BEHIND CHINA'S

ECONOMIC BOOM

human rights issues, an area

where it has received the greatest

WHAT IS "TAINTED" **ABOUT THE TAINTED** MILK SCANDAL?

A social worker and advocate for political reform probes the deep roots of the tainted milk powder scandal of 2008.

By Leon Stone

Undeniably, China's achievements in its 30 years of reform and opening up have become the focus of world attention. China has even made improvements in

amount of criticism, however unsatisfactory the scale and speed of the progress have been. Yet, economic achievements cannot conceal the slow pace of political reform. And the constraints that the backward political system has placed on economic development are becoming increasingly obvious.

China has sustained high-speed economic growth for many years. In reality, to a great extent, this has been achieved at the expense of the interests of the people especially the interests of the peasants. Since the mid-1980s, the worsening situation of the "three rural questions" [agriculture, the countryside, peasants] and the widening gap between rural and urban areas—

> combined with a system of unequal distribution of such big-profit businesses as real estate and education—have resulted in immense hardships among peasants. But what is it that made Chinese peasants, who were by nature honest and hardworking, so unscrupulous? In the entire dairy production chain, the interests of dairy farmers have never

been several months since the revelation of this food contamination incident that engulfed the nation, but it has shown no sign of letting up. Instead, more and more contaminated foods are being discovered. Details of the tainted milk scandal have already been

hy is it that China can host a successful

nauts into space, but fail at some-

thing as simple as regulating baby

milk formula, causing tens of

thousands of innocent children

has similar questions regarding

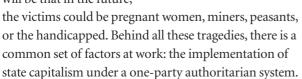
the tainted milk scandal. It has

to suffer? I suppose that everyone

Olympics and send astro-

amply reported, and I won't repeat them here. We can, of course, clearly ferret out the people responsible, including the dairy farmers and milk peddlers who added melamine to the milk, the milk factories that knew about it but kept buying, the quality inspection bureaus that neglected their duties, the local governments that did their utmost to hide the truth even after a large number of children were found to be sick, and the central govern-

ment, which dragged its feet in dealing with the problem because it did not want anything negative to blemish the Olympics, etc., etc. However, if we are content merely to berate and even punish these people, but fail to probe the deeper cause of this incident, then similar tragedies will be replayed again and again. The only difference will be that in the future,





Eight-month-old Cheng Aobing, who suffers from kidney stones, at a hospital in Hefei, Anhui Province on September 14, 2008. Photo credit: Stringer/REUTERS

been reasonably protected.

But if this were a society with a robust rule of law and equal opportunity, if dairy farming became unprofitable, some farmers would stop raising cows and find other lines of work. And then through market adjustments, the drop in dairy production would inevitably lead to price increases, thereby ensuring reasonable

profits. However, in contemporary China, the central government has done its best to promote state capitalism and crony capitalism, in which a small number of bureaucrats and their crony interest groups maintain a stranglehold on great numbers of resources and opportunities. In hastening the birth of this new but small get-rich-quick



A child suffering from kidney stones at a hospital in Hefei, Anhui Province on September 19, 2008. Photo credit: Stringer/REUTERS

nobility, the central government has relegated the lowprofit, high-risk, and difficult stages of the production process to the peasants, in effect practicing "land grab" in disguise. Whether they do farming, mining, construction work, or restaurant work, the peasants are always at the least advantageous position in the system of profit and resource distribution, at the very bottom of the food chain. Even if the dairy farmers gave up raising cows, they would not have better options. So, in order to earn extra money to support themselves, the dairy famers began adding water to milk, turning one bucket of milk into two. But the diluted milk didn't meet protein level requirements, and the milk factories didn't buy. So the dairy farmers and milk peddlers who rely on selling milk to survive finally chose to add melamine as a way to insure that the watered-down milk would pass protein-level tests. And thus, the human tragedy began.

The preceding narrative is not intended to exculpate the dairy farmers or milk peddlers. But if this kind of behavior has become common practice throughout the dairy industry, we cannot help but ask this question: exactly what kind of system created this phenomenon? If this system can produce "tainted milk," wouldn't it have already created "tainted beverages," "tainted rice," and "tainted eggs"? Just how many of China's health problems originated from unsafe food?

WAS DENG XIAOPING'S SLOGAN WRONG?

The Chinese economic miracle has to be attributed to the "reform and opening up" policy begun 30 years ago.

> The central government, with Deng Xiaoping at its head, formulated a core idea for the grand project of revitalizing the nation: building the economy is key. This was the ironclad rule that could not be questioned, and its purpose was elucidated very clearly: poverty is not socialism; therefore, raise the people's living standard.

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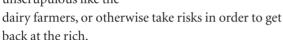
This principle itself is not wrong. Yet for all the times we've repeated this slogan, we have overlooked the inherent contradiction in these two tasks: letting some people get rich first while maintaining fairness. Frankly, even the U.S., the most powerful and most democratic country in the world, would find it very difficult to balance these two tasks, much less China, which was suffering all sorts of ills and in total disorder in those years. In the end, after China entered the 21st century, the conflict between these two foes-"get rich first" and "maintain fairness"—which had festered for two or three decades in various sectors and levels of society, intensified in wave after wave until it finally erupted.

Over the past 30 years, under the "get rich first" slogan, people began speeding their own "economic construction," for themselves and their families. Taking their lead from Deng Xiaoping's famous quote, "It doesn't matter if the cat is black or white, as long as it catches the mouse," people have become more and more materialistic and are stopping at nothing to make a buck.

They feel they are winning as long as they don't get caught.

At every stage of reform, those who have connections to

people in high places have always been the ones to "get rich first." The widening gap between the rich and poor and a social atmosphere that "laughs at the poor but not the prostitutes" have pushed those at the bottom and on the brink of hopelessness to the discovery that they have nothing to lose. Therefore, they become unscrupulous like the



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"Allow some of the people to get rich first." While this slogan is in keeping with human nature and the rules of the market economy, its implementation requires very strict prerequisites, particularly supervision by public opinion and a robust legal system. Without checks and balances provided by public opinion and the law, the dark side of human nature will inevitably create an unfair distribution of wealth and resources, resulting in a small and special class of people always being the ones who can "get rich first." In the meantime, the living standard of the majority of Chinese people improves only at a slow pace, and that of some people even worsens. As a result, "maintaining fairness at the same time" becomes an unrealizable fantasy. What modern China most lacks is precisely the balance between these two tasks.

WHAT ARE CHINA'S PROSPECTS?

It is necessary to examine history, but what is even more important is to find a way out of our current situ-



on September 12, 2008. Photo credit: Stringer/REUTERS

ation. The cause of the tainted milk incident, the frequent mining disasters, the seizure of peasant land, and other issues, is the same. And what has been exposed is only the tip of the iceberg. Even as we deal with individual cases promptly, we must begin dealing with the true ringleader. Otherwise, we would only be able to put out fires here and there.

If we wish to solve the fundamental problems, I believe that we must begin with the following four steps:

1. Disseminate and educate. We should acknowledge that the "get rich first" theory is useful in prompting people's initiative and creativity, and it is a rational approach within the market economy framework. But we should also acknowledge that it is incapable of encompassing every aspect of social development. We need to shatter the supremacy of the "get rich first" theory in our national psyche. In the classroom and in mass media, we should vigorously promote the ethical norms in China's traditional culture, harmonious concepts that respect nature, and a balanced approach to development. We should reshape our national faith and conscience beginning with the children and up.

A society in which government officials are not bound by the law will inevitably become a society in which everyone will lose the fundamental concept of the rule of law.

2. Strengthen the rule of law. China is not deficient in the speed at which it makes law, or the number of laws it makes. Rather, the towering mounds of laws have



failed to make the privileged classes more law-abiding. The problem lies in law enforcement. This has perhaps become the greatest stumbling block in the continuous progress of China's reform and opening up. A society in which government officials are not bound by the law will inevitably become a society in which everyone will lose the fundamental concept of the rule of law. For China and the Chinese people, this is a disgrace and a catastrophe.

3. Freedom of the press. In a society overtaken by the pursuit of material interests, if the supervisory role of public opinion in the media is also tightly controlled, the media will become more and more vulgar and materialistic, and will lack foresight and a sense of social responsibility. Because the media also needs to survive, if it cannot report the truth in good conscience, it can only pander to the public. Once the media is devoid of conscience, then dissemination and education, and the strengthening of the rule of law men-

tioned earlier, would be out of the question, and China would continue to falter in a vicious cycle.

4. End the one-party rule. This is the ultimate source of all of the problems. Ending the one-party rule does not imply that we have to copy wholesale the political systems of the U.S. or Europe. Every system has its own merits and weaknesses. China has its own national conditions. Using the intelligence of Chinese people, we can create an advanced political system in keeping with Chinese characteristics. But no matter which system is implemented, the most fundamental baseline is that it must be a democratic political system. Without this fundamental prerequisite, there can be no hope for a free press, a robust rule of law, or national education. Although multi-party politics is not necessarily the most democratic system, one-party rule is definitely not a democratic system. When China breaks free from these shackles, that is the time when our children will not have to drink tainted milk.