

Chinese Lessons

The best way to deliver on Bush's call for freedom?in the Middle East may be found in the China model

By Jeffrey E. Garten
NEWSWEEK INTERNATIONAL

Nov. 24 issue — Earlier this month, President George W. Bush proclaimed America's intent to ignite a democratic revolution in Arab countries, using Iraq as the springboard. By last week it was increasingly apparent that Bush means to push ahead with democratic elections Iraq as the means to deliver on this call for "the advance of freedom." Alas, elections are not enough. Just look at Russia, where after a decade of electoral democracy, recent events demonstrate that strong men—not laws—still rule, and prosperity still rests on one fickle resource: oil.

THEN THERE is China, which no one mentions as a model for the Middle East, precisely because it has never held national elections. Admittedly, you have to swallow hard to say that China, with its reprehensible record on human rights, is a model for anyone. But China's record is no worse than the sham democracies of Central Asia and Africa, where elections have done nothing to safeguard individual liberties. Those basket-case states point to the likely future of Iraq, too, if elections are pushed with too much haste. For if that happens, Iraq is far less likely to emerge looking like Hungary, a prospering liberal democracy, than like Azerbaijan, an electoral dictatorship with a corrupt petrodollar economy.

The China model offers the best way out of the premature-election trap, which is to start with economic reform. Over the past two decades Beijing has become one of the world's fastest-growing economies, one of its major trading nations. It is improving its education and health-care services, and making rapid progress in science and technology. In recent years it has begun shifting from economic to political reform: establishing modern laws and institutions, and holding local elections. Though the government tries to control the media, some 70 million people have access to the Internet. Some subjects remain taboo, but there's real policy debate in the press, on TV talk shows and in universities. Top government officials are listening. To cite one example: when critics accused Beijing of covering up the SARS epidemic, they quickly acknowledged the scope of the problem.

Arab societies ought to at least consider at the China model. Or they

could look at South Korea, Taiwan or Singapore, all of which were as dirt-poor as China when they, too, began reform with economic liberalization. These countries are far more relevant to the Arab experience than postwar Germany and Japan—which are often cited by the Bush administration, but were rich, industrialized and war torn, not backward and war torn. Even in postwar Germany, national elections didn't take place for more than four years.

Of course, there are big differences between Arab nations and China, but they also have some interesting things in common. Centuries ago they were among the world's most prosperous and cosmopolitan societies, spearheading advances in science, commerce and the arts. In the 20th century they lost their way under despotic, insular rulers, and fell behind the West. Now, the Arab world needs to follow China's gigantic leap into the modern world.

Consider the sad facts, gleaned from recent U.N. and World Bank studies. Over the past 20 years, the average per capita growth rate in the Arab world has been less than 1 percent, lower than that of sub-Saharan Africa. Official unemployment rates are in double digits, and likely underestimate the problem. Labor productivity in the 1990s was the same as it was in the 1970s. In rankings of everything from exports to technological development and access to foreign literature and ideas, the Middle East is the world's weakest region, and falling further behind. In the 1950s, per capita income in Egypt was similar to that of South Korea, but it is now 80 percent lower. In the past 20 years, Egyptians, with a population of 70 million, filed 77 patents in the United States. The 50 million South Koreans filed 16,328. Today, non-oil exports of Hungary exceed those of all Arab countries combined.

No election can fix this mess in the near or even medium term. Only determined public policies, along the lines of what China has done, can make a dent in these problems before they become socially explosive. You don't need elections to build an education system, to write antimonopoly laws, to enter international trade or to build a good civil service. Reforms must come from within, or Arab prospects are hopeless. But there is a lot that the United States, Europe, Japan, China and some other Asian nations can do to help. China had the advantage of highly skillful public administration. There is no reason Arab officials cannot be trained by outsiders with long traditions of highly professional civil service, including the French, the Japanese and, yes, the Chinese.

China benefited enormously from trade deals and joining the World Trade Organization. Washington, Brussels and Tokyo could make it a much

higher priority to press Arab governments to tie themselves to the rules and institutions of global commerce. The World Bank could offer more aid and loan guarantees with tough conditions requiring internal reforms within Arab countries. A program of educational scholarships for teachers could be developed inside Arab countries and abroad under strict guidelines for the kind of secular and technical training to be offered.

The Arabs must find their own way, to be sure, but in a hypercompetitive global economy, their range of choice is quite constricted. No one should deny the importance of holding elections at some point (and that's true for China, too). But in most Arab countries, a true democracy is years away, and the prospects for real liberty would be far greater following a modicum of economic progress.

Will the Bush administration buy this approach? Probably not, given its ideological rigidities. Will the despots who run countries like Syria buy it? Probably not, given their entrenched interests. But the march toward freedom and democracy in the Middle East will be a long one, involving more players than the incumbents in Washington. And the pressures on existing rulers to provide more than misery for their masses is growing. The China model, or something close to it, may have its problems, but it may be the Arabs' best chance.

Jeffrey E. Garten is dean of the Yale School of Management and former under secretary of Commerce in the first Clinton administration.