

Theoretical Analysis of Giddens' Third Path and Its Enlightenment for China's Development

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Abstract: Giddens put forward the idea of the third way in his book *The Third Way: Revival of social democracy*, hoping to go beyond the "Left and Right" system and find a new system that can solve new problems. In his description of his welfare ideology, he mentioned the cooperation between the state and civil society, the involvement of the third sector, the self-help development of the community, and the concept of a "democratic family". He believes that an equal society should have "equality, limited elite rule, revival of public space, a society beyond labor, active welfare policies, and a social investment oriented country." His ideas have played a positive role in promoting China's economy, politics, environmental protection, and other aspects.

1. Introduction

In 1998, Giddens's book *The Third Way: Revival of social democracy* was published, which is an objective analysis of the advantages and disadvantages of various political propositions since World War II.

In my opinion, it is more accurate to say that it is a paper than a book. Giddens' topic in this book is the revival of social democracy. The first chapter is the literature review of this paper, which makes a comprehensive analysis of the views of socialism, old school social democracy and new liberalism. The second chapter (five dilemmas) mainly analyzes the dilemmas faced by social democracy in globalization, individualism, left and right discussions, political actors, ecological issues, and the Third Way politics. The third chapter is about the state and civil society, which mainly analyzes the democratization of democratic system, civil society problems, crime and community, democratic family and other social problems. Chapter 4 is about social investment oriented countries, which includes the meaning of equality, social investment strategies, etc. Finally, we are moving towards the era of globalization, which mainly discusses a series of social issues such as global national issues, cultural pluralism, global democracy, the European Union, global unified structure, and global market fundamentalism.

In this book, Giddens first described and analyzed the reasons for the failure of classical social democracy after the Second World War, especially the deficiencies in the welfare system, the rise of neo liberalism and the problems it has brought to society. With these new situations and problems, Giddens put forward the idea of "the third way to find a new system that can solve new problems", I hope the third path can transcend the system of "left and right".

2. Background of proposing the third path

The third path is a new social trend of thought that emerged in the process of social democracy reform in Europe in the 1990s. It is a great transcendence of traditional social democracy and neo liberalism at the end of the Cold War bipolar pattern between the United States and the Soviet Union [1]. It is also a response to new challenges and new problems in the context of globalization. Its purpose is to maintain the political and economic pattern of Europe and the world [2].

The traditional social democracy, in terms of the relationship between the state and society, is dominated by the government, and the state dominates civil society. Economically, it is advocated to

manage private enterprises through a set of management systems to ensure the interests of labor, consumers, and small and medium-sized enterprises [3]. In certain circumstances and scope, planned economy can be implemented. In terms of the welfare system, we should promote a broad social welfare system (although most of it is not as extensive as that advocated by democratic socialism and other socialist groups), especially alleviate the poor population, and insure the people to avoid losing their income due to illness or unemployment. Although the welfare model from cradle to grave has helped people to some extent avoid poverty caused by unemployment or illness, the negative consequences of overemphasizing nationalization and social welfare policies have gradually emerged since the 1970s[4]. The huge public expenditure and heavy social welfare burden have brought a series of negative impacts to the British economy. On the one hand, there is a serious shortage of production investment, slow technological updates in enterprises, and a lack of development momentum, ultimately leading to economic stagnation and high unemployment. From 1974 to 1980, the average annual growth rate of the British economy was only 0.9%, and in 1980, there was even a negative growth of 18%. In 1979, the number of unemployed people reached 1.7 million, and the unemployment rate reached 56%. The inflation rate reached 21.9% in 1980. Keynesianism is powerless in this regard. Because to stimulate economic development and reduce unemployment, it will push the inflation rate to a higher level; the suppression of inflation will reduce effective demand, exacerbate the economic recession and increase unemployment [5].

In the 1980s, with the arrival of the Thatcher government, the austerity policies implemented (such as reducing public spending, significantly raising bank loan rates, and reducing the money supply) were like a powerful medicine for Britain. Although it could bring Britain back to life, it also had serious side effects, further worsening its already fragile economy and causing a large number of small and medium-sized enterprises to face bankruptcy [6]. As a result, neoliberalism did not provide a satisfactory answer in the UK.

The disintegration of the Soviet Union in the 1990s marked the official end of the Cold War between the United States and the Soviet Union. Capitalism successfully defeated socialism on the European battlefield, and countries around the world officially entered the development stage of globalization. Globalization is like a double-edged sword, bringing both opportunities and many problems and challenges. As mentioned by Giddens in his book "The Consequences of Modernity," authoritarian growth, the collapse of economic growth mechanisms. The destruction of the ecological environment, nuclear conflicts, and large-scale wars can all affect the security and stability of a country [7].

The third path was proposed in this era context. As a renewed and rebuilt democratic trend and development model, it is a product of the social, economic, political, and cultural changes in developed countries in Europe and America, especially in Western Europe, after World War II. It is a new major adjustment and transformation attempt in the post-war capitalist development process, with a distinct historical color.

3. The theoretical model of the third path

3.1. The Six Dimensions of the Theoretical Model of the "Third Road"

As the spiritual mentor and think tank of British Prime Minister Blair, Giddens redesigned the political agenda for the Third Path for the New Labour Party after it took control of the British government, with reforms to the country and government as its basic guiding principle. Overall, Giddens' "Third Path" theoretical model includes the following six dimensions.

3.1.1. Government reform

Giddens believes that since the long-term development of society, British neo liberals and social democrats have differences in many aspects. For example, in terms of government power, social democrats insist on expanding the power of the state and the government, while neo liberals insist on the principle that the government should delegate power. The third path proposed by Giddens is a political line that goes between laissez faire capitalism and traditional socialism.

3.1.2. Reform of the welfare state

As we mentioned earlier, as the pioneer and founder of the welfare state, the welfare policy not only brings security and stability to the British society, but also aggravates social inequality and financial pressure. Therefore, Giddens proposed measures for the reform of the welfare state, whose purpose is to change the welfare state into a social investment country, and change negative welfare into positive welfare.

3.1.3. Economic reform

Giddens believes that the economic model supported by the third way is neither a completely capitalist economy nor a socialist economy, but a new mixed economy. This new mixed economy takes public interest as an important social factor, and takes social consequences as a measure of its economic development.

3.1.4. Ecological modernization

At the same time, in his book "Politics of Climate Change" published in 2009, he once again expressed his views. He suggested that: first, climate change should be incorporated into daily life, and secondly, political polarization should be avoided, which is a serious opposition between support and opposition. Once again, it is necessary to motivate businesses, consumers, and political leaders, and make action oriented and innovative efforts. Finally, climate change should be incorporated into the geopolitical landscape [8].

In the 21st century, China has always been at the forefront of environmental protection, adhering to the principle of economic development that requires both gold and silver mountains and green waters and mountains. On the contrary, the economically developed United States withdrew from the Paris Climate Agreement during Trump's presidency. This move is nothing more than withdrawing from some international organizations, allowing the United States to reduce some international responsibilities and responsibilities, reduce trade deficits, and revitalize manufacturing. However, is the measure of relying on sacrificing the environment for economic development truly commendable?

3.1.5. Civil society development

Giddens pointed out that the overall political goal of the third path should be to help citizens navigate the major revolutions of our time: globalization, the dramatic changes in personal life, and our relationship with nature. The third path should maintain a focus on social justice, while acknowledging that the scope of issues that cannot be covered by the divide between the left and right factions is larger than before. In the view of social democracy, freedom should mean the autonomy of action, which requires extensive social participation. At the same time, the government can and should play a fundamental role in the reconstruction of civil society.

3.1.6. Global System Reform

As a political outline, the third path aims to further promote world integration. After the 1990s, for many ethnic countries, the exchange between countries will exceed the concept of a nation state. Economic globalization, political globalization, and cultural globalization have become the development trends for a long time in the future. Today's sense of national identity is more established in a cooperative environment.

3.2. The value foundation of the third road

Giddens proposed the value foundation of the third path: no authority, inclusive equality, freedom as autonomy, no responsibility, no rights, and universal pluralism [9].

Giddens believes that with the passing of the era of polarization, new democratic countries have become countries without enemies, and external support for national legitimacy has weakened; with the development of the global market, citizens' individual autonomy and reflective ability have improved, making the democratic system more attractive to citizens. The third way believes that it is necessary to reconstruct the country, go beyond the demonized neo liberalism and the traditional social democracy that the state almost does everything, adapt to the new situation in the era of

globalization, and rebuild the authority of the state through the democratization of the democratic system.

Giddens defines equality as "inclusivity", which refers to the equal rights and obligations, equal opportunities, and participation in public life that all members of society have. Connected with the new concept of equality and building an inclusive society, for social democracy, freedom should mean autonomy in behavior, but autonomy should not be seen as egoism, but means mutual benefit and interdependence between people, that is, freedom as autonomy. No responsibility or right refers to the redefinition of the relationship between rights and obligations, establishing a new relationship between individuals and society. While individual rights continue to expand, individual obligations should also be extended, achieving the unity of rights and obligations, and balancing individual responsibility and collective responsibility.

Giddens proposed the development of global nationalism, which involves how to deal with the issue of nationalism. But the establishment of a global governance mechanism must rely on the cooperation and development of nation states. Therefore, the global consciousness of nationalist states is different from the confrontational conflicts established by previous nationalist states. In an open and cooperative environment, nationalist states participate in global economic and ecological governance by adjusting democracy and rising to the global level, emphasizing collaborative cooperation.

The above are the value orientations of the third path. How can these value orientations be implemented into specific guidelines? Giddens believes that this process needs to be realized through the democratization of democratic system in politics, the development of mixed economy and the reform of welfare state in economy, and the coordinated governance of nation states at the level of global governance [10].

4. The enlightenment of the third path on china's development

Giddens put forward the idea of the third way in his book *The Third Way: Revival of social democracy*, hoping to go beyond the "Left and Right" system and find a new system that can solve new problems. In his description of his welfare ideology, he mentioned the cooperation between the state and civil society, the involvement of the third sector, the self-help development of the community, and the concept of a "democratic family". He believes that an equal society should have "equality, limited elite rule, revival of public space, a society beyond labor, active welfare policies, and a social investment oriented country.

What is the reference significance of the third path for China?

Firstly, in terms of economy, China is facing problems such as imbalanced economic development between the East and the West, and prominent economic disparities caused by regional differences (urban and rural). China can learn from some countries in Europe, America, especially in Northern Europe, to establish a unique social welfare system in China. It is not possible to fully learn about high welfare social policies, and of course, the superiority of the welfare system cannot be ignored, such as the establishment of China's medical insurance system and unemployment insurance. To a large extent, it has alleviated the problems of people's inability to afford medicine and unemployment and poverty.

In terms of political governance, the third path proposes the democratization of the democratic system, which includes fostering a positive and healthy civil society, implementing political pluralistic governance, realizing people's democracy for our country at present, effectively balancing the state, market and civil society, ensuring that the government is not offside, misplaced and absent, and giving play to the decisive role of the market in resource allocation, Reasonable adjustment of the relationship between the government and the market has played a positive reference role.

In terms of global economic governance, China leads and promotes global economic governance by advocating the establishment of the Asian Investment Bank, putting forward the "the Belt and Road" initiative, and actively building bilateral and regional free trade zones; The "the Belt and Road" initiative advocates joint consultation, joint construction and sharing. The "the Belt and Road" International Cooperation Summit Forum, hosted by China in May 2017, guided all parties to find

solutions to the current problems facing the world and regional economy, and promoted coordinated development. The establishment of the Asian Investment Bank, the accession of the RMB to the IMF Special Drawing Rights basket, and the establishment of the the Silk Road Fund are all important breakthroughs in China's international economic governance in recent years. China has promoted the development of Asia Pacific integration and economic globalization by accelerating the construction of free trade zones, accelerating the construction of a network of free trade zones based on the surrounding areas, radiating the "the Belt and Road" and gradually building a global oriented free trade zone. The third path can provide direction for China's participation in global economic governance. In terms of environmental protection, China is facing a contradiction between economic development and environmental protection. Some provinces, cities, and regions are hesitating at the intersection of economic development and environmental protection. The third path provides us with a positive measure in environmental governance and climate change protection, that is, how to achieve joint environmental governance with other countries.

5. Conclusion

The book *The Third Way: The Revival of social democracy* aroused immediate repercussions and attracted wide attention from the academic community when it was published. Giddens' thought of the third way not only helped Blair win the British election, but also gave a new direction for the development of countries in development difficulties, which has a strong practical guiding significance. China is now in the primary stage of socialism, and the overall level of science and technology is still relatively low. When facing the third road, we should adhere to the principle of taking its essence and eliminating its dross, and strive to build China into a modern socialist power!

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