

China Executive Leadership Academy Pudong: A Mixed Reception for China's New Business School

The China Executive Leadership Academy Pudong (CELAP) is a newly minted business school set in downtown Shanghai. The school was created to give its students the knowledge needed to succeed in an increasingly competitive business world—in an increasingly competitive international market. Unfortunately, CELAP has had a mixed reception. There has been some question in the media and the business world as regards how much influence the Communist government will have on the school's pedagogy. The issue surrounds one basic question: can a school funded and founded by a Communist Party truly expound the freethinking views of the international business community?

CELAP IN BRIEF

Built at a cost of over \$100 million USD, the school—unlike two other “leadership academies” in China—is located in the middle of Shanghai's cosmopolitan action, and not in a remote area. Fittingly, the design of the school is ultramodern, with a red, bridge-like structure whose colour pays homage to the country's Communist legacy. This, indeed, is the first sign that CELAP's roots are with the Communist Party. The second sign is that the school's market is not the everyday student, but senior officials of the Party, corporate executives, and high-ranking military officers. Its chairman is also the head of the Organizational Department of the Central Committee of the Chinese Communist Party. All of this would seem to suggest that the government will hold a strong influence on the school's affairs—a fact not lost on the school's critics.

NEGATIVE CRITICISM

Not surprisingly, the Communist Party's involvement in CELAP—and that school's published intent to value education, capacity building, and behaviour orientation—has generated much cynicism and tongue-in-cheek commentary from the media and other groups. Many question the school's ability to deliver impartial education while satisfying its Communist masters. Some of the negative commentary has even come from the Chinese business community. In one of the earlier conferences held at the school, one Chinese businessman brought up an interesting point: the school was talking about the need for businesses to focus on the people, but the businessman questioned this, saying that although this was true, a company's first responsibility was to its shareholders. However, it's hard to judge CELAP based on these statements because they're so subjective. A more concrete criticism is the fact that in order to be accepted into one of CELAP's programs, one can apply via traditional channels... or be “selected” by Communist Party officials.

THE IMPOSING COMMUNIST FACTOR

The significance of the Communist involvement cannot be understated. Of course, CELAP uses business literature in its pedagogy, but it also uses texts such as “The Philosophy of Marxism”, and “Mao Zedong Thought”. Consequently, there is a question of compatibility here: can a school that supports Marxism also credibly teach Western ways of business?

According to Fareed Zakaria, editor of the international edition of Newsweek, the political system in China is still tightly controlled and brutal in its suppression of dissent. While this dramatic statement certainly cannot be directly applied to CELAP, it's still an indicator on the school of thought that is at least somewhat present at Shanghai's newest school.

REASON FOR OPTIMISM

The negative views illustrated above certainly paint a less than flattering picture of CELAP, but again, they cannot be construed as being condemning evidence. Indeed, the opinions above could be warranted—or they could just be the product of an unwillingness to give CELAP (or the Chinese government) the benefit

of the doubt. Although the school is most probably not as completely transparent as it could be, it's not completely biased, either. CELAP is certainly doing some firsts. For example, in a typical Chinese academy, senior positions tend to be filled by more mature party members, yet the average age of CELAP's 128 instructors is only 34. Furthermore, the school even has a small English-books section, uses Western MBA cases studies, and has students listen to speeches by the EU Trade Commissioner.

Furthermore, during her visit to the school, Harvard's Barbara Kellerman said that she felt that the discussions were remarkably open and wide-ranging, including exchanges on pluralism, globalization, and leadership in changing societies that would be familiar to American ears. This is a far cry from the xenophobic monologues that many people expect from Chinese institutions of learning, and would seem to suggest at least a willingness on the part of the government to make sure that CELAP is different to other elite academies in China.

IS THERE AN ISSUE OF CREDIBILITY?

Despite CELAP's claim to be a place which educates its students on the latest and greatest business concepts and trends—and thus by definition, practices in the international business world—it suffers from a lack of transparency, and a lack of foreign involvement. For example, there are no foreign scholars represented, and although Western teaching is present, it does not seem to be prevalent. To contrast this, consider China's neighbour, Japan—a country that embraced Western teachers early on in its history to the extent that in 1890, only 20 years after having opened its borders to foreigners, it had already enough western-educated academics to send most of the foreigners home.

EAST MEETS WEST AT SCHOOL

Consider the following more contemporary example of Japan and its openness to Western education: the McGill MBA Japan program, which operates from within Tokyo's Sophia University. In this MBA, 44% of the students are not Japanese; in other words, in Asia's second-largest economy, 56% of the students are Japanese being taught by a Canadian—and thus Western—school. While this comparison is not entirely just—CELAP targets the Chinese elite who are already successful, while McGill's MBA targets a more modest demographic—the general idea is sound: no one would question the impartiality of McGill's education. Because a Canadian school runs the university, it provides unbiased teaching of the way the business world works. Even if there were any bias, it would be towards Western business practices, rather than political ideologies. If CELAP suffers from a lack of 100% credibility in the eyes of the world, then perhaps some kind of a partnership with a Western university could be a kind of solution. However, this may not be entirely realistic, because Japan is a democratic country with strong ties to the West dating back to the end of World War II, while China is a Communist country which has only recently open its doors.

VISITORS FROM ABROAD

While partnering with a Western school is one option, another thing CELAP could do to silence its critics would be to open its doors to foreign visitors from Western schools—something it has done with HEC Montréal. Much of the criticism directed towards CELAP has to do with the belief that the closed-door, “old boy's club” attitude present in the Communist Party will be transmitted to CELAP. Allowing foreign students to visit—and stay—at CELAP is one way to at least partially disprove this theory. By literally opening its doors to Westerners, the school is allowing foreign students to get up close and personal with its day-to-day activities. While visitors will naturally not have access to anything sensitive, they will still be able to glean a substantial amount of information from answers to their own questions, and simple observation. Again, inviting students to visit CELAP will not allow it to categorically refute all the criticism it has received, but it's a start.

ONE STEP AT A TIME...

CELAP may not be perfect, but, like so much in China, it is probably the result of many conflicting motives

and interests, that all can be valid at the same time. China only opened to the world in the late seventies. To expect it to completely reconstruct itself between then and the opening of CELAP in 2005 is simply unrealistic. Asia's rising superpower may be quickly embracing the economic practices of the West, but it still holds fast to its Communist ideologies. While "floaters" are slowly replacing die-hard Party believers—party members who pay their dues, but are not active members—many younger people still believe in the Communist Party's ideals. Consequently, people expecting CELAP detach itself completely from Beijing's centralized government are simply naïve. In any discussion about long-term developments in China, the Communist Party has been, is and most likely will be the most important platform.

CELAP can be seen as a kind of segue from a closed-minded past to an open future—and a way for the Communist Party to stay relevant and keep its appeal with the younger generation. Again, expecting sweeping changes in the short term is unrealistic, however, CELAP—costing \$100 million USD, and geared towards the cream of the crop—is most certainly a long-term investment. Yes, China is changing very slowly... and that's probably a "good thing": major changes are best done in baby steps—one step at a time—rather than in great heaving changes.