The Evolution of Health Governance in China: A Case Study of HIV/AIDS

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With successful economic reforms, China has gradually accelerated its integration into the globalising international system. In the process, China’s participation in multilateral dialogues and its cooperation with other countries and international institutions in relation to global issues has increased rapidly. It has demonstrated an increasing willingness to comply with international norms and rules in a variety of policy areas, ranging from arms control and human rights, to public health.

Regarding public health, China has gone through three different stages since the establishment of the People’s Republic of China (PRC). In the transition from the Maoist cradle-to-grave system to Deng’s market-oriented healthcare system, health care was largely deregulated and left to the market. China’s public health system has subsequently become one of the worst in the world in terms of financing and the allocation of resources. Its ailing health system has exposed its deficiencies and weaknesses in controlling emerging infectious diseases. At the turn of the century, the Chinese government began to shift its health policy again, from framing it as an internal domestic social issue, to proactively embracing multilateralism in managing its looming health crisis.

As seen from HIV/AIDS, the focus of this article, China concealed the existence of a crisis in the country for more than 15 years. In June 2001, the government officially admitted the crisis in the country and thereafter, its commitment to tackling the problem has been increasing. It has not only proactively participated in international and regional fora in tackling HIV/AIDS but has also drawn in a wide range of transnational actors to combat the disease inside China. This paper argues that China’s changing health governance at the turn of the century, particularly in respect to HIV/AIDS, was driven by four motivations. First, international concerns about good governance, particularly after the Asian financial crisis of 1997–98, put China under normative pressure to change tack. Second, China’s interaction with United Nations agencies has triggered a learning process and accordingly securitised communicable diseases as a security threat. The third cause is utilitarianism whereby China has utilised multilateralism to gain access to international resources and technical assistance. Finally, it is due to China’s determination to burnish its international image and thereby gain normative power in the international community.

The notion of “governance”, “global governance” and “good governance” entered Chinese discourse towards the close of the last century. The international community’s focus on good governance during the Asian financial crisis and the following SARS outbreak has posed a difficult dilemma for China’s foreign policy. In order to maintain its economic growth, China has to counter other states’ “threat” perceptions by promoting a more transparent and cooperative foreign policy. However, even after many years of engagement with the world, Chinese perspectives on governance and global governance are still deeply-rooted in the Westphalian concept of state sovereignty. Any act to infringe on its national sovereignty is perceived to be non-negotiable.

But while China perceives a need to engage with the world, it also feels that the existing international order is “undemocratic”. It sees many major intergovernmental organisations as the creations of Western states and subject to manipulation by the US. China, therefore, calls for a “democratisation of international relations” to redress this unjust system. Studying China’s growing integration into global health regimes therefore provides an opportunity to observe whether its motivations are “status quo” – intended to comply with and strengthen existing regimes – or “revisionist” – intent on changing regimes to be more conducive to its own interests.
1. Introduction

After more than a quarter of a century of economic liberalisation, China has gradually accelerated its integration into the globalising international system. Among China scholars, a lively debate exists over the extent and nature of China's integration. Some view China's integration as a consequence of its fear of being ostracised by the international community. Others argue that it is acting mainly out of the pursuit of material gains. A third argument attributes China's move towards greater integration as a process of socialisation of international norms. It seems that all three perspectives have individual merits.

Despite these competing accounts, no one would dispute that with its successful economic reforms, China has already become one of the great powers in terms of military force and economic might. Important questions to address are: How is China likely to respond to its new and growing international status? What does China's record of compliance and non-compliance with international regimes reveal about its preferences for and perceptions of world order? This paper mainly focuses on China's health governance and its perspective on governance in a globalising world. It argues that examining China's health governance and its record of compliance and non-compliance with global health regimes can offer important insights into its preferences for the world order.

This paper will first examine the history of health governance in China since the establishment of the People's Republic of China (PRC) and the challenges facing it. Using HIV/AIDS as a case study, section 3 will briefly document China's response to the epidemic. China has used a multilateral approach to tackle the disease since the beginning of this century after denying its existence for more than 15 years. In light of this development, section 4 will examine the causes of China's changing behaviour. Against the background of the literature review and Chinese discourse, section 5 will look at China's interpretation of "governance" and "global governance" from an "inside-out" perspective. While there are convergences between China's perspective of global governance and the Western perspective, the Chinese notion has its own distinguishing features, diverging from the Western concept of "governance without government".
2. China’s Health Governance Since 1949

Since 1949, China has undergone three stages of health governance. The focus of this section is on how China has become increasingly enthusiastic about working with a host of actors in the provision of public health.

(a) The Mao Era

As a socialist country, China provided its citizens with the means to meet their essential social needs, ranging from work and education to health care, until after the launch of the open door policy in the late 1970s. During Mao’s planned economy period, China’s health policies emphasised wide entitlement and access to medical care. The government played a dominant role in providing all citizens with a widely-covered medical system. At that time, more than 90 per cent of China’s population was covered by a cradle-to-grave government-subsidised healthcare system. In urban areas, most workplaces provided medical care for workers. In rural areas, the provision of rudimentary training for village medical practitioners or so-called “barefoot doctors” saw 94 per cent of China’s villages covered by a cooperative medical scheme. They operated reasonably decent vaccination programmes and preventive care in villages, including those in remote areas. Although “barefoot doctors” could only provide basic health services, the general public health situation in China improved rapidly. Life expectancy had increased to 68 years in 1985 from 35 years in 1952. Infant mortality dropped to 34 per 1,000 live births from about 250 per 1,000 during the same period. With the government’s high level of intervention, various virulent infectious diseases were basically eliminated or effectively controlled. Among developing countries, China’s healthcare system was comparatively more equitable and effective, with the provision of basic medical care for urban and rural areas. China’s healthcare system was often praised as a model for the Third World.

(b) The Deng Reform Era

Deng’s economic reforms, beginning in the late 1970s, brought a drastic change to Mao’s government-subsidised healthcare system. While in most liberal democratic countries, such as those in Europe, Canada, and Australia, governments continued to play a key role in providing their citizens with health services, China’s economic reforms saw a rapid shift from a publicly-funded healthcare system to a market-oriented one, with the state playing a diminishing role in financing growing medical costs. Hospitals were required to be increasingly self-reliant. In the course of Deng’s economic reforms, the Chinese government placed economic development at the top of its policy agenda. For the Chinese leadership, economic growth was the only yardstick against which to measure national development and the performance of local officials. Although they were aware of the side effects of development on society, such as environmental degradation, social injustice and deteriorating public health, they did not see that the problems would have adverse effects on economic growth. By contrast, they believed that continuous economic growth could automatically resolve all problems encountered in the process of development. In addition, in order to accelerate economic growth, the government allocated the bulk of its resources to promoting economic growth, to the detriment of social infrastructure. Anything which was thought likely to undermine economic development was deemed undesirable and unacceptable. As a result, public health was only given a relatively low priority in the government’s national development plan.

China’s public health system gradually switched to a user-pay health system, essentially a market-oriented system, from the early 1980s. While technological skills improved as a result of these health system reforms, public access to medical care declined gradually. In many rural areas, public health services almost collapsed. The reforms raised three serious challenges for China’s public health system.
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First, China’s user-pays medical services led to wide disparities in resource allocation. These disparities in health and medical services have become much larger than those in the Mao era. Health resources have become concentrated in urban areas, especially in those hospitals in large and medium-sized cities in the east. Apart from disparity across regions, differential access to medical services has also been observed in income groups. Income inequality among different areas in China has accounted for enormous variation in the provision of public goods and services. Contrary to the nature of public health services, people’s rights to basic health services are no longer guaranteed. Poor people are less likely to get access to medical services or the modern healthcare system. As a consequence, China’s public health system has degenerated into one of the most backward in the world. In a world health report entitled “Health Systems: Improving Performance”, published by the World Health Organization in 2000, China’s healthcare system was rated poorly. Once an admired model for developing countries, it was ranked 188th on the dimension of fairness of financial contribution.

Second, under the planned economy, hospitals and health centres received budgetary appropriations from the government as the only legal payment they could receive. With market-oriented reform, the healthcare system moved towards a self-reliant “management responsibility system”. However, hospitals have not been allowed to raise medical services fees to cover the rising costs in the course of economic reform. This offers strong incentives to health providers to meet the shortfall of funds by over prescribing drugs and medical services to patients, particularly those working in the state sector. Owing to distorted financial incentives, it is commonplace that many unnecessary prescriptions and surgeries have been recommended by hospitals or health centres. Some hospitals focus on purchasing lucrative hi-tech medical equipment but pay scant attention to the delivery of basic health care. Rural doctors are inclined to prescribe patients more drugs than required in order to make profits from selling drugs. It has been argued that one of the side-effects of this over-prescription is the increasing likelihood of drug resistance in rural areas.

Third, and more seriously, the present health system is an emergency system; it does not form an effective regular system that would include such measures as the prevention and treatment of contagious diseases. With the implementation of the “management responsibility system”, there has been a shift of emphasis in hospitals from preventive care facilities to those that can make a profit. Many anti-epidemic stations and preventive care institutions were shrunk accordingly. As a consequence, some infectious diseases, such as tuberculosis and schistosomiasis, have been resurgent in rural areas. China’s ailing public health system has exposed its deficiencies and weaknesses in controlling emerging infectious diseases. Hepatitis, tuberculosis, HIV/AIDS, SARS and avian flu are cases in point. It has been argued that China is now facing a significant health security challenge and that security threats are largely domestic in nature.

In summary, a fundamental problem of China’s economic reform measures is that the government’s single-minded pursuit of economic development has resulted in the neglect of the development of other social sectors, including public health. It was assumed that invisible market forces could automatically resolve the problems which emerged in the process of development. However, China’s ailing public health situation demonstrates that market-oriented reform of the healthcare system over the past 20 years has been far from satisfactory.

Market-focused concerns to avoid presenting overseas businesses and tourists with negative perceptions of China have made local officials reluctant to disclose information about outbreaks of disease. Those brave and defiant enough to expose the truth about infectious diseases have often been castigated for being unpatriotic and “antigovernment”. It takes a while for information about local areas to reach the central government or other parts of the country.
Since the turn of the century, there has been a remarkable change in China’s public health policy, from previous denials and cover-ups towards a more proactive stance and the embrace of multilateral mechanisms for managing serious health problems. Towards the end of the last century, particularly during and after the Asian financial crisis of 1997–98, China began to be concerned about its international image. As a consequence, it not only began to adopt a multilateral approach for dealing with various international issues but also began vigorously projecting an image as a responsible state in the global community. The central government has been paying more attention to health issues at both the domestic and international levels. Since the SARS outbreak in 2002–03, the Chinese government has become more proactive than ever before in its health governance. Vice premier Wu Yi was nominated as Minister of Health. This was the first time such a high-ranking official in the PRC was responsible for the Ministry. Thereafter, China has not only embraced multilateralism in handling the epidemic in cooperation with its Asian neighbours, but also reiterated that it is willing to cooperate with all infected countries to tackle the disease. In particular, it urged local governments to remain transparent in managing the crisis. In recent months, China has also participated in various summits focusing on the control of avian flu in partnership with ASEAN countries as well as international institutions.

The problems with China’s health system were also officially admitted by the government. This was also the first time that the PRC officially announced that the country would need to overhaul its public health system. In August 2005, a joint report issued by State Council’s Development Research Centre and the World Bank pointed the finger at China’s public healthcare system for its failure to prevent and control both serious chronic diseases and infectious diseases. This might be the first official criticism levelled at the public healthcare system. The current Minister of Health, Gao Qiang, on his ministry’s website, even accused hospitals in China of being motivated by profit rather than the health of their patients. With exorbitant fees, the poor are denied access to proper medical care.

In light of the urgent need for a major overhaul of the rural medical system, Premier Wen Jiabao announced in his annual work report to the National People’s Congress (NPC) in March 2006 the introduction of rural cooperative medical funds. The gist of the reform is to give peasants affordable basic public health services. In addition, Gao Qiang is now inviting the private sector, including overseas investors, to join joint-venture schemes to provide health services in China. Six nongovernmental organisations (NGOs) received in early 2006 government funding on poverty-alleviation operations in the central province of Jiangxi. This was the first time Chinese NGOs received state funds in a government-NGO cooperation programme. It is believed that this partnership programme will soon be extended to public health care. It is worth noting that traditionally the Chinese government has been wary of the growth of domestic NGOs, which are perceived to have the potential to attenuate the supremacy of the Chinese Communist Party in ruling the country. A question here is why there has been such a remarkable change in China’s public health policy since the beginning of this century. Before getting back to this question, I will use HIV/AIDS as a case study to further demonstrate China’s changing behaviour since the beginning of this century in response to its looming health crisis.
3. China’s Emerging Response to HIV/AIDS

According to the UN agencies and Chinese official figures in 2006, the estimated number of HIV carriers in China is 650,000 and the overall HIV prevalence is at approximately 0.05 per cent. For more than 15 years since the first case of AIDS was reported in China in 1985, the Chinese government had concealed or denied the existence of an AIDS crisis in the country. One of the widely-cited incidents was its denial of an outbreak in Henan in central China among farmers who contracted HIV/AIDS through a dubious government-sponsored blood selling programme in the early 1990s. As mentioned above, economic development has been the first priority for the Chinese central as well as local governments. Local governments used all means at their disposal to maintain and drive local economic growth. It was widely believed that one of the major reasons for China’s belated response to the HIV/AIDS outbreak was the concern to promote economic development. Officials fretted about falls in tourism and foreign investment as soon as negative information was unveiled. However, there has been a pronounced shift in China’s attitude and policy in managing the disease since it admitted an HIV/AIDS crisis in the country in 2001, particularly after the SARS outbreak in 2003.

Since the official recognition of the growing problem of HIV/AIDS in China in June 2001, the central government has increased its commitment to tackling the problem. Domestically, Premier Wen Jiabao and President Hu Jintao paid high-profile visits to AIDS patients in 2003 and 2004 respectively, indicating the central leaders’ strong determination to take the issue seriously. In February 2004, a new State Council AIDS Working Committee was established under the leadership of Vice Premier Wu Yi to coordinate and promote collaboration among government agencies, the private sector and civil society. During the NPC meeting in March 2005, Premier Wen Jiabao reiterated the central government’s determination to improve China’s public health system, particularly in fighting HIV/AIDS.

On the legislative front, the government endorsed the Law on the Prevention and Control of Infectious Diseases in 2004. This was the first time that AIDS had been specifically targeted in national legislation. In addition, in June 2005, in an executive meeting of the State Council, the prevention, treatment and care of HIV/AIDS was ranked as one of the key public health areas of the 11th National Five-Year Plan for 2006–10. Each level of government is requested to standardise HIV/AIDS prevention and care work in accordance with the law. Subsequently the “AIDS Control Regulations” were approved by the State Council in January 2006. These regulations outline the principles, roles and responsibilities of various government departments in the prevention and control of HIV/AIDS. Furthermore, China has also drawn in a vast array of global state and non-state actors to combat the disease inside China. Partners include the United Nations, the US global AIDS Programme, the Clinton Foundation and the Global Business Coalition on HIV/AIDS.

In a nutshell, China has proactively managed its HIV/AIDS crisis in the past several years, drawing on a wide range of actors to combat the disease inside China. Unlike its previous denials and cover-ups, China has become more willing to share data on the situation of HIV/AIDS in the country with the outside world. Why did China change tack at the beginning of the twenty-first century after its denials of the threat for more than 15 years? Why is this health issue no longer framed as a domestic social issue but rather as a national security issue?
4. Why a Change of Stance on HIV/AIDS?

Four factors explain China’s changing policy towards managing HIV/AIDS. They are: international concerns about good governance; the securitisation of official thinking concerning communicable diseases; rational utilitarian calculations about how best to tackle the crisis; and concerns to project an image of China as a responsible state.

(a) International Community’s Prodding on Governance

From an “outside-in” perspective, the first factor motivating China to change tack was normative pressure from the international community. Globalisation is considered a "two-edged sword" (yi ba shuang renjian) by Chinese leaders. On the one hand, China's pursuit of economic development requires its integration into the globalising world economy; however, integration also entails China's greater exposure to multilateral mechanisms and values. As Rosemary Foot argues, when China started to rejoin the international society in the late 1970s, the criteria of a responsible state were being changed from pluralist to solidarist concepts whereby “common values and some notion of the common good” are given priority. The notion of “good governance” and the associated “Washington consensus” originated in the United Nations and other international development agencies, including the World Bank and the Asian Development Bank. The World Bank (1992) emphasises the ingredients of effective management. The Asian Development Bank (ADB) further consolidated the concept of good governance in 1995 by identifying four elements – accountability, participation by stakeholders, predictability based on the rule of law and transparency in information flow about government policy and decisions. Before the Asian financial crisis of 1997–98, the ADB warned in its report, “Governance: Sound Development Management”, that governments in the region had not yet established “direct correlation between the political environment” and “rapid economic growth and social development”. Since the financial crisis, the demand for transparency in the disclosure of information in government decision-making and public policy implementation has reached its zenith.

The lack of transparency in Chinese government decision-making has always been highlighted and criticised by the international community. Partly due to China's opaque approach to the external world, there were growing concerns about the “China threat” in the Asia-Pacific region and more broadly since the 1990s. In order to counter these “threat” perceptions, the Chinese government began pursuing a more proactive and benign foreign policy, presenting itself as a benign neighbour and a “responsible” state.

The United Nations Development Programme (UNDP) has asserted that good governance is crucial for combating HIV/AIDS. International NGOs have often argued that China under-reports the seriousness of its HIV/AIDS problem. Also, at the end of twentieth century, there were many castigating reports about China's “AIDS villages” in Henan. These brought pressure to bear on China to comply with the requirements of good governance. Obviously China was nudged towards the concept of good governance. By admitting its HIV/AIDS crisis at the turn of this century, China could show that it was becoming more transparent in disclosing information about the epidemic inside China. At the same time, China's maladministration of the SARS outbreak had further exacerbated other countries’ scepticism of China's willingness to behave responsibly. In this context, the Chinese government felt an overwhelming desire to use international cooperation to promote reform of its health governance.

(b) HIV/AIDS as an Identifiable Threat

In January 2000, Kofi Annan argued in a UN Security Council meeting on HIV/AIDS that “AIDS is causing a socioeconomic crisis which, in turn, threatens political stability”. In July
of the same year the Security Council highlighted the security significance of the epidemic in Resolution 1308. The link between HIV/AIDS and security has been established in international policy discourse. Peter Piot, Executive Director of UNAIDS, proclaimed that HIV/AIDS is catastrophic both from a public health perspective and its political and socioeconomic impacts. He has highlighted the need for political leaders to mobilise a multilateral response to HIV/AIDS. As early as 1997, the UN Theme Group on HIV/AIDS warned in its report, “China Responds to AIDS”, which was jointly published with the Chinese Ministry of Health, that there would be a potential pandemic in China. If the government did not respond effectively, the total number of HIV/AIDS in China in 2010 could rise to 10 million.

The Chinese came under attack by the UN Theme Group in 2002 for failing to contain or treat the disease on a large scale. The UN Group said in a report entitled “HIV/AIDS: China’s Titanic Peril” that China’s effort to stem the epidemic had an “infinitesimally small impact” and that China was “on the verge of a catastrophe that could result in unimaginable suffering, economic loss and social devastation”. The UN Group blamed a lack of commitment and leadership on the part of government officials at many levels and insufficient openness about HIV/AIDS for China’s slow progress in combating the disease.

On the other hand, the international relations (IR) literature on the subject of infectious diseases has been rapidly growing since the turn of the century, and accordingly, the awareness of the threat to state and human security by HIV/AIDS is now being recognised. Traditionally, health issues only received limited attention in international relations literature. As Caroline Thomas wrote in 1989, “[d]isease is a transnational phenomenon which pays no heed to territorial state boundaries; yet it rarely features in the discussion of International Relations”. More than 10 years later, Kelley Lee argued, “health fails to even register on the radars of mainstream globalization scholars”. However, the impact of HIV/AIDS for African countries and some other developing countries as well as the SARS outbreak of 2002–03, has alerted the world to the vulnerability and seriousness of the pathogenic threat of contagious diseases. Therefore, since the beginning of this century, a number of IR scholars have called for securitisation of infectious diseases, especially HIV/AIDS, on grounds of human security.

The growing literature identifying HIV/AIDS as a national threat and China’s active interaction with the UN agencies has triggered a learning process whereby China has modified its understanding of its vulnerability of HIV/AIDS and defined it as an identifiable security threat. With a new conception of security that blurs the boundary between low politics and high politics, China has since 2001 framed the looming HIV/AIDS epidemic as a global security issue rather than a domestic social issue.

(c) Rational Utilitarian Calculation

The third motivation is a rational utilitarian calculation by which China has utilised multilateral health governance mechanisms instrumentally. By admitting its AIDS problem, China is cementing its cooperation with state and non–state actors, which can offer China resources and assistance to deal with the crisis. As argued by Yong Deng, since the 1990s China’s leaders have seen the virtue of multilateralism and realised the importance of interdependence in the promotion of the national interest. As mentioned above, China’s ailing healthcare system is too fragile to control emerging infectious diseases. By admitting the problem, China can gain access to international resources and technical assistance. For instance, shortly before China adjusted its HIV/AIDS figures in 2001, it was in the process of submitting an application to the Global Fund for HIV/AIDS, Tuberculosis and Malaria for a grant worth US$90 million.

Since its admission of the epidemic crisis, China has cooperated with more than 20 international organisations and countries on the prevention and control of AIDS in China. All of them have provided financial or medical assistance for China to combat HIV/AIDS.
example, China has cooperated with the US Global AIDS Programme since 2002. Although the two governments do not always agree with each other on human rights issues, the US government has committed over US$35 million for HIV/AIDS-related activities in China between 2004 and 2008. In fact, since 2003 US funding of HIV/AIDS prevention, care and treatment services has increased by 82 per cent. North-eastern China's Heilongjiang province is one of the beneficiaries of the collaboration. Since June 2004, the US Global AIDS Programme has helped to set up 15 of the province's 21 HIV surveillance sites at disease control and prevention centres. Financial and medical assistance in combating the disease in China also comes from such international institutions as the UNICEF, the Clinton Foundation, the Global Fund to Fight AIDS, Tuberculosis & Malaria, and Global Business Coalition on HIV/AIDS.

In addition to cooperating with foreign governments and international organisations, China has called on the private sector to join in. In a summit on AIDS, jointly hosted by the Ministry of Health and the Global Business Coalition on HIV/AIDS in Beijing on 18 March 2005, Vice Premier and then Health Minister, Wu Yi, urged private companies and NGOs to play a larger role in halting the spread of HIV/AIDS in China. Beijing made the unprecedented move of calling for public-private partnerships in managing its health crisis. As of December 2005, 26 international companies have already established, or have committed to implementing, non-discrimination policies for HIV/AIDS for their China-based employees. The Ministry of Health, pharmaceutical company Merck & Co., and the Merck Company Foundation, have recently co-organised a "HIV/AIDS Community-Based Prevention Initiative". They have invited private companies to participate on a contracting-out basis in designing a community-based HIV/AIDS prevention and education programme in Zhaojue and Butuo counties in Sichuan where rate of HIV/AIDS infection is high.

(d) Being a “Responsible” State

Finally, from an "inside-out" perspective, another motivation for China's changed AIDS policy is its conscious design to burnish its international image by providing global public goods. Strictly speaking, health per se is not a public good, but the prevention and containment of infectious diseases can be considered a global public good. In a globalising world, microorganisms do not recognise national boundaries. Infectious diseases can readily transfer from one country to another and indeed from one continent to another and pose direct threats to national and human security, as evidenced by the spread of such contagious diseases as HIV/AIDS, SARS, and avian flu. It is quite obvious that health is a trans-border issue that has ramifications for international relations. In other words, a country's public health and its policies could have dire consequences for both the country as well as the international community. Any belated response or negligence in the prevention and containment of infectious diseases can be deemed a global public bad.

China cares about its international reputation and is eager to provide global public goods in health. For example, Premier Wen Jiabao asserted during the SARS outbreak, "We [the Chinese government] are a government not only responsible to China's 1.3 billion people, but also to the world". In the parlance of liberal institutionalism, a good reputation will lead to more favourable terms of engagement for China with other countries in other areas, such as trade and human rights. To put it another way, its responsible behaviour in one issue-area will lower the transaction costs of its participation in other areas.

In addition, by showing that it behaves responsibly, China is strengthening its normative power in the international community. By acting as a responsible state, China's policy has shifted from a purely Sino-centric worldview to one which stresses China's role in and its contribution to global peace and security. By turning this rhetoric into practice, China aims not only at promoting "good governance" in curtailng the spread of HIV/AIDS but also earning a reputation as a responsible great power in the international community. More importantly, the Chinese government now tries to compete with the US government in image building. As Ronald Keith observes, China, as a world power, claims that it "is more predisposed to accepting the responsibilities of citizenship in the international community than is the United States".
5. Governance and Health Governance: A Chinese Perspective

Traditionally China has held a state-centric worldview which stresses the importance of state sovereignty and non-intervention in the internal affairs of states. Particularly after more than 100 years’ of humiliation by Western powers before 1949, China has firmly resisted any external intervention in its internal affairs. China scholars have described China’s philosophy of governance during the Mao era as *realpolitik* or “calculative strategy”, which was a function of economic, military and domestic political developments since the Second World War. Even under its open door policy since the late 1970s, China still uses a “maxi/mini principle” to maximise its rights and security interests while minimising its responsibilities and normative costs.

Over the past decade, China has increasingly engaged in multilateral cooperation and demonstrated an increasing willingness to comply with international norms and rules in a variety of policy areas, ranging from arms control and human rights to public health. China scholars have also offered various explanations for China’s increasing conformity with international rules and norms. For example, Alastair Iain Johnston and his associates note that China’s concern for international reputation in its participation in arms control regimes is partly motivated by its commitment to portraying itself as a responsible state as well as a Third World leader. Their views are echoed by Allen Carlson who argues that over the last 15 years, its continuing engagement with the international community and its growing interest to portray itself as a responsible state have pushed China to modify its stance on sovereignty-intervention nexus. That explains why China supported humanitarian intervention in East Timor in 1999. In a similar vein, Ann Kent concludes that in embracing the tools of the market economy, China is keen to adopt the policies which are believed to be both favourable to economic growth and to building a good international reputation. As a consequence, China tends to selectively observe international norms and rules, not only in the area of human rights but also in public health.

While the above discussion of the evolution of China’s philosophy of governance by Western scholars, from an “outside-in” perspective, is illustrative, the key issue is how China interprets the concepts of “governance”, “global governance” and “good governance”. The notions of “governance”, “global governance” and “good governance” entered Chinese discourse towards the close of the last century. Chinese scholars have argued that governance of global issues at the national level should be considered part of global governance because successful management of a state’s problems might have global impacts. The management of issues such as HIV/AIDS, environmental degradation, and narcotic drugs trafficking, could therefore contribute to a resolution of these issues at a global level.

The evolution of the Chinese perspective on global governance comes under the influence of a new security concept advocated by Chinese leaders since 1996. Subsequently, leaders and scholars in the country have increasingly used this new security terminology in their speeches and writings. Following an elaboration by the then President Jiang Zemin at the United Nations Conference on Disarmament in March 1999, an official statement was presented to the ASEAN Regional Forum in July 2002. The new security concept calls for using cooperative means to deal with security issues. It stresses the importance of “common security” as well as multilateral approaches to manage security issues such as economic security, food security, energy security, financial security, and environmental security. With this new security concept, China began to demonstrate a preference for multilateral approaches to participating in international affairs. It takes an active part in
In fact, the Asian financial crisis and the following SARS outbreak posed a difficult dilemma for China's foreign policy. On the one hand, it had to maintain economic growth by deepening its ties with the world; on the other, the call for good governance became white-hot from the international community. It faced an uphill battle to avoid being seen as an existential threat to the human lives and economic growth of its country as well as the world in order to shore up the internal and external legitimacy of the authoritarian regime.

China’s regional engagement policies during much of the 1990s were received with some scepticism by some of its Asia-Pacific neighbours, especially in respect to its intentions in relation to military modernisation, the South China Sea and Taiwan. It was deemed as a “threat” to the region. Obviously Deng Xiaoping’s dictum that “never claiming leadership, hiding capacity and biding time” [jue bu dangtou; taoguang yanghui] is no longer helpful to allay the “threat” argument and to resist the demand for good governance from the international community, particularly in the disclosure of information. In order to shed its negative image while maintaining economic growth and promoting trade, investment and tourism with its neighbours and their people, China has realised the need to be a more transparent and responsible stakeholder. As a consequence, Deng's dictum was “quietly dropped” by the Chinese government at the end of 1990s. Instead, China started to portray itself as a responsible state and a good neighbour. According to some China scholars, the acceptance and adoption of international regulations can not only undermine the “China threat” argument, but also improve the international security environment as well as China’s international status. As asserted by Wang Yizhou, Deputy Director of the Institute of World Economics and Politics at the Chinese Academy of Social Sciences (CASS) in Beijing, since the end of the 1990s the Chinese leaders have felt that the time is ripe for China to play a greater and more active role in regional affairs.

Owing to the changing international standards on governance, China has modified its foreign policy, as well as its approach to public health. Chinese scholars discuss the need to promote good governance in tackling public health issues. They call for a higher degree of governmental accountability and transparency and increased cooperation with the civil society and the international community.

A key issue is, after many years of engagement with the world, whether or not China still views global governance from the Westphalian concept of state sovereignty. Considering that Chinese elite academics have for a long time had a symbiotic relationship with the state and assisted political leaders with elaborating on specifics of new political concepts or ideologies, I will focus on the Chinese elites’ explanation on governance and global governance, and compare them with the official views.

Cai Tuo, Director of the Research Centre on Globalization and Global Problems at China University of Political Science and Law, defines global governance as:

A set of new regulations, mechanisms, methods and activities for the administration of the public affairs of man, with the doctrine of holism of mankind and its common interest as the value orientation, and with dialogues, consultations and cooperation on equal footings among multiple actors as the approach so as to deal with global changes as well as global problems and challenges facing the contemporary world.

It is interesting to point out that the emphasis on such approaches as “dialogues, consultations and cooperation” ties in well with China’s diplomatic approach in recent years to resolving international problems through peaceful means. However, while the definition points to “dialogues, consultations and cooperation on equal footings among multiple actors”, the Chinese approach to international relations is still coloured by state-centrism,
which highlights the predominant role of sovereign states in global governance. Implicit to this approach is the understanding that all non-state actors have to rally around and are subordinate to the state and state behaviour. In addition, Cai points to a fact that China’s participation in global governance has impaled it on the horns of a dilemma. On the one hand, due to its rising and yet limited power in global politics, China tends to take a prudent and low-profile position in international affairs and work with the established frameworks of international organisations and multilateralism. On the other, as a developing country, it finds “the existing international order profoundly unjust”. While participating in global governance, China feels a need to safeguard national sovereignty and to be mindful of manipulation by the more powerful actors in the international system.

In a similar vein, Yu Keping, Deputy Director of the CCP Central Bureau of Translation and one of the pioneers in the study of governance and global governance in China, conceives global governance as a collection of measures that aim to resolve global issues and to maintain international political and economic order. The measures are to be enforced by international regimes. However, he emphasises that international organisations, global civil society as well as international regimes and regulatory mechanisms are often subject to enormous influence and even manipulation by the West led by the US. Developed states might use their might to impede effective global governance. Therefore, he warns against any move that would infringe on national sovereignty and undermine the role of nation-states in domestic and global governance.

Akin to Cai and Yu, Shi Yinhong, Professor of International Relations and Director of the Center for American Studies in Renmin University of China, suggests that as a “normal” state in world politics, China on the one hand pursues its national interests as most countries do; on the other, it needs to accommodate and conform to “the common interests defined by the consensus or mainstream opinion in the society of states”. However, in outlining China’s “diplomatic philosophy” in the twenty-first century, Shi goes one step further than other Chinese scholars. Instead of passively being mindful of manipulation by the more powerful states, China, he argues, should play the role of an innovative state in global governance. Since the world is dominated and controlled by the Western great powers, especially the US, China feels obliged to speak for the interests of the developing world and promote an equitable and reasonable global system.

China has increasingly deepened its integration into the international community. It has engaged in multilateral cooperation with a multiplicity of actors and demonstrated an increasing willingness to comply with international norms and rules in various policy areas, ranging from arms control, human rights to public health. However, two points are worth noting here. The first is its deep-rooted concern about national sovereignty, and the second is its perception of and aspirations for the world order.

First, while some Western scholars have coined the phrase “governance without government”, I would argue that the Chinese perspective on governance or global governance is probably best understood as “state-led governance”. Although China has integrated into the world over the last two decades, it still steadfastly resists any international intervention into its domestic affairs. Allen Carlson skilfully disaggregates the traditional understanding of sovereignty into four categories and claims that China is now more flexible in dealing with economic sovereignty and sovereign authority, but he does not deny that China’s stance in the area of territorial and jurisdictional sovereignties (the areas the conventional understanding has traditionally been applied to) continues to be monolithic and unyielding. The above Chinese scholars’ explanation on governance and global governance reveals that any act to infringe on its national sovereignty is perceived to be non-negotiable. Upholding national sovereignty is always of paramount importance, as evidenced in its responses to Tibet and Taiwan issues. The promotion of the concept and practice of good governance also arouses Chinese sensitivities about sovereignty. In the wake of “colour revolutions” in three post-communist states of Georgia, Ukraine and Kyrgyzstan in 2003–05, China has expressed concerns about the proliferation of domestic and international non-governmental organisations as well as their operations.
in China and is at pains to tighten its control over their activities. The recent arrest of Hu Jia and other AIDS activists by local authorities are cases in point. According to Human rights Watch, NGOs and AIDS activists in China continue to face detention and harassment by local authorities.

Second, seen from a normative perspective, China feels that the world order is “undemocratic”. It not only finds “the existing international order profoundly unjust”, but also that the major extant intergovernmental organisations are the creation of the Western states and subject to the manipulation by the US. Rules and norms governing global governance usually favour the West. China feels that it is obliged to reform the process of global governance. Not surprisingly, this academic view on global governance resonates well with the official view. During the Ministerial Conference at the Forum on China-Africa Cooperation in Beijing in 2000, the then president Jiang Zemin proclaimed that the world was highly unequal in development. He called for solidarity among developing countries to craft “an equitable and just new international political and economic order”. He claimed that “[h]egemonism and power politics exist” and therefore, in a new world order, “all countries should be ensured their right to participate in international affairs on an equal footing”. Since decision-making in international institutions is dominated by and represents the interests of the developed countries, resulting in the huge wealth gap between the world’s rich and the poor. China, therefore, calls for a “democratisation of international relations” to address this problem. However, how to do so has not yet been spelt out in any details by Chinese officials and scholars.
6. Conclusion

While China has gradually showed a penchant for multilateralism in health governance and global health governance, this study reveals that China is still firmly wedded to its traditional state-centrism. It is true that at the turn of the century, China has modified its approach and embraced multilateralism in health governance. Its participation in global health regimes has increased rapidly. However, China conceives domestic and global health governance as “state-led”. Upholding national sovereignty is always of paramount importance. Participation by stakeholding organisations is limited. The state imposes strict controls on the activities of domestic and international NGOs. In addition, transparency at the local level remains a matter of deep concern. In evaluating its national HIV/AIDS prevention, treatment and care policy, the Chinese government and UN agencies conclude that enormous challenges still remain.69

The second major finding of this research is on China’s perceptions of world order. It views the world order as largely unjust. The claim that it is a “normal” state leads China to engage with existing international regimes in managing various issues. However, simultaneously it is argued that China should play the role of an innovative state whereby it contributes to “a largely peaceful transformation of the centuries-long international society … dominated or controlled by the Western great powers into a new one in which the Western great powers, especially the United States, coexist with and accommodate the newly arisen non-Western great powers”. In other words, China should strive for a “democratisation” of the international relations.70 Obviously this “democratisation” is targeting the “hegemonic” role of the United States in the international community.

This study of China’s activities in global health governance serves as a window to understanding China’s evolving global role and its intentions in global governance. As a rising power with the goal of “democratising” international relations, it is possible that China’s participation in global health governance is expected to contribute to a “democratisation” of the international system. This in turn begs the question: How can China bring about such change and what would the implications for the world order be?

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Notes


2 In 1969 a Rural Cooperative Medical System was initiated in villages in China. As a result of this measure, there was a huge demand for medical practitioners but the supply was not enough. In order to solve this problem, production teams in the villages could recommend some peasants’ children to receive short-term medical training courses at medical schools at the provincial level. After the training, they were sent back to villages as medical practitioners and provided some basic medical services. Peasants called them “barefoot doctors”. In 1974, there were roughly one million “barefoot doctors” in China. Shjie zhishi (World Affairs), 1 September 2005, p. 29; David Blumenthal and William Hsiao, “Privatization and its discontents – the evolving Chinese health care system”, *The New England Journal of Medicine*, vol. 353, no. 11 (15 September 2005), pp. 1165–70.


8 A study by Li Ling, an economics professor at Peking University, found that on average 50 per cent of babies born in Chinese hospitals – up to 70 per cent in some hospital – were delivered by cesarean sections, while it was less than 10 per cent before 1978. The major reason for this change was that cesarean sections are treated as surgical procedures which allow hospitals and doctors to issue higher medical bills than natural births. See David Lague, “Chinese health care under fire: criticism, surprisingly harsh and public, signals acute crisis”, *International Herald Tribune*, 20 August 2005, Internet edition.

9 For example, a recent study by Chinese scholars revealed that only 0.06 per cent of drug prescriptions in village clinics were considered reasonable. See Zhang Xiang et al., “Pinkun diqu xiangzhen weishengyuan chufang zhiliang fenxi” (An analysis of the quality of prescription of township hospitals in poor areas), Zhongguo nongcun weisheng shiye guanli (Journal of China’s Rural Health Service Management), vol. 23, no. 12 (December 2003), pp. 33–5.


17 One of the measures is to extend a pilot insurance scheme, which requires the central government, local governments and rural residents each contributes 10 yuan a year to a common fund, to 40 per cent of the 2,000-strong counties in the country in 2006 and to


21 A Joint Assessment of HIV/AIDS Prevention, Treatment and Care in China (State Council AIDS Working Committee Office and the UN Theme Group on HIV/AIDS in China, December 2004).


29 Lee–Nah Hsu, Governance and HIV/AIDS (Bangkok: UNDP South East Asia HIV and Development Programme, 2000); UNDP South East Asia HIV and Development Programme, Introducing Governance into HIV/AIDS Programmes: People’s Republic of China, Lao PDR and Viet Nam (Bangkok: UNDP South East Asia HIV and Development Programme, 2002).


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"Zhongguo waijiao siwei chuxian zhongyao bianhua" (an important change in China's foreign policy thinking), *Xinjiang shifan daxue xuebao (Zhexue shehui kexue ban)* (Xinjiang Normal University Journal) (Philosophy and Social Science edition), no. 2 (2003), p. 73.


*Notes*


62 One of the leading proponents of this concept is James N. Rosenau. See, for example, James N. Rosenau and Ernst–Otto Czempiel (eds), *Governance without Government: Order and Change in World Politics* (Cambridge: Cambridge University Press, 1992).


65 Hu Jia, a 32 year-old AIDS activist, was under house arrest and later vanished from the public as well as his family after staging a hunger strike to protest against continuing violence on dissidents. In addition, 23 AIDS patients were also kept in custody to prevent them from seeking redress during the National People's Congress in Beijing in March 2006. See "Chinese AIDS activists call for release of colleague", *Reuters News*, 17 March 2006; "UN contacts Chinese government about missing AIDS activist", *Agence France Presse*, 11 March 2006; Internet Edition.; and "Restrictions on AIDS activists in China", *Human Rights Watch*, vol. 17, no. 5 (June 2005), pp. 17–22.

67 Ibid; and a similar statement was also presented by Ambassador Shen Guofang, Deputy Permanent Representative of China to the UN, at the 2nd high-level dialogue on strengthening international economic cooperation for development through partnership, 20 September 2001, available at <http://www.china-un.ch/eng/ztzz/wtoths/t85834.htm*. Accessed on 26 March 2006.


70 Shi Yinhong, "The Rising China", pp. 7–8.