

MIT Critical Policy Studies of China

2006-2007 Annual Theme

The Impact of International Development Aid Organizations on Policy Discourses and Policymaking in the PRC

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The MIT Critical Policy Studies group will organize seminars and a conference to examine and clarify the relationship between Chinese and the international community's understandings of core concepts of development, and their impacts on development policy and implementation in the People's Republic of China.

This work will include a monthly series of seminars for academic year 2005-2006, to be held in Cambridge, Massachusetts, and a three-day international conference to be held either in Hong Kong or a location in South or Southwest China, in July 2006.

Issues in Development

In the era of economic reforms since the late 1970s in China, the debates over policy options and the analytical concepts underpinning them have been shaped increasingly by international factors and international players. Mounting levels of foreign investment, steep increases in foreign trade, and foreign travels and sojourns abroad of many thousands of educated Chinese have all played important roles in the importation of new values and policy concepts to China. In no arena, though, has there been a more conscious effort to promote the transplantation of values and concepts than in international development assistance. That effort has made the policy impact of the aid much greater, proportionally, than its weight in total financial flows into China (see Figure 1).

As in many other developing countries, development policy discourse in China has been strongly affected by the international organizations providing development assistance, including the World Bank Group (World Bank, International Monetary Fund, International Finance Corporation), various UN agencies, regional organizations (e.g., Asian Development Bank), and bilateral aid agencies (e.g., CIDA, AID). Along with their financial and technical assistance, those aid organizations present recipient countries with a way of thinking about development. These ideas cover an enormous range from schematic summaries of broad social and environmental processes ("tragedy of the commons," "desertification") to the idea of development itself. To some extent these discourses are explicit, enunciated in key policy and strategy documents issued by the aid organizations. To a considerable extent, however, the ideas remain latent or implicit, inherent in aid organizations' selection of development priorities, development methods, benchmarks and performance evaluations.

Both the size of loans and the related policy and technical assistance tendered made it evident that those international and bilateral organizations have exerted significant leverage on understandings of development policy in China. That leverage affects both the overall development strategy and the approaches pursued in a host of policy arenas, from environment and health to high tech, municipal and provincial cultural development strategies, and financial systems. (For an illustration of areas affected, see the categorical breakdown of World Bank loans to China in Table 1.) Many recipient countries with weak economies and weak state structures have had essentially no choice but to accede to the dominant international policy discourse of the time in order to obtain aid or sustain an aid relationship. For China, however, the larger economy and stronger state system have given the country a far better bargaining position. As a result, China's own assumptions and understandings of the issues surrounding development have also been influential in shaping the policies that are finally implemented, and may ultimately affect even the international discourse of development.

We can see an example of this in the idea of "community participation," which has become a central tenet for most international development organizations over the last decade and more. The recent approach on this idea grows out of a literature on civil society that sees local social institutions as an important counterbalance to centralized bureaucratic control. International donor organizations hope that community participation will lead to improved project design, less corruption, and more useful evaluation of projects. In China, however, few people in either government or local communities share the "state versus society" perspective, and the "community participation" that results is often far from what its promoters intend. From the other side, we can also see key terms in the internal language of Chinese development policy that the international community does not share or understand well. One of the most important of those key terms is "culture" (*wenhua*), meaning not just education but a general value-laden attitude toward modernity. Bringing the implicit assumptions of both sides into the open should in principle lead to better policies.

The Critical Policy Studies Approach

This project is part of the broader mission of our group to develop the field of critical policy studies in China by bringing together scholars from two different arenas – cultural studies and policy studies – to work jointly towards a deeper grasp of the underlying processes, and particularly of the underlying power relationships, that drive policymaking and policy implementation in the PRC. The cultural studies perspective reminds us that the very categories of policy studies, whether they be development objectives such as "sustainable development" or "growth," process principles such as "local participation," or the requirement for analytical concepts susceptible to quantification, have roots in relations of power, culture, and group/organizational interests. The policy studies side brings both their expertise in policy matters and the ultimate focus on improving human welfare that is also our ultimate goal. We examine policy processes in specific sectors or specific locales, in order to trace the interactions of interests and applications of influence that produce a given policy result. This approach also inquires into the shaping of a *discourse* (as Western scholars have termed it) or a *problem consciousness* (as it is termed by many Chinese scholars today): the ways in which general development

objectives, process principles, analytical concepts, and evaluation criteria are formed and deployed.

Critical Policy Studies of China is an international, multi-institutional, and multidisciplinary research project housed at MIT. Under an umbrella-like structure, we have established a research network with eight institutional partners in the United States, the United Kingdom, Australia, and China. Our China partnerships include academic institutions, government think tanks, and various government units in the PRC. The main partners include Harvard University, University of Technology in Sydney, the University of Sussex in the U.K., the Chinese Academy of the Social Sciences, Renmin University, Qinghua University, the Center of Contemporary Cultural Studies at Shanghai University, the Shanghai Academy of the Social Sciences, and the Development Research Center of the PRC State Council.

Participants of this project include both academic scholars and policy makers. Academic scholars came not only from disciplines in the humanities and the social sciences (e.g., cultural studies, history, philosophy, sociology, urban studies, environmental science, political science, women's studies, cultural anthropology), but also from professional schools (e.g., school of government, media and communication studies, information technology, business, and law).

Proposed Seminars and Conference (2005-2006)

In previous years, the Boston branch of Critical Policy Studies group held monthly seminars focusing on the applications of particular Western policy concepts within the Chinese context. In particular, we address two sets of conceptual differences between China and the West:

- the differences between Chinese and Western understandings of supposedly the same concepts underlying the making of major public policies (as, for example, our 2004-2005 focus on the Chinese, American, and European understandings of “public” and “private, with respect to Chinese policy debates over property rights reform in major sectors)
- the proposition that Chinese “problems” (e.g., matters calling for policy interventions) differ qualitatively from Western ones and therefore must be analyzed using uniquely Chinese conceptual categories.

In short, we have been examining the Chinese adaptation of supposedly universal policy categories and exploring how the increasingly heated debate over Chinese problems/Western policy frame has affected both policy debates and the policy process in China.

With the 2004-2005 annual focus on the debates surrounding policies that demarcate or depend on the demarcation of “public” and “private,” we have used a monthly series of seminars to precede and set a foundation for the summer's international conference. The seminars serve as the vehicle for educating the core Critical Policy Studies group in

Boston-Cambridge about the formulations, meanings, and applications of those general concepts; the minutes of each seminar are published on the web site (web.mit.edu/chinapolicy/www) so that the proceedings are accessible to our international partners. At the international conference, members of the core group and our international partners will meet and interact with Chinese policy makers and policy analysts and scholars, with all participants presenting the results of research on concrete policy issues related to the key concepts.

What Happens in a Seminar, and What Happens at the Conference?

We are proposing a similar approach for the 2005-2006 “development aid and development discourse” theme, with some key differences. First, we propose that the monthly seminars also actively engage analysts or officers of some leading development aid organizations, as well as Chinese scholars or policymakers who may be visiting the New England/Mid-Atlantic area. Second, we aim to bring to the international conference a number of international aid organizations’ analysts/officers and Chinese officials who have worked on projects that received international assistance, with the goal of initiating a multi-directional discussion that bridges both Chinese/foreign and academic/policy divides.

The conference papers will examine general policy categories and concepts (e.g., cultural planning strategies, poverty reduction, social capital, sustainability, women’s participation, and equity improvement) promoted by international aid organizations. But in order to focus the conference discussions and to produce policy-relevant results, each paper will concentrate on one of the following policy areas:

- poverty & rural development
- cultural development
- information and communications technology
- energy and environment
- gender equity
- public health (HIV/AIDS)

We will examine the impetus for the rise and revision of each of those global policy discourses, examine their impact on PRC policies, and ask whether Western development discourse treats “Chinese problems” effectively. If not, where do the gaps exist? How can they be addressed through different policy options?

We expect to hold the international conference in Hong Kong or in a location in China (depending on funding possibilities). A more detailed plan for this conference will be worked out in consultation with our China collaborators and other international partners after the 2005 Beijing workshop concludes.

Achieving Goals

Examining the policy roles played by international and bilateral aid organizations in China offers a superb opportunity to clarify the cultural aspects of policymaking:

- a) We can identify the "best practice" or "conventional wisdom" approaches of aid organizations in comparison with those in the Chinese policy establishment, isolating both the assumptions behind each approach and the differences in the ways they are expressed in policy discourses;
- b) By examining how the policy discourses of aid agencies and the Chinese government change over time we can also clarify the factors that drive policy change, including interactions within and between institutions, mechanisms to monitor and respond to the outcomes of policies, and the organizational culture for interpreting those outcomes.
- c) In the short run, this should at least allow for smoother and more fruitful exchange among the various parties that influence development policy, and in the long run should be conducive to policies that more effectively achieve their goals.

To achieve these goals, we plan to take several steps after the international conference. First, we will post papers and preliminary results on how Chinese and Western cultural values shape *general development objectives, process principles, analytical concepts, and evaluation criteria*. Those findings will be posted in both Chinese and English on our main Web site. We will broadly promote this site to interested parties. Second, a core group will present results and policy recommendations to appropriate policy leaders in China, including Chinese offices concerned with development, international and bilateral development agencies, and international NGOs. By approaching policy leaders directly, we expect to have a more immediate impact than would be possible through publication alone. Finally, the organizers will edit the results in a book, to be published in both Chinese and English, written to be accessible to both policy-makers and academics.

Key Participants (Preliminary Listing)

Robert Weller (Boston University) has been working on poverty alleviation and environment policies. He examines issues of environmental policy and its implementation, especially in Tianjin. This will include understanding concepts of "nature" and "environment" as globalizing constructs interacting with indigenous categories, and how such concepts are in flux among various actors (urban residents, "floating population," policy-makers, bureaucrats).

Tani Barlow (University of Washington), Margaret Woo (Northeastern University), Tan Shen (Chinese Academy of Social Sciences), and a team of women scholars are interested in addressing global paradigms on women's empowerment. Woo has been conducting research on the Marriage Law; and both Tan and Barlow on issues related to

female laborers and female migration. We hope to link up to a research group based at Zhejiang University which is currently working on women's role in town development and the advancement of rural women in urban planning, town government, and land management.

Jing Wang (MIT) and Tim Oakes will conduct research on the impact of UNESCO seminal *Our Creative Diversity* (The World Commission on Culture and Development, 1995) on provincial and county governments' cultural development strategies. The notion that "culture is understood as the basis of development" was picked up later by the World Bank which promotes cultural development paradigms by stressing the convertibility of cultural capital into economic capital. Policies such as enhancing local cultural identities, broadening participation in cultural life; and promoting international cultural cooperation have been followed by local states in the PRC.

Edward Steinfeld and Edward Cunningham (both at MIT) will start a project on policy options for Chinese energy plant managers. Steven Lewis, a Rice-University based collaborator of ours, has been conducting research on Chinese energy policies and the traffic of policy compradors between the US and the PRC.

Kathleen Hartford (University of Massachusetts/Boston) has been researching the evolving strategies and processes of "informationization" (development and application of advanced information and communications technologies, or ICTs) in China, at both the national and local levels. Her project for this workshop, probably conducted in partnership with scholars at the Shanghai Academy of Social Sciences, will focus on the evolution of concepts of ICTs and their role in broader economic and social change processes, comparing the strategic policy statements and aid approaches of international organizations (particularly the World Bank and the United Nations), with the policy statements and strategies of the Chinese national and local states. In a policy arena where the dominant discourses on both sides have changed quite fundamentally since the 1980s, to what extent is there a convergence of discourse and to what extent are the same terms being deployed with very different meanings and purposes?

Anthony Saich (Kennedy School of Government, Harvard University) has been conducting research with a team of colleagues on the social impact of the HIV/AIDS epidemic on poor communities; economic determinants for individual risk behaviors; the link of the epidemic to poverty and rural health provision; models of prevention and care programs; the impact of global trade issues on the access of drugs developed by transnational pharmaceutical companies; the provision of AIDS education.

Other International Collaborator-Participants

Professor Wen Tiejun (Dean, School of Rural and Agricultural Development, Renmin University)

Dr. Sarah Cook (former Ford Foundation-in-Beijing chief officer)

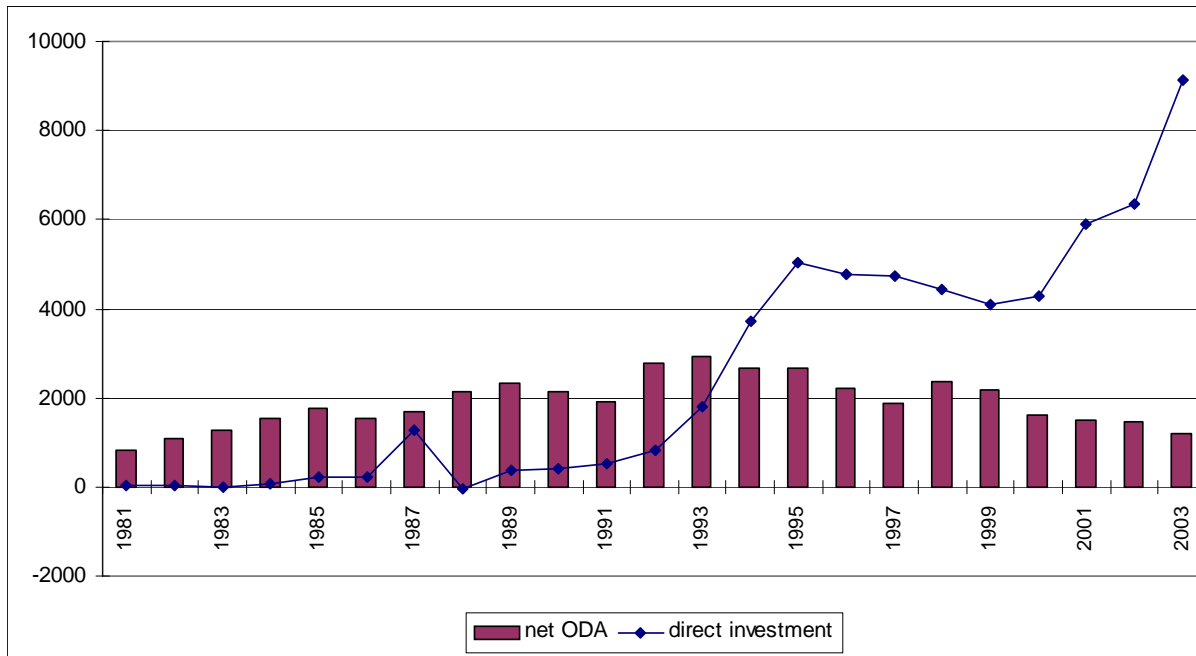
Professor David S. G. Goodman (International Studies, University of Technology, Sydney)

Dr. Huang Ping (Institute of Sociology, the Chinese Academy of the Social Sciences)

Zhao Shukai (Senior Research Fellow and Director, the Department of Rural
Organization of the Studies, Research Development Center, the PRC State Council)

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Figure 1. Net Overseas Development Assistance and Foreign Direct Investment in China, 1981-2003 (current US \$million)



Source: OECD, Development Assistance Committee, *International Development Statistics*, OECD/DAC Statistics Online.

Table 1. World Bank loans to China, 1981-2005 (US\$million)

Sector	Non-concessional	Concessional	Total	% of total	No. of projects
Agriculture	4,575.00	5,408.68	9,983.68	26.2%	65
Industry	2,597.45	247.50	2,844.95	7.5%	20
Energy	6,542.30	37.00	6,579.30	17.2%	33
Transportation	9,228.39	603.40	9,831.79	25.8%	53
Education	285.30	1,512.04	1,797.34	4.7%	19
Health	136.00	804.00	940.00	2.5%	11
Water and sanitation	311.00	515.55	826.55	2.2%	7
Urban development	1,905.46	411.11	2,316.57	6.1%	15
Environment	2,164.50	316.86	2,481.36	6.5%	18
Technical assistance	70.40	250.60	321.00	.1%	12
Other	40.00	100.20	140.20	.4%	3
TOTAL	27,855.80	10,206.94	38,062.74	100%	256

Source: World Bank, "The World Bank Lending to China," available:
<http://www.worldbank.org.cn/English/Projects/projects.htm>, accessed 12 Feb. 2005.