Is China Still a 'Developing' Country?

A look at Beijing's favorite rhetorical trick.

BY ISAAC STONE FISH

On Sept. 24, as U.S. President Barack Obama addressed the United Nations General Assembly and called for countries to shoulder more international responsibility, Chinese President Xi Jinping was home in Beijing. That day, Xi conducted a seminar at Beijing's Great Hall of the People, a ceremonial building, in celebration of the 2,565th birthday of Confucius and its resonance to today.

We will strive for the peaceful development of the world, Xi said, but he also reminded his audience that China was still a developing country, and its responsibilities should be commensurate with its status.

There are many issues -- from North Korean disarmament to the war in Iraq and Syria, from the tensions in Ukraine to the spread of Ebola -- on which the United States wants China to contribute. But perhaps the biggest issue -- at least publicly -- is climate change. On Sept. 23, during the U.N. Climate Change Summit, U.S. President Barack Obama criticized China for shirking its responsibility. Countries like China and the United States "have a responsibility to lead," he said. "That's what big nations have to do." Beijing has never denied that China is anything but a big nation. But, as Chinese leaders, diplomats, and ministers have always taken pains to communicate, China is not only big, it's "developing."

Xi's absence may have been telling, but he sent Zhang Gaoli, China's seventh-highest ranking official, to defend China's climate change policies. "As a permanent member of the U.N. Security Council and the largest developing country, China will continue to work for multilateralism," Zhang said on Monday, to justify China's paltry $6 million
offering to support South-South climate change cooperation. "China now emits 28 percent of global carbon dioxide emissions, more than the United States and European Union combined," the climate scientist Glen Peters told the New York Times. More strikingly, Peters added, China now has higher per capita emissions than the European Union. So shouldn't China be doing more?

It's not that China isn't taking steps to fight climate change. China by 2020, Zhang said later, would reduce emissions 40 to 45 percent from 2005 levels. Nor is China unaware of the magnitude of the problem it faces. The deputy minister of environmental protection, Zhai Qing admitted in February that "the situation of China's water environment is still very grim;" one-fifth of China's rivers are toxic. Beijing, in particular, has been beset by suffocating pollution -- and the resulting bad press. "Climate change has brought many disasters on China," Xie Zhenhua, China's chief climate negotiator at international conferences, said in a press conference Tuesday.

But the Communist Party leadership has long sought to insulate the government from pressure to sign onto carbon dioxide curbs and emissions targets pushed by Europe and the United States. It sabotaged the 2009 U.N. Climate Change Conference in Copenhagen, and stalled the 2010 conference in Cancun. At least the logic has been consistent: Because China's a developing country, the leadership in Beijing argues, its responsibilities -- and capabilities -- are far less than they would be otherwise. "As a responsible major developing country, China will make an even greater effort to address climate change," said Zhang, in an address after Obama's speech, "and take on international responsibilities that are commensurate with our natural conditions."

But is China still a "developing" country? China's top leaders certainly think so, or at least they say so publicly. In many, if not all of his meetings with foreign leaders, Xi, like his predecessor Hu Jintao, reminds them that
China is a developing country, and thus must behave accordingly -- but it's unclear what exactly that means. (China's U.N. mission didn't reply to requests for comment; a Chinese embassy spokesman pointed me to the Chinese Foreign Ministry website.)

Statistically and domestically, the idea of China as a developing country makes sense. Both the World Bank and the International Monetary Fund classify China as a developing country. "China, with a per capita income of about $6,500, is still well below the cutoff that distinguishes developing economies from their high-income counterparts," said Sudhir Shetty, the chief economist for World Bank East Asia Pacific. "And almost 250 million Chinese, about one-sixth of the population, still live on less than two dollars a day," he added.

In November 2010, I wrote an article (with my then Newsweek colleague Rana Foroohar) on how China was too rich to lean on its developing country status, citing the excess manifest in its luxury boutiques, its BMWs, and its billionaires. Four years later, and despite Xi’s corruption crackdown, major cities feel even wealthier now, though much of the hinterland remains poor. "China is a dualistic economy, with very affluent cities and coastal regions but also some very poor regions that by any standard would be classified as 'developing areas,'" said Susan Shirk, the chair of the 21st Century China Program at the University of California, San Diego.

Then, as now, the Chinese response has been to claim that domestic poverty eradication is their paramount responsibility. Global causes come later. "We are second only to India in terms of sheer numbers of poor people," the vice chairman of China's Foreign Affairs Committee, Nan Zhenzhong, told us in 2010. "The only role we can play in international affairs is the role of a large developing nation." He added, "If we continue to lift 1.3 billion people out of poverty, isn't that the best thing that we can do to help the rest of
the world?"

Yes, China contains multitudes. But practically and internationally, the concept of China as a developing country is stale and inaccurate. In 1974, Deng Xiaoping (who would later that decade become China's paramount leader) gave a speech at the United Nations. "China is a socialist country," he reminded his audience, "and a developing country as well." Today, China's economy is more than 65 times larger than it was in 1974, according to World Bank statistics. China is a dominant power in Asia, with an economy that will likely soon surpass the United States' in size. And although its 2014 defense budget of $132 billion is still far smaller than the $620 billion the United States will spend this year, China's military spending is the second largest in the world, and by far the biggest in Asia. (And that's just what's on the books; China's actual military spending may be far higher.) Moreover, China is building a network of institutions -- the BRICS Bank, the China Development Bank, and the Shanghai Cooperation Organization -- that may one day rival U.S.-dominated organizations like the International Monetary Fund and the World Bank.

There is much to be proud of in these accomplishments. And yet China is still "developing." The phrase helps manage expectations of what China "should do to contribute to global climate change" and other international problems, said Shirk. And it functions as a convenient justification for Chinese behavior. "Different countries are at different stages of development," Xie Zhenhua, China's top climate negotiator at international conferences on Tuesday, said, in explaining China's responsibility -- or lack thereof -- in fighting climate change.

Think of Beijing's phraseology as a humblebrag: We're kicking butt ... and we're still only "developing." In some ways, it's the opposite of the famous quip about Brazil (said by non-Brazilians): It's "the country of the future -- and always will be." Rather, the idea of China as a developing country facing both great obstacles and a bright future is a
calculated rhetorical attempt to act like a superpower without bearing the responsibilities of one. "Looking ahead, we are full of confidence in China's future," Xi said in April 2013 speech at the Boao Forum, China's answer to Davos, held annually in the southern Chinese island of Hainan. "On the other hand, we are aware that China remains the world's largest developing country, and it faces many difficulties and challenges on its road to progress."

Is it time to ditch this phrase?

Xi has been far more comfortable than his predecessor Hu in trying out different descriptions of China's place in the world. There's something to be said, though, about beta-tested turns of phrase that hit the right note.

The world, for now, probably prefers a China that does too little on the international stage than too much. In Paris in March, Xi compared China to an awakening lion. Although he hastened to add that it was a "peaceful, pleasant, and civilized" lion, the expression provoked concern, and played into the narrative of China as an aggressive rising power.

"Have you ever seen a peaceful, civilized, and not aggressive lion?" Jean-Pierre Cabestan, head of the political science department at Hong Kong Baptist University, told Hong Kong newspaper South China Morning Post. "A lion is a big, wild and predatory animal, very much like China in its relations with other countries."

Xi never uttered it again.

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