

Is China a Weibo Democracy?

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According to North, Wallis and Weingast's (NWW, 2009) conceptual framework, China's transition to the market economy can be analyzed as a mature natural state evolving towards an open access order. The paper briefly sums up the general concepts of this theory and their adaptation to the historical conditions of the Chinese "Socialist Market Economy". It then shows that while the doorstep conditions to such an opening are put together, the route followed by the creation of market and the access to property of a 1.3 billion population is highly specific. In particular, the urbanization policy granting the ownership of housing to several hundred million of individual citizens creates unprecedented institutional needs. In this context, we suggest that rather than introducing formal political competition within the State, the monitoring of the policy through the digital social networks, and notably through the information exchanged by the 500 million of Weibo users, can provide useful and efficient guidance. In other words, that in a country with little rule of law tradition, Weibo sustains the emergence of an active civil society creating a new path to an open access order.

Keywords: institutional economics, law and economics, china, media, democracy.

Introduction

With its 500 million users¹, the Weibo (micro-blogging) service has become the most influential media in China. Even if it is cautiously watched, censored, or exploited by the Party authorities, it has become such a massive phenomenon that it cannot be ignored by any player of the Chinese scene, whether he is a citizen, a corporation, a judiciary, a military or a senior Party member. Its usage now expands to foreigners either to watch at the Chinese society or to advertise for products or brands. The service, which started in 2009, has become, in four years, an emblem of the new Chinese society: a fast growing, fast changing institution of the 21st century. In other words, Weibo is more than a media, a brand, or a corporation. It is a piece of the Chinese institutional transition. What does this mean? How to assess Weibo's institutional environment and the role it plays? How does it relate to our conception of democracy? How then can the censorship rules be justified? What does it teach us about the economic and institutional function of media?

China's fast economic development is a unique experience in history. The expression "Socialist Market Economy" used by the Chinese officials to describe the on-going process is unwieldy: It refers to the secular opposition between capitalism and socialism suggesting that these two institutional systems could be connected by a peaceful transition phase.

Yet, when the concept of socialism emerged in the 19th century, it was designed to be a historical

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¹ People's Daily Online 18 June 2013. The figure includes foreign users.

alternative to the market economy. Marxian philosophers and economists predicted that socialist States would supplant capitalist States undermined by class struggles. Here and there, some occurrences followed. But the reverse transition observed in Eastern and Central Europe, in the former Union of Soviet Socialist Republics (USSR) and in China at the end of the 20th century had not been forecasted. Hence, it can hardly be analyzed through the old categories of socialism and capitalism. First, the switch from capitalism to socialism was part of a teleology, which becomes null and void when the sequence goes into reverse. Second, the institutional schemes through which a convertible currency, private property rules, individual rights, and political competition are therefore introduced strongly differ from one country to the next.

This is why the conceptual framework exposed by North, Wallis, and Weingast in 2009 (NWW), re-identifying the opposition between two institutional models (depicted under new names), as well as the possible transition from one to the other, should be considered as a fresh start for political economy. However, the NWW model has been built upon extensive historical studies focused on medieval and modern age Europe and its extension towards Americas. The model underlines the importance of the rise of a civil society but pays no attention to media.

The goal of this paper is to explore how the NWW framework may apply to the Chinese context, and the part played by the new digital media—Sina Weibo in the transition process. In the first section, we summarize the main concepts exposed by NWW. In the second section, we explain how the Chinese transition could fit into the model. We then illustrate how the Chinese government has used a massive real estate program to diffuse private property and impersonal relations within society. In the third section, we discuss the different functions of democracy in an open access order and show how Sina Weibo operates under intriguing publishing rules.

The NWW Model

Since his first study on American growth (North, 1961), Douglass North has explored the role of institutions in economic development. His core thesis is that economic growth does not primarily rely on technology but on institutions understood as a set of rules shaping the relations and the beliefs within a society. In this respect, property rights designing individual incentives and promoting the division of labor are considered as a key economic institution. For 50 years, North has refined this idea through various historical studies as well as conceptual models (North, 1990). NWW (2009) wrote in collaboration with the historian John Joseph Wallis and the political scientist Barry Weingast, deepens and expands the range of his approach by disposing two separate sets of institutions: natural states and open access orders.

The Two Ideal Types

Starting from Max Weber's postulate that societies should first of all protect themselves from violence, NWW explain that there are only two ways to achieve such a goal: One is to let a leader to trade access to rents against cooperation to his central monitoring of violence, the other is to separate the political field (starting by the military) from the economy and to let the economic competition expand, through dynamic interest groups, into the political sphere. The first set of institutions is called a natural state, the second is called an open access order.

A natural state is governed by elites who manipulate the economy by restricting access to production factors as well as to any form of organization, so to capture all the possible rents. These rents are then circulated under patronage rules in order to stabilize the coalition monitoring violence: A natural state is then seen as an “organization of organizations” coalesced by rent-seeking interests. Depending on the nature of the coalition, on the rules of renewal of the elites and on the durability of the rents, such natural states may encompass different stages of stability and sophistication. NWW distinguish among fragile, primary and mature natural states in order of stability. Because of patronage practices, an important feature of natural states is that personal relations both within the elites and between the elites and the non-elites play a key role in the allocation of all kinds of benefits. However, the belief in the durability of the State, which conditions long term arrangements between individuals, depends on the level of impersonality of the various organizations taking part in the state. If, for instance, the leader acts in the name of a corporate body that ensures that his successor will not take back the privileges he has granted, the institutions are perceived as more stable than that the leader only represents himself as the most powerful person of the time. The stability is even reinforced if such rules of law can be extended to all the organizations participating in the state.

On the opposite, an open access order is characterized by the freedom of organization (political parties, churches, associations, firms...), impersonal relations allowing an equal right treatment for all citizens, and Schumpeterian competition in the economic sphere. In such a system, the destructive creation in the economy generates changes in the interest groups supporting the governments. The politicians then have to adapt to their programs to the dynamics of the multiple interest groups which create a competition in the political sphere. Such competition is practically arbitrated through elections. However, the concept of democracy does not amount to the existence of elections. It is rooted in the various institutional structures ensuring the subordination of the military to the political power, the equality of rights and the openness of the accesses. All these institutional arrangements also generate beliefs, which drive individual behaviors within society.

Although the open access state is structurally more stable because it doesn't depend on rents nor rent-seekers' coalition, there is no historical determination in stepping from a fragile to a primary or mature natural state, or from a natural state to an open access order. All stages are considered as possibly unstable and subject to increased destabilization. However, natural states always precede open access orders. According to NWW, the latter was first established in Western Europe and in the United States in the 18th century. Why and how? Of course, this raises the question of the transition from a natural state to an open access order.

The Transition Problem

The natural state is limited by the centralization of the rents. The open access system allows a wider and more dynamic division of labor that increases the productivity of all factors. We find again Douglass North's (1990) thesis that an extended division of labor does not derive from the human nature nor from technology but from specific institutional arrangements arising through history. The economic hypothesis is then that in a mature natural state, a positive sum game can be set up among elites so to step gradually to an open access one. To make such a game possible, NWW suggest that the mature natural state should gather three doorsteps—necessary but not sufficient—conditions (Chap. 1.5, empl. 428): (1) rule of law for elites; (2) perpetually lived forms of public and private elite organizations, including the state itself; and (3) consolidated

political control of the military.

The first condition refers to the existence of public rules applicable to the elites. It means that the relations among the elites, such as the granting of a freehold right, are based on impersonal rules that allow their perpetual renewal.

The second condition means that a high level of impersonality has been reached in most functional organizations participating into the state. Local governments, parliaments of justice, treasury or monetary institutions, professional guilds, chartered companies, etc., all these organizations exist in the form of corporate bodies.

The third condition, probably the most difficult one to achieve, means that all the factions of the elite have gained enough from their respective specialization to abandon the direct control of the military. The military, as a separate corporate body, is under the budgetary and operational control of the politicians.

Once these conditions are fulfilled, the elites may gain from a positive sum game in extending impersonal arrangements to the rest of society. NWW dissect the transition mechanisms in the case of England, France and the United States in the 19th century. In these three institutional contexts, they show how the elites have found some advantage in transforming their unique and personal privileges in impersonal rights gradually shared within society. The extension of property rights to a wider range of citizens and the proliferation of organizations (corporations, unions, political parties...) are critical since the members of the elite need to get some advantages of it. Each step is a source of conflicts among the elites, some factions getting more benefits than some others. In federal systems like the United States, it is also a source of conflicts between the federated states and the federation: Most transitional changes occur at the federated level and have to be kept under federal control. Indeed, the perception of factions or interest groups is strongly controversial: in the natural state, factions are felt as a threat to the centralization of violence that could lead to civil wars, whereas in the open access, interest groups stand surety for the separation of economy and politics. The more interest groups, the more control of competition in the economy and in politics. The key to transition is the acceptance of the flourishing of new organizations as a way to better contain the risk of social violence. In this framework, the concept of democracy oversteps the issue of free elections: "as an institution in an open access order, democracy provides citizen control over political officials, generating responsiveness to their interests with limits on corruption" (Chap. 7.4, empl. 3495). Free elections are not an end in itself but a tool amongst many others aiming at ensuring the open access order. The transition is achieved when it becomes a common belief that the open access has to be durably preserved.

Violences, Institutions, Organizations, and Beliefs

Violence is the driver of NWW's model. It is the core issue that legitimates the social order. Institutions and organizations are the tools required to control violence. Institutions mean formal and informal rules applying to the whole society, as well as their enforcement means. Organizations are durable arrangements among consenting members that can be enforced by institutions. NWW differ from Max Weber's approach by denying the state a natural monopoly of violence, mainly because it is not monolithic. Being an "organization of organizations", the state elite have continued to set up arrangements in order to keep violence under control.

The last concept used by NWW is "Beliefs", more precisely what they call "causal belief". Such beliefs

correspond to the way people anticipate the impact of institutions. They concern the way an individual might assess other people's behavior prior to launching interactions. From an economic standpoint, it is the way the institutions are internalized by the individual and shape its social behavior. It is, of course, an empirical concept: "most causal beliefs can, at least in principle, be confirmed or disconfirmed by experience in the set of social interactions" (Chap. 1.6, empl. 460). However, conversely to Greif's (2006) approach, NWW's beliefs do not mechanically derive from the functioning of institutions: They also reflect larger cultural, educational and religious backgrounds. Once the transition phase has started, beliefs lead the citizens to control, extend and preserve the open social order. This is where the media, totally absent from NWW's analysis, can be introduced.

China and the Model

The NWW model proposes a conceptualization of social order sequences observed in Western Europe and in America. How could China fit into this model? And, before that, how to explain its bifurcation from the Western path?

The Family Issue

Greif and Tabellini (2010) shed a light on this issue with an original approach opposing the social orders ruling the clans and the cities. Their essay is based on Greif's (2006) former works on the role of family structures and moral rules in economic growth completed by Chinese historical and sociological studies. Greif and Tabellini postulated that cooperation in a clan follows strong moral ties and reputation while in a city, it relies more on a "mix of enforcement and intrinsic motivation". In other words, the clan, which relies on informal rules between kin related members "economizes on enforcement costs, whereas a city can exploit economies of scale because it sustains cooperation among a larger and more heterogeneous set of individuals" (Greif & Tabellini, 2010). The consequence is that a clan—of kinship type in China—has interest to survive in preserving the personal relations within an extended family and to expand geographically through alliances with other clans of similar structure; on the contrary, a city will seek economies of scale in developing impersonal relations, formal rules, centralized enforcement, and in sharing ruling standards with peer cities. The clan and the city orders design are two different trajectories. Therefore, if Greif and Tabellini can prove that, at a moment in time, the initial conditions regarding kinship and moral rules have diverged in Europe and in China, they will then explain why their institutional paths have bifurcated. And this is what they do. They show that at the turn of the millennium (Sung Dynasty 960-1279), Confucianism and extended kinship formed the social unit in China whereas in Europe, the Church had imposed the nuclear family by discouraging "practices that sustain kinship groups such as adoption, polygamy, 'concubinage', marriages among distant kin, and marriage without the woman's consent". In other words, while the Chinese were encouraged to extend their kinship structure and the personal interactions attached to it, the Europeans were subjected to formal moral rules limiting the size of the family cell, and pushed forward to develop other kinds of arrangements through markets and rules of law. While the Europeans had to design specific institutions (police, judiciary) to enforce formal cooperation rules, the settlement of Chinese disputes was commonly achieved through intra-clan arbitration. The rise of the judiciary is opposed to the extension of informal arrangements.

In their analysis of the subsequent evolution, Greif and Tabellini insisted on the impact of kinship on

urbanization. For large cities, the differential of urbanization growth rates in the two regions kept steady between the 11th and the 19th century: 3%-4% in China versus 10% in Europe. It also corresponded to a difference of status of the cities. Small cities were flourishing in China.

They were venues for cooperation among members of local clans rather than for melting pot. While the European cities gained self-governance, this did not happen in China until the modern period. Pervasive kinship structure that facilitated state control over the large cities in China. Immigrants who moved to cities remained affiliated with their rural kinship groups. (Greif, 2006, p. 4)

In NWW terms, the characteristic of the Chinese path is the remarkable prevalence of personal ties that are distinctive to the natural order.

Even today, kinship groups remain a more important conduit for economic exchange in China. Chinese family firms are common... Business relations are personal and based on networking, “guanxi”, which means social connections and is a synonym for special favors and obligations. Networking in turn reinforces limited morality. (Greif, 2006, p. 5)

Indeed, this can be seen as a consequence of the flimsiness of the rule of law. The interesting point made by Greif and Tabellini is that it is also a cause of it, which may explain the Chinese lag in setting up impersonal arrangements.

The Communist Maturation

We lack time and knowledge to conduct a solid historical review assessing where China stands in the NWW transition model. Schematically, it is plausible that the natural state built up by the Emperors—still a primary one—has been destabilized by the European colonial expansion and the rapid growth of the neighboring Japan. One can also suggest that the People’s Republic that followed the Sino-Japanese war succeeded in building up a mature natural state federating the country on the mainland. By deploying the Communist Party of China (CPC) throughout all the social activities, MAO Ze-dong, sometimes depicted as an emperor (Peyrefitte, 1973), changed the set of organizations forming the Chinese state. The Party built up a large range of perpetually lived organizations including the state itself. Such organizations like “danwei”, the working and social units, formally substituted for kinship affiliations. “Danwei” were the administrative units in charge of all the individual social needs: food, housing, primary education, health care... (Eyraud, 1999). With the introduction of birth control in the 1980s, the agreement of the “danwei” was even requested for a marriage. This lasted until 2003 (Domenach, 2007).

After MAO Ze-dong’s death in 1976, the state could become more impersonal and a formal rule of law could apply to his members. The fight for MAO’s succession that led to the arrest and the trial of the Gang of Four (1980-1983) has been the occasion to officially condemn the Cultural Revolution as an abusive recourse to violence, and to restore formal rules within the Party and the State. Under DENG Xiao-ping’s leadership (1978-1992), the Four Modernizations set forth in 1963 by ZHOU En-lai, have been reactivated: They concerned agriculture, industry, science and technology (universities) and the military.

DENG Xiao-ping’s “strategic decision” in 1985 called for the downsizing of the People’s Liberation Army (PLA) and a reorientation of its strategy away from people’s war to limited warfare focusing on China’s periphery. These important shifts were marked by the establishment of the National Defense University (NDU), which was the first true all- military service academy. (Kamphausen, Scobell, & Tanner, 2008, p. 5)

The PLA then became a fully separate body under the control of civilian authorities. From then on, the three doorstep conditions were fulfilled. However, this could not mean immediate open access with freedom of organization and free elections. The risk to reactivate rivalries among factions in such a wide and populated country was not sustainable for the Party. The Tiananmen episode (1989) bluntly recalled that only the elites could monitor the transition.

Although an extensive historical analysis would certainly provide a neater institutional picture, notably concerning the switch in personal arrangements within the State or the deployment of impersonal relations within society, we can however assimilate the so-called “Socialist Market Economy” to a NWW transition from a mature natural state to an open access order. An interesting point being that the judiciary, which, springing from the Roman law became a strong medieval institution in Europe, did not prosper in China until the start of the transition.

The Chinese Transition

The main difference between China and the European post-socialist experience is the persistence of the Party as a perennial institution. The collapse of the Party-State in the former USSR and its consequences all over the Europe had led to mass-privatization programs aiming to reallocate the socialist production units to private entrepreneurs. In central European countries, this process has remained under the control of new political organizations committed to join the European Union and its open access rules (Bomsel, 1995). But in Russia, the mass-privatization emblemized by the surge of the oligarchs has overshadowed the issue of property rights. The rights distributed through mass-privatization were a means to transfer the control of the units from an impotent state to young members of the elite having access to international trade and finance (Boycko, 1995). So when the State returned, it took back some oligarchs’ properties to better control the allocation of the rents. In other words, although the doorstep conditions might have been reached here and there, it is unclear whether Russia and its satellite republics are getting out from the natural state logic and if a “transition” is already at stake.

As for China, the transition is vivid and takes many forms: development of corporations whether state-owned or private, monetization of all interactions, extension of contractual arrangements, reorganization of public good provision, and emergence of intellectual property. Based on export-oriented manufacturing growth, the transition has followed a route through which the export revenues are reinvested in domestic infrastructure and real estate development. This last issue plays a major role, both in the macro control of the economy and in the setting up of long term impersonal arrangements.

Yet, the numbers of urban population are uneasy to assess because the Chinese city covers different type of built-up areas, some of which are populated with farmers. So a simple change in the legal definition of a city, as it happened in 1984, may turn several hundred millions of rural inhabitants into urban citizens (Boquet, 2009). However, it is commonly accepted that during the 20th century, thanks to the “hukou system”, the administrative affiliation to a “danwei”, China has experienced a steady growth of its population without massive rural exodus. But since the start of the transition, the rapid industry growth attracts always more rural people into large cities.

Until 1994, the Chinese housing system was managed by the “danwei”, which provided homes to workers

as a public good. The rents were very low and did not reflect even the maintenance or the heating costs. So the housing supply was constantly deteriorating. The first reform occurred in 1988 when the new constitution separated the owning of the land from the right to use it. Therefore a land lease market was created. But the demand was mostly speculative. In 1994, the State Council created a two-tier market with, on the one hand, the “danwei” system, and on the other, a private housing market addressing the wealthiest citizens. Meanwhile, a “housing cumulative fund” was created and financed by levies on wages paid both by the employers and the workers (Lafarguette & ZHOU, 2012). In other words, the access to house ownership was open to the wealthiest citizens while a financial mechanism was set up to extend it to other categories. At the beginning, the elite benefitting from nice homes did not want to participate in the market, but the standards of the public sector were so low that the urban middle-class started to buy. Hence, the rise in prices attracted the elites in the market.

The system swung to market in July 1998 when it was decided that the rents should catch up on costs, meaning the end of the “danwei” system and the monetization of the public housing (Lafarguette & ZHOU, 2012). Cities were then encouraged to sell land to developers that would build residences for private consumers. The surge in the real estate market amplified all the transition mechanisms. First, the economic boom of the cities and the solvency of the Chinese middle-class—cumulating savings and access to the Housing Fund—induced a steady increase in prices that fuelled speculation and rapid enrichment of the elites. As long as the prices kept up, the real estate market was the perfect ground of an extended positive sum game. It turned to be the driver of China’s internal growth.

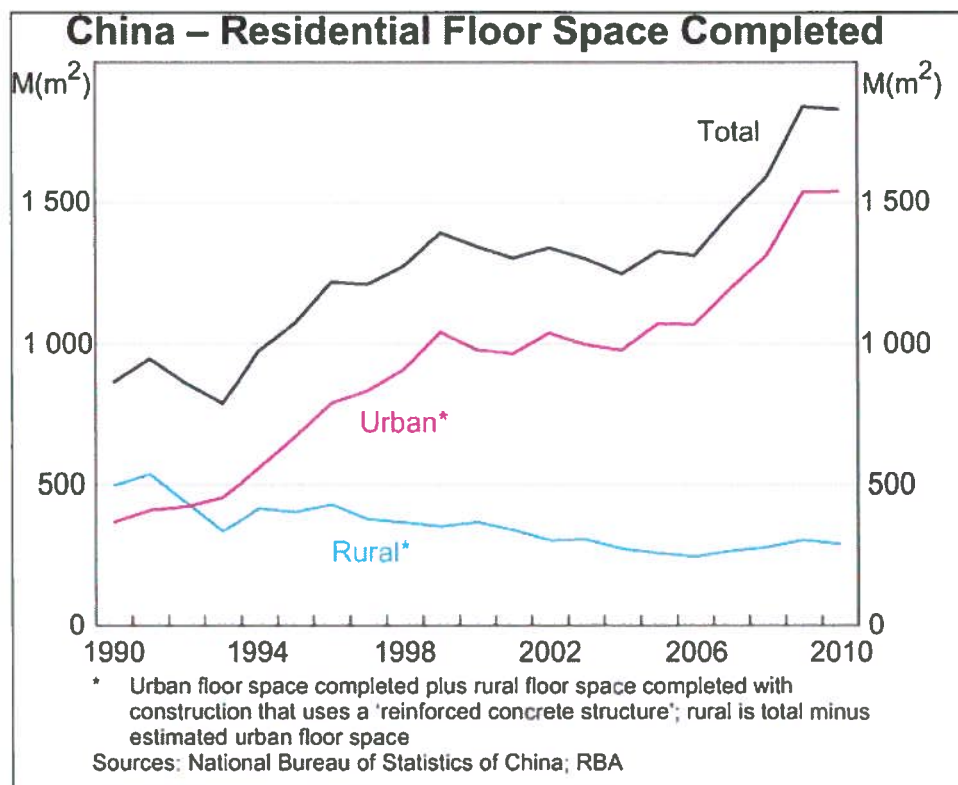


Figure 1. China’s residential floor production.

Second, all the cities found themselves in the possession of land which became a resource for attracting investment and monitoring local development. Auctions on land sales contributed to price increases. Indeed, it created also rent-seeking behaviors from the local elites somewhat infatuated by elephantine projects. Many local governments have become real-estate dependant and still oppose the central government in cooling market policies (Bloomberg News, 16 April 2013).

Third, once the “danwei” system was over, the appetite of the Chinese families for owning a house speeded up the primitive accumulation of capital at the individual level. Owning a home turned into a social prerequisite for marriage. Social programs helping the lower-income households to purchase affordable housing supplemented the commercial market. Between 1994 and 2010, from 1 to 1.6 billion square meters were yearly delivered to Chinese families. If we count an average of 20 square meters per person, it means that during this period, between 50 and 80 million people did access real estate property every year.

Indeed, such expansion was doomed to an end, imposing the authorities to cool down the market through credit restraints and taxation measures. Since 2010, the real estate market is under close scrutiny from all banking institutions, all decisions taken in this field having systemic implications (see Figure 2). But whatever the economic landing will be, the change in housing property structure is now irreversible.

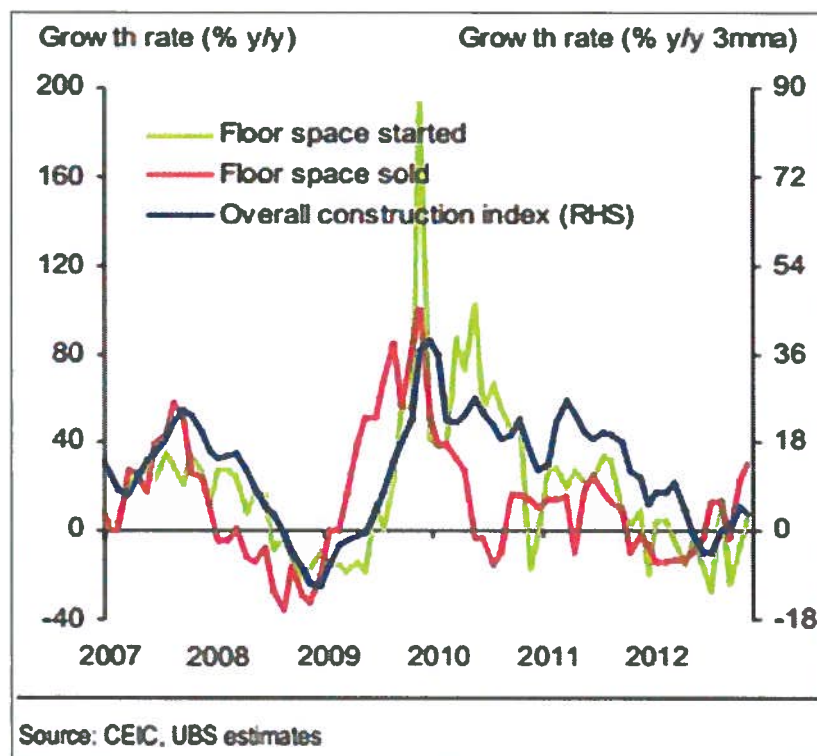


Figure 2. The 2010 saturation of the Chinese real estate market.

On the legal side, a constitutional amendment was passed in 2004 stating that: “The lawful private property of citizens shall be inviolable. The country shall protect in accordance with law citizens’ private property rights and inheritance rights. The country may, as necessitated by public interest, expropriate or requisition citizen’s private property and pay compensation therefore.” Individual property has then been

recognized as a fundamental right. It was completed in 2007 by a bill giving the interests of private investors the same protection as public ones (MINES Paris Tech, 2013).

In conclusion, within only twenty years (1994-2013), most Chinese households have been granted a real estate capital while private property—including inheritance rules—became a constitutional right. This does not mean, of course, that the judiciary carrying nearly no experience in administrative or civil law has become able to efficiently resolve all the legal disputes induced by such a change. But the magnitude of the impersonal rights granted to the population and the beliefs associated with it are now generating pressure to develop adapted enforcement tools.

Weibo and the Democracy

About Democracy

“As an institution in an open access order, democracy provides citizen control over political officials, generating responsiveness to their interests with limits on corruption” (NWW, empl. 3495). Such a definition differs from what the Western press, the public opinion, and conventional academic research understood by democracy. According to Acemoglu and Robinson (2007), for instance, the opposed democracy to dictatorship:

In a democracy, the majority of the people are allowed to vote and express their preferences about policies, and the government is supposed to represent the preferences of the whole population. In contrast, non-democracy gives a greater say to an elite and generally leads to policies that are less majoritarian than in a democracy. (pp. 17-19)

In other words, democracy aims at expressing the choice of majority and to appointing a government accordingly. It does not mean that the law is enforced and corruption eradicated, or even that the elected people will act as they promised, but that government officials should periodically refer to a formal majority, which requires free speech, free elections, and all the beliefs associated with it. So indeed, China, with its single Party and its permanent watch over public expression, is the most distant model to such a conception. But how, in a country with so little tradition of the rule of law, could a Western like democracy occur?

By considering the complexity of the state, the NWW model provides a concept of democracy that is more universal than the traditional opposition between democracy and dictatorship. In Acemoglu and Robinson’s vision, the elite is monolithic and arbitrating between two kinds of losses: sharing rents with the majority or paying the cost of social unrest (including repression). It opts for democracy when the cost of dictatorship is too high, and vice-versa, it opts for dictatorship when the cost of democracy is too high. For NWW, the elites may find interest in setting up a positive sum game, which could lead to institutional innovation. Our intuition, and the reason for all the above development, is that, according to NWW definition, the social networks in general, Weibo being the first of them, can become a Chinese democratic pillar. Moreover, by allowing the country to perpetuate traditional arbitrage practices, it can save on transaction costs in appointing elected government and making policy choices. In other words, if, in an open access order, the politics should aim at perpetuating an economic positive sum game, a permanent watch which is exerted by cybercitizens on government actions could prove less costly than a periodical asking of the whole population.

Weibo

With its 500 million users, to be compared to the 60 million Party members, Weibo has a completely new

concept. It is the permanent rumor of the largest population in the world. Not only it is the most watched media in the country, but also all official media are referring to it. For several hundred million of people, Weibo is the media they turn on in the morning to get connected to the world, each person having her own channel, her own set of threads and followers. Weibo communities may act as organizations, because they can relay information on social facts, launch opinion campaigns on corruption, legal or economic issues. They can prescribe articles, books, or emphasize any kind of offline public expression.

During the real estate rally, Weibo has been largely used to hunt down the excesses of the elite and to arrest corrupted Party officials (Pedroletti, 2012). Meanwhile, a “bureaucratic literature” widely publicized by the social networks has extensively explored the field of corruption so to become the equivalent of Western detective novels² (WANG, 2012).

In an interview released by the Chinese Academy of social sciences, a military official, Popular Liberation Army Lieutenant-General LI Dian-ren (2013) declared that Weibo has become one of the main “ideological battlefields”. According to him, 73% of the bloggers consider micro-blogs as the most important information and news sources, 94% think micro-blogs have changed their life. Among the bloggers, 67% are between 18-30 years old, and among them 63% have been through college.³ In his comments, LI Dian-ren insisted on the political role played by the network, and in particular, the diffusion of “three thinking trends”: constitutionalism (pro parliamentary democracy), liberalism (pro privatization extension), and historical nihilism (re-evaluation of Chinese history). From the traditional military point of view, the influence can be manipulated from abroad and generate potential violence. LI recommended that the Party gets involved in micro-blogs to counter the “hostile forces” and to reinforce surveillance.

The interesting point is that even the toughest waffle speakers are now obliged to accept open ideological confrontation, and to suggest means to get it inserted into the common political field. In fact, the institutional monitoring of Weibo is already quite sophisticated. For China’s Internet police, message control has grown to include many layers of meaning (Link, 2013). The set of directives is very large including extended incentives to censor *ex ante*. A repository of more than 2600 directives has been set up in the University of Berkeley (XIAO, 2013). These have been synthesized in a workshop attended by multidisciplinary Chinese scholars (Perry Link, 2013). Many salient points concern the prevention of slander or pornography, as well as what resembles to Public Relations interventions through which the government, often intertwined with the business community, tries to minimize various kinds of scandals. Usually, “officials tend to be protective of their own jurisdictions, but not necessarily of others”: Therefore the media can play on contradictions between central and local governments, and more generally on conflicts of interests among the elites. Such a process is common in Western countries where media are an institution of the open access order. However, their power is intermediated by the judiciary and established publishing brands. In China where the judiciary is raising, Weibo is the cybercitizens’ tool to watch over the rollout and the enforcement of open access rules.

As a result of the Berkeley workshop, the main goal of the government is “to prevent unapproved groups from organizing through the Internet... This goal is even more fundamental than the prevention of negative comments about the Party” (Perry Link, 2013). Yet, in the NWW model, the freedom of organizations that

² See QIU Xia-long’s *Cyber China*, Liana Levi, Paris (2012).

³ Of course, the social mix of the followers is different.

connect economic interest groups to policy suppliers is the switch to a stable open access order. The pending question is then: until what point, will the Party preserve its political monopoly or, how will it progressively integrate into the political arena the new organizations emerging through Weibo?

To some extent, the Chinese Internet censorship resembles to what the French *Royal Censorship* has achieved during the “siècle des Lumières” (Birn, 2007): a negotiated state interference with authors (philosophers, *Encyclopedists*) aiming at making public speeches both socially useful and compatible with the divine right monarchy. The system has been working as long as there has been some hope that the monarchy will reform and become constitutional. However, under Louis XV’s regime, so many scandals occurred that the sacred dimension of the monarchy and the *Censure Royale* have been overthrown by the flow of libels (Darnton, 2000). The institutional freeze resulted in the violence of the French Revolution.

The Chinese society has a strong awareness of the damages of violence and should be able, in its unique transition process, to find ways to make new citizen organizations compatible with the existing order. The memory of the factions’ roughness during the Cultural Revolution is still vivid and seems to moderate both the expression and the impact of radical speeches. In other words, the democratic game between Weibo and the government will probably prosper. As we said earlier, the NWW model does not examine the function of media in the transition, nor even in the established open access order. This is what makes Weibo an original issue. If the government proves flexible enough to “internalize” Weibo as a means of following the dynamics of interest groups and to respond with policy adjustments, it might create a new transition tool leading out to long-run institutional innovation.

Meanwhile, Weibo provides the party with tremendous amounts of information allowing to survey opinion, to track corruption and crime, to fine-tune economic choices and to monitor the open access policy. In many cases, the digital democracy tool can save on transaction costs in making decisions or solving administrative disputes that a rigid rule of law would take years to examine. Moreover, confronted to an infant judicial system, it propagates a certain idea of justice that shapes the public beliefs in the open access order.

Conclusion

The NWW model provides a very powerful means to analyze the historical evolution of economic and social orders. However, it has been built up upon the Western experience of the natural state and its progressive opening to non-elite citizens. In this process, most of the institutions of the open access order, in particular the property rules and their enforcement jurisdictions already existed in the mature natural state. The Western transition mainly consisted in the extension of the mature state institutions to new categories of citizens that were granted equality of rights. The newness of the Chinese transition is that while a formal equality of rights did exist under socialism, property rights did not. Therefore, the opening of the access should extend the equality of rights principles to property issues. This requires the emergence of administrative, civil and corporate law—as well as the adaptation of criminal law—and their enforcement through adapted jurisdictions. Such a process launched at the scale of a 1.3 billion people society demands time, coordination, and stability. Meanwhile, corruption should be contained and property or administrative disputes should be resolved. In this context, the media play a critical intermediary role in denouncing abuses, ranking priorities, and allowing citizens to tune-up the open access institutions. With digital technologies, media exceed their role of

information means handled by authorized publishers: social networks add them a function of public watch directly exerted by the citizens. They can then give rise to new forms of economic or political organizations. Indeed, such function can generate abuses or disorders and needs to be regulated, even under a nascent legal system. This is part of the Chinese game. Acting in complementarity with the official press, Weibo is now the most powerful media in history. It can mobilize more citizens in the building-up of open access institutions than any other media have ever done before.

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