themselves to petition the district government, the city government, and the Environmental Ministry against this construction of this garbage treatment facility in their neighborhood. And then there is also this bullet train crash on July 23, which has the Chinese media -- not just the Internet, not just the micro-blogs, but the state media -- in full blast criticizing the governments, not only on the investigation process, but the potential corruption and also the state's obsession with this fast-development over quality, in speed over quality.

And there's also this famous case on Chongqing's court about this controversial defense lawyer, Li Juang, which enlisted a whole team of high-profile legal scholars, like Hu Weifang was just there, and others who successfully overturned the verdict. So, the list can go on and on.

And what I wanted to point out is that in all of these incidents we see a certain new, you know, set of new features and patterns. One, the first is the main players are educated urban professionals, many of them are intellectuals active on the Internet and in their own have their own expertise in their field. And two, these issues are quintessentially middle class issues. It's not about wages and compensation, but about lifestyle and values, about safety and security environment, the rights to information, due process, demand for government accountability and transparency.

And also, the most critical medium for these social protests are the new social media, the Internet, especially the, you know, Weibo, China's version of Twitter. So -- and the Twitter -- I mean Weibo is often at the front line in circulating information and mobilizing action with the mass media, including some of the state media rushing in for support wherever it could.

So, and also, very importantly these protests are relatively restrained and orderly, moderate and rational in tone, taking forms such as public strolls, peaceful lobbying, and very sophisticated legal petitions.

And I must say, on the other -- on the side of the government, the official responses to these protests have been fairly restrained, even positive. In many cases the government made quick concessions. In other cases, they tried to do damage control by censoring information. But so far, it has stopped from outright brutal crackdown.

I think this is all quite commendable progress on both sides, and has great implications about China's future political landscape. It seems to signal several things. One is the growing maturity of Chinese intellectuals and the political elite that they now understand politics is not a zero-sum game, but it's about negotiation and concession.

And so -- and I think on the part of the protestors and the intellectuals, this pragmatism and moderation has come from at least two things I can think of. One is that this is a middle-class that have gained a great deal through reform, and have, therefore, a lot. They're property class, actually. They have a lot to lose. So they, like the majority of the population, still I think they have a deep yearning about peace and prosperity and a fear of disorder. So hence their general consensus about these protests or gradualist incremental reform that's better than radical upheaval.

And two is from a sober sense of realism about the great unbalance of power, that since there is no alternative major political organization in sight, there's just this all-powerful state and government and party rule; that the sensible way to push for change is to use their knowledge power. And so to fight smart guerrilla wars, they gather with great speed and disperse with great speed. So, this is making them actually very hard to be wiped out. They can come back as soon as they -- you know, the next

incident bursts out. And so far it has seemed to work in their favor.

And I think this movement -- civilized movement is bound to grow, and putting more pressure on the government to rise to the challenge to respond. And I think and I hope that we're just witnessing the early stage of China's peaceful evolution towards more democratic future.

I think I also like to end with a few images about, you know, another feature of this emerging new breed of public intellectuals and activists who are all very media savvy and different from the previous generation of dissidents. Let's see. I think you already see some faces of some of them before, but I -- let me just add a few here.

One here is this woman, Yu Dan. She's a communication professor at Beijing Normal University who more than anyone else has single-handedly been the one to promote a kind of Confucianist revival. She's known, in fact, as Confucius with lipstick. (Laughter) I've never met another more smooth speaker on television. And she has all these classics, you know, tripping off her tongue and very, very effective in talking about Confucianism in a new way. This is one of her best-selling books called, Confucius From The Heart. Some people thinks it's Confucianism, a kind of Chicken Soup for the Heart. But she does -- she's very effective in bringing back the kind of Confucianism that's not for, you know, for a Confucianism state, but self-cultivation for individuals. And I think the whole debate -- she's very controversial. I think the debate about whether her approach to -- her interpretation of Confucianism is helping to breed good subjects or good citizens; I think the debate itself is very interesting and very clarifying. And while the state is quite mixed about the Confucianism revival. You can see the statue there in front of the museum, but now it's moved somewhere else. But she goes out. She's everywhere, you know, speaking everywhere about her brand of Confucianism.

And then there's Han Han, which you already saw. He is actually -- he's

only, I think, 29. And he's a style icon, you know. This is one of his photos, and he plays pool. He dropped out from high school and, you know, just never went to college. And he's a professional race car driver and a cool kid, you know. And he just started by writing on the Internet some college romance. But in recent years, has really become a very serious social critic. And every single blog of his has, I think, like half to a million hits and huge opinion leaders on some of these really serious public debates and quite liberal-minded.

And here, Ai Weiwei, someone, you know, who is a phenomenally, you know, performance artist. There's one of his earlier works where he was dropping -- this is photographs of him dropping a priceless Han Dynasty urn. And here he -- (Laughter). This is a series of middle fingers, as just happened to have one towards the White House. The other two, one was toward Tiananmen, the other one was, I think, towards the Eiffel Tower. So it's like, you know, just going to be in opposition to any powers that be. He's a New Yorker, you know. He lived in downtown Manhattan for 20 years, you know, just professional troublemaker.

And here's one of his beautiful installation works in Tate Modern. And of course he's so media savvy he basically, himself, photographs and videotapes, and he has tons of assistants photographing and videotaping everything wherever he goes, including his own broken skull when he was beaten up by this Sichuan local police when he was trying to testify on a civil rights court.

MS. ZHA: The last one, this is another work that some might think is porn art, but, in fact, it was very political art. He was having that hand strategically poised, placed. This toy horse is a deliciously nasty wordplay against Chinese censorship and also actually a hard punch in the nose against the party's Central Committee.

So I think I will just stop here. I think we have, you know, a whole new generation of both public intellectuals in debates and in action. And I have hope for the future.

Thank you. (Applause)

MR. LIEBERTHAL: We now have still about 35 minutes for Q&A. Let me make a few comments before I start recognizing people. One, we have roving microphones. So if you're recognized, please wait till you get a microphone in hand. Please briefly state your name and, you know, what your position is. Please keep in mind that questions end in a question mark. And not an exclamation point. And if you wish, feel free to direct a question to an individual member of the panel; if not, we'll just have anyone who would like to answer do so.

I'd like to start off with one question. I actually have several I would love to ask, but given time constraints I'll just ask one and then turn to the audience.

My question for any of the panelists is the following. The portrayal of the United States role in the intellectual ferment in China as I heard it was pretty much uniformly negative, which is to say an assumption that the U.S. seeks to basically undermine the Chinese system, prevent China's rise. WikiLeaks has discredited the right in China as people who spill the beans to American interlocutors and work against China's interests. I mean, am I missing the major part of this? Is there in some more subtle fashion -- first of all, is there agreement among Chinese intellectuals in this portrayal of the U.S. or is it much more mixed? Number one.

And number two, has the U.S. played a much broader role in terms of understanding of rights consciousness, of role of law, you know, those kinds of more liberal elements of society and indeed the importance of civil society. Has that kind of crept in and been associated with, you know, with a more beneficent U.S. influence even

if the U.S. Government is not seen as supporting China's best interests?

Anyone? Cheng?

MR. LI: It's quite a mix. The people like He Weifang, like Zi Zhongyun, like the other liberal scholars; they are really inspired by American democracy, human rights, and other things. And they are on defense in the past few years, but now I sense some of the things, actually, they probably will get more momentum. And also, part of that, Bo Xilai, despite all this criticism, he still sent his son to study at Harvard. Does that tell us something? (Laughter)

I don't know whether he's coming back or not this semester, but that's certainly quite revealing. This is not just Bo Xilai, but many other senior Communist leaders.

So I think we do not have accurate information about public opinion about the United States. They are manipulated by some opinion leaders. Of course, we have some policy problems regarding China, like large number of Chinese, like angry youth, really criticize the United States, certainly reveals our problem. But in general, I think that it's misplaced. I think we do not have an accurate assessment. But a survey also tells us that if you ask a question: which country you worry most? The United States. Which country you admire most? Actually, also the United States. So this tells us about a paradoxical view about the United States.

So I think that it's not just monolithic thinking about the entire American sentiment. But on the other hand, certainly there's a lot of dissatisfaction, a lot of, you know, puzzlement among the Chinese intellectuals. I wish that our leaders, you know, whether Congress or executive or our opinion leaders should be more sensitive to reach out. I think President Obama certainly did excellent things. He said we respect the Chinese. We want to have a conversation. We do not want to lecture you. I do believe

that Obama has a big audience among liberal intellectuals and also beyond.

MR. LIU: Can I just add a few, two observations? I think obviously the examples given by Cheng and me of those anti-American intellectuals and their works, they're extremely popular in China. However, I think at the very top of the Chinese government, I think Dai Bingguo himself in this very building basically said, you know, we, China, are not in the position to compete. In a recent article he said, you know, to say China is going to replace the United States, that's a myth.

I think at the bottom of the society, I think Cheng just mentioned there is this general admiration of the U.S. There is this awareness that the self-power of the United States is such that China it's going to take decades before China can catch up.

Two examples. When Gary Locke went to Beijing to be the ambassador, the pictures of him, you know, carrying his own book bag and trying to buy Starbucks coffee with a coupon. It went viral. It went viral on the Chinese micro blog. All the pictures. They said, well, this is the American official. I mean, this is a minister-level official. This is how he carried himself.

The other is when Biden was in China and he went to the noodle shop. I think the U.S. Government now is doing a very good job using micro -- social media because the Guangzhou consulate general of the U.S. Government has 700,000 followers. When they broadcast on the micro blog saying Biden now is taking questions from the Chinese netizens, that was re-sent 70,000 times. I think if there is any indication of this positive attitude to the U.S., I mean, this is a good example of that.

MS. ZHA: I just want to add, I think hello? Yeah. I think with Chinese and Americans, the Chinese basically have on the average folks' level it's a love affair for America. With the intellectuals and the elite it's a love-hate feeling because intellectuals

tend to be more complicated and a little twisted, maybe thinking we're, you know, competing nation-to-nation. And this fluctuates, too, at different periods when I think Chinese intellectuals or politicians are feeling stronger and more confident. They tend to, you know, look at the U.S. in one way and when they're more paranoid the other side comes out. I think this recent backlash may be against the U.S. has a lot to do with the financial crisis and the problems that America has been having and this whole -- all of a sudden this whole negative view of U.S. democracy as something that just is disingenuous. And this covers the Wall Street greed and there is also the doubt of political -- about the credibility of U.S. political institutions when they see how no one went to jail after all this, you know, big crisis, I think weakens for a moment the liberal cause in China because the liberal Chinese have always upheld the U.S. on their banner of idealism.

But I think that's temporary. And for the elite, I think also, you know, it's also going through a maturity, you know, still growing up into its own instead of, you know, constantly competing and trying to, you know, some of these "China Can Say No" authors, for example, were actually so enamored by America in an earlier period that they turn angry, almost like spurned lovers, you know. So some of these nationalist folks I think on the Internet also are, you know, the loudest, just like in every country the Internet tends to be this sort of nation's subterranean space where there's just silos of discontent and negative, nasty, ugly, emotional statements that gets overstated and over -- taken too seriously as serious public opinion because I think a lot of -- probably more reasonable or rational people in China don't, you know, tend to post all the time on the spur of the moment of the news on the Internet. Anyway, so I think these pictures, we need to put some brakes before coming to conclusions.

MR. LIEBERTHAL: Thank you for that very textured set of remarks.

Yes, again, I remind you, name, affiliation, and question. Please.

AVIVA: Hi, I'm Aviva from American University.

I think you've talked quite a lot about the lack of intellectual consensus right now in China. Is this a good thing or a bad thing? Can these disagreements actually contribute to critical incentive to a more open government, more free information flow from its government to its people? Thank you.

MR. LIEBERTHAL: Thank you. Anyone? Cheng?

MR. LI: Well, I think that we all agree it's a paradox of, you know, hope and fear. It all depends on how it unfolds. If it's unfolding away a very radical way or even violent way, certainly many people will, you know, will be caught in that kind of situation.

I think that China's transition, I hope that it shall be to a real democracy; should it achieve in a way that is largely peaceful. I think that there's a possibility -- this is really a race between civil society, rule of law, and their middle class on one hand and also the changing in the leadership, whether they can quickly enough sense that the global trend or China's own trend therefore move towards that direction rather than against it.

So no one knows whether China can avoid a chaotic situation. But actually, I'm more hopeful. I think that Taiwan, the transition of democracy, some of the things we described, it's quite similar to Taiwan in the 1970s and '80s, like early '80s with civil liberty, the lawyers' association, you know, magazines, et cetera. Of course, now the process accelerated because of social media, because of globalization, et cetera. So again, I cannot really answer your question but I'm leaning towards a more optimistic side.

MR. LIEBERTHAL: Thank you. I wanted to try to reflect the spirit of the

three presentations by moving from the left to the right to the left to the right. Okay?

Right over here, please.

MR. ZEITLIN: I'm in the center, right?

MR. LIEBERTHAL: No, no. You're on the right here.

MR. ZEITLIN: Oh, okay. I see.

MR. LIEBERTHAL: There's no middle. There's only a left and right. Go ahead.

MR. ZEITLIN: My name is Arnold Zeitlin and I've been teaching since 2002 at Guangdong University of Foreign Studies in Guangzhou.

What I'm asking is what exactly for the purposes of this discussion is the definition of intellectual? Are we talking about people like Han Han or Kong Qingdong or General Zhu? How different are they from Michael Moore or Sarah Palin, for that matter? Or Steven Colbert? Thank you.

MR. LIEBERTHAL: Thank you.

MS. ZHA: Well, the definition of intellectuals I think in China and in the West are kind of different. Intellectuals in Chinese I think basically people consider anyone with a college degree and read some books have read some books are intellectual, though, you know, the definition of intellectuals in the West seem to be associated with independent thinking and all that, and that has a very different history in China which, you know, didn't have the term "intellectual" until modern times. It really goes back to this land gentry class, right, during the imperial times. Whoever passed, yeah, usually men of gentry, I mean, someone who passed the imperial exams and serves the court is called an intellectual. But in contemporary times I think, you know, it has come together; I mean, people like in Han Han, you know, people who are active in popular media and professors and scientists are both all considered intellectuals. I

certainly consider Steven Colbert one of the smartest intellectuals alive. Okay.

MR. LIEBERTHAL: Okay. Herb.

MR. LEVIN: Herbert Levin. My position is upright. (Laughter)

I was trying to think of what was the significance of this intellectual debate. And sitting here ruminating, you know, Confucius was an intellectual, but it's not clear anybody really took his advice. They went right on fighting among themselves. We all know how many doctoral theses have been written about the Ming intellectual. They didn't have much effect on the Ming. Kang Youwei, 100 flowers, so what? So these people write things and they're critical, but the decision-makers in China traditionally don't pay much attention to them, do we?

MR. LIEBERTHAL: So I guess the question is whether the decision-makers now are sensitive?

MR. LI: You face the people like Han Han with 300 million hits in a short period of time. And you're concerned and China, Chinese leaders, they're actually quite outspoken on the importance of media. They told the American leaders that we have media, too. You know, we have public opinion, too. They need to respond. They need to respond very quickly before too late. I think the idea is important, particularly the time of lack of consensus. I really think the debate is extremely important for China's future.

I agree with Jianying and Yawei. I think to a certain extent the crisis is not necessarily a bad thing because crisis will reveal the flaw of the system. The crisis will make people realize that they need to reach a new consensus to move the country forward. So this all will be driven by new ideas, by reaching a new consensus.

So diversity is a good value, but at the same time all countries should find the right balance. If it's too split, too divisive, then it causes a really vicious power struggle in the center. That's bad news. But if we can realize there's a problem and try

to find a peaceful way to make the transition, that's good news. So again, we are in that very critical moment in China's history. This impact goes far beyond China's own border.

MS. ZHA: Also, just quickly, add one sentence. I think intellectuals influence on policies are indirect and in many ways if they are too direct, actually, I would be worried because intellectuals tend to have lots of ideas about how to run the country and the state that are actually not in touch with reality. But, you know.

MR. LIU: I guess, I would just say if we flip your question, if they're inconsequential, insignificant, useless, then the government really doesn't need to try to silence them. So they are relevant.

MS. ZHA: In fact, also more Chinese leaders are trying to get PhDs even as just a label on their head.

MR. LIEBERTHAL: Yes, back here. Yes.

MR. ZHANG: Thank you for your presentations. Jack Zhang from the Eurasia Group.

So we spent a lot of time talking about the divided intellectual landscape. My question is, is the public response to this divided intellectual landscape also divided? Or is there more a consensus? From Dr. Zha's presentation, it seems like 80-some percent or a vast majority of Chinese surveyed favor the Chongqing consensus. So given that light, are we really seeing the rise of a Chinese civil rights movement? Or are we seeing a relatively small group of urban elite defending sort of their gains from the reforms? Thank you.

SPEAKER: Go ahead.

DR. ZHA: Well, I think the popular response swaying to Chongqing's way is quite understandable because that focus seemed to be on social justice issues which is, you know, having a lot of grassroots currency. But personally I really don't think

there's that much difference between the Chongqing model and the Guangdong model. They're all still, you know, maybe in proportions it's more of a political show than anything else. It will be interesting to see what Bo Xilai does after he gets his, you know, Politburo seat.

And if you read more closely to the details of Wang Yang and Bo Xilai and how they run their city, the difference -- there are certainly differences but not, you know, fundamental. We're not talking about a paradigm shift here at all. And I think all this talk about models and so many models is clearly a signal there's actually not one model. And there's not a Chinese model yet, and there's a lot, like Cheng said, in, you know, China's situation with the early phase of other developing, you know, Asian countries like Taiwan and elsewhere. So this whole uniqueness about Chinese model I think is overblown. But I think the people's reaction of the moment to Chongqing model is just a symptom of, you know, the social justice area needs to be addressed.

SPEAKER: Can I add --

MR. LIEBERTHAL: Oh, I'm sorry. Yawei, did you want to say something and then Cheng?

MR. LI: Yawei, did you want to say --

MR. LIU: No.

MR. LIEBERTHAL: No? I'm sorry.

MR. LI: Well, I think that, let me add one thing. Before we talk about Chongqing model, this is a few years ago that the Chinese society actually kind of divided because Wang Yang and the Bo Xilai really represented different social political backgrounds. Wang Yang came from a very humble family. He lost his father when he was young. He worked very, very hard to help his, you know, single -- his mother. And the Bo Xilai came from very privileged, you know, family. His father was vice premier.

So you can see China's Internet, the discourse really divided, if you look at that, largely based on their social class.

But a funny thing is now Bo Xilai reached out. The elite has become populist. This reminds me of a joke that I saw that Jeff Bader's book, an upcoming book, that also mentions as a joke for a different story that two people are traveling in a dense forest. Then when they decide to set up camp, a tiger is racing towards them. Then one person put on his running shoes. The other person laughs and says what's the use to put on these running shoes? The first one said, you know, I cannot run faster than tiger but I want to run faster than you. (Laughter)

Now, this is the policy -- this is the game that China enters. Very rapid fate. So this tells you that they try to reach out, the leaders reach out for public support, look at a different target audience, target the group, target social classes. Then the intellectuals now are surrounded or divided in this kind of political line. So it's fascinating in a political kind of picture that's starting to emerge in China.

MR. LIEBERTHAL: Yeah, back here. Yes.

MR. PALMER: Oliver Palmer, the Carnegie Endowment.

I just want to follow upon that tension between Wang Yang and Bo Xilai. And I appreciate that you just mentioned their differing backgrounds. And I think, Dr. Li, you've written elsewhere that Bo Xilai's motivation for a lot of his anti-corruption campaigns and other actions he's take is actually somewhat of a political or personal struggle between himself and Wang Yang, that part of his motivation and his power as a princeling has enabled him to be able to take on certain actions that Wang Yang might not have been able to do lacking a certain power base or position.

That said, how much do these debates between different models and these different positions and backgrounds amongst leaders translate out into the political

tensions that are evolving in the different leadership factions? And what influence do you think that will have in the next year or two?

MR. LIEBERTHAL: Cheng, I guess that's for you.

MR. LI: You already saw Yawei's presentation. He particularly mentioned that the five standing committee members were visitors at Chongqing. And also Henry Kissinger visited Chongqing. And I think you probably will hear more that Bo Xilai's self-promotion campaign recruited big names, popular figures, whether domestically or internationally, to Chongqing. His bottom line is to get a secure standing committee membership seat and maybe even some of the real good positions. Right? But I was really surprised. I wrote extensively on that subject, the princelings versus the Communist Youth League. But I was surprised the speed of change, you know, occurred in such a fast way and became increasingly transparent to the public, become to a certain extent increasingly ugly.

And I guess that the party now should discipline before it's too late and they probably also -- there's a movement to try to promote both, you know, Xi Jinping and Li Keqiang, to make the succession really smooth, that effort would probably occur. But on the other hand, society has changed. I really think that eventually the faction parties will become more legitimate and more transparent than politically involved, not just like these pop leaders here power-divided positions, but at least it should open to some kind of election. A certain group and a certain high level, maybe even very high level. So I think that, of course, there are definite views of how soon this should happen. You can see they're very nervous. Some other colleagues are very, very nervous. And you see Bo Xilai and Wang Yang as engaged in self-promotion campaign. The other leader, you know, really have the same background, also the same chance to standing committee is Zhang Gaoli in Tianjin. His strategy is to do nothing. Just be quiet.

SPEAKER: He probably won't get there.

MR. LI: So, again, there are different games.

MS. ZHA: Can I just add quickly? I happened to be attending a luncheon earlier this spring with Kissinger and Jon Huntsman. Both were talking about their visit to Chongqing and praised Bo Xilai. But I did not hear at any moment any mention about this whole Maoist revival or the left politics. All they talked about is how they liked Bo Xilai because he's very good with inviting American ambassadors and he's very good for foreign business, at promoting good policy for foreign business in Chongqing. So that tells, I think, a lot.

Also, I think a lot of it has to do with the political image thing between, you know, the backgrounds. Just think of George W. Bush and Obama. You know, one is labeled as an elite as the other has this, you know, populist rhetoric in reverse to their backgrounds.

MR. LIEBERTHAL: Back over here. Yes.

MR. KAUFFMAN: Hi, my name is Lenny Kauffman. I'm from Brazil. I'm a researcher.

I was thinking to what extent is the Bo Xilai campaign not just a campaign against Wang Yang and what you call the populist or the more factionalist, Hu Jintao, but also a struggle inside his own faction because he didn't get the nomination to be vice president and successor to Hu Jintao? So he lost a power struggle within his own faction. How much does that affect his campaign?

MR. LIEBERTHAL: You mean, how much is self-promotion versus a broader --

MR. KAUFFMAN: Yeah, not just --

MR. LIEBERTHAL: Yeah. Anyone?

MR. LI: Well, of course, just like the Democratic Party or Republican Party, before you get the nominee, you know, positions, you also have -- engage in fightings or competitions. This is the same thing with the party, particularly you have a standing committee member, so-called a G9, but there are probably only three seats that probably eight or nine people are fighting for it. So sometimes you're also fighting with your own, you know, coalition or own group.

I think the thing is when you face a very strong political -- opposite political coalition, you are usually united together because you have the same identity, same background, and also same interests to a certain extent. You know, this is called princelings, vis-à-vis Communist Youth League. So I think I would emphasize more unity within the group rather than spread. So you can see that certainly, you know, people like Xi Jinping, Wang Yang, I mean, Xi Jinping, Wang Qishan and Bo Xilai; they all seem to have come together at the moment. It does not mean that they have no tensions between them but at the moment they come together. You do not see Hu Jintao, Wen Jiabao and Li Keqiang visit Chongqing.

MR. LIEBERTHAL: Thank you. Yes, back here.

MR. CHIBA: Thank you. Akiro Chiba from Japan. I don't know how Japan would be made happy by the disintegration of China because we invest a lot and contribute greatly to China's GDP growth.

My question is, and it might be only me, but I'm a little confused about the terminology left and right because if you say left it could be Marxist, but in the China context, if you say right it could be very Maoist. And in this town at least you can be both Marxist and liberal. So do we have an agreement as to the terminology in this room?

MR. LIEBERTHAL: Anyone? Left and right. How to

MS. ZHA: I'm confused a little bit about your question. How could a

Maoist be considered right? They're always considered left. I think the whole jargon, the use of left and right in Chinese politics is quite confusing because here we understand it from the French Revolution, you know, who's on the left and the right. But in China, when you have a ruling party, when the state was on the left, it started from the very left politics. Then everything gets arranged from there. So you can be either more to the left, which are considered ultra left, or new left, which is still referring to the Chinese government's -- the party's original leftist politics, or to the right of that, which would be here considered liberal or left, in fact, depending on what issues you're talking about. Whether it's economics, market economists would be considered on the right there but, in fact, the right in China or the liberals are the ones who are fighting more, you know, in action about the rights of the workers and the peasants and, you know, freedom of speech issues, which would not be considered a right issue here. Right? So it's all a little bit confusing. You know, I wouldn't want to put too much to those labels.

MR. LIEBERTHAL: Another way to put it is: good question.

Yes. Over here. Yes.

MR. LU: Yeah, Raymond Lu from the Carnegie Endowment.

I just wanted to pose a question about certain structural trends in Chinese domestic policy and their implications for the prospect of a peaceful political transformation. In particular, I think certainly within certain China-watching communities I think there's been a consensus that the security establishment has gained a great deal of strength either since the Color Revolutions or the Olympics, and certainly now with the Jasmine Revolutions. In fact, we've seen the internal, I think, security budget of \$95 billion, something like that, for this year alone. I was wondering, in light of these trends and in light of the fact the lessons that the party seems to have taken away from the collapse of the Soviet Union, the Color Revolutions and so on, what are the chances you

think that these intellectual debates will actively form into some kind of cohesive alternative to the party or that there will be actual political pluralism or some kind of connection, you know, between protestors and intellectuals and so forth?

MR. LI: It's really happening in political pluralism if you agree with, you know, the three presentations, which had to present such a pluralism, not fully institutionalized, certainly no democracy. But it's moving in that direction. And the security establishment you talk about -- I mentioned about the military opinion leaders or military strategies -- they get some momentum. But you also need to be careful. Some of them could be discredited immediately. The one person, you know Zhang Zhaozhong, it's the military commentator and he was extremely popular for the past five or six years but he made a really very stupid, you know, assessment about Libya. Then he was completely out because the old prediction proved to be wrong.

So again, the intellectuals -- they become a new player in the intellectual discourse, the security issues. But still there are a lot of, you know, well prepared, more sophisticated intellectual people, like Zi Zhongyun and Mao Yushi the early generation and also now those in their fifties and sixties become very, very dynamic. And these people probably are more into ideas and more sophisticated.

But on the other hand, the military, if they can hijack the so-called nationalism, there's kind of, there's a spokesperson for China's nationalism or represent the national sentiment. They are very, very powerful but that all depends on issues, which issues are dominant. Were the domestic issues dominant or was the foreign policy issues dominant? This is also an interesting dimension. I just want to say on this.

MR. LIEBERTHAL: I'm afraid our time is up. As you can tell, this is an enormously dynamic, interesting topic where personalities, positions, and impact are tremendously complex. I really want to thank and ask you to join me in thanking our

three panelists for their helping us to understand this. (Applause)

Thank you for coming.

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