INTRODUCTION

If we are to implement an effective strategy for the establishment of a socialist state under the rule of law, we must first grasp and adapt to the unique features that characterize the spirit and trends of our times. A variety of expressions are used to describe the current era (e.g., the knowledge economy era, the information era, the Internet era, the human rights era, and the era of ecological revival). Each of these reflects one aspect of our times. In the author’s view, the term globalization most accurately and comprehensively summarizes the modern era, for it encompasses all of the characteristics of our times. The world is undergoing a historic transformation. Globalization is drastically altering the modes of production, lifestyles, and survival strategies of humankind and profoundly impacting the evolution of economic, political, and legal systems. In order to confront the multifarious challenges of the global era—whether they be economic, cultural, or educational or whether they be scientific, political, military, or diplomatic—we must cultivate global awareness and insight and develop a global outlook and approach. At the same time, the fundamental issues relating to the construction of a socialist state under the rule of law must be researched and resolved against the backdrop of globalization and within the framework of globalized administration.

1. The Fundamental Properties of Globalization

Globalization is a comprehensive and multifaceted concept. It refers to the expansion of the scope of human activity and the range of
human organization, from the local community to the nation state to
the world. Globalization is an indicator of the comprehensive develop-
mental trend of human civilization. While some consider globalization
to be an economic trend, the author believes that, at the very least,
globalization encompasses the following five areas: economics, public
affairs, human rights, the environment, and the law. It is globalization
in these five areas that has compelled China’s legal transformation.

1.1. The Globalization of Economics

A decade ago, it was reasonable to suggest that economic globalization
was merely a theoretical hypothesis and a future developmental trend.
However, with the 1995 founding of the World Trade Organization
(WTO) and China’s accession to that organization with one-fifth of
the world’s population in 2001, globalization must be recognized as a
present reality. On April 23, 2004, Nepal became the 147th nation to
accede to the WTO, with 30 additional countries preparing to join at
that time. The trade volume of WTO economies accounts for more
than 97 percent of total global trade, constituting a significant demon-
stration of the expansion of economic globalization.

The most fundamental indication of economic globalization is the
establishment and continuance of an integrated international market,
reflected in the following global trends:

1. The proliferation of “global factories,” evinced in the dispersal
of product manufacturing plants across the globe. On June 11
of 2004, French and the China Aviation Industry Corporation
signed an industrial cooperation agreement worth one hundred
million US dollars, outsourcing the production of the Airbus
A380; this was the first time a Chinese enterprise was involved
in the manufacturing of an Airbus A380. With the rapid devel-
opment of multinational corporations and regional trade groups
has come the tightening of international ties based on a new
international division of labor.

2. The significant reduction of tariffs obstructing the flow of trade
in the international economy. According to statistics, the aver-
age tariff level among WTO members, currently at 6 percent,
is expected to drop considerably in upcoming years. Tariffs in
the domain of high technologies, such as computers, telecommunications equipment, and integrated circuits, may eventually be