

## Chapter 10

### Economic Growth vs. Environment Protection: A Survey Data report of Chinese Urban Elites Environmental Awareness

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#### 1. Introduction

Since inaugurating economic reform in 1978, China has placed the highest priority on economic development and has maintained very rapid rates of economic growth for well over a decade. However, together with the remarkable economic performance has come serious environmental deterioration. Air and water pollution, acid rain, and the withdrawal of farmland from cultivation have reached unprecedented levels and continue to increase.

The Chinese government has recognized the problem of environmental degradation since the early 1980s. During this period of rapid economic growth, it has passed several major environmental laws and has established environmental protection agencies. It seems that environmental protection has become a major objective in national politics. And yet, implementation remains largely ineffective, since environmental protection clashes with other objective, particularly the continued pursuit of rapid economic growth. The classic dilemma of growth vs. environment protection has emerged and been persistently facing the Chinese decision makers at all levels.

The establishment of an effective environmental regime requires more than the passage of legislation and establishment of regulatory agencies. The existence of an environmentally attentive elite is also indispensable. Of particular importance is whether the politically more active sectors of the population support environmental protection. These elite groups include mainly lower and middle ranking government officials who are responsible in implementing the national policy of maintaining environmental quality and acting accordingly, and the managerial group of local

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industry whose attitudes and behavior are critical for the quality of the environment. More specifically, the reason that we choose to study elite awareness of environmental issues is that public opinion and civic movements (if any) hardly exert significant impact on policy making process in China. General public opinion will not serve as a resource in environmental politics of the nation unless the elite groups are aware of such issues. With a long history of elitism in the political life of the country, the elite groups have much more influence on the policy process through a variety of formal and informal channels. Therefore, their environmental values and awareness are critical to the environmental politics of the nation and to the future development of the environmental movement.

Yet scholarly research on environmental politic in China is underdeveloped. Major works thus far have either examined the content and the implementation of environmental legislation and policies (Ross, 1987, 1988, and 1992), or discussed the degradation of Chinese environment and the environmental limitations on China's ambitious modernization program (Smil, 1984 and 1992). There have been three major surveys related in one way or another to the issue of environmental awareness in China. The first was conducted by China's State Environmental Protection Administration (SEPA) in 1992. The second was a national survey based on a probability sample of general public in China, conducted by the RCCC for the SEPA in 1998.

More relevant to our purposes was a third survey conducted in 1991 and 1992 by S.Chan and Kenneth Wong from Hong Kong (Chan and Wong, 1994) on the environmental attitudes and concerns of the environmental protection bureaucrats in Guanzhou with a sample size of 70. This survey found that the responsible considered economic growth to be China's major national priority. And there was a genuine belief among these environmental bureaucrats that development and environmental protection were complementary, instead of conflicting. While the findings are very revealing, they cannot adequately reflect the general state of elite values and preferences on environmental issues in China, since the survey was aimed at environmental bureaucrats only and in just one city.

## 2. Our Study

Due to the lack of large scale empirical research, however, the elite awareness and attitudes are far from well documented and analyzed in China. In order to fill out this gap, we at the Research Center for Contemporary China (RCCC) at Peking University, in collaborating with the State Environmental Protection Administration (SEPA) and

its local agencies, conducted a sample survey on environmental awareness and attitudes of urban elite groups in 1999-2000 in nine metropolitan areas in China. The paper presented here is a preliminary analysis based on the data collected from the survey.

We in our study first selected six large cities within China that represent different sizes and geographical locations, different levels of socioeconomic development, and different types of local industry. In the later stage of project design, we included upon suggestions made by our collaborators at the SEPA three smaller cities in the sample to broaden our scope of research to the perspectives of smaller urban areas.

The six large cities for inclusion in the survey are (1) Shenyang in northeast China, an old industrial city dominated by state-owned heavy industry, which has had relatively limited economic growth during the period of reform; (2) Shanghai, the economic and commercial center of the country before the reform, which recently has experienced rapid economic growth due to special treatment by the central government; (3) Guangzhou, a city that has benefited the most from economic reform and has sustained a high growth rate over the past decade; (4) Lanzhou and (5) Chengdu and Lanzhou, two interior cities that have the potential to developmental politics across China. The additional three smaller cities are: (1) Zibo, an old heavy industrial center in Shandong Province; (2) Wenzhou, a mid-sized coastal city in Zhejiang Province which has experienced high growth in the past two decades; and (3) Zhangjiagang, a country level city which has successfully managed to balance a rapid growth and a healthy environment.

The urban elite groups we targeted in our survey were city officials and local business leaders. While the sample of cities is not a probability sample, the samples of respondents within each of the city are designed to be representative. The sample of urban officials is selected randomly from the whole cadre of the city's mid-level officials; and the managerial sample is selected from the entire list of the city's industrial enterprises registered at the city's Department of Environmental Protection. In each of these nine cities, we surveyed 300 respondents (200 city officials and 100 managers of industrial enterprises). Thus, our total sample size aimed at 2,700 respondents, and yield finally 2,365 completed interviews.

## 2.1 The Analytical Framework and Hypotheses

The basic analytical framework of our study is a developmental-socio-psychological model that posits a relationship between different stages economic development and

elite attitudes toward environmental protection. It hypothesizes that development stages and public and elite environmental awareness are positively correlated. Countries where the economy is underdeveloped are likely to have weak awareness of environmental issues. In societies that have entered into a post-industrial stage, public thus elite concern over environmental issues is likely to be strong.

Here a brief review of the development of environmentalism in more advanced society is illustrative. In the 19<sup>th</sup> century and through much of the 20<sup>th</sup> century there was considerable support on both sides of the Atlantic for state policies that favored economic growth. But in the decades after the Second World War survey research from Western Europe and North of economic growth for the environment. Movements arising in support of greater environmental regulation have for the most part been concentrated among the better educated and the economically better off. Such population, it is argues in the literature, come to value the environment in terms of quality of life issues and on aesthetic grounds. And it sectors of the population consider some aspects of advanced economic development to be hazardous to health and safety, such as nuclear power, the chemical industry, and hazardous waste disposal.

In summary, there appear to be three main contributing factors to the rise of environmentalism in the more advanced societies. First, there is a growing interest in quality of life issues, where quality of life is no longer defined solely in terms of growth in personal income, but is increasingly assessed in terms of the environment in which the person lives. Second, there is a growing willingness to perceive industrialization as posing risks to health and safety. Third, the economic costs of pollution have reached a point at which it becomes more expensive than the gains from rapid economic growth. All are often to be found among populations living in countries that have a higher stage of development.

However, the intermediate stages are more problematic. Countries undergoing rapid economic growth face a series of choices between, on the one hand, establishing an environmental regulatory regime to mitigate water, land, and air quality deterioration and, on the other hand, leaving growth unrestrained (World Bank, 1992). Many factors may influence market-oriented) and property distribution provide strong incentives and disincentives to environmental protection (Ross, 1988; Tang, 1993; and Lehman, 1992). Certain cultural values toward nature and environment policy may shift with stages of development and influence the making of environmental policies (Inglehart, 1990). China is currently in this problematic stage. It has been experiencing a prolonged period of high economic growth and a profound transition from a planned economy of a regulated market economy. While maintaining rapid economic growth seems to be a

national consensus, environmental among different areas and different societal groups has produced in income and in levels of education. This segment of the society that has benefited from economic development, the elite perceptions of the limitations of science and technology, the limitations or resources on earth, and the trade-off between development and environmental protection, become critical in the determination of policy priorities and the formation of an environmental regime depends in part on the growing support for economic regulation within elite communities. If there is disinterest within these elite groups, then the environmental regulatory regimes is likely to be characterized as limited in its effectiveness.

Our main hypothesis for the project is that the level of elite awareness of environmental issues correlates strongly with the level of socioeconomic development of the region is low, the elite's priority on economic development will be higher and their willingness to demand environmental protection at the expense of economic growth will be lower. Conversely, in regions where the level of socioeconomic development is high, elite awareness of environmental issues will tend to be higher, and elite groups will be more willing to bear the economic cost of environmental protection. Taking into account the level of socioeconomic development in China, However, this basic hypothesis may need some modification. That is, in the early stage of environmental regime building the elite awareness is more likely to be at the normative level only than to have been internalized as a well held value, thus it tends to be somewhat vulnerable facing the ever strong drive for economic growth that dominates the entire Chinese society. Therefore, although environment protection is becoming a notion of "political correct", the elite acceptance of the notion may remain at the abstract level.

We also hypothesized that the size of the city and types of major industry of the city that have to do with the characteristics of the elite perceptions and attitudes toward the environment issues. Such contextual factors may well be in the play in shaping the specific environment problems in the locality and thus to certain extent shaping attitudes of the local elites toward environment. A further hypothesis is that attitudes toward the environment policies may vary across different elite groups due to their different interests. It is very likely, for example, that the city officials tend to be more concerned with the quality of local environment that do the local business elites. Based on the above hypotheses, three working hypotheses are developed for and to be tested in this paper. They are:

- 1) In terms of the dilemma of economic growth vs. environmental protection, the more abstract the issue being presented, the more readily the urban elites accept the notion of balanced development. Conversely, the more concrete the issue becomes,

the harder for them to maintain the balance between the two desirable goals.

- 2) It is very likely to observe a high consensus among members of the urban elite on the importance of environmental issues as long as they are presented in an abstract sense; while the split in elite opinions would be more likely to be found as the issues are put into a more practical and concrete context.
- 3) In abstract sense there would be little difference in perceptions of and attitudes towards environmental issues between city officials and local business leaders; but the further down to the concrete level, the greater gap between the two elite groups would emerge.

### 3. Findings and discussion

Focusing on the presumed conflicts in elite perceptions of economic growth and environmental protection, sets of questions were presented to the respondents in the range from general and abstract down to specific and concrete in order to elicit empirical data of:

- 1) Their general assessments on the importance of environment issues among a list of major issues facing the world and China;
- 2) The degrees of importance that they would like to assign to economic growth and environment protection, respectively;
- 3) The rank ordering of priorities in local agenda setting;
- 4) Their attitudes toward the options of dealing with polluting enterprises in the real life context.

As shown in Figure 1 and Figure 2, environmental problems at world and national levels are well recognized by the Chinese urban elites. They tend to believe that the environment is a serious matter facing today's world as well as China. The perceived importance they assigned to the environmental problems is very high. In fact, they placed greater importance on environment over all other problems at both world and national levels presented to them. As expected, there is little difference between city officials and local business leaders in their responses to these questions.

When it comes to the questions of importance of economic growth versus environmental protection, we have well balanced perceptions from the urban elites. The weights given to the 0-10 scales of importance for economic development and environmental protection are almost evenly assigned by the respondents (Figure 3 and 4). There is even a little more weight placed on environment than on economic growth. Again, we see little difference in the distributions of the perceived importance between

the two elite groups.

However, when pushed harder to ask the respondents to rank ordering their perceived importance for a range of tasks facing the country, economic growth was placed by the respondents a higher priority than environmental protection (Figure 5). Environmental protection also falls behind "Science and Education" but still ahead of "Population Control" and "Social Justice". Once again, we do not find any significant difference between answers provided by the elite groups on this question.

It seems that the third place in such a priority order is considered by a large majority of the urban elite an appropriate place for the task of environmental protection among the five tasks listed here. Data elicited from a hypothetical question of "If you were the mayor, how would you prioritize these tasks in your city?" show that environment is also assigned by most of the respondents to the exact same place (Table 1). In contrast, most of our respondents turned to believe that environmental protection was ranked a little too low by the current leadership in their respective cities. This time environment fell to the fourth place (Table 2).

Getting down from abstract perceptions to the context of everyday life, we found a lot more variance in elite attitudes toward options of dealing with pollution producing enterprises. As shown in Figure 6, the degree of profitability turns out to be a powerful qualification that the respondents took into account in deciding whether or not to shut down a heavy polluting enterprises. If the enterprise in question did not perform well, it would not be a problem for most of the respondents to shut it down. However, the level of support of shutting down the heavy polluter declined sharply if it was a good performer in terms of profit making. Although there were not many respondents directly expressing their disagreement with taking such a bold action, the proportion of those who held reservation did increase significantly. For those enterprises that are moderate polluters, a similar pattern also emerged from the data, but with a much less support for shutting down. Obviously, business leaders are more reluctant than officials to agree upon taking the decisive action on the polluters.

To push even further the issue, we asked the respondents to choose from a range of penalty options for a heavy polluter that at the same time also a major source of local tax revenue. The result is presented in Figure 7. About half of the respondents chose the option of "stop production, treat the pollution" along with less than one tenth who were in favor of shutting down. A sizable minority insisted that the enterprise should be allowed to keep running while treating the pollution. An open-ended question was presented as a follow up to probe the reasons of choosing each of the options. Figure 8 demonstrates the reasons provided by the respondents to justify their

choosing the option of “allow production while treating pollution”. The categories of the coded answers seem to be self explaining: from top down by frequencies of mentioning we have 1) “it is not right to pursue economic effectiveness”, 2) “this is an appropriate solution in the circumstance”, and 3) “social stability should be taken into account”.

#### 4. Concluding Remarks

We choose to study elite awareness of environmental issues is because that environment movement in China was started in a top down process. The public opinion and civic pressures from below was literally nonexistent until recent years. Further, general public opinion will not serve as a resource in environmental politics of the nation unless the elite groups are aware of such issues. Therefore, elite’s environmental values and awareness are critical to the environmental politics of the nation and to the future development of the environmental movement. Based on this understanding of the Chinese environmental politics, we conducted a 9-city survey on city officials and local business leaders. This paper is a preliminary data presentation derived from this large project.

In this paper we focused on urban elites’ perceptions of the classic dilemma of economic growth vs. environmental protection. We employed the developmental-socio-psychological model that posits a relationship between different stages economic development and elite attitudes toward environmental protection as our basic analytical framework. We believed that at the current stage of socioeconomic development our urban elites are still struggling with this dilemma even though they do think a balanced development strategy is necessary. Therefore, they have to keep searching the point of balance while they take economic growth as the first and highest priority on their agenda.

We proposed three working hypotheses which focused on the conflicts between the urban elites’ normatively favorable positions on environmental protection and their pragmatic dealing with the issue in the everyday context. To a large extent our data seem to be supportive for these hypotheses. That is, at the abstract level there tend to be a consensus among the urban elites on the importance of environmental protection this abroad acceptance of the notion of balanced development. Conversely, however, the elite tend to be split when the issues are put into a more practical and concrete context. Apparently the search for an appropriate approach to pursue the balanced development has to go on.

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Figure 1. Rank Ordering of World Problems by Perceived Importance

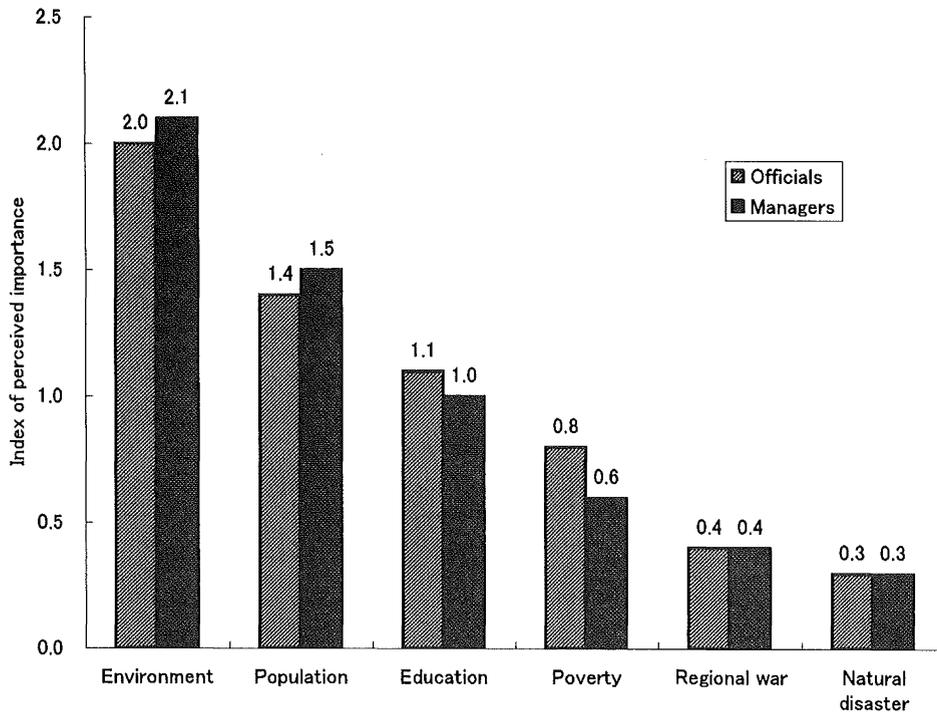


Figure 2. Rank Ordering of National Problems by Perceived Importance

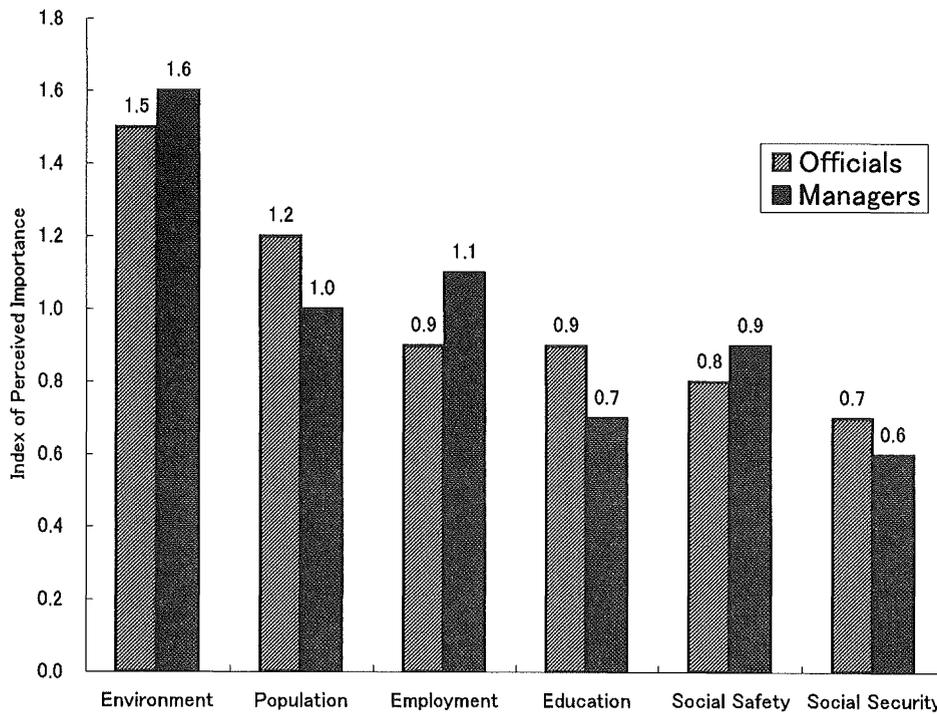


Figure3 Percieved Importance: Economic Growth vs. Environmental Protection(officials)

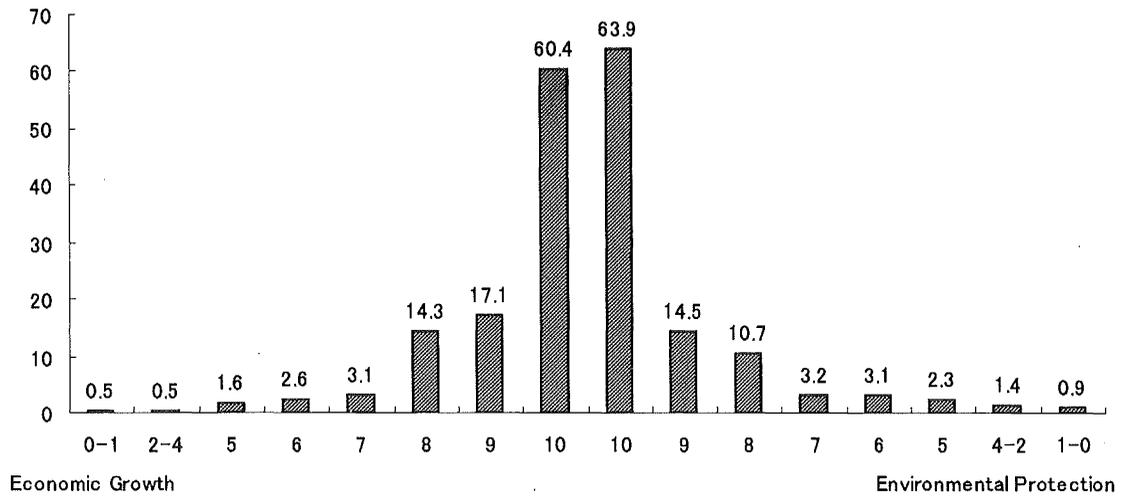


Figure 4. Perceived importance: Economic growth vs. environmental protection(managers)

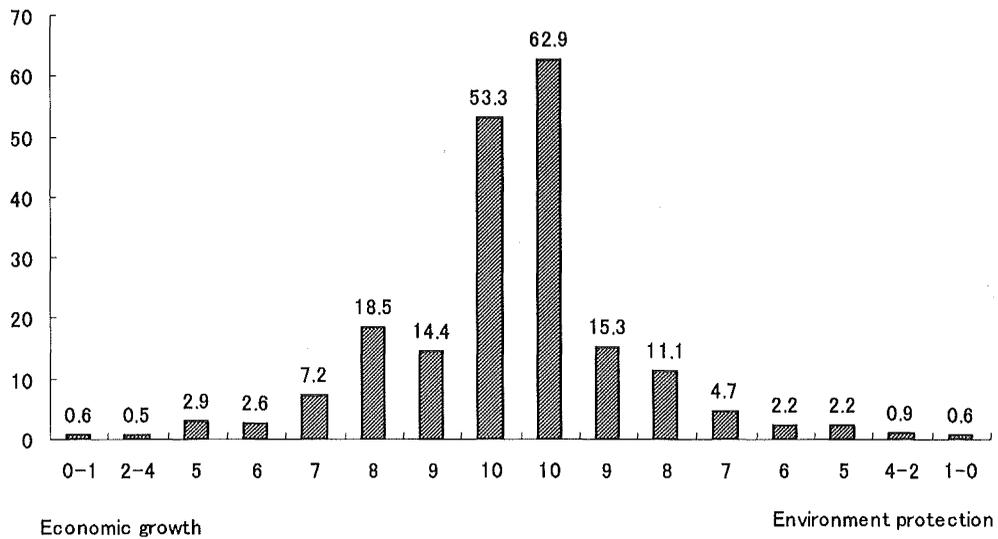


Figure 5. Attitude toward shutting down polluting enterprises

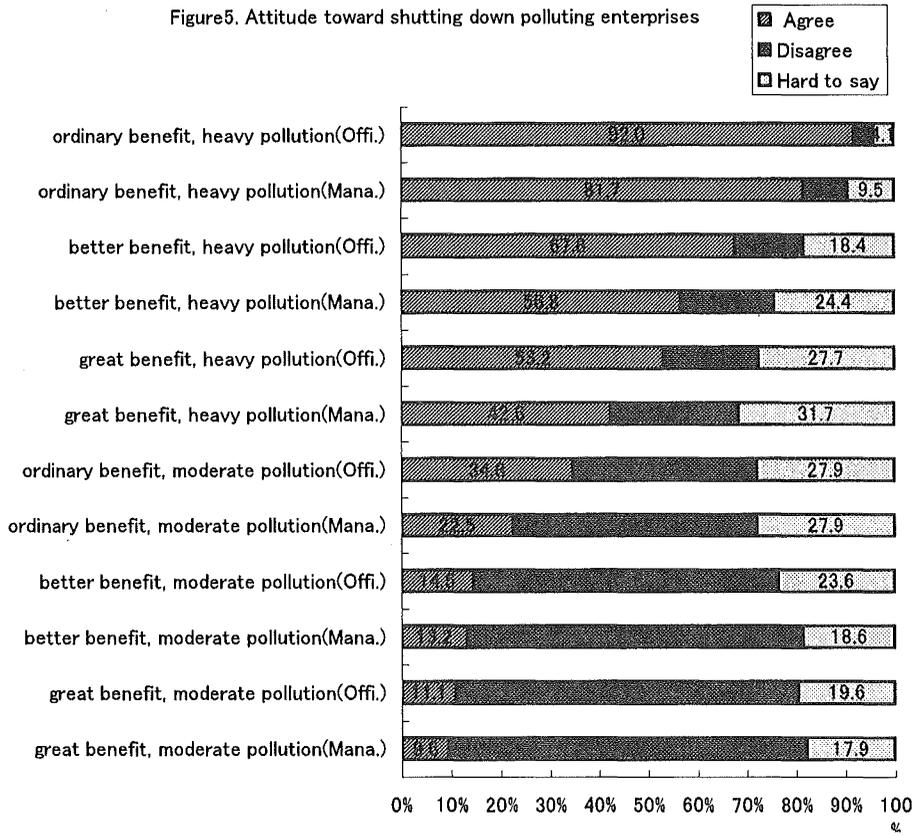


Figure 6. Reasons given to justify choosing the option of "allow production while treating the pollution"

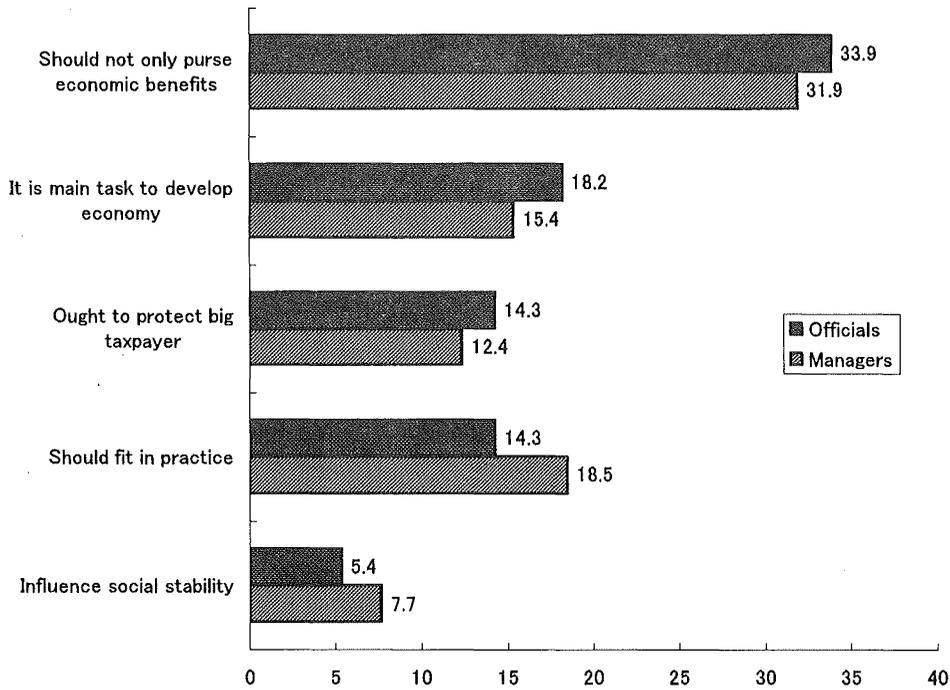


Table 1. "If you were the mayor, how would you prioritize the following tasks in your city?"

	Officials	Managers
The first	Economic Development	Economic Development
The Second	Science and Education	Science and Education
The Third	Environment Protection	Environment Protection
The Forth	Population Control	Population Control
The Fifth	Social Justice	Social Justice

Table 2. "What in your opinion is the actual rank ordering of Of these tasks in your city?"

	Officials	Managers
The first	Economic Development	Economic Development
The Second	Science and Education	Science and Education
The Third	Population Control	Population Control
The Forth	Environment Protection	Environment Protection
The Fifth	Social Justice	Social Justice

