

The Chinese Way Quality Revolution Introduction

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Abstract: The development and promotion of quality related knowledge and technology is not developed independently, it would be developed accompany with the necessary requirements in politics, economy, industrial, and technology of community, society, region, country, and whole world. Everything should observe the world's status, see the surrounding situation, know the people's thinking, then can understand the future trends, grasp the precise situation. The principle of the operation of an organization should be based on the trend, to obtain the advantages of future development, and then we can do something meaningful.

In March 2018, before returning to Taiwan from the holiday of Jingzhou, the author visited the cousin Shipping family for a few days in Wuhan. During the period, we went to the “Wuhan Uprising Military Government Site” next to the Yellow Crane Tower in Wuhan. After returning to Taiwan, based on our own memory and some literatures, we compiled a list of some important events that occurred in the past 70 years of cross-strait political and economic development.

The term “Quality Revolution” first appeared at the Standing Committee of the State Council of China on May 11, 2016, referring to a series of reforms aimed at increasing consumer varieties, improving product quality, creating well-known brands and upgrading people's consumer demand. Taking steps in all sectors to improve quality, we will work toward meeting the highest international standards, encourage the spirit of workmanship, and launch a “Made in China Quality Revolution”.

At this moment, the China proposed the “Made in China Quality Revolution”, which inspired the author's inner world's hope, and thus expanded it into the “Chinese Way Quality Revolution”. When we discuss the issue of economic and social development of a country, with quality as its topic, it will get less controversy in ideology. The quality of the subject to the “essence of substance” requirements are precise and accurate; to the “process of business” focus on efficiency, effectiveness and value; to the “conduct oneself” emphasis on words and deeds should be consistent; to the “quality of life” pursue the balance of production, ecology and life; to the society “Datong (The Ideal World)” is our dream. Under the guidance of the above-mentioned quality issues, quality professionals are engaged in scientific research, technological development, and application promotion to improve the quality of human life. There will be many projects that can be carried out, especially the establishment of “The Chinese way TQM” and carry out “The Chinese way Quality Revolution”.

Keywords: The Chinese way TQM; The Chinese way Quality Revolution; One Belt One Road; factor endowment; comparative advantage

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1. Introduction

The development and promotion of quality related knowledge and technology is not developed independently, it would be developed accompany with the necessary requirements in politics, economy, industrial, and technology of community, society, region, country, and whole world. Everything should observe the world's status, see the surrounding situation, know the people's thinking, then can understand the future trends, grasp the precise situation. The principle of the operation of an organization should be based on the trend, to obtain the advantages of future development, and then we can do something meaningful.

Mentioning about "Quality Revolution", we are also talking about the Revolution of 1911 in China. It has been 100 years since the Revolution of 1911, looking back today, most of the people have a positive attitude toward the Revolution of 1911 and the establishment of the Republic of China. However, China's fate has not been smooth for a century since the 1911 Revolution, and China has split since then. After the success of the Revolution of 1911, Sun Yat-sen, the leader of the Alliance, only served as the interim president of the Republic of China in just a few months. The successor Yuan Shikai is the head of the strength of the Beiyang system. He has no awareness of the democratic republic. On the one hand, he spared no effort to remove the power of the Kuomintang in politics, and on the other hand, he was still doing the dream of being an emperor. This made it destined that Sun Yat-sen must finally launch a second revolution and a law-enforcement war. However, the political strength of the Kuomintang is not enough. Even after Yuan Shikai's death, they still could not grasp the Chinese regime. The Central Plains was caught in a chaos of warlords and North-South confrontation. Sun Yat-sen, who retreated to the south, also attempted to reunify China by means of military Northern Expedition, but he did not succeed until his death.

The successor of Sun Yat-sen, Chiang Kai-shek, based on the Whampoa Military Academy, first created an army with revolutionary ideals and combat effectiveness, and was able to defeat the warlords from Guangdong to Peking in two and a half years, basically unifying China. A group of people who are completely different from the Kuomintang Three People's Principles, under the use and support of Russia, established the Communist Party of China in Shanghai during the decade of the Republic of China, eroding the republic that has just started again. In the East China Sea, Japan, an Asian power that rises like a rising sun, took advantage of the prestige of a world war and began aggression against China for nearly half a century.

The "Golden Decade" that modern Chinese historians called, it is carried out under such circumstances. At this time, there was a rebellion of the Chinese Communist Party in the south of China, and Japanese aggression in the north, and the vast western part was also full of warlords, local armed forces, and ethnic minorities who were rebellious; not to mention the existence of Wang Jingwei and others are dissatisfied with Chiang Kai-shek's political power within the Kuomintang. Therefore, Sun Yat-sen's efforts to establish a modernized country as depicted in his works on the "Three People's Principles", the "Outline of the Founding of the People's Republic of China", and the "Industrial Plan" are actually very limited progression in China. This dilemma of the Republic of China further spurred the ambitions of the Japanese warlords and led to a full-scale war of aggression against China for eight years.

Eight years later, Japan surrendered. However, the joy of the Chinese people has fallen back to the bottom in less than a few days. For the eight years, the Chinese Communist Party, which was hiding behind the national army of the bloody war, has finally seized the opportunity to raise the rebel flag. In the four years civil war, the Communists successively defeated the national army in the Northeast, North China, and Pingjin, and eventually

defeated the national army in an all-round way. Since then, China has been divided into divisions by the strait. The mainland China experimented with communism under the leadership of the Chinese Communist Party, while Taiwan implemented the Three People's Principles under the leadership of the Kuomintang. In the past 70 years, the two sides have had considerable gaps in economic, social and political orientation. Although the two sides have been communicating for more than 20 years, the differences in system and ideology are still huge, so that the shadow of war has always surrounded the sky above the strait¹.

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Figure 1 Wuhan Uprising Military Government Site



Figure 2 Sun Yat-sen Visited Wuhan and Took Photos with Representatives from All Fields

¹ New Era Weekly: Reflections on the Revolution of 1911, available online at: <https://www.epochweekly.com/b5/239/9800.htm#>.

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Table 1 70 Years of Cross-strait Political and Economic Development

Years	China Mainland	Taiwan
1950-1960	Public-private partnership	The 37.5% Arable Rent Reduction Act
	People's Commune	Sale of Public Lands
	Anti-rightist	Land to the tiller
	Three-Anti and Five-Anti	The first phase of the project (1953-1956): import substitution
	Great Leap Forward	The second phase of the project (1957-1960): export substitution
	Large steelmaking	US military aid, financial aid, and material aid
	Three years of natural disasters	Counterattack the mainland
1960-1970	Do away with the four olds and cultivate the four news	The third phase of the project (1961-1964): development of export
	Established the Revolutionary Committee	The fourth phase of the project (1965-1968): steady growth, go to modernization
	Cultural Revolution	The fifth phase of the project (1969-1972): agricultural modernization and the development of the electronics industry
		US aid stopped
1970-1980	Cultural Revolution	The sixth phase of the project (1973-1976): Industry priority, development of petrochemicals, electronics, and promotion of agricultural modernization
	Down with the Gang of Four	The ten major constructions (1974-1979)
	The old three sessions and the new three sessions	Six-year economic plan (1976-1981): Actively expand trade and develop capital and technology-intensive industries
	Resume the college entrance examination	Preparation for the Hsinchu Science Industrial Park
	Reform and Opening up	
	Split the field to the household	
	State enterprise transformation	
	Three steps	
1980-1990	The Outline of the Ten-Year Plan for the Development of the National Economy from 1976 to 1985	
	6 th Five-Year Plan	Overseas scholars are gradually returning
	7 th Five-Year Plan	Internationalization, liberalization, and institutionalization economic call
	June Fourth Tiananmen	Promote four key technologies: energy, materials, information, and automation
		The Hsinchu Science Park was formally established
		Export decentralized market
		Develop key components
		Party bans opening/lifting martial law
1990-2000		Open the mainland China to visit relatives
	8 th Five-Year Plan	Taiwanese businessmen go west
	9 th Five-Year Plan	Do not rush to endure
		Southward policy
2000-Now		Two-state theory
	10 th Five-Year Plan	Two trillion three industries
	11 th Five-Year Plan	One side One country
	12 th Five-Year Plan	Cross-strait three links
	13 th Five-Year Plan	ECFA
	The preferential Taiwan 31 policies	Service trade agreement
	Made in China 2025	Productivity 4.0
	One Belt One Road Initiative	Five plus two industries
Cross-strait quality exchange	Sino-US trade war	New Southward policy
	ANQ	
	WACQ	
	ICQCC	

The author is fortunate to experience the rise of the Chinese society in the past 100 years from the colonial powers and aggression, the eight-year war of resistance, the civil war between the Kuomintang and the Communist Party, the opposition between the two sides of cross-strait, the war is still latent, the rise of the Asian four small dragons in the emerging industrial countries, and the rise of the Chinese mainland. The Chinese society has gradually caught up with advanced countries such as Europe, the United States, and Japan, and has gradually come to the forefront from the viewpoint of food and clothing, social stability, political harmony, economic development, and scientific and technological progress to a well-off society.

2. Made in China “Quality Revolution”

China follows the same roadmap, principle and policy of governing Deng Xiaoping 50-year reform and opening up policy in 1992. After the 9th, 10th, 11th and 12th Five-Year Plans, China is now implementing the 13th Five-Year Plan aims at “building a well-to-do society in an all-round way” and proposes the five development concepts of “innovation”, “coordination”, “greenness”, “openness” and “sharing”. The transformation of China’s internal manufacturing to China is the general trend of the three major changes, to push forward “the transformation from China Speed to China Quality, from Made in China to Created in China, and from Chinese Products to Chinese Brand”. “Three Transformations” are the specific requirements and goal of China’s national. For the opening up, the promotion of Vision and Action of Building Silk Road Economic Belt and 21st Century Maritime Silk Road (One Belt One Road), it focuses on the Asian, European and African continents, but is also open to all other countries. All countries, from Asia, Europe, Africa or the Americas, can be international cooperation partners of One Belt One Road Initiative. The pursuit of this initiative is based on extensive consultation and its benefits will be shared by all of us.

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On April 2, 2018, The People’s Daily published an article about “Made in China Quality Revolution”.³ We summarize the contents as three major issues, what is quality, the technology outbreak provides new opportunities and from the “guarantee base line” to the “pull high line”: the standard leads the quality revolution.

3. What is Quality

“Quality can be understood as quality plus brand.” Lu Yanxi, vice president of China Association for Quality (CAQ), said. At the symposium on Made in China Quality Revolution held recently, Lu Yanxi repeatedly emphasized that a product with good quality and a certain brand value added can be called good quality. “The quality revolution first means that the brand and quality must be double improvement.” Lu Yanxi said that the quality revolution has put forward higher requirements for Chinese manufacturing, not only to make

² Launched a quality revolution in China, *China Daily*, 2018-03-08, available online at: http://language.chinadaily.com.cn/2018npc/2018-03/08/content_35810501.htm.

³ Chinese manufacturing guided in the quality revolution: quality = quality + brand, 2018-04-02 07:27:26, *People’s Daily*, (Reporter Li Xinping), available online at: http://www.xinhuanet.com/tech/2018-04/02/c_1122622802.htm.

breakthroughs in quality, but also to gain a firm foothold in the brand.

“Quality revolution also means continuously improving effectiveness and technical standards, constantly opening new market areas in the international market competition, meeting new consumer demands, etc”, Lu Yanxi said.

At present, the quality of Chinese manufacturing is far from enough to meet new consumer demand. Zhou Qiren, former dean of the National Development Research Institute of Beijing University, believes that in the past, consumers’ demands were to “does it has”, but now were to “does it good enough”. “The current market is bidding on quality. The quality of existing products can’t satisfy domestic demand. From the popularity of purchasing, Haitao, and the surge in imported consumer goods, we can see how big the gap is! ”

4. The Technology Outbreak Provides New Opportunities

Smart manufacturing, industrial internet, and big data open up new paths to improve quality. How is the quality revolution going?

In the view of Jia Fuxing, the president of the CAQ, the outbreak of a new round of scientific and technological revolution represented by smart manufacturing and artificial intelligence has provided a new opportunity for the reconstruction of global value chains. It is timely to promote the quality revolution

The new technology provides a new opportunity for quality improvement; the new technology provides a new opportunity for brand curved overtaking; the new technology provides a new opportunity to meet individual needs.

5. From the “Guarantee Base Line” to the “Pull High Line”: The Standard Leads The Quality Revolution

The international market is the "touchstone" for testing the results of the quality revolution. When Chinese products go international, we must first benchmark the international advanced standards. “The leading role of the quality revolution is the enterprise. As a government department and industry association, it is a positive guide to help enterprises do the benchmarking work and find the gap”, Jia Fuxing said.

According to the data, the conversion rate of China’s international standards (that is, the proportion of international standards adopted by national standards such as national standards and industry standards) has reached 85.47%. Compared with international standards, some standards in China still have a certain gap, which is in the state of catching up; most of the Chinese standards are basically consistent with the international standards, and they are in the catching up state; some standards are ahead of the international standard and are in the lead state. Such as fireworks, silk, Chinese medicine, household appliances, high-speed rail, civilian nuclear power, network communications, UHV AC power transmission and other fields. Tian Shihong, director of the National Standards Committee, said that by 2020, the conversion rate of international standards in China's key equipment manufacturing industry will reach over 90%, and the consistency of major consumer goods with international standards will reach over 95%.

This year, the National Standards Committee will continue to carry out benchmarking work with international advanced standards. “We strive to find a gap by comparing the implementation standards and advanced standards of an enterprise, one company by one company, one product by one product in a three-year period, and carry out the standard compliance action”, Tian Shihong said.

It should be pointed out that “national standards are often the product of compromise, and more of the role of the ‘guarantee the base line’. The corporate standards and group standards of leading enterprises can truly ‘pull the high line’”, Lu Yanxi said that China’s group standards have been formulated. The work has just started, the industry associations have great responsibilities, and we hope that the group standards in China can also be more flowering and have real market influence.

In addition to standard guidance, the quality revolution needs to be invested in real resource, and the government’s escort is essential. “Because of the high cost of institutional transactions such as accreditation, many companies have to reduce the necessary cost input, and the quality of their products’ quality has also decreased”. Lu Yanxi said that these invisible constraints will affect the enthusiasm and final effect of the company’s quality revolution. He said that government departments should make effective supply of policies and institutional environment, especially to improve market access, create a fair competitive business environment, strengthen market supervision, crack down on counterfeiting, prevent bad money from driving good money, and carry out for enterprises. The quality revolution creates a good external environment.

6. The Chinese Way “Quality Revolution”

China has implemented this kind of Total Quality Management (TQM) mode of administration with a huge number of state machines. In the past 30 years, hardly have any countries in the world could pass through on this way. The so-called “The Chinese Way Total Quality Management” should be progressive. It does not yet have a reasonable and sustainable concrete framework for scientific assessment. Deng Xiaoping’s slogan on the China’s reform and opening up: In December 1980 at the Central Work Conference, Chen Yun said in a speech: “We want to reform, but we must keep pace. ...”. We always summarize our experience that we should “feel the stones across the river ...” Even so, the author believes that there must be high-ranking people behind, on September 21, 2017, *China Times* reporter Pan Weiting comprehensive reported: the title is “New Structural Economics Lin Yifu: Emphasis on Government Power”, “China’s Role — New Structural Economics Sharing”.⁴

He reviewed the three wave of development economics after World War II. The first wave was the “structural economics” dominated by the 1960s and 1970s. It is believed that developing countries want to be rich and powerful, and they must develop modern capital-intensive large industries like the developed countries, and the government directly allocates resources for development. As a result, although the economic development has been rapid for some time, it has begun to stagnate and the crisis has continued. Therefore, the second wave emerged. The “new liberalism” in the 1980s and 1990s advocated the abolition of various government interventions and distortions in the market. It is necessary to establish a modern market economy system as perfect as developed countries, and adopt “privatization, marketization and liberalization”, and believe that the government-led economy facing to market economy must be “one step at a time”. As a result, the economies of these countries have also collapsed, stagnated, and crises. He believes that the reason for the failure of structural economics is that it wants to advocate the development of the industry, violating the comparative advantages of these developing countries. In the open competitive market, there is no competitive advantage without comparative advantage, the competitive benefits are not good, and the economy will be stagnant and the crisis continues.

⁴ On September 21, 2017, *China Times* reporter Pan Weiting, comprehensive report, available online at: <https://www.chinatimes.com/newspapers/20170921000742-260301>.

Therefore, the difference in the new structural economics lies in the 180-degree transformation of the former “reference system”. It is no longer a reference system for developed countries. Now it is the reference system of the developing countries themselves. Look at what we have is the factor endowment; what can be done well is the comparative advantage, and it is made bigger and stronger through the market and the government. At the same time, under the technological innovation and industrial upgrading, the system of hardware facilities and software should be continuously improved. Among the several successful development examples, the common feature is that the government plays an active and promising role. At the end of 2018, he gave a more complete account of a speech at Peking University, “Lin Yifu: China’s 40 Years of Reform and Opening-up and Prospects”.⁵

Countries would enhance their national strength, political stability is more important than economic development. National Strength can refer to such hardware power as military affairs, economy, diplomacy, science and technology, and resources as well as software power such as information network infrastructural and cultural level. Among these, military strength, economy, diplomacy and science and technology can all easily enhance the national strength of the country, and political stability plays an important role in elevating the power at these levels. More importantly, the people of the country must unify their opinions so that their power can be concentrated, and rely on the baptism of culture to decide on and strengthen their political direction, keep high economic level to ensure the quality of nationals, take advantage of science technology to ensure a strong state. The people’s spiritual needs should also be uniformed by integrating values, integrating knowledge, integrating ideas and integrating wisdom. The so-called “The Chinese Way Total Quality Management” under the theoretical basis of new structural economics, gradually sort out a specific architecture as follows:

- 1) TQM with the party leading the government;
- 2) Establish a constitutional level of roadmap, principle and policy;
- 3) Macro-control and micro-correction under country governance with PDCA;
- 4) Launch the ministry, province, city and autonomous region with the vision, goals and strategies formed by the Party Central Committee;
- 5) Combination of government, industry, and research institute, government support for research, universities focus on theoretical research, institutes focus on experimental research, and enterprises focus on realizational research;
- 6) From the Party Central Committee, the State Council, the Military Commission, the Disciplinary Committee, and the legislators to the ministries, provinces, municipalities, autonomous regions, counties, cities, towns and peoples, the people's ideas are consistent;
- 7) People-centered socialist comprehensive modernization;
- 8) The continuous improvement of bottom-up self-discipline should be the first priority.

The following is a compilation of several development plans related to the quality revolution in mainland China:

- 1) The “13th Five-Year” National Science and Technology Innovation Plan, http://big5.gov.cn/gate/big5/www.gov.cn/gongbao/content/2016/content_5103134.htm;
- 2) The Central Committee of the Communist Party of China, The State Council’s guidance on conducting quality improvement actions, http://www.xinhuanet.com/politics/2017-09/12/c_1121651729.htm;

⁵ Lin Yifu: China’s reform and opening up forty years of review and outlook, available online at: <https://www.youtube.com/watch?v=4PQHjkcVvcU&app=desktop>.

- 3) Industrial Technology Innovation Capacity Development Plan (2016-2020), <http://www.miit.gov.cn/n1146290/n4388791/c5331390/content.html>;
- 4) Director of the General Administration of Quality Supervision, Inspection and Quarantine of China, Zhi Shuping, answered questions on “quality improvement” Press conference, http://big5.china.com.cn/gate/big5/www.lianghui.org.cn//zhibo/zhuanti/2017lianghui/2017-03/14/content_40450941.htm;
- 5) Outline of the “Healthy China 2030” Plan, http://www.gov.cn/gongbao/content/2016/content_5133024.htm;
- 6) Opinions on the implementation of the Chinese outstanding traditional culture heritage development project, http://www.xinhuanet.com/politics/2017-01/25/c_1120383155.htm;
- 7) 2050 China: People-centered socialist comprehensive modernization, <http://www.cnki.com.cn/Article/CJFDTotal-LJXZ201705003.htm>;
- 8) Made in China “Quality Revolution”, http://www.xinhuanet.com/tech/2018-04/02/c_1122622802.htm.

7. Conclusion

At this moment, the China proposed the “Made in China Quality Revolution”, which inspired the author’s inner world’s hope, and thus expanded it into the “Chinese Way Quality Revolution”. When we discuss the issue of economic and social development of a country, with quality as its topic, it will get less controversy in ideology. The quality of the subject to the “essence of substance” requirements are precise and accurate; to the “process of business” focus on efficiency, effectiveness and value; to the “conduct oneself” emphasis on words and deeds should be consistent; to the “quality of life” pursue the balance of production, ecology and life; to the society “Datong (The Ideal World)” is our dream. Under the guidance of the above-mentioned quality issues, quality professionals are engaged in scientific research, technological development, and application promotion to improve the quality of human life. There will be many projects that can be carried out, especially the establishment of “The Chinese way TQM” and carry out “The Chinese way Quality Revolution”. The following topics are worth of discussing:

- 1) The Chinese Way Quality Revolution- the country governance chapter.
- 2) The Chinese Way Quality Revolution- the science and technology development chapter.
- 3) The Chinese Way Quality Revolution- the national happiness chapter.
- 4) The Chinese Way Quality Revolution- the citizenship quality chapter.
- 5) The Chinese Way Quality Revolution- the humanistic chapter.

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- Lin Yifu. “China’s reform and opening up forty years of review and outlook”, available online at: <https://www.youtube.com/watch?v=4PQHjkcVvcU&app=desktop>.