

THE CHINESE MODEL OF POLITICAL MODERNIZATION: FEATURES AND PROSPECTS

Christina KOBELEVA ALEKSEEVNA

Russian Federation, Voronezh city, Voronezh State University

Candidate of Political Sciences,

Associate Professor of the Sociology and Political Science Department

e-mail: hristianak@gmail.com

Abstract

The article shows the features of the model of political modernization of modern China. The strategy of practical implementation of the program of building socialism with Chinese characteristics in modern conditions is determined by the theory of modernization, which takes into account the socio-cultural and historical features of the country. In this regard, the analysis of institutional and socio-cultural aspects of the Chinese model of political modernization is of particular interest.

Keywords: *political modernization, China, political culture, political institutions, economic development*

Introduction

In the 20th century, the idea was widely spread among Western scientists and politicians that the formation of a model of political development largely depends on the choice of a capitalist or socialist model of modernization, where the former was based on a market economy with policy liberalization, and the latter on a planned economy with the regulatory role of the state in all spheres of society. At the same time, the capitalist model of modernization was considered preferable and represented the implementation of the free market doctrine, where the role of the state in regulating the economy should be minimal, and private property and capital serve as the most important driving force for the economic development of society. Countries that have not yet embarked on the path of capitalism were asked to choose this model in order to Westernize all spheres of life along the European and American lines, including the socio-cultural, not just the economic component. The alternative to capitalism was the socialist model, which, as practice has shown, effectively coped with the defects of the capitalist model in "changing" societies due to the dominance of the state in the economy, a more equitable model of resource

redistribution and the preservation of the foundations of the country's traditional culture and its constituent values.

It was China in the 20th century that demonstrated that economic liberalization without strong state institutions does not contribute to the modernization of society, while effective state-controlled institutions combined with an open economy provide opportunities for political and economic development. The socialist model of modernization made it possible to ensure the effectiveness of state institutions following the results of the civil war in China, where the Communist Party under the leadership of Mao Zedong ensured the work of the power vertical and carried out accelerated modernization, pursuing protectionist policies and forming export-oriented industries. In turn, this created the conditions for the liberalization of the Chinese economy under Deng Xiaoping.

Over the past few decades, China's political system has demonstrated internal political stability and the ability to adapt institutions to the changing conditions of global politics. This contradicts the established theoretical models of democratic modernization in political science, where the stable development of a political system relies on the consistent processes of democratization of political institutions and the liberalization of socio-political processes. In contrast, China's current political system is a one-party system where the greatest concentration of power is held by the Chairman of the Communist Party of China (CPC), Xi Jinping. In addition, modern China is associated with rapid economic growth, technological progress, and innovation. For example, as of 2025, China is the undisputed global leader in the fields of engineering, light and manufacturing industries, the development of artificial intelligence technologies, and the creation of logistics infrastructure in Eurasia. At the same time, China remains a rather closed country with unique socio-cultural traditions, partial economic liberalization and authoritarian public administration practices. In this regard, the Chinese experience of modernization is of particular scientific and practical interest.

The study of the political modernization model of modern China is worth considering for several reasons:

- 1) due to its economic success, the Chinese model of capitalism is often seen as an alternative to the American model, which increases its potential as a model for political development that other countries can adopt that are following their own non-Western path of modernization;
- 2) The US «tariff wars» against China demonstrate the resilience of the country's political institutions, necessitating further analysis of the institutional and sociocultural aspects of China's political system.

The purpose of this study is to determine the role of institutional, socio-cultural and economic aspects in the model of political modernization of the People's Republic of China.

The degree of scientific development of the problem. The concept of political modernization has been greatly developed in the West, especially in the United States, and has been reflected in the works of G. Almond, S. Huntington, R. Dahl, I.

Wallerstein, S. Eisenstadt, J. Habermas, R. Inglehart, and others. In particular, the American political scientist G. Almond developed the theory of political modernization, which examined the process of transformation from traditional institutions to modern ones through the lens of a functional approach (Almond, 1966). Another American sociologist and political scientist, S. Huntington, in his fundamental work "Political Order in Changing Societies," described in detail the types of emerging political institutions in the context of the modernization of traditional societies (Huntington, 1968). American political scientist R. Inglehart linked the processes of political modernization with the evolution of value attitudes of societies and the influence of culture (Inglehart, 1977). Another American scientist, R. Dahl, formulated the concept of polyarchy as a set of basic institutions peculiar to liberal democracies and having the ultimate goal of modernization (Dahl, 1971). The American economist I. Wallerstein considered the phenomenon of political modernization through the prism of his own world-system theory, where a characteristic feature of modern processes is the uneven development of societies (Wallerstein, 1974). Israeli sociologist Sh. Eisenstadt proposed to consider modernization as a set of "multiple modernities," criticizing earlier assumptions about a single, linear path of modernization from authoritarianism to democracy (Eisenstadt, 1963). At the same time, on the contrary, the German philosopher and sociologist Yu. Habermas understood modernization as a process in which citizens are guaranteed broad democratic participation, the achievement of genuine gender equality, and equal starting opportunities for representatives of various social strata (Habermas, 1984).

The specifics of the Chinese model of political development were considered in their works by D. Li Daokui, S. Curtis. The renowned Chinese economist D. Li Daokui emphasized the unique approach to the implementation of China's public policy, combined with the recognition of the benefits of globalization, as well as the impact of institutional design on the functioning of the PRC's political system and its foreign policy (Daokui, 2024). The American researcher of international relations, S. Curtis, together with I. Klaus, proposed to consider the attractiveness of China's model of political development due to its infrastructural geopolitics in Eurasia, implemented through the «Belt and Road Initiative» (BRI) (sometimes writing as «One Belt, One Road» OBOR) (Curtis and Klaus, 2024).

The first section of this article examines the historical background for the formation and implementation of the Chinese model of political modernization. The second section analyzes the peculiarities of the ideology of modern China and shows how the potential increase in the standard of living of Chinese people, the development of Internet technologies contributed to the emergence of network pluralism and the presence in the country's public discourse of alternative (non-communist) political and ideological scenarios for the development of the country. The third section focuses on the cultural features of China, which have become the basis of a unique model of modernization of the country. The fourth section analyzes the problem of socio-economic inequality in modern China, which leads to an

increase in the protest potential of urbanized and educated groups of Chinese, which is a challenge to the authoritarian practices of the current leadership and poses a threat to the achievement of modernization goals in the country in the future. The fifth section examines the features of China's economic development in the context of the modernization model being implemented, which together form the foundation for the diffusion of the model of state capitalism.

Methodology of research. In the research, we used several methods, which allowed us to analyze the Chinese model of modernization in a variety of factors that determine its essential characteristics and features. The research is based on formal legal, systemic, neoinstitutional, as well as axiological methods.

The formal legal method consists in studying the regulatory and legal framework of the state and determining the features of the country's institutional design, which constitutes the form of government and key forms of communication between government and society. Using this method, we plan to present the situation of political institutions and their resource capabilities in the context of developing a model of political modernization in modern China.

Meantime the neo-institutional method takes into account the position of actors within political institutions and their communication with each other. This method is of interest to us because it identifies the most important actors of political power who act as "drivers" of the development of the Chinese model of modernization.

The systematic method allows us to consider Chinese modernization in the context of global processes, identifying the interrelationships between various aspects of modernization (economic, political, cultural, social).

At least the axiological method makes it possible to present the value-oriented views of the key political actors of the PRC on the development of the Chinese model of modernization.

1. The specifics of Chinese modernization in historical retrospective

In the 20th century, the countries of the capitalist and socialist blocs implemented various models of political and economic development, which had a direct impact on their political vector. In this regard, it seems necessary to consider the specifics of China's modernization in the previous few decades in order to understand how the country reached the level of development at which it is now and what factors were decisive.

First of all, it is worth noting that in countries where Confucianism is traditionally strong (for example, China, Vietnam, Singapore), the modernization model is similar and belongs to the inorganic ("catching up") type. In this model, the success, development, and prosperity of a country are closely interrelated with the Confucian ethical concept of each person's duty to his state, which has contributed to ensuring economic dynamics in all historical periods.

From the point of view of the civilizational approach, China is positioned as a state-civilization with its own unique socio-cultural and political features. It is worth noting the civilizational state of China's political thought, based on the idea of "Zhong Guo" – the middle state, which is the center of the universe. Indeed, up to the 16th century, China surpassed other countries in some indicators (for example, in terms of GDP per capita). At the same time, China has historically maintained a network of vassal states along its borders, exerting cultural and technological influence throughout East Asia. On the other hand, the lack of expansion outside of East Asia has increased the factors of China's technological lag, which has been less exposed to the diffusion of technological borrowings due to its self-isolation from the outside world.

It is generally believed that China's lag began in the 16th century, when the capitalist model of modernization began to take shape in Western countries. In the 19th century, this lag accelerated dramatically and led to a change in the global balance of power, where the world was divided into an industrial center centered in the Euro-Atlantic and a dependent colonial periphery, which also included China. China's lag behind the industrialized countries of the West is also confirmed by figures: at the beginning of the twentieth century, the share of global industrial production was 80%, and in China it did not reach even 10%. Having lost the "opium wars", China was forced to sign agreements with European countries on opening its ports to the Euro-Atlantic market. For almost a century, China had the lowest customs tariffs, which held back industrial production and increased its technological lag behind the Euro-Atlantic countries. It is worth noting that during this period, the liberalization of customs duties and the "open market" doctrine caused serious damage to the standard of living in China, which was one of the reasons for the failure to adopt the capitalist model of modernization in the future. For example, by 1950, life expectancy in China averaged only 35 years, and it lagged behind developed countries (for example, the United States) in terms of per capita income by several tens of times.

After the victory of the Chinese Communist Party led by Mao Zedong in the civil war of 1949, in the context of modernization, the new Chinese government adopted the socialist (Soviet) model, which was subsequently adjusted by the Chinese rulers. Up until 1978, the Chinese authorities pursued accelerated, catch-up modernization based on the experience of Soviet industrialization and collectivization. In the period 1949-1978, the Chinese economy grew by about 5% per year, which was one of the fastest and most stable growth in 30 years among developing countries. From 1978 until 2008-2009, the Chinese economy showed an average annual growth rate of 10%, and after the global economic crisis it returned to 5% (Lawrence, 2015).

A characteristic feature of China's economic policy since 1978 has been the re-liberalization and integration of the economy into the capitalist global economy, which requires some explanation in terms of why China of the 19th century could not cope with the doctrine of the "open market", when in the second half of the 20th

century it received the maximum effect from using the mechanisms of the capitalist model of modernization. Referring to the institutional theory of the American researcher S. Huntington, the modernization of society is ensured by the effectiveness of institutions, and not by an ideological doctrine in economics. In particular, tax collection, the guarantee of economic rights to economic entities, ensuring legality, and the execution of decrees, orders, and decisions of the ruling entities constitute a list of criteria for the effectiveness of institutions that guarantee the success of modernization regardless of ideology and economic policy. The effectiveness of state institutions was ensured by the Chinese Communist Party, which, using authoritarian methods, achieved control over the entire territory of the country. Control was ensured by the party's penetration into all levels of the public and political life of citizens, up to local cells. In other words, the Chinese Communists have built a rigid vertical of power based on party identity, with strong local cells.

The Chinese experience of the 19th and 20th centuries confirms S. Huntington's idea that the capitalist model of modernization with its economic liberalization and the doctrine of free trade can cause irreparable damage to the economy of the host society if it lacks strong institutions (Huntington, 1968, p.17). Imperial China, during the period of military and political intervention by Western countries, had the least strong institutional ties and hardly claimed political sovereignty over its national territory. Unlike in Communist China, where the party not only secured control over the territory, but also subjugated state institutions.

It is worth noting that successful modernization in China became possible due to the presence of an effective centralized state that pursued an economic policy oriented towards the free market, but at the same time with the support of export-oriented industries and keeping inflation at a fairly low level. Thus, the experience of China in the 19th and 20th centuries demonstrated that economic liberalization without strong state institutions does not contribute to the modernization of society, while effective institutions combined with an open economy provide opportunities for political and economic development. The socialist model of modernization made it possible to ensure the effectiveness of state institutions following the results of the civil war in China, where the Communist Party under the leadership of Mao Zedong ensured the work of the vertical of power and carried out accelerated modernization, pursuing protectionist policies and forming export-oriented industries. In turn, this created the conditions for the liberalization of the Chinese economy under Deng Xiaoping (late 1970s - early 1990s).

China is currently led (since March 2013) by Xi Jinping, who, according to many researchers, has his own vision of the development of the Chinese state, where China can offer a new model for the political development of developing societies. In this regard, in the following sections of this article, we will directly consider the institutional and socio-cultural aspects of ensuring the Chinese modernization model under the leadership of Xi Jinping, as well as the features of social inequality as a risk factor in the development of modern China.

2. The ideology of modern China

To understand the essence and prospects of the Chinese modernization model, our research is of great interest to the ideological factor that has long influenced the development of the country and the worldview of citizens. Collectively, the ideological attitudes determine China's position in both domestic and foreign policy. Currently, the national idea of forming socialism with Chinese characteristics is one of the mandatory elements of the modernization model implemented by the Chinese political leadership.

The modern Chinese Communist Party can hardly be fully considered communist from an ideological point of view. The debate about renaming and deleting the word "communist" from the party's name began after the collapse of the USSR under Jiang Zemin, but the top party leadership came to the conclusion that this could destabilize the political system due to social unrest on the part of older age groups who sincerely believed in communism and made huge sacrifices to achieve it. A compromise in smoothing out the ideological contradictions between Deng Xiaoping's policy of openness reforms and the Marxist essence of the Chinese Communist Party (CPC) was found in the development of a special type of socialism that allows private ownership of capital to stimulate economic development. During the reign of the three presidents of China (Deng Xiaoping, Jiang Zemin and Hu Jintao), their departments skillfully combined the capitalist model with the socialist one, forming a theory of modernization with Chinese characteristics.

Chinese economist Li Daokui identifies the period of Xi Jinping's rule as a separate stage in the development of the Communist Party and the ideological vector of the country's development, putting it on a par with the stage of Mao Zedong (1921-1976) and Deng Xiaoping (1977-2011) (Daokui, 2024, p.44-45). Thus, Mao Zedong's policies contributed to the strengthening of state institutions through party mechanisms, and Deng Xiaoping (as well as Zeng Zemin and Hu Jintao) contributed to the rapid economic growth and integration of the Chinese economy into global production chains. Since the arrival of Xi Jinping, the Chinese authorities have focused on remaining faithful to the original mission of the Communist Party in the revival of China. In other words, it was supposed to be an ideological return to the origins of Mao Zedong while maintaining Deng Xiaoping's economic growth rate. This period in the management of the Chinese state can be described as Xi Jinping's attempt to maneuver between the new model of the welfare state in China and the strengthening of authoritarian tendencies and the strengthening of the vertical of power.

Under Deng Xiaoping (1977 – 2011), the Chinese leadership raised the question of deepening liberal reforms in the political system, which could finally move China from a socialist to a capitalist model of modernization. In general, Deng Xiaoping was a proponent of weakening party power in government and even allowed an experiment in direct mayoral elections in large cities with different

candidates, where some representatives of the Communist Party were defeated. Xi Jinping, being from elite groups associated with the party and military career, and also being the son of a high-ranking figure, Mao Zedong's associate Xi Zhongxun, could not directly support the political reforms of Deng Xiaoping and his followers.

At the suggestion of Xi Jinping, the so-called legal ideology is being formed in the country, which means governing the state on the basis of the law. To this end, in May 2020, the first Civil Code in the history of the People's Republic of China was adopted, and in 2023, the Law of the People's Republic of China on patriotic education was adopted, where government agencies and businesses undertook to conduct an agitation campaign among citizens to improve legal literacy and the authority of the law. The focus on legal issues makes it possible not only to institutionalize norms of behavior in society, but also to develop a mechanism to protect society from abuses of power.

The fight against corruption at all levels of government has become an essential element of Xi Jinping's ideology in party and public administration. This struggle was based, among other things, on the moral and ethical component, where Xi Jinping promoted modesty and moderation of civil servants in everyday life. The emerging ideological vacuum of the Communist Party in China was proposed to be solved through the concept of "rebirth of the Chinese nation," where the central idea was the nationalist discourse of modernization based on party-state institutions.

However, one should beware of the stereotypical assessment of the ideological dominance of Xi Jinping and the Communist Party in Chinese public thought. The fact is that during the reign of Hu Jintao (2002-2012), a special subculture of "network pluralism" was formed in Chinese society, which was developed primarily due to the rapid spread and accessibility of the Internet, as well as the rapid growth in the well-being of some Chinese. Thus, during this period, there was a semblance of openness in China (albeit with limitations), when the open rivalry of various ideological and political trends and attitudes was recognized at the level of the program documents of the CPC Central Committee.

As a result, alternative political ideas began to appear and spread in China's public discourse, ranging from the unorthodox trends of Marxism to Westernization, liberalization, and political Confucianism. In this regard, it can be concluded that the trend of ideological unification of the political course during the reign of Xi Jinping is encountering internal political challenges.

Nevertheless, during the first decade of Xi Jinping's rule (2012-2022), the Chinese political leadership managed to achieve changes in public assessments of specific ideological trends: pro-Western and liberal currents of public thought begin to be pushed into the background, and ideologems such as nationalism, populism and globalism begin to dominate. Thus, by 2023, contradictory ideological attitudes prevailed in Chinese society: nationalism, feminism, heroism (the cult of outstanding heroes of the Chinese nation of past eras and modernity), populism, anti-globalism, hedonism, consumerism (the desire for consumption), bureaucracy and pragmatism were equally popular among the country's population.

The "Sinification" of culture and religion has become an ideological trend in the development of Chinese society. Xi Jinping's nationalist discourse was based not so much on his personal aspirations as on the feelings of his generation. By the early 2010s, a powerful public demand had formed to overcome the inferiority complex in front of foreign countries, mainly Europe and the USA. A side effect of "Sinification" has been the rise of xenophobia within the country.

In modern Chinese public discourse, the growth of nationalist and populist sentiments is associated not so much with domestic political trends as with global trends. At the same time, anti-globalism, especially among younger age groups, is more indicative of the consequences of Chinese economic growth, where young people take for granted the unprecedented successes of the country and do not treat the West with such reverence as representatives of older age groups.

However, alternative assessments of the development of ideology in the country remain in China's public discourse. For example, Wu Jianmin, a former Chinese ambassador to France and rector of the Diplomatic Academy, was one of the most famous critics of nationalism in Chinese politics and a proponent of Deng Xiaoping's idea of "staying in the shadows." Although his articles were the object of criticism among Chinese scientists, even after his death in 2016, his works did not stop being republished in Chinese journals.

At the same time, supporters of anti-globalization policies may also be criticized by the Chinese authorities. It is obvious that in the context of new economic challenges related to the tariff wars in the United States and the restructuring of geo-economic routes, there is a special need for trusting relations between the party-state and business, where radical ideological trends can be subjected to legal and political persecution.

Thus, we can conclude that Xi Jinping's ideological views were influenced by the peculiarities of his professional life path, combined with an awareness of systemic, accumulated problems in the political system of modern China. Although the first decade of Xi Jinping's rule was accompanied by an increase in authoritarian tendencies, the second decade tends to institutionalize the "rules of the game" and consolidate the doctrine of governing the state based on the law.

Thus, the ideological specificity of the Chinese model of political modernization lies in the national idea of the rebirth of the nation (the dream of the great rebirth of the Chinese nation), referring to the restoration of historical justice through modernization and the demonstration of a non-Western development project. Later, Xi Jinping will propose a universal concept of the "community of a single path of humanity," which is based on a civilizational approach. This model is based on the idea of the need for a tolerant attitude towards all world civilizations, recognition of their uniqueness and cultural identity. The political rift with the United States caused by the start of Trump's tariff wars during his first presidential term (2017-2021) only confirmed China's claims to choose an alternative development project for itself. The practice of human development shows that it is not the moral, ethical and political components of one society that encourage other societies to

borrow them, but military, technical and economic successes that lead to the diffusion of political and cultural values. In recent decades, China has demonstrated impressive economic success, which is why it is becoming the object of close attention from developed countries and concern from the United States, as the main exporter of the capitalist model of modernization.

3. Features of China's political culture

China is a civilization with a long history and a unique culture based on the teachings of Confucianism, Taoism and Buddhism, which have not lost their importance in modern conditions. The attitude of the Chinese towards the traditional national culture of their country is always based on reverence and respect, with a special emphasis on its identity, uniqueness and continuity. It defines the peculiarities of the way of thinking, the system of values, behavior, and everyday habits of the Chinese. Therefore, in the aspect of modernization, it is important for us to pay attention to the cultural factor of China, which contributed to the formation and implementation of the country's own development model with Chinese characteristics.

Of the three most widespread models of value research in the world (G. Hofstede, R. Inglehart and S. Schwartz) Chinese political culture is most clearly ranked in the classifications of G. Hofstede and S. Schwartz.

Dutch sociologist G. Hofstede classifies cultures according to such oppositions as:

- collectivism/individualism;
- high/low uncertainty avoidance;
- the distance between the population and the government;
- masculinity/femininity (Hofstede, 2021).

In this regard, Chinese culture can be characterized as collectivist and feminine (preference for interdependence and service to each other, as well as to the country), with a high level of uncertainty avoidance (tolerance for risks, desire for stability and trust, strict adherence to rules) and a large distance of authority (tendency to authoritarianism, permissibility of suppression of dissent by force).

The author of the theory of basic human values is the Israeli psychologist Sh. Schwartz identified three key problems:

- personality and group (autonomy or affiliation);
- way to ensure socially responsible behavior (equality or hierarchy);
- individual's attitude to the natural and social environment (harmony or mastery, i.e. the desire for self-expression, success, personal achievements) (Schwartz, 2007).

Based on this typology, Chinese culture is included in the groups of "belonging", "hierarchy" and "harmony".

It is worth noting that political culture in China was formed in conditions of collectivist orientations and the secondary nature of personal values. A specific

feature of Chinese collectivism is that gender is the main category in it, where collectivism weakens outside the family. Traditionally, the Chinese maintain the closest relations with three generations of the family. The most important tool for maintaining and procreating is the family. In contrast to the Western interpretation of the family as a relationship between spouses, in China the family is viewed through the hierarchical principle of "father-son" and an element of the institutionalized structure of Chinese society, where the state and the family are in a hierarchy. The concepts of clan, family, and state are operationalized in China within the framework of a single value orientation.

Thus, Chinese political culture, according to many of its historical and ethnopsychological parameters, refers to a specific, civilizational culture with its own values. The Communist ideology was able to integrate quite effectively into the political culture of Chinese society, since it assumed collectivist and nationalist maxims in its development.

Modernization processes have caused profound changes in the traditional Chinese way of thinking, bringing a spirit of innovation to the cultural and historical space of China. As a result, more and more Chinese, respecting their country's past, are looking to the future, setting new goals for themselves and achieving them. Traditional spiritual culture, its adaptive and formative capacity, is of particular importance. It influences the modern socio-economic and political life of the Chinese, remaining in the very structure of society, in political practice, and in people's behavior.

However, the policy of reform and openness has destroyed the usual stereotypes that Chinese political discourse is completely homogeneous and impervious to outside influence. On the contrary, China's socio-political thought continues to debate the development of the country, where, in addition to the well-known idea of modernization through socialism with Chinese characteristics, there are capitalist and orthodox Marxist ideologems. At the same time, the existing palette of ideological ideas in Chinese public thought is far from the monopoly of Xi Jinping's ideas on the development of the country. Of course, the decades of development of the country under his leadership have affected the fact that the neo-Maoist, nationalist discourse he promotes is beginning to gain popularity among Chinese citizens, including young people. Nevertheless, the development of Internet technologies and the potential increase in the standard of living of Chinese people will contribute to strengthening network pluralism and the presence of alternative political and ideological scenarios for the development of the country in public discourse and public thought.

4. Social inequality as a risk factor in the development of modern China

One of the negative features of the capitalist model of modernization is the intensification of socio-economic inequality. As the Chinese economy has developed in recent decades, including through the mechanisms of a market economy and the

liberalization of economic policy, the spread of economic (property and financial) imbalances in social groups has become an inevitable process.

The implementation of the Chinese modernization model has been accompanied by a number of problems and costs that may pose challenges to China's political system in the future. The economic policies of the 1980s contributed to the rapid economic development of the eastern provinces, while the central and western regions remain backward. In addition, the gap in living standards is widening in cities (especially in megacities) and rural areas. The unequal access of rural and urban populations to health and education services creates risks of mass discontent and develops the protest potential of Chinese society.

By 2015, China had developed the following socio-economic situation of social inequality in the country's regions:

1) The eastern region (Beijing, Tianjin, Shanghai as cities of central subordination, the provinces of Hebei, Shandong, Jiangsu, Zhejiang, Fujian, Guangdong, Hainan) is the most developed in China – 38% of the country's total population lives here, they account for 51.2% of the country's GDP, more than 80% of foreign trade, about 54% the total national income. At the same time, this region is most susceptible to social inequality in the regional dimension: there is a polarization between rural and urban settlements, and the coastal regions are home to the largest number of migrant workers.

2) The central region (provinces of Shanxi, Henan, Hubei, Anhui, Hunan, Jiangxi) is home to 26.6% of the country's population, which accounts for 20% of GDP. As for foreign trade, the region is poorly represented in the Chinese economy – only 6.8% in exports and 4.5% in imports. Most of the population lives in rural areas. The region ranks second in terms of the number of poor, with 24.6 million people. The region accounts for only 18.5% of coverage by the basic health insurance system and from 15 to 34% by the five types of social insurance.

3) The western region (Chongqing as a city of central subordination, Yunnan, Guizhou, Sichuan, Shaanxi, Gansu, Qinghai provinces, as well as the autonomous regions of Xinjiang Uygur, Guangxi Zhuang, Ningxia Hui, Tibet and Inner Mongolia) – 27% of the country's population lives here, the share of GDP is 20%. Xi Jinping, being from Shaanxi Province, thought about the development of foreign trade relations in the region through the resumption of the Great Silk Road (during the time of imperial China, it was from this province that the economic route to European markets began). This inspired Xi Jinping to launch the "One Belt, One Road" initiative, in which the Western region served as a starting point for the development of an overland logistics route passing through the coastal regions.

4) The Northeastern region (provinces of Heilongjiang, Jilin, Liaoning) is home to 8% of the population. The region is the country's largest industrial and agricultural base. In terms of per capita income, it ranks second in the country. Due to the small percentage of the population living in the Territory, the level of social infrastructure provision is also low (Borisova, 2019, p.219).

It is generally believed that the origins of social inequality lie in Deng Xiaoping's political and economic reforms, when a tremendous breakthrough in the country's economic development was achieved in the period from 1978 to the 2000s. The policy of openness stimulated the influx of foreign investment and increased incomes of rural and urban populations in certain areas. By 2000, differences between incomes and living standards had already formed in the eastern, central and western provinces. For example, according to the distribution of per capita income in Shaanxi Province, the annual income was less than 1500 yuan, when in Shanghai – above 9000 yuan (Borisova, 2019, p. 211).

Along with the growth of economic development, the protest potential of Chinese society also grew. It is worth noting that social protest in China is considered as a form of political participation, characterized by small scale, decentralization, and homogeneity of protesting groups (usually organized according to a professional principle: taxi drivers, miners, etc.). The majority of social protests in China are a reaction to:

- 1) abuse of official authority by civil servants;
- 2) alienation of lands and forced change of residence;
- 3) layoffs due to the reduction of redundant and non-ecological (harmful and dangerous) industries;
- 4) environmental issues.

The result has been the policy of the Chinese state aimed at changing trends in social inequality and leveling differences in living standards in provinces and megacities. The government's measures showed signs of "economic engineering," with an emphasis on tax regulation, social support measures, and ensuring access to educational and cultural services for broad segments of society. Between 2011 and 2015, the proportion of the poor in China decreased from 17.2% to 6.3%. At the same time, government spending on poverty reduction has increased by 20% annually (Borisova, 2019, p. 215).

Income inequality between urban and rural areas was the basis of social inequality in the country and reached more than 50%. In order to equalize the incomes of urban and rural residents, the agricultural tax was abolished. The income tax situation turned out to be more complicated: the tax calculation mechanism is still being reformed, and there are also tax evasion mechanisms. At the moment, the fiscal policy of the Chinese state is based on improving the tax calculation mechanism and increasing the volume of tax revenues to the budget.

There were also changes in the social structure of Chinese society: due to the advent of public-private partnerships, new social strata and strata were formed, including entrepreneurs, managers, industrialists and merchants, etc. However, the dependence of living standards on a particular organization aggravated the negative perception of inequality by citizens.

The most drastic measures to equalize living standards were taken in 2018-2021, when government agencies began to put pressure on private companies that violated antitrust laws and had debts to the state. Under the threat of losing their

windfall profits, Chinese billionaires began spending money on charity and financing social programs. At the same time, the Chinese authorities imposed restrictions on salaries in professional football, announced their intention to deal with the image and income of show business representatives, effectively banned private tutoring, the construction of skyscrapers, and restricted children's access to online games and streaming platforms.

Using the example of communication between the party-state and business, it can be noted that the former considers the latter as a potential competitor for influence on Chinese society. The struggle for influence is pragmatic, which leads to some compromises between the party-state and corporations. For example, during the COVID-19 pandemic and the post-COVID recovery period in 2023, by the beginning of Xi Jinping's third term, the authorities were forced to make tactical concessions to business by reducing the pressure regime. The reasons can be interpreted both from the point of view of economic expediency and political calculation. In the first case, corporations and the private sector have traditionally been the driving force behind innovation in the Chinese economy. In the case of the second Xi, Jinping violated the unspoken rule of holding the highest public office, which had been in force since the time of Deng Xiaoping, as a result of which the Chinese leader needed to "soften" non-communist elite groups, as well as business-related party groups.

Summing up the above, we can conclude that the implementation of social equality policy in modern China is becoming systemic. The government and the country's top leadership are currently actively declaring the idea of forming a society with patriotic citizens loyal to the regime and the political system who support the goal of developing China along its own unique trajectory based on its socio-cultural traditions, without blindly copying Western values and achievements.

The actions of the Chinese leadership to manage the consequences of social inequality can be considered successful, but it is worth paying attention to the nature of social protests in order to notice that the protest potential is manifested not among victims of social inequality, but among urban residents, representatives of the middle class. Given that the party-state exerts pressure specifically on the private entrepreneurial sector, the protest potential among urbanized residents may indicate a lack of elaboration of managerial decisions in communication with business.

Thus, the stability of China's political system is based on the effectiveness of state institutions, where efficiency is ensured by the merger of the Chinese Communist Party with the state. A well-developed network of party cells at the provincial and municipal levels reduces pressure on state institutions, as the party takes on the responsibility of providing local public goods.

The growth of social inequality is largely attributed to the consequences of Deng Xiaoping's economic reform policies, when capitalist principles of modernization increased socio-economic disparities between regions. The Chinese Communist Party has focused on fighting poverty and ensuring the manageability of the business sector. A side effect of this policy has been the growth of protest

potential among the most urbanized and socially prosperous social groups, which is becoming a risk factor for the Chinese government in the future.

5. The economic specifics of the Chinese modernization model

When analyzing modernization in China, it is impossible to ignore the economic factors of this process, since it was an integrated approach to the reform of the economic system, which ensured a gradual transition from a command and administrative system to a market economy under state control that allowed the country to achieve high performance in this area. China's example can become a model for many developing countries that seek to modernize their systems based on political stability, economic achievements and continuous improvement of the well-being of their citizens.

The economic specificity of the Chinese modernization model is to create a model of state capitalism that can minimize the costs of the capitalist model while maintaining the possibility of economic growth. The Chinese economy is no longer centrally planned, and as a result, the private sector provides a greater share of GDP. However, in the field of strategic industries and large-scale production, the state dominates. The Chinese model absolutely rejects the idea of neoliberal capitalism about minimizing the role of the state (Curtis and Klaus, 2024, p. 244). In this context, the economy becomes an instrument of the state, and its productive potential is used to achieve state-defined goals.

As a competitor to the idea of a free market, the Chinese-specific model of state capitalism differs significantly from the Soviet, socialist model of modernization. In the command economy of the USSR, the state was the key and only center of economic decision-making, while the Chinese model uses the creative and distributive power of markets under the political control of the state. In other words, markets are institutionalized and integrated into the institutional structure of the state.

There are several differences between the economy of the Chinese model and the economy of the capitalist model:

- 1) property and financial inequality in China is lower than in countries of similar size and level of development;
- 2) government spending as a percentage of GDP is higher than in comparable countries;
- 3) large-scale production is primarily reserved for the state, and is not in private hands, as in other developing countries;
- 4) there are more social guarantees than in countries of the same level of development;
- 5) Government institutions are more effective than in other developing countries. At the same time, the crime rate and the shadow economy are lower;

- 6) China's political regime tends towards authoritarianism, and democratic procedures develop not through direct representation, but through multi-stage elections of higher representative bodies by lower ones;
- 7) China is pursuing a strong export-oriented industrial policy, including through depreciation of the yuan through the accumulation of foreign exchange reserves;
- 8) the land is not private property and is not for sale.

According to a number of economic indicators, the Chinese model of political modernization demonstrates effectiveness, which forms the basis for the diffusion of the model of state capitalism. In addition, the Chinese reforms are not related to the rapid liberalization of the economy, but are aimed at a gradual transition from directive to indicative planning.

At the same time, the current Chinese modernization model faces foreign and domestic political risks: at the global political level, the model of state capitalism acts as an alternative and competitor to the free trade doctrine, which increases US economic pressure on China.; when, in the context of domestic politics, the growth of the economic well-being of urbanized and educated Chinese groups affects the growth of their protest potential in relation to the authoritarian practices of the Communist Party.

Conclusion

In the 20th century, it was believed that the formation of a model of political development largely depended on the choice of a capitalist or socialist model of modernization, where the former was based on a market economy with economic policy liberalization, while the latter was based on a planned economy with the regulatory role of the state. The capitalist model of modernization described by M. Weber, J. Schumpeter and F. von Hayek represented the realization of the doctrine of the free market, where the role of the state in regulating the economy is minimal, and private property and capital serve as the most important driver of the economic development of society. The alternative to capitalism was the socialist model, which, according to J. Schumpeter and S. Huntington, effectively coped with the defects of the capitalist model in "changing" societies due to the dominance of the role of the state in the economy and a more equitable model of resource redistribution.

The experience of China in the 19th and 20th centuries demonstrated that economic liberalization without strong state institutions does not contribute to the modernization of society, while effective institutions combined with an open economy provide opportunities for political and economic development. The socialist model of modernization made it possible to ensure the effectiveness of state institutions following the results of the civil war in China, where the Communist Party under the leadership of Mao Zedong ensured the work of the power vertical and carried out accelerated modernization, pursuing protectionist policies and forming export-oriented industries. In turn, this created the conditions for the

liberalization of the Chinese economy under Deng Xiaoping. As a result, China has developed a special model of modernization, which involves partial liberalization of the economy while maintaining political control by the state.

The stability of modern China's political system is based on the close integration of party institutions into the state apparatus. The specifics of the functioning of the Chinese government are manifested in the informal system of checks and balances, involving multi-stage elections of higher representative bodies by lower ones, democratic centralism in the work of party bodies, behind-the-scenes long-term agreements in the highest party bodies, as well as the presence of advisory filters in the government decision-making process, ranging from specific bodies to communication between current and former leaders. The elite structure of Chinese power is based on the clan principle based on provincial and departmental identity.

Measures to achieve social equality are one of the key indicators of the effectiveness of State institutions in the context of modernization. Social inequality in China is based on regional development disparities, the socio-economic gap between urban and rural areas. The government is resorting to economic engineering and pressure on business, including antitrust measures in 2018-2021. At the moment, the protest potential is concentrated not in regions with economic and social inequality, but in an urbanized area with good socio-economic indicators, which requires the Chinese Communist Party to balance control and compromise with business.

The evolution of the ideology of the Chinese Communist Party indicates that the dominance of only the Marxist paradigm in public thought is a myth. Ideology in modern China has shifted from orthodox Marxism to "socialism with Chinese characteristics," which combines views on the integration of Mao Zedong's party and state, Deng Xiaoping's capitalist reforms, and nationalist discourse with Xi Jinping's Confucian and legalistic understanding of law. For thousands of years, China's political culture has been based on the principles of collectivism and hierarchy, which has predetermined the easy assimilation of communist values. Despite the unification of political discourse with the advent of Xi Jinping, pluralism remains in the public online environment with alternative ideas of "socialism with Chinese characteristics": from supporters of a return to classical Marxism to supporters of Westernization and liberalization.

The Chinese model of political development differs in many ways from the capitalist and socialist models of modernization. Unlike the capitalist model, the Chinese model demonstrates the subordination of the economy to government goals. Unlike the socialist model, the Chinese model is based on the development of the private sector and public-private partnerships.

At the level of foreign policy, prerequisites are being created for broadcasting the Chinese model of political development to other countries participating in the One Belt, One Road project. It was based on the idea of Chinese capital expansion in order to jointly develop a large number of countries through which the country's most important logistics routes would pass. American researchers and the

establishment viewed this initiative as a bid for global leadership and competition to the Euro-Atlantic project being implemented by the United States. For example, American international experts I. Klaus and S. Curtis analyze the associated risks for the export of the Chinese model: if earlier the country adapted to the external conditions created by other states to ensure its growth, now China is striving to shape the international environment in its own interests within the framework of the established world order (Curtis and Klaus, 2024, p. 244-245).

A special feature of the "One Belt, One Road" project is the ability of Chinese institutions to create an alternative financial architecture with institutional capabilities to use the finances of the participating countries of the project to achieve foreign policy goals. At the same time, through infrastructure and logistics projects, China is "connecting" the participating countries to its model of political development. Consequently, competition from the United States is becoming a foreign policy risk for the Chinese model of political development.

The internal political risk of the development of the Chinese model is the growth of protest potential on the part of a developed segment of Chinese society, demanding social and, in the future, political freedoms. This requires the leadership of modern China to find a balance between control and compromise in ensuring the stability of the country's political system.

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