E-government and Governance In China

Yueqian Xu
School of Public Administration
Zhejiang Gongshang University
Hangzhou, P.R.China
xuyueqian@163.com

Abstract—The article analyses e-government progress in China. It provides a brief overview of benchmarking studies and their evaluation of China, plus a contextual analysis of e-government initiatives in China and of the changing official position witnessed in the past two decades. On this basis, it considers the significance of contemporary e-government activity for Chinese governance. The argument is that e-government is currently having no more than a limited impact on the Chinese public sector. However, there are strong grounds for optimism about future development.

Keyword-e-government;China;governance

I. INTRODUCTION

E-government, understood as public sector use of contemporary information and communication technology (ICT) to boost information dissemination, enhance service delivery and facilitate citizen participation in governance, is rapidly spreading beyond its initial heartlands in the developed world to reshape public sector operations in developing countries. Furthermore, it is in these parts of the globe that some of the greatest hopes for governance transformation are held out. In consequence, international agencies are now paying considerable attention to the development potential of e-government.

However, in these still early days of e-government there is only limited analysis of the extent to which developing countries are actually taking to the Internet, and migrating to virtual modes of operation. While there are quite a few broad benchmarking surveys, there is very little detailed examination. The article opens by providing, in the first section, a brief overview of some benchmarking studies of e-government, and their evaluation of China. The second section presents a contextual analysis of e-government initiatives in China, and of the changing official position on e-government taken by Beijing over the years. The third section considers the significance of contemporary e-government activity for Chinese governance. The final section is a brief conclusion.

Our argument is that e-government progress is currently quite superficial in the Chinese case. However, we believe that there are strong grounds for optimism about its future development.

II. BENCHMARKING E-GOVERNMENT IN CHINA

In recent years, many benchmarking studies of e-government have been undertaken and used to generate league tables of varying kinds. A survey conducted in 2001 by the UN and the American Society for Public Administration divided e-government into five stages: emerging, enhanced, interactive, transactional and seamless.[1] It reached the plausible conclusion that, by and large, e-government progress was correlated with level of economic development. By contrast, a global survey of 198 jurisdictions undertaken in 2003 by Brown University reached rather counter-intuitive conclusions. In the top one-third of global e-government it placed a number of developing countries, notably Turkey 6, China 12, Philippines 15, Tajikistan 24, Romania 38, Azerbaijan 46, Somalia 52, Somaliland 53, Syria 54, Togo 55, Belize 56, Uzbekistan 57 and North Korea 61. Below them all, it placed a series of much more developed countries, including Sweden 62, Spain 68, Greece 73, South Korea 91, Ireland 95 and Luxembourg 105.[2]

Turning to China, the 2001 UN/ASPA survey gave a ranking of 93 in the world. This placed China at the bottom of the ‘minimal e-government capacity’ category and just above the lowest category of all, ‘deficient e-government capacity.’ Brown University again came up with a very different evaluation, ranking China 7 in the world in 2002, and 12 in the world in 2003. However, there are good reasons for viewing these placements with considerable skepticism. Other surveys have tended to put China somewhere in between the UN/ASPA and Brown University assessments. In 2001, for example, the World Markets Research Centre ranked China 83 in the world.[3] In 2003, the UN placed China at 74 on its e-government readiness index.[4] In 2002, an analysis of e-government in East and Southeast Asia set China in the third of four groups of four jurisdictions, with low Internet activity.[5]

A common feature of these broad surveys is that they focus on national e-government, and look uniquely at websites created by central government departments and agencies. As the 2003 Brown University survey put it, ‘Websites for subnational units, obscure boards and commissions, local government, regional units, and municipal offices are not included in this study’[2]. However, it is often at these levels that real e-government progress needs to be evaluated, for it is frequently sub-central agencies that are critical service providers, information hubs and contact points for ordinary citizens. Clearly in some countries this is not the case.
Singapore, which regularly comes at or very near the top of global e-government surveys, has a population of only 4 million, and is therefore small enough for central government to engage in the full range of service delivery. In larger countries, however, sub-central government plays a critical role.

III. DEVELOPING E-GOVERNMENT IN CHINA

Since the break point in Chinese historical development that took place with Deng Xiaoping’s launch of economic modernisation and reform in 1978, both the economic and political spheres have witnessed significant change. However, it is widely understood that the most fundamental reforms have taken place in the economic domain, and that political change has been comparatively limited. This political caution meant that Beijing was rather late in sanctioning the development of e-government. However, as with many recent reforms, once the decision had been taken to allow e-government to emerge, progress was very rapid.

The development of the Internet in China can be traced to the late 1980s. In the early years, the initiative was mainly taken by academics, and initial momentum was provided by the establishment of several academic networks under the auspices of the Chinese Academy of Science. In 1987, the China Academic Network or CANet and the Institute of High Energy Physics network were set up in Beijing. A few scientific research institutes also began to access the Internet and were connected with an international email network through a gateway in Germany. Other educational networks soon emerged to complement these early efforts. Leading academic institutions such as Fudan University, Tsinghua University and Shanghai Jiaotong University became directly connected to the Internet. [6] Scholarly exchange of information was the focus of these early networking efforts.

In 1993, the State Education Commission started to establish its own network, the China Education and Research Network or CERNET. The network had the ambitious goal of connecting all of the country’s universities, secondary and even primary schools. This initiative was soon copied by other administrative units, which rapidly became aware of the commercial potential of the burgeoning data transmission business. Also, in 1993, the Ministry of Post and Telecommunications introduced its own packet-data network, CHINAPAC. In 1995, this was relaunched as CHINANET. The Ministry of Electronics Industry also joined the scramble for market share by forming a new corporation, Jitong, which later played an active role in expanding the applications of Internet technology in China. Its own network, CHINAGBN, remains today an important national public network of economic information in China.

The Chinese government’s enthusiasm in applying Internet technology to promote economic and commercial development is vividly demonstrated by a series of important projects, including the Golden Bridge Project, the Golden Card Project and the Golden Gate Project, all of which were initiated in the mid-1990s. The aim of the Golden Bridge Project is to provide a public network of economic information, which links up private and government department networks across the country. The Golden Card Project is an effort to introduce the idea of e-banking in China. The Golden Gate Project seeks to connect the foreign trade sector with banks and the customs service so that inquiries and applications can be made electronically and processed more efficiently [6]. The momentum of Internet application gained further thrust with the emergence of three new networks in late 2000.

China Mobile created the CMNET, which targets wireless Internet users. China Great Wall, a corporation with a strong military background, founded the CGWNET that is intended to be used mainly for military purposes. The Ministry of Foreign Trade and Economic Cooperation established CIETNET to focus on international e-commerce.[7]

The Chinese government has shown no less enthusiasm in applying contemporary technological advances to public administration. According to Zhang, while the ‘Golden’ projects were mostly focused on business and commerce, one of the motives behind them has always been to ‘unify the country by tying the centre to the provinces and by allowing the government to act across ministerial and industrial demarcation lines’. [8] A more concerted e-government effort, the Government Online Project, was initiated in 1999. Its stated aim was to put 80% of state organs online by the end of 2000. In order to achieve this target, the Government Online Project Service Centre was created. It provided a blueprint or model for the project participants to imitate.

The Chinese government has many motivations for pushing the e-government agenda. Despite the considerable marketisation efforts undertaken in the past 25 years, the central government remains significantly involved in the regulation and management of the national economy. It recognises that reducing the cost of administrative transactions and service delivery can facilitate business development. Moreover, market development requires a stable legal environment. As Perritt and Clark argue, this presupposes ‘freedom of information and no monopolies over public information, preconditions for desirable diversity of sources in channels for basic legal information and for marginal cost’ [9]. With its popularity now so heavily dependent on continued economic prosperity, the Chinese government is well aware of the value of e-government in promoting growth and hence its own legitimacy. In addition, administrative units with a jurisdictional dominance over the physical network and telecommunication infrastructure are highly motivated to push forward further applications of Internet technology.

For all these reasons, in 2001 a new target of 80% of municipal government agency services going online by 2005 was set by the Chinese government. In the same year, the National People’s Congress also approved the Tenth Five-Year Plan (2001–2005), in which a target of increasing the number of Internet users in China to the level of 150 million by 2005 was promulgated.[8] This was clearly likely to have a considerable impact on social demand not only for commercial applications of Internet technology, but also for public sector applications that might enhance the efficiency and effectiveness of government agencies.

At the same time, however, there are also several factors in the Chinese case that serve to constrain the development of e-
government. One relates to the political impact of wider Internet usage among the population as a whole. As Hachigian succinctly puts it, the Party has paid considerable attention to the critical issue of ‘how to prevent this commercial gold mine from becoming political quicksand’[10]. Yang (2003) also highlights the subversive potential of the Internet. It could be used by individual citizens as an open space for communication, as an avenue for articulating social problems and protest and as a vehicle for forging social ties. Indeed, all of these things are clearly happening in China. Furthermore, the speed and openness of online protest render the government’s attempted control and regulation less effective.

Protest activities surrounding the rape and murder of a Beijing University student in late May 2000 are illustrative. News about the crime and the alleged cover-up undertaken by the university authorities first appeared on a Beijing University bulletin board on 22 May. Within a couple of days, a wave of protest had rippled across China. While most national newspapers remained reticent about the case, more than 3600 messages relating to the scandal were posted on the Internet within 48 hours. Many messages were cross-posted on other popular websites. [11] However, the real danger of the Internet lies in its possibility of spreading contacts and mobilization beyond the boundaries of a virtual community. On 25 April 1999, the Chinese government was caught completely by surprise by a gathering of some 10,000 Falun Gong followers in front of Beijing’s Zhongnanhai leadership compound. The email-coordinated event sounded a serious warning of the dangers posed by Internet technology.[10]

Notwithstanding the growing difficulties faced by the Party in maintaining total control at a time of rapid change in information technology, Kalathil argues that ‘there is little evidence that the development of a “new media” is significantly eroding the authority of the state’ [10]. The most powerful lever of control over the Internet is denial of access to the lucrative Internet market. Consequently, a self-censorship strategy is common among Internet and website operators, lest their operating licence be revoked on political grounds. Most website administrators thus hire censors, known as ‘cleaning ladies’ or ‘big mamas’, to screen for and quickly remove offensive and politically sensitive materials from bulletin boards and chat rooms. Most Internet users are also content to limit themselves to apolitical information like entertainment, sports and shopping. They thereby reinforce and in some ways justify website administrators’ policy of providing only ‘soft’ news online. There are certainly a number of popular websites, such as the People’s Daily Strong Country Forum, that attract heated debate on current affairs. However, in cases where politically sensitive comments appear, most of the views posted on the websites generally fall within the boundaries of acceptability defined by the government. For example, expressions of nationalist sentiment are common in the views posted in these popular chat rooms. Such expressions are cherished by the Chinese government. At the same time, whenever such sentiments prove to be too aggressive and raise the possibility of diplomatic embarrassment for the government, the most extreme comments are removed[10].

Perhaps the largest constraint on the development of e-government in China is that while it entails new modes of service delivery and information dissemination, it also goes beyond that, requiring a recasting of the mindset of the Chinese bureaucrats. New principles of rational administration—embracing elements of information sharing, respect for the public right to know and an emphasis on the procedural propriety and transparency—need to be embraced. Notwithstanding the efforts of administrative rationalisation in the reform period, the gap between policy goals and reality remains substantial. Few officials are ready to surrender their information monopoly [8]. Moreover, further investment in infrastructure is necessary in order to sustain the e-government drive. The threshold of access to the Internet remains high for Chinese citizens, with the average monthly usage cost in the region of US$6–12. The insufficient bandwidth of China’s network also renders Internet communication speeds relatively slow. While the number of Internet users jumped from about 2 million in 1998 to around 60 million in 2002, the audience size remains a tiny percentage of the total population of 1.3 billion.[11]

Furthermore, as most users live either in an urban area or in a comparatively wealthy coastal province such as Guangdong or Zhejiang, issues relating to the digital divide arise and require that the Chinese government boost its ICT investment in order to ensure that the e-government project enables to improve its communication with a larger section of the population.

IV. E-GOVERNMENT AND GOVERNANCE

The point to which the Chinese e-government had been developed by the start of 2004 suggested that ICT was being grafted on to a rather unreformed administrative structure. There was little sense of widespread administrative transformation. Rather, e-government was generating no more than surface change in most domains. This finding is fully in line with our expectation, discussed earlier, that the greatest constraint in developing Chinese egovernment would come from officials in state, provincial and local agencies. While none of these officials would want to be seen actively opposing the spread of e-government, few would want it to introduce fundamental changes to the patterns of administrative activity and political control established over many decades.

Currently, then, there are real and tangible limits to the impact of e-government on governance across China. The degree of really significant change is slight. The issue is how long this is likely to remain the case. To address this issue, it is necessary to think once again about the balance of limiting and driving factors. The limiting factors are clear, and have already been mentioned. Chinese bureaucrats, like their counterparts across the world, are by and large a conservative breed. In the Chinese case, they are particularly so because of the sensitive task they face of pursuing economic prosperity without provoking widespread social discontent or protest. This makes the limiting factors very powerful. Equally, however, there are significant and also powerful driving factors. In China, the central government is well aware of the economic cost of governance inefficiencies. Put simply, government often can be the problem that stands in the way of material advance. It thus understands that efforts must be made to drive change through
agencies at all levels of the very complex governance structure over which it presides.

Indeed, looking at this issue in the broader context of the trajectory of governance change found in contemporary China, it appears that there are grounds for optimism about the future development of e-government. Post-Mao governance rests on two key pillars: steady economic growth and national pride, sometimes bordering on chauvinism. The days of idealism are long gone, and the instruments of authoritarian rule have been significantly weakened by decades of market reform and decentralisation. Today, the authority of the ruling Communist Party is heavily reliant upon its ability to satisfy the economic and psychological needs of the Chinese people. In this respect, e-government can make three important contributions.

First, it is now widely understood that efficient administration is a critical foundation for economic development. In China, the numerous attempts to implement bureaucratic reform and rationalisation in the post-Mao era indicate that there is genuine anxiety about the current administrative efficiency within the Chinese state, and a determined effort to make changes.[12] Because IT advances associated with the Internet offer reduced transaction costs and enhanced service delivery, the opportunities opened up by e-government are examined with great interest by reform leaders.

Second, e-government can also be made a part of the agenda for those who crave faster catch-up with the developed nations of the West. Nationalism has always been the cornerstone of the Communist Party’s legitimacy, and its major role in the Anti-Japanese War was instrumental in its final victory over the Kuomintang in 1949. With the appeal of socialist ideals fading fast in the reform era, mobilisation of nationalistic sentiment is seen by many as one of the major ways of commanding respect for the Party. Parity with leading economic powers, adherence to international practices and strong benchmarking performances are thus crucial not only for economic growth, but also for national esteem. Promotion of e-government, which is becoming a norm in advanced states, is certainly part of the catch-up game.

Finally, the populism of the new Party leadership may provide further impetus to the development of e-government. President Hu Jintao and Premier Wen Jiabo differ from their predecessors in being strongly interested in working the crowd, President Hu Jintao and Premier Wen Jiabo differ from their predecessors in being strongly interested in working the crowd, and both are gifted in doing so. Their rhetoric contains multiple commitments to ‘people-based rule’, ‘responsiveness and sensitivity to people’s needs’, ‘serving the under-privileged’ and so on. These are the key phrases of official propaganda under Hu and Wen. In this governance environment, e-government can be turned into a useful tool for forging closer links between the government and the people. In spite of its subservient potential, e-government is very much a preferred choice of the new leaders, who are anxious to project an image of enlightened rule, while at the same time ensuring that genuine political reform remains within acceptable bounds.

V. CONCLUSION

As in so many other spheres, China’s sheer size makes it a critical e-government case. While progress is currently limited to surface change rather than fundamental reworking of the governance system, we believe that the years to come will witness significant e-government progress. The critical question going forward is the extent to which the national government will be able to secure the benefits it seeks from e-government while keeping reform within bounds which are acceptable to a conservative ruling class. This is an inherently political question, and cannot be answered by examining the e-government sphere alone. Rather, it is necessary to survey the entire landscape of contemporary Chinese politics for clues, hints and straws in the wind. While we cannot undertake a systematic survey here, we can look for pointers in current political affairs. One eventful weekend at the end of January 2005 provides grounds for hope that the balancing act required to underpin real institutional change driven by e-government themes could be managed successfully.

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