

**Summary for Roundtable:
Socialist Rule of Law and Governance after the 19th Chinese Communist Party Congress
March 13, 2018**

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On Tuesday, 13 March 2018, academic scholars from the U.S., China, and Europe gathered together in person and via online chat to discuss *China's Rule of Law*. This was a follow-up discussion held at The Pennsylvania State University in the Lewis Katz Building Room 232, from the discussion on 3 November 2018, where the same participants had discussed China's new constitution and what it entails going forward in the future. The panelists of this discourse consisted of Professor Larry Backer, Professor of Law and International Affairs at the Pennsylvania State University; Dr. Flora Sapiro who currently serves as a board member at the Foundation of Law and International Affairs, Dr Sun Ping, the Vice Researcher at the Center for Rule of Law in China, at the East China University of Political Science and Law; Keren Wang, who studies rhetorical theory and criticism from global perspectives; Yuhua Sun, Assistant professor and Ph.D., East China University of Political Science and Law; Dr. Shan Gao who received his SJD from the Pennsylvania State University School of Law in 2017, is a licensed attorney in both China and New York State; Cheng Zeng, lecturer in Accounting and Law at Alliance Business School, University of Manchester; and Yan Qiu a lecturer in Accounting at Alliance Business School, University of Manchester. Professor Shi Xinzhong from Capital Normal University also participated this roundtable as a special guest. Nicolas Scholz, a Master of Arts in Political Science student and Shaoming Zhu, the president of the Foundation for Law and International Affairs served as commentators. While each participant gave their statements, Miaoqiang Dai, a Master of International Affairs '19 candidate had mediated this discussion. This conference was hosted by Penn State Law; Penn State School of International Affairs; Coalition for Peace and Ethics; Foundation for Law & International Affairs; and Research Career Development Network of Law and International Affairs.

These panelists had already discussed what had occurred on the 19th National Congress of CPC in a previous roundtable dialogue on the 3 November 2018. However, this time, the panelists would focus on one part of the Socialist Rule of Law and Governance in China and summarize further what this law entails. Professor Larry Backer had opened up the entire discussion explaining the purpose of this discussion and how this built on the initial previously said roundtable (The Implications of the 19th Chinese Communist Party Congress). Professor Backer gave a very brief summary refreshing everyone on the report stated by Xi Jinping during the 19th CPC by proclaiming that the project will develop socialism with Chinese characteristics going forward in China's New Era. This will be attained by a thirteen-step approach of ensuring CPC leadership expressed through multiple objectives (commitment to CPC control of military forces, a people-centered approach, pursuit of a holistic approach to national security, etc.). That being said each panelist took approximately five minutes to give their statements on China's Socialist Rule of Law:

Keren Wang was the first panelist to give his viewpoints on China's Rule of Law, he noted three analytical constraints on this topic: over rationalization of one's party interest, an unusual recent development in the world where there is a political shift to neo-authoritarian, and

a southern political shift of other countries from the viewpoint of the countries once political sensibility. Keren then quoted Henry Kissinger because he thought that due to these constraints, the following quote applies to these constraints and the shift to neo-authoritarian once seen in the Reagan Era, “No one wants war and yet no one knows how to avoid it.”

After Keren Wang gave his opening statement, Professor Backer spoke next. The focus of Professor Backer’s statement was around the theme of democratic centralism, as the center of the Chinese government. There have been new amendments to the Chinese constitution that practice collective leadership by a Vanguard party. Democratic centralism has been the center of Chinese Leninism over the past three eras of historical development; Man Zedong Era, Deng Xiaoping Era, and now the Xi Jinping Era puts this form of centralism as the center of the Chinese working party. At the center of this democratic centralism was the advancement of the relation between the collective and the core. The core cannot exercise authority without the support of the collective. In the 19th CPC the start of the new Xi Jinping era was announced and with that the process of aligning the state and the communist party, to the actualities of this new era with democratic centralism as its main focus.

Cheng Zeng spoke next and talked about the significance of the campaign that was displayed by Xi Jinping. This massive and anti-corruption campaign in Dr. Zeng’s opinion was an astounding achievement for Xi Jinping and he thinks will carry on in the future. Due to this campaign, there has been a positive effect on the business market in China significantly. Research has shown that institutions with a higher level of investor protection, leads to favorable financial practices. This will help stimulate and further the capital market as well as the entire economy, it also seems that the anti-corruption campaign also affects foreign firms. While this campaign is beneficial to China’s economy, it is unclear how foreign firms will react to this.

Dr. Shan Gao spoke after and talked about the New Era, the New Order, and the New World. With this shift in the Chinese movement, the word “new” is taking effect; new market, new continuity, new democracy, new China, new normal, and most importantly New Era. This is significant because, in Dr. Shan’s opening statement, he feels as if all these phrases are enriched with historical context that might shape the way China is governed in the years to come. It suggests the end of the past with the willfulness of change and something contemporary. The Chinese political party continues to try to advance the prosperity of the Chinese market and the democratic process. This “New Era” brings major interest to China’s future throughout the world.

Dr. Flora Sapio orated next and she noticed a common restraint in China throughout the past, uncertainty, and unpredictability. Originally these two themes were held domestically in China but seem to have global repercussions. However, Dr. Sapio does not agree with this; in the western world, the headlines surrounding China also has uncertainty where many observers were not able to predict the future of China. That being said, Dr. Sapio’s opinion for this is that the uncertainty is more apparent than real; this is given by the regularity of the decision-making process, and how the policies originated within the body of the party to the party of the state. Dr. Flora Sapio does not think there is uncertainty but a lack of robust predictive forecasting approaches. Dr. Sapio believes that the anti-corruption campaign is a new path and provides two discourse: the supervisions and use of state-owned assets and a systematic approach to

monitoring compliance. These are needs that are autonomous but created to answer for the needs of the different systems of governance.

Dr. Sun Ping was next and his statement was focused on reform of national supervision. He conjectured that this happened because originally if one were to look at the Chinese party and state system as a whole, there were invisible parallel lines in respect to each individual piece of government from the central to local government. This came to a peak during Hu Jintao administration. After 2012 the new government under the administration of Xi Jinping they found the entire party had a major flaw, that flaw was corruption. Dr. Ping believes this is because there was no real sense of checks and balances in the government like the one that exists in America. This prompted Xi Jinping to campaign towards an anti-corruption themed reconstruction of government during the 19th CPC. In present-day China, while there are fewer parallel lines in this system of government due to anti-corruption due to national supervision. Now there is a new difficulty that the party faces, the relationship of the rule of the party and the rule of law.

Dr. Sun Yuhua started his opening statement by shedding his ideas about the constitutional amendment regarding the limit to the presidency terms. He shared his ideas of the reason and necessity of the amendment and tried to analyze its implications. Dr. Sun Yuhua's main theme for his statement was surrounded by the exploration of the possible political consequence of the amendment and the relation of the political liability and the terms of presidency.

Following Dr. Yuhua was Yan Qiu who took an accounting and governance related implication whilst giving her statement. The idea of "One Belt One Road" is a reflection of China's new system of governance. This initiative attempts to maximize connective trade flows and mutual benefits with countries listed as "One Road." This is meant to improve infrastructure and promote bilateral development among the countries on the "One Belt." Agreeing with Professor Backer, Yan Qiu thinks that the "One Belt One Road" reflects China's thirteen objectives and China's place in the global system. For companies investing overseas "One Belt One Road" provides a platform for these companies to easily cooperate with other companies in the local countries. There is also a people to people flow where professionals from different fields can contribute and help provide services to those investing overseas under this concept. There might, however, be a challenge in the mutual understanding of cultural difference; when it comes to a foreign company understanding business norms and local regulations in these countries. Yan credits the development and advancement of "One Belt One Road" to the state being that it plays a major role in establishing funds and policies for this concept to flourish.

After each opening statement, there was an open discussion for questions and answers from the audience members. The questions consisted of a wide spectrum of Chinese regulations pertaining in the business aspect and how the new constitution makes it either easier or difficult to invest and how the market would react, privatization in foreign companies in respect to the submarket, and in respect to the international system; how confident is the United Kingdom being that approximately 32.8 countries have official "One Belt One Road" coverage on their websites. The panelists went over their viewpoints on each question; in the question of business application of foreign engagement and privatization, privatization had a negative effect in the

submarket and many companies are refraining from that due to past history. In the case of foreign business being able to trade and expand in China, before the 19th CPC foreign engagement was made easy and now due to the Chinese market expanding and growing more, more companies want to invest in China and under this new constitution, it is made possible. In regards to “One Belt One Road,” Yan Qiu answered by explaining that, the UK is keen to engage in this project due to evidence in an accounting perspective and a legal perspective.

Professor Larry Backer concluded this discussion expressing his gratitude to the other panelists and audience members for their participation in this discussion. Originally this roundtable conference went into different directions in accordance with the Rule of Law but ultimately uniting in universal themes which provided many of the panelists to think more in-depth about China’s Rule of Law. Professor Larry Backer closed the discussion entirely by thanking everyone on behalf of the institution and following sponsors: The Coalition for Peace and Ethics; the Foundation of Law and International Affairs; Penn State Law and School of International Affairs; and the Research Career Development Network of Law and International Affairs.