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Reform of the Lawyer System from the Perspective of Lawyers

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Abstract

Since the restoration of the lawyer system in 1979, the Lawyer Law has undergone four revisions, and the current fifth revision has attracted widespread attention from the public, particularly from the legal profession. This article focuses on analyzing important issues existing in lawyer management mechanisms and lawyer governance systems, including the attributes of lawyers, internal specialization and external capitalized competition, the principle that China cannot become a litigation powerhouse, and global competition issues. Through empirical and comparative research, it is concluded that: first, the legal profession has transitioned from a high-speed development stage to a high-quality development stage, and it is necessary to establish and improve access and regulatory systems for the large legal services market; second, the socialist lawyer system with Chinese characteristics needs to balance the people's nature, professionalism, and commercial nature of the legal profession, and should improve the lawyer mediation system and explore the establishment of a commercial registration system for law firms and a tiered lawyer appearance system; third, the naming rules for law firms should be revised to build world-class law firms and enhance Chinese lawyers' foreign-related legal service capabilities and competitiveness in the global legal services market. These research findings are conducive to further optimizing the socialist lawyer system with Chinese characteristics, promoting high-quality sustainable development of the legal profession, and providing valuable insights for the revision of the Lawyer Law.

Full Text

Lawyer System Reform from a Lawyer's Perspective

Abstract

Since the restoration of the lawyer system in 1979, the Lawyer Law has undergone four revisions, and the current fifth revision has attracted widespread

attention from the public, particularly within the legal profession. This paper focuses on analyzing critical issues in lawyer management mechanisms and governance systems, including the nature of lawyers, internal specialization versus external capitalized competition, the principle that China cannot become a litigation-heavy nation, and global competition challenges. Through empirical and comparative research, we argue that: first, the legal profession has transitioned from a high-speed development phase to a high-quality development phase, necessitating the establishment of a robust access and regulatory system for the comprehensive legal services market; second, the socialist lawyer system with Chinese characteristics must balance the people's nature, professionalism, and commercial nature of the legal profession, requiring improvements to the lawyer mediation system and exploration of establishing commercial registration systems for law firms and a tiered court appearance system for lawyers; and third, law firm naming rules should be revised to cultivate world-class law firms and enhance Chinese lawyers' capacity for foreign-related legal services and global market competitiveness. These findings contribute to further optimizing the socialist lawyer system with Chinese characteristics, promoting high-quality and sustainable development of the legal profession, and providing valuable insights for the revision of the Lawyer Law.

Keywords: lawyer, market access, lawyer mediation, commercial registration, tiered court appearance, naming rules, world-class law firm

The lawyer system exists to uphold social fairness and justice and represents a hallmark of advancing legal civilization. Xi Jinping's thought on the rule of law proposes that "building a high-quality legal workforce with both moral integrity and professional competence" constitutes the foundational guarantee for comprehensively governing the country according to law. The legal workforce comprises specialized legal personnel and legal service professionals, forming the backbone of national governance. Consequently, the lawyer corps serves as a socialist legal workforce and a vital force in socialist rule-of-law construction, with the lawyer system representing a crucial component of the socialist judicial system with Chinese characteristics. The Lawyer Law, as the fundamental legislation for China's lawyer system, originated from the Interim Regulations of the People's Republic of China on Lawyers enacted on August 26, 1980. The formally enacted Lawyer Law on May 15, 1996, has undergone four revisions on December 29, 2001, October 28, 2007, October 26, 2012, and September 1, 2017, making significant contributions to establishing and improving China's lawyer system, though numerous implementation challenges remain. In 2020, the Ministry of Justice issued the "2020 Judicial Administration Reform Task List," explicitly stating the need to "promote the revision of the Lawyer Law of the People's Republic of China." The National People's Congress Standing Committee's 2024 legislative work plan included the Lawyer Law as a preparatory review item.^[1] It is foreseeable that the fifth revision of the Lawyer Law will be the most substantial to date, as since the 18th Party Congress, China's legal profession has achieved considerable development, with expanding scale and increasingly refined specialization. Moreover, the period since the 18th

Party Congress has witnessed the most extensive reforms, yielding the greatest results and impact in lawyer system reform. With the establishment of Xi Jinping's thought on the rule of law, there is an urgent need to consolidate reform achievements through legal channels and systematically plan for the future at the institutional level.

The development of China's lawyer system has also benefited immensely from research achievements and legal practices in both academic and professional circles. You Jian and Gong Xiaobing (1988) provided a comprehensive review of lawyer system reform research from six perspectives.^[2] Li Xun (2017) reviewed and prospectively examined the reform of the socialist lawyer system with Chinese characteristics, covering six aspects: the nature of lawyers, institutional structures, developing China's lawyer corps, management systems, professional practices and working methods, and improving lawyer laws and regulations.^[3] Liu Hexing (2019) argued that to comprehensively, objectively, and scientifically absorb the achievements of lawyer system reform, three balances must be maintained: "the balance between rights protection and practice supervision," "the balance between lawyers' rights and public power," and "the balance of rights allocation within the legal profession."^[4] Wang Jinxi (2020), through a 20-year summary of the Lawyer Law's implementation, analyzed the composition of the de facto lawyer law from perspectives of management systems and professional conduct, assessed existing problems in the Lawyer Law, proposed systematic solutions, and offered recommendations for improving lawyer law norms beyond the Lawyer Law itself.^[5] Looking back at history, previous lawyer system reforms have seen progress, development, and also periods of stagnation. We recognize that lawyer system reform encompasses extensive areas that cannot be fully addressed in a single article. Therefore, we attempt to examine the aforementioned six aspects from a lawyer's perspective, incorporating current hot-button issues and challenges of widespread concern to lawyers and society, and propose six recommendations: upholding the people's nature, professionalism, and commercial nature of lawyers; establishing a commercial registration system for law firms; improving access and regulatory mechanisms for the comprehensive legal services market; establishing and improving the lawyer mediation system; creating a tiered court appearance system for lawyers; and refining law firm naming rules. We hope these contributions will aid in the revision of the Lawyer Law and the improvement of the lawyer system.

I. Transformation Opportunities and Challenges in the Legal Profession

(i) Rapid Expansion of Lawyer Scale

Since the restoration of the lawyer system in 1979—45 years ago—the number of lawyers in China has grown from 212 lawyers in 1979 at an average annual growth rate of 9.5%, reaching 530,000 lawyers by the end of 2020.^[6] The Ministry of Justice's "National Public Legal Service System Construction

Plan (2021-2025)” proposes leveraging lawyers as the main force in public legal services, targeting 750,000 practicing lawyers nationwide by 2025.[7] In fact, as of the end of June 2024, China’s lawyer corps has already reached over 750,000 individuals, with 45,000 law firms. Additionally, China has a total of 754,000 various legal service institutions, including law firms, notary offices, judicial authentication institutions, arbitration institutions, people’s mediation committees, and grassroots legal service agencies, employing 3.997 million professional legal service personnel.[8] It is projected that by 2027, the number of lawyers may exceed one million, positioning China among the top three globally, potentially becoming the world’s largest in the future. These figures do not yet include the commercial registration-based non-litigation legal service institutions and various civil and commercial mediation organizations that have drawn widespread criticism from lawyers and bar associations, such as legal consulting companies and legal affairs companies. According to the author’s search through Qichacha, there are as many as 72,188 registered “Legal Consulting Co., Ltd.” entities, 27,553 “Legal Consulting Service Co., Ltd.” entities, and 9,184 “Legal Affairs Co., Ltd.” entities in the market supervision registry—totaling over 100,000 legal consulting companies, twice the number of law firms. Faced with such a complex and chaotic market environment, it is no wonder that lawyers who have endured ten years of rigorous study to pass the stringent legal professional qualification examination lament that “times are getting tougher,” and even veteran lawyers with thirty years of practice have publicly bemoaned the severe “involution” within the profession.

(ii) Enhanced Political Status of Lawyers

Since the launch of the 14th Five-Year Plan, the Party Central Committee has successively issued the “Outline for Building a Law-Based Society (2020-2025),” the “Plan for Building China Under the Rule of Law (2020-2025),” and the “Outline for Implementing the Rule-of-Law Government (2021-2025),” coordinating and advancing comprehensive law-based governance while specifically deploying measures to fully leverage lawyers’ roles in this endeavor. China’s current cohort of 750,000 lawyers, as a legal workforce possessing specialized legal knowledge and practical experience, should rightfully become a crucial force in the diversified mechanism for resolving social conflicts and disputes, playing a significant role in socio-economic, political, and legal construction. Lawyers contribute to upholding the correct implementation of the Constitution and laws, effectively preventing miscarriages of justice, safeguarding social fairness and justice, and fulfilling functions of dispute resolution, human rights protection, and power restraint.[9] Throughout history, the 1980 Interim Regulations on Lawyers defined lawyers as “state legal workers,” while the 1997 Lawyer Law defined them as “practitioners who have obtained a lawyer’s practice certificate according to law and provide legal services to clients upon engagement or designation.” In 2002, the Ministry of Justice issued separate opinions on launching pilot programs for public-duty lawyers and corporate lawyers, initiating these experimental programs. In 2014, the Decision of the Central Committee of the

Communist Party of China on Major Issues Concerning Comprehensively Advancing the Rule of Law, adopted at the Fourth Plenary Session of the 18th CPC Central Committee, proposed building a socialist rule-of-law workforce loyal to the Party, the state, the people, and the law, while also calling for constructing a complementary and rationally structured lawyer corps. In 2016, the Opinions on Deepening Lawyer System Reform, issued by the General Offices of the CPC Central Committee and the State Council, further clarified the need to “fully leverage lawyers’ important roles in legislation, law enforcement, adjudication, and law compliance,” “fully leverage lawyers’ important roles in legally managing economic and social affairs,” and “fully leverage lawyers’ important roles in serving and safeguarding people’s livelihoods.” If classified by whether they hold state employee status, Chinese lawyers can be divided into two categories: public-duty lawyers serving the state, and social lawyers and corporate lawyers serving society. This brings us back to the theoretical discussion of defining lawyers as either “state legal workers” or “social legal workers.” However, social lawyers, public-duty lawyers, and corporate lawyers are all “lawyers” who necessarily share common characteristics as lawyers, making the overall definition of lawyers an urgent theoretical issue that requires resolution.[10] To address this controversy, Xi Jinping’s thought on the rule of law defines lawyers as “legal service workers for socialism with Chinese characteristics” and as “important members of the socialist rule-of-law workforce.” Consequently, the new era has endowed the legal profession with new connotations and political status, with outstanding lawyers entering the ranks of Party representatives, People’s Congress delegates, and Political Consultative Conference members at various levels, contributing suggestions for national legal construction and social governance, thereby demonstrating the social responsibility and historical commitment of lawyers in the new era.

(iii) Transformation and Upgrading of the Legal Services Market

While the legal profession experiences unprecedented expansion and significantly enhanced socio-political status, the legal services market environment is also undergoing subtle changes, particularly in the post-pandemic era when the socio-economy is in a sluggish recovery period, leaving lawyers in the white-hot competitive market feeling a chill. Non-lawyer entities such as legal consulting firms, mediation institutions, and legal technology companies are aggressively entering the traditional legal services market, with solemn statements from local bar associations precisely demonstrating that the legal community is crying out to protect industry interests and professional standards. Simultaneously, we have observed a massive influx of cases into courts, with the judicial system facing severe case backlogs that have led to widespread difficulties in case filing for both litigants and lawyers. According to basic economic theory, “oversupply” leads to “low-price competition” and “cutthroat competition,” so what exactly is causing the massive accumulation of cases in courts while lawyers face intense internal competition due to insufficient business? Is the supply side of legal services provided by the 750,000-strong lawyer corps and the total of 3.997 mil-

lion professional legal service personnel still insufficient? Or has the entry of non-lawyers into the legal services market constrained the development of the lawyer corps and affected legal services market supply? This has prompted our reflection on the governance of litigation sources.

To address the litigation source governance issue, Western countries such as the United States and the United Kingdom have experienced similar situations that may offer valuable lessons and help unravel this puzzle. In the 1970s, the U.S. court system faced continuously increasing civil cases, causing judicial processes to become protracted and consuming substantial time and resources from filing to trial. This situation caused tremendous difficulties for litigants and undermined the efficiency and credibility of the judicial system. H. Warren Knight, founder of JAMS, witnessed firsthand the phenomenon of civil cases clogging courts and prolonging trial durations during his tenure as a California Superior Court judge, which prompted him to contemplate more efficient dispute resolution methods and conceive the idea of establishing ADR service institutions. The United States had already enacted the Federal Arbitration Act in 1925, providing legal foundations for arbitration as an ADR method. Additionally, various states successively formulated relevant laws and regulations to standardize and support mediation and other ADR approaches. In the latter part of the 20th century, American societal perspectives gradually shifted, with people developing new understandings of dispute resolution. An increasing number of individuals recognized that litigation was not the sole means of resolving disputes, and that ADR methods offered unique advantages, such as avoiding the publicity and adversarial nature of litigation, protecting parties' commercial secrets and privacy, and preserving relationships between parties. This shift in social perspectives created a favorable environment for ADR institutions' development. Similarly, the UK's dispute mediation system of the 1980s evolved over 40 years into a relatively standardized mediation system (ADR), becoming an alternative dispute resolution measure widely welcomed by the British public due to its low cost, speedy processing, high efficiency, and respect for parties' dispute resolution autonomy.

To address litigation source governance, the Supreme People's Court has also issued numerous documents to promote mediation work, including the "Implementation Opinions on Deepening the Construction of One-Stop Multi-Channel Dispute Resolution Mechanisms in People's Courts to Promote Source Resolution of Conflicts and Disputes," the "Opinions of the Supreme People's Court and Ministry of Justice on Giving Full Play to the Fundamental Role of People's Mediation in Promoting Litigation Source Governance," the "Opinions of the Supreme People's Court and Ministry of Justice on Further Strengthening People's Mediation Work Under New Circumstances," the "Opinions of the Supreme People's Court, People's Bank of China, and China Banking and Insurance Regulatory Commission on Comprehensively Advancing the Construction of Multi-Channel Financial Dispute Resolution Mechanisms," the "Opinions of the Supreme People's Court on Further Leveraging the Positive Role of Litigation Mediation in Building a Socialist Harmonious Society," the "Opinions of

the Supreme People's Court on Constructing One-Stop Multi-Channel Dispute Resolution Mechanisms and One-Stop Litigation Service Centers,” the “Provisions of the Supreme People's Court on Judicial Confirmation Procedures for People's Mediation Agreements,” the “Opinions of the Ministry of Justice on Further Strengthening Industry-Specific and Professional People's Mediation Work,” the “Guiding Opinions on Promoting Industry-Specific and Professional People's Mediation Work,” the “Provisions of the Supreme People's Court on Court-Invited Mediation,” the “Opinions on Strengthening the Construction of People's Mediator Teams,” and others. On November 16, 2020, General Secretary Xi Jinping stated at the Central Conference on Comprehensively Advancing the Rule of Law: “Rule-of-law construction must address both the symptoms and root causes, focusing not only on treating existing problems but also on preventing future ones.”[11] The principle that “China cannot become a litigation-heavy nation” reflects changes in national governance philosophy and mechanisms. Chen Wenqing, Member of the Political Bureau of the CPC Central Committee and Secretary of the Central Political and Legal Affairs Commission, has emphasized upholding and developing the “Fengqiao Experience” in the new era to enhance the legalization of conflict and dispute prevention and resolution. Zhang Jun, Secretary of the Party Leadership Group and President of the Supreme People's Court, has stressed the need to adhere to the “preventive governance” philosophy, extending the “mediation” component of litigation-mediation integration forward. We have also observed that many local “conflict mediation centers” have been renamed “social governance centers,” indicating that the national social governance model is shifting from a dual-track approach of traditional conflict mediation and litigation dispute resolution toward a social governance direction centered on mediation with litigation as the ultimate safeguard.

II. Analysis of Current Bottlenecks in the Legal Profession's Development

(i) The People's Nature, Professionalism, and Commercial Nature of Lawyers

The rule of law constitutes an important guarantee for Chinese-style modernization. Only when the people have faith and confidence in the law can a law-based society be truly constructed. A key object of this faith is legal professionals, who must not engage in any unethical conduct. Following China's accession to the WTO in 2001, the commercial nature of lawyers' work has become more widely recognized. These factors underscore lawyers' dual attributes of commercialism and politics, thereby laying a solid foundation for lawyers to undertake more state public affairs.[12] Xi Jinping's thought on the rule of law defines lawyers as “legal service workers for socialism with Chinese characteristics” and as “important members of the socialist rule-of-law workforce,” while simultaneously imposing special requirements on legal service teams, including lawyers, of the “two upholds”: “upholding the leadership of the Communist Party of China

and upholding socialist rule of law.” Therefore, we argue that emphasizing only lawyers’ commercial and political attributes cannot fully capture the political and social status of lawyers in the new era, necessitating deeper analysis to clarify the underlying structure.

Given that lawyers’ political attributes have evolved from “state legal workers” to “legal service workers for socialism with Chinese characteristics,” we cannot deny but must emphasize that lawyers, particularly the vast number of full-time social lawyers, inevitably possess commercial attributes, as they are “freelance professionals” providing “legal services” for the superstructure of “socialism with Chinese characteristics.” First, lawyers are “freelance professionals” who must earn remuneration through their labor—that is, by providing legal services to clients (including government agencies)—to resolve their livelihood and living needs. Their rights and obligations correspond to the “professional responsibility” of legal ethics, an attribute that embodies the “commercial nature” of the legal profession. Second, lawyers are professionals who specialize in providing “legal services,” required to abide by lawyers’ professional ethics and practice discipline, with their practice behavior constrained by legal professional ethics and industry association rules, reflecting the “professional nature” of the legal profession. Finally, lawyers serve “socialism with Chinese characteristics,” an attribute that echoes the supreme principle of legal professional ethics—safeguarding social fairness and justice. The “two upholds” align with the Party’s political propositions of “two establishments,” “four consciousnesses,” “four confidences,” and “two safeguards,” fully embodying the “people’s nature” of the legal profession. In other words, Chinese lawyers are “people’s lawyers” who pursue the value of “being good lawyers satisfactory to both the Party and the people.” Therefore, correctly understanding the three-fold attributes of “people’s nature, professionalism, and commercial nature” can help better comprehend lawyers’ political attributes and social status.

(ii) Internal Specialized Competition versus External Capitalized Competition

Once we acknowledge rather than deny lawyers’ “commercial attributes,” the professional environment of lawyers inevitably becomes linked to changes in the socialist market economic environment, necessitating attention to both internal and external competition within the legal profession.

On one hand, internal competition in the legal profession primarily stems from the long-standing “clinical education” model that the profession has adhered to, as clearly one cannot competently perform legal work without prolonged study and specialized training. Consequently, phenomena such as seniority-based hierarchies and master-apprentice relationships in the legal profession reflect both the profession’s long history and spirit of professional inheritance, while simultaneously creating a pyramid-shaped talent cultivation model within this professional growth environment that is inherently a thorny path full of competition. In recent years, the influx of large numbers of young lawyers has **冲击** ed these

ancient traditions of the legal profession, evidently intensifying internal competition. So-called vicious low-price competition, incidents like the “dancing female lawyer” and the “fake pesticide lawyer” have incessantly emerged, severely damaging the public image and social trust of the legal profession. While these lawyers were ultimately disciplined by the industry, removed from the profession, or even held criminally liable, examining these so-called “bizarre behaviors” or violations of legal professional ethics from another perspective reveals that they occur precisely because of insufficient understanding among lawyers of the aforementioned “people’s nature, professionalism, and commercial nature” of the legal profession, leading young lawyers to “take desperate measures” and skirt the edges of legality for survival. From an industry regulation perspective, neglecting lawyers’ “commercial nature” and failing to provide proper guidance to young lawyers is also a significant cause of these “abnormal phenomena.” Therefore, there is no need to taboo lawyers’ “commercial nature”; rather, we should correctly understand and emphasize lawyers’ “commercial nature” to properly address internal unfair competition within the legal profession. Only then can we strengthen “professional” regulation of lawyers and promote the healthy development of internal specialized competition within the profession.

On the other hand, the external competition currently confronting the legal profession has become a significant issue troubling the industry’s development. Despite solemn statements issued by local bar associations against legal consulting companies, and even “special rectification campaigns” jointly conducted with judicial administration, market supervision departments, and even public security organs against legal consulting companies, these actions will not diminish the external market competition that the legal profession already faces and that will become even more prominent in the future. The main reasons are three-fold: First, legal services do not constitute a market that can be monopolized by the legal profession, and the Civil Procedure Law does not stipulate that parties cannot appear in court without hiring lawyers. Therefore, the legal services market is inherently an open market that must conform to the basic laws of market economy and social services— whoever can provide “quality, efficient, and affordable” services will occupy a place in this open legal services market. Second, the legal profession’s self-imposed restrictions or administrative shackles have limited its own development through various rules and regulations, while non-lawyer groups such as legal consulting companies and mediation centers, free from industry and judicial administrative oversight, have fully seized differentiated market competitive advantages, smoothly taking over the non-litigation legal services market for diversified conflict resolution from the hands of so-called “big lawyers.” Meanwhile, treating young lawyers as “judicial laborers” or pushing them into the narrow litigation legal services market forces these novices to engage in brutal “hand-to-hand combat” competition with veteran lawyers. Third, legal consulting companies are commercial registration entities with powerful capital attributes and technological enhancements such as legal tech. In other words, others have money, guns, and battleships, while the legal profession only has “three cardinal guides and five constant virtues” and

“spears and short swords”—though highly skilled, they cannot withstand the sound of gunfire. This “scenario” inevitably evokes memories of the Chinese nation’s “century of humiliation,” reminding us that we must remember historical lessons and remain true to our original aspirations. How should we transform? How should we resolve these issues? How can we convert these external competitive market elements into productive forces for the high-quality and sustainable development of the legal profession, revitalizing the industry with vigorous vitality? This represents a crucial proposition for current lawyer system reform, or perhaps the critical moment for the legal profession’s self-salvation.

(iii) Transformation of Social Governance Models

According to available information, Shanghai’s Pudong Court currently has 333 judges and 905 formal police officers. In 2023, it accepted 184,100 cases and concluded 182,100 cases (including enforcement), achieving a conclusion-to-acceptance ratio of 98.94%, with judges averaging 546.85 concluded cases per person and formal police officers averaging 201.22 concluded cases per person in 2023. Beijing’s Chaoyang District Court has 283 judges and 584 formal police officers. In 2023, it accepted 139,547 cases and concluded 140,506 cases, achieving a conclusion-to-acceptance ratio of 100.69%, with judges averaging 496.49 concluded cases per person and formal police officers averaging 240.59 concluded cases per person in 2023.[13] Court judges’ workloads have reached a state of “working five-plus-two” and “day-and-night.” On the other hand, current widespread societal concerns over litigation source governance and difficulties in case filing have triggered deep reflections on the social governance system. Questions such as “Can we no longer litigate?” “Is litigation also subject to ‘per-10,000-people litigation rate’ assessments?” and “What use are lawyers if they cannot even get cases filed?” have flooded the legal services market. What exactly is happening? Where have problems emerged? As “freelance professionals” serving the “superstructure,” the legal profession must grasp the pulse of national macro-level decision-making, bravely shoulder responsibilities in line with the trends of the times, rather than constantly complaining within their own small territories. The key lies in deeply understanding the principle that “China cannot become a litigation-heavy nation,” comprehending the dialectical relationship between litigation source governance and judicial adjudication, resolving the connection between front-end mediation and case filing preservation, and determining how the legal profession can complete its transformation and development while playing an active role in the evolution of social governance models. These issues require further in-depth contemplation and exploration.

Focusing on the central task of “China cannot become a litigation-heavy nation,” we must correctly understand and rationalize the dialectical relationship between administrative organs’ social governance functions and judicial organs’ adjudication functions. Grassroots social governance constitutes litigation source governance work led by administrative organs at all levels under the guidance of the Ministry of Social Work, representing the responsibility

of Party committees and governments. Administrative governance should not be court-dominated and thereby affect courts' "judicial adjudication"-centered work. Administrative governance represents specific measures through which administrative organs at all levels uphold and develop the "Fengqiao Experience" in the new era to advance diversified resolution of social conflicts and disputes. That is, through front-end diversified resolution measures to effectively resolve conflicts and disputes between parties, which will better facilitate social harmony, stability, and grassroots social governance. Based on first principles, we preliminarily define this social governance model as "one center, two basic aspects," namely, focusing on the central objective that "China cannot become a litigation-heavy nation" and perfecting the social governance system through two basic aspects: administrative governance and judicial governance. One aspect is the administrative governance pathway for grassroots social conflicts, including establishing and improving diversified social conflict governance systems such as people's mediation, commercial mediation, lawyer mediation, and arbitration through application of the "Fengqiao Experience." The other aspect is establishing and improving a social conflict resolution pathway centered on "judicial adjudication." The current difficulty lies in the "non-judicial mandatory" nature of mediation effectiveness and the "non-governmental" nature of mediation activities, which have prevented the public from developing complete social trust and acceptance of mediation systems, including lawyer mediation. Social conflicts have instead rushed en masse into courts, causing massive case backlogs and prompting courts to adopt "unconventional" methods to circumvent statutory filing procedures, thereby generating public complaints about "difficulty in filing cases" and "compulsory mediation." The root cause lies in our reversal of the governance sequence and logical relationship between the two basic aspects of social conflict governance. Forceful measures are needed to correct these errors. The basic logic of social governance and the premise of "China cannot become a litigation-heavy nation" is "governing the front end to prevent the back end," rather than allowing cases that have entered the judicial domain to flow back to the front end of litigation source governance for "compulsory mediation." While we hope that "mediation demand" is a product of specific historical periods, failing to rationalize the relationship between administrative governance and judicial adjudication will hinder the realization of the grand blueprint for grassroots social governance model transformation. As shown in Figure 1 [Figure 1: see original paper]: One Center, Two Basic Aspects.

III. Building a New Development Pattern for High-Quality and Sustainable Growth in the Legal Profession

(i) Establishing and Improving a Unified Legal Services Market

Currently, to address the unprecedented global changes and challenges of domestic and international socio-economic stabilization and recovery, China is making all-out efforts to build a unified national market. As a principal component of the socialist market economy, the legal services industry must clearly

follow the tide of the times to achieve the work objective of “accelerating the construction of a unified national market and solidly advancing the construction of a law-based China.” Moreover, the entry of non-lawyers into the legal services market has become an undeniable reality. Will lawyers and non-lawyers engage in collaborative development or destructive competition within the legal services market? Furthermore, lawyers are not a mandatory requirement for litigants to sue or defend, as parties have complete autonomy in deciding whether to engage lawyers.^[14] On September 6, 2024, according to Yang Xiangbin, Director of the Public Legal Service Administration Bureau of the Ministry of Justice, at a press conference on the “Promoting High-Quality Development” series, China currently has 754,000 various legal service institutions, 3.997 million professional legal service personnel, 590,000 public legal service physical platforms, and over 600,000 villages (communities) equipped with legal advisors. Legal service workers handle more than 40 million cases annually, with public legal services playing an important role in serving economic and social development, safeguarding fairness and justice, and promoting social harmony and stability.^[15] Therefore, legal services are not the “exclusive patent” of lawyers. How to establish and improve the access and regulatory system for a unified legal services market centered on the objective that “China cannot become a litigation-heavy nation” constitutes an important issue for lawyer system reform. Only by incorporating legal consulting companies, legal affairs companies, legal technology companies, and similar entities into the unified legal services market, and implementing legal professional access regulation and guidance, can we effectively resolve contradictions and conflicts between “regular forces” and “irregular forces.” Without rights protection and institutional safeguards, increasingly numerous problems will arise, such as disorderly industry competition, talent mobility issues, lawyers’ lack of professional dignity, and non-lawyers encroaching on the lawyer corps. Failing to establish a unified legal services market and allowing it to continue growing unchecked will not only hinder the sustainable development of China’s lawyer system but will ultimately create the absurd phenomenon of “putting the cart before the horse.” Only by establishing and improving an open, orderly, and multi-tiered unified legal services market, particularly by clearly establishing a legal services market with law firms as the main body and supplemented by legal consulting companies, township legal service offices, legal technology companies, civil and commercial mediation organizations, and other entities, can we rightfully and justifiably resolve the current chaos in the legal services market.

Establishing and improving a unified legal services market also requires strengthening the status and functional construction of industry associations such as bar associations. Local bar associations and judicial administrative departments are essentially two signs but one team, with bar association leaders typically being administrative leaders from judicial administrative departments, resulting in bar associations becoming administrative and functioning as secondary government departments.^[16] This phenomenon has not been effectively changed after years of practice. The essence of the “two-pronged” management system re-

form for law firms is to promote the transition of lawyer management from administrative management to socialized management, but in reality, lawyer industry associations still implement administratively dominated management models lacking independence. Constructing a unified legal services market system requires de-administrativization of industry associations to achieve fully autonomous industry self-regulation management under Party building guidance. This facilitates the establishment of civil non-enterprise entities such as bar associations, legal workers' associations, legal affairs associations, mediation associations, and legal technology company associations, while these civil non-enterprise organizations can be uniformly supervised by judicial administrative organs at all levels, thereby fully leveraging industry associations' collaborative roles as bridges, conduits for policy transmission, self-regulation management, and orderly competition. This further contributes to forming a unified legal services market combining industry self-regulation management, market-based regulation, and judicial administrative supervision, with various industry associations as the organizational system.

In summary, constructing an open, orderly, and multi-tiered unified legal services market helps resolve the dilemma of "too many cases, too few personnel" in the judicial system and the contradiction of cutthroat competition in the legal services industry, facilitating the achievement of the goals that "China cannot become a litigation-heavy nation" and that the lawyer industry achieves high-quality, sustainable development.

(ii) Establishing a Commercial Registration System for Law Firms

As early as 1988, some proposed implementing enterprise-based management for law firms. The reasons were that lawyers need to provide specialized labor services to clients and receive remuneration for these services. This viewpoint holds that lawyer services are both services and compensated services, representing a concentrated expression of the socialist lawyer system with Chinese characteristics. Therefore, implementing enterprise management for law firms that emphasizes economic benefits would promote the development of legal services.^[17] In recent years, the tax policy issue, a widespread concern within the legal profession, has become a common concern for the lawyer community and a practical problem that has remained unresolved for many years. Since the State Administration of Taxation implemented the audit-based collection policy for law firms in 2002,^[18] this tax policy has achieved obvious results in promoting the development of the legal profession, but its negative impacts are also evident. The direct consequence is that the larger the law firm, the heavier the tax burden, even leading to large law firms splitting into many small firms with annual revenues not exceeding 5 million yuan to avoid tax burdens. Such policies clearly hinder the scaled development of the legal profession and directly constrain the global market competitiveness of China's legal industry. Various comrades have proposed many different opinions on how to effectively resolve this contradiction between development and tax burden, such as restoring the

fixed-amount collection system. Tax authorities argue, for instance, that the 6% value-added tax has not increased the burden on law firms because it is a consumption tax that can be deducted. However, they overlook a fundamental issue: the legal profession is a service industry with few raw material input deduction invoices similar to manufacturing enterprises, as its substantial expenditures are human capital costs. Moreover, according to transaction customs, clients (customers) as service recipients are unwilling to bear the additional 6% value-added tax, resulting in law firms being “additionally burdened” with the 6% value-added tax in reality. If unwilling to bear this burden, law firms face industry discipline, tax supervision, and competitive disadvantages from losing clients due to “non-issuance of invoices.”

To this end, we recommend incorporating law firms into the commercial registration system. A survey of law firms across global jurisdictions reveals that all adopt commercial registration systems. Domestic law firm commercial registration could draw lessons from the registration system and industry management model of accounting firms, adopting a partnership enterprise commercial registration system distinct from the limited liability company or joint-stock company commercial registration systems used by legal consulting firms and legal affairs companies providing non-litigation services, thereby facilitating unified market management. Incorporating law firms into the commercial registration system offers several advantages: First, it facilitates law firms becoming stronger and larger. Law firms incorporated into the market supervision system align with the trend of streamlining administration and delegating power, reducing burdens on lawyers and law firms and stimulating market vitality. This can break the deadlock where 86.24% of law firms are small firms with fewer than 20 lawyers,[19] enabling law firms to fulfill their role as the main force in the legal services market and an important power in national rule-of-law construction. Second, it facilitates unified tax supervision and equal access to corporate tax incentives. Tax authorities would not need to formulate separate tax policies for law firms (in fact, despite years of calls from various regions, this has proven fundamentally unachievable). The tax policy issue for law firms has long been criticized as “neither fish nor fowl,” precisely because law firms are not industrial and commercial registered partnerships and cannot enjoy partnership tax incentives. Since the implementation of the audit-based collection policy, both law firms with over 100 lawyers and small firms with fewer than 20 lawyers have been divided into two VAT brackets of 3% and 6% based solely on whether annual turnover exceeds 5 million yuan. Consequently, the larger the law firm, the higher the tax burden ratio, causing many law firms to be unwilling to grow stronger and larger in reality, and even splitting into several small law firms to avoid tax burdens, creating distortions in the legal profession’s development. These are serial problems caused by tax policies or the failure to incorporate law firms into the commercial registration system. Third, it serves the overall situation of foreign-related legal services. If law firms are commercially registered as modern service industries according to international practice and incorporated into the national enterprise credit management system, this would establish

the underlying foundation for China's legal industry to engage in international competition. Breaking "involution" and "going global" cannot rely solely on a few leading law firms in Beijing and Shanghai; it requires the joint efforts of numerous local scaled law firms to meet the legal service needs of enterprises going overseas across the country, facilitating law firms' global competition and the nation's development of foreign-related legal services.

(iii) Establishing and Improving the Lawyer Mediation System

The development trend of social governance model transformation in the new era is "one center, two basic aspects," although there remains considerable debate over whether the lawyer mediation system belongs at the administrative governance level or the judicial adjudication governance level. However, as a professional legal service team, lawyers should leverage their specialized knowledge, and cultivating the lawyer corps into the main force and core backbone of professional mediation markets for civil, commercial, administrative, and other areas should be welcomed by all parties. On September 30, 2017, the Supreme People's Court and the Ministry of Justice issued the "Opinions of the Supreme People's Court and Ministry of Justice on Launching Pilot Work for Lawyer Mediation," with Beijing, Shanghai, Zhejiang, and other regions becoming the first batch of pilot areas, launching China's lawyer mediation system. Since its inception, the pilot program has achieved remarkable results: first, improving the efficiency and proportion of mediation-concluded cases and enhancing public satisfaction with the judiciary; second, significantly increasing the voluntary performance rate of mediated cases and reducing judicial enforcement costs; and third, fully mobilizing and leveraging lawyers' professional expertise and enthusiasm. Taking Hangzhou as an example, in 2016, the Hangzhou Bar Association took the lead nationally in establishing a professional lawyer mediation organization. Over five years, adapting to digital reform and new circumstances of litigation source governance, it continuously improved the specialization, digitalization, and marketization of lawyer mediation, with 1,497 registered mediation lawyers successfully mediating 13,000 conflicts and disputes, making important contributions to promoting modernization of social governance and high-quality construction of a common prosperity demonstration zone.[20] The pilot practice revealed three prominent issues: First, limitations on the scope of cases accepted for lawyer mediation. Currently, lawyer mediation is only open to the ODR system, meaning the implementation of the lawyer mediation system must allocate court-accepted cases through the court ODR mediation system or submit filings for registration through the ODR system. Even mediation cases independently conducted by court-certified lawyer mediation studios face difficulties entering judicial confirmation procedures. Second, the issue of lawyer mediation fees has long troubled practitioners. At the pilot's inception, lawyer mediation fees followed the model stipulated in Article 29 of the 2016 "Provisions of the Supreme People's Court on Court-Invited Mediation," which provided subsidies for lost work and transportation to invited mediators, resulting in low enthusiasm among lawyers to participate in mediation.[21] Third, the

lawyer mediation system has not yet been established at the legislative level, lacking procedural legitimacy and institutional sustainability at the legal level. On December 24, 2021, the newly revised “Civil Procedure Law” explicitly stipulated provisions on judicial confirmation of mediation agreements: “Article 194 is revised as Article 201, which states: ‘For mediation agreements reached through mediation by legally established mediation organizations, applications for judicial confirmation shall be jointly submitted by both parties to the following people’s courts within thirty days from the effective date of the mediation agreement: (1) Where a people’s court invites a mediation organization to conduct advance mediation, submit to the inviting people’s court; (2) Where a mediation organization independently conducts mediation, submit to the basic-level people’s court at the location of the parties’ residence, the subject matter location, or the mediation organization’s location; where the dispute involved in the mediation agreement falls under the jurisdiction of an intermediate people’s court, submit to the corresponding intermediate people’s court.’” The newly revised Civil Procedure Law has paved the way for the comprehensive promotion of the lawyer mediation system in the future (including law firms conducting mediation independently). However, Article 27 of China’s current “Lawyer Law” stipulates: “Law firms shall not engage in business operations beyond legal services.” Article 28 states: “Lawyers may engage in the following business: (5) Accepting commissions to participate in mediation and arbitration activities.” The aforementioned Lawyer Law provisions allow lawyers to participate in mediation as agents upon commission but do not permit them to preside over mediation, nor do they explicitly authorize law firms to conduct lawyer mediation business as mediation organizations.

To this end, we must clarify several logical relationships: First, not all conflicts and disputes must go through diversified resolution mechanisms. That is, the currently promoted pre-litigation mediation system should not become a mandatory prerequisite procedure. In other words, if one or both parties explicitly express unwillingness to mediate, mediation institutions should immediately return the case to the court’s filing division, which should then file and enter the case into the trial procedure according to relevant provisions of the Civil Procedure Law. Second, the establishment of diversified dispute resolution mechanisms should be moved forward. “Preventive governance” is the original intention of litigation source governance; conflicts and disputes should be resolved before cases enter the court system, not by diverting cases from the court’s case repository to various mediation centers. How to construct a pre-litigation mediation mechanism is the core of “dispute resolution.” For example, in September 2021, the Lawyers Work Bureau of the Ministry of Justice approved Hangzhou’s pilot program for market-based lawyer mediation. The Hangzhou Municipal Justice Bureau actively improved rules and regulations and management systems, constructing a “public welfare + marketization” model that not only strengthened lawyers’ mediation specialization capabilities but also promoted digitalization and marketization levels. This pilot program has achieved remarkable results in efficiency improvement and legal team construction, becoming a

lawyer mediation market-based dispute resolution work mechanism that suits current social conditions and is easily replicable.[22] On November 29, 2024, the “Hainan Free Trade Port Commercial Mediation Regulations,” adopted at the 14th meeting of the Standing Committee of the 7th Hainan Provincial People’s Congress, explicitly encouraged prioritizing commercial mediation for commercial disputes, encouraged incorporating mediation into contract dispute resolution clauses, and encouraged parties who have reached commercial mediation agreements through mediation to apply for mediation document issuance with exemption from case filing fees, among other provisions.[23] Third, various mediation institutions, including lawyer mediation, cannot replace courts’ judicial adjudication functions. Lawyer mediation and other mediation organizations, as a form of legal service, should be incorporated into the administrative governance level rather than the judicial adjudication governance level. That is, law firms as professional legal service institutions should be granted the legal service function of “presiding over mediation” without requiring special registration or filing through revisions to the Lawyer Law and mediation laws and regulations. Mediation documents issued by law firms may apply for judicial confirmation from courts according to Article 201 of the current “Civil Procedure Law,” and people’s courts should not include judicial confirmation applications submitted by law firms in assessment indicators such as “litigation rate per 10,000 people.” This approach can both leverage the market-based advantages of lawyer mediation and reinforce the social governance function of judicial adjudication as the final safeguard, as judicial adjudication is the guardian of social fairness and justice and the ultimate legal barrier.

In summary, considering the three cost elements of litigants saving litigation costs, lawyers increasing market tax revenue, and society reducing governance costs, establishing and improving the lawyer mediation system not only reduces litigation costs and resolves social conflicts but also attracts more outstanding lawyers to actively participate in mediation. This facilitates establishing a third-party mediation system of “mediation first, litigation second,” thereby promoting the healthy development of the lawyer mediation system and benefiting the transformation of social governance models and the realization of the goal that “China cannot become a litigation-heavy nation.”

(iv) Establishing a Tiered Court Appearance System for Lawyers

As another basic aspect of the transformation of social governance models in the new era, the judicial adjudication system sees lawyers as important participants and builders in judicial adjudication, playing a significant role in improving the judicial trial system. Regarding the issue of lawyer specialization, some comrades believe there are two types of division: first, the division between senior lawyers and junior lawyers; second, professional specialization.[24] Regarding the pros and cons analysis of the tiered court appearance system for lawyers, our research and interviews revealed that, on one hand, some comrades believe that having such a system is better than not having one. First, because China

currently implements a nondifferentiated court appearance system for lawyers. For example, there is no difference in the court appearance system between first-year lawyers and those with thirty years of practice, despite the vast gap in practice experience and professional competence between them, yet both can appear in any court at any level nationwide to represent any case. The absence of a nationally unified lawyer grading evaluation and tiered court appearance system has led to severe chaos in legal services, disorderly competition, and inability to effectively guarantee case quality. Second, establishing a tiered court appearance system benefits litigation source governance, diversified dispute resolution alternative mechanisms, and the reform and implementation of the lawyer market-based mediation system. A tiered court appearance system established through institutional diversion helps resolve conflicts of interest issues arising in social governance practice between lawyers' participation in or presiding over mediation and lawyers' professional conduct rules. For example, local bar associations have issued rules on conflicts between lawyer mediation and case representation, failing to properly understand the broader picture of national governance mechanism transformation. These self-imposed restrictions by bar associations have caused more non-lawyers to enter the huge legal services market of market-based mediation, effectively excluding lawyers from this market. Third, a tiered court appearance system for lawyers facilitates market competition, rational guidance, and standardized management. By establishing an orderly tiered court appearance system that coordinates with the four-tier trial system of the Civil Procedure Law and the grading systems for judges and prosecutors, it benefits the integrated development of the legal professional community and facilitates the selection of outstanding lawyer talent into the court and procuratorate systems and talent exchange within the legal community. On the other hand, some comrades believe that establishing a tiered court appearance system is detrimental to the growth of young lawyers and will plunge large numbers of young lawyers into greater professional difficulties. Some have raised questions about whether judges should also have a tiered court appearance system if lawyers do, while others believe that a tiered court appearance system for lawyers may constitute administrative interference in market competition, thereby expanding administrative power and increasing unfairness in competition within the legal profession, potentially generating power rent-seeking and corruption arising from the rating system.

Through examination of foreign lawyer rating and tiered court appearance systems, we find: The UK lawyer system adopts a dual-structure system, where the legal profession comprises two vastly different industries: barristers and solicitors. Barristers, also known as "advocates," focus on litigation practice with a clear qualification certification system, and can apply for "Queen's Counsel" or "King's Counsel" (QC), representing the highest honor in the legal profession. Solicitors, also known as "attorneys," operate primarily in magistrates' courts and county courts, serving as legal advisors to governments, corporations, banks, shops, and public and private organizations, performing agency and defense duties in lower courts, and handling non-litigation cases, draft-

ing legal documents and answering general legal questions for clients.[25] The United States employs professional certification and rating systems, where some state bar associations or third-party institutions (such as Martindale-Hubbell) rate lawyers into categories like AV (highest level) and BV (mid-to-high level). The U.S. also uses professional field certification systems, such as in criminal defense and tax law. In Canada, most law firms internally have tiers including senior lawyers, ordinary lawyers, and junior lawyers. Germany has established a “Fachanwalt” (specialized lawyer) system, where lawyers can obtain certification in specific professional fields such as criminal law and tax law through additional training and examinations. For court appearance qualifications, senior courts typically require lawyers with higher seniority. Australia separates barristers from solicitors, similar to the UK, into solicitors and barristers. Singapore implements a “Senior Counsel” court appearance system, similar to the UK’s QC system, obtained by lawyers through strict selection based on contributions and experience. Although Japan does not have an explicit grading system, complex cases are typically handled by experienced senior lawyers. The Korean Bar Association has a professional competence evaluation mechanism for lawyers and requires experienced lawyers to appear in some high-level cases. India has a “Senior Advocate” system, granted after review by high courts or the supreme court, carrying higher professional prestige. In certain specialized fields such as corporate law or constitutional courts, lawyers exhibit informal grading trends. Although China has not yet established a tiered court appearance system for lawyers, to promote the in-depth development of the lawyer professional level evaluation system and assessment mechanism pilot program, the Ministry of Justice issued the “Pilot Program for Establishing a Lawyer Professional Level Evaluation System and Assessment Mechanism” (Si Fa Tong [2017] No. 33) in 2019, deciding to expand the pilot program to 31 provinces nationwide,[26] thereby basically establishing a national lawyer professional technical title grading evaluation system, including primary-level (fourth-grade lawyers), intermediate-level (third-grade lawyers), deputy senior-level (second-grade lawyers), and senior-level (first-grade lawyers) professional titles.

In summary, many countries have established tiered court appearance or professional level evaluation systems based on lawyers’ experience, performance, or professional competence. These systems are typically implemented through clear qualification certification, professional division of labor, and institutional evaluation, aiming to enhance lawyers’ service quality and professional prestige while adapting to the needs of cases with varying degrees of complexity. We believe that exploring the establishment of a tiered court appearance system for lawyers would, first, meet the objective need to establish a unified legal services market; second, serve as a necessary measure to divert the current lawyer population that has reached 750,000 and may exceed one million in the future; and third, coordinate with the Civil Procedure Law and the selection systems for judges and prosecutors to facilitate talent exchange within the legal professional community. Therefore, establishing a tiered court appearance system for lawyers facilitates the functional complementarity between lawyers’ administra-

tive governance functions and judicial adjudication functions in social conflict resolution, helping to achieve the central objective that “China cannot become a litigation-heavy nation.” Establishing a tiered court appearance system can help address the currently emerging and future intensifying issues of internal disorderly competition and development dilemmas, benefiting the high-quality and sustainable development of the legal profession.

(v) Revising Law Firm Naming Rules

After China joined the WTO in 2001, the Ministry of Justice issued the “Opinions on Accelerating the Reform and Development of the Lawyer Industry After China’s Accession to the WTO,” proposing to “accelerate the scaling, specialization, and internationalization of law firms, and promptly form a batch of large-scale, strong, and internationally competitive law firms.” Since the restoration of the lawyer system in 1979, China’s legal profession has undergone extensive growth from nothing to something and from small to large. Currently, a higher-level perspective and global vision are needed to promote the development of the legal profession, safeguarding the nation’s high-level opening-up with high-quality foreign-related legal services. Therefore, how to cultivate internationally competitive world-class law firms has become an urgent problem requiring resolution. With the continuous expansion of Chinese-style modernization, the Belt and Road Initiative, and the concept of a community with a shared future for mankind, along with the continuous enhancement of national strength, the great rejuvenation of the Chinese nation has become the main theme and historical mission of socialism with Chinese characteristics in the new era. How to build world-class law firms with Chinese characteristics to serve the nation’s globalization strategy? Constructing world-class law firms has become a subject that China’s outstanding law firms and legal professionals must deeply contemplate and resolve. However, the law firm naming rules originating from the 1980 “Interim Regulations of the People’s Republic of China on Lawyers,” which used traditional administrative divisions as the standard, have severely constrained and limited the international development of Chinese law firms. As the ancient saying goes, “Without proper names, words lack persuasion.” If law firm naming rules can highlight “brand” and abandon “region,” they will better adapt to the legal services market demands of the new era, more effectively enhance Chinese lawyers’ international influence and global competitiveness, and assist Chinese law firms in entering the global legal services market. Therefore, we recommend that the naming rules for law firms be considered for revision during this Lawyer Law amendment process.

First, through empirical investigation and data analysis, we find that currently over 90% of law firms both domestically and globally are small and medium-sized firms with fewer than 100 lawyers. It should be noted that internationalization and scaling have no necessary relationship—that is, not only large or giant law firms can internationalize, and even large law firms have only very limited teams of several to several dozen people actually engaged in foreign-related legal

services. Therefore, there is no direct or necessary relationship between law firm internationalization and scaling; small and medium-sized law firms can similarly achieve internationalization and even global layout and strategic development, with the key lying in focused foreign-related business areas and the ability to obtain and integrate international resource advantages. Although small and medium-sized law firms with fewer than 50 lawyers face practical difficulties in achieving internationalization due to lack of professional team support, if they focus on specific areas and have achieved leading positions in segmented legal services markets domestically, such specialized boutique law firms also have numerous opportunities. Therefore, improving China's law firm naming rules would encourage local law firms and small and medium-sized law firms to actively participate in international competition, serve local foreign-related economic activities, and enhance local law firms' global competitiveness.

Second, comprehensively promoting foreign-related legal services and world-class law firms requires timely improvement of law firm naming rules. By examining the main developmental stages of Chinese law firm organizational forms: the "legal advisory office" administrative management system established by the 1980 "Interim Regulations on Lawyers"; the "Pilot Program for Cooperative Law Firms" issued by the Ministry of Justice on June 3, 1988, which launched the pilot work for cooperative law firms; the 1996 "Lawyer Law" which established three organizational forms: state-owned firms, cooperative law firms, and partnership law firms; and the 2007 "Lawyer Law" which established three organizational forms: partnership law firms, individual law firms, and state-owned law firms. Along with the continuous evolution of these law firm organizational forms, the legal profession has achieved tremendous development. Current relevant regulations on lawyer practice institution organizational forms and law firm names mainly include Article 14 of the 2017 revised "Lawyer Law," Articles 7, 8, 14, 33, and 34 of the Ministry of Justice Order No. 133 "Law Firm Management Measures" (2016), and the Ministry of Justice Order No. 120 "Law Firm Name Management Measures" issued in January 2010. These legal norms establish relevant provisions on the organizational forms of law firm establishment, main and branch office names, and naming rules in China. According to these provisions, the naming rule for law firm main offices consists of three parts in sequence: "province (autonomous region, municipality directly under the central government) administrative division name, firm name, and law firm." The naming rule for law firm branch offices consists of four parts in sequence: "province (autonomous region, municipality directly under the central government) administrative division name where the main office is located, main office firm name, city (including municipalities directly under the central government, cities with districts) or county administrative division name where the branch is located (with the place name in parentheses), and law firm." Under the guidance of these naming rules, law firms in developed legal regions such as Beijing and Shanghai have fully utilized the "name" advantage of their main offices' geographic locations to rapidly expand over the past decade, thereby influencing the development pattern of the national legal services market. From a domestic

perspective, several practical problems exist: First, the essence of branch offices is localized law firms. According to legal provisions, branch offices belong to the main office's branches and implement a dispatch model, but branch office lawyers are not entirely dispatched from the main office, and branch offices are completely localized in terms of human resources, industry management, administrative management, and tax payment. Second, "regional" discrimination leads to unfair competition. According to research, branch office affiliation phenomena are actually quite common, with the fundamental reason being that affiliating with the "regional brand" of main offices in first-tier cities like Beijing and Shanghai facilitates business solicitation. Local law firms are generally small in scale, thus becoming talent training bases for "branded" branch offices, leading to frequent talent mobility and survival difficulties. Therefore, "regionally" branded branch offices constitute unfair competition against local law firms in terms of talent, business, and resources. Third, the "regional" branding phenomenon is intensifying. Currently, law firms named after first-tier cities such as "Beijing, Shanghai, and Shenzhen" are rapidly spreading to third and fourth-tier county-level cities. If allowed to continue "growing unchecked," this will seriously affect the localized development of the legal profession and restrict local law firms' capacity to provide foreign-related legal services for local enterprises. This demonstrates that law firm naming rules, particularly Article 8 of the "Law Firm Name Management Measures" on branch office naming, have already exerted enormous influence on the balanced development of the national legal services market.

Finally, improving law firm naming rules helps empower Chinese lawyers' global competitiveness. From an international perspective, highlighting law firm "brand" aligns with international practice. First, all countries stipulate that law firms can only choose and use one name, and Article 4 of China's "Law Firm Name Management Measures" contains the same provision. According to legal provisions, names are unique, meaning law firm names have uniqueness and clear brand identification. For Chinese law firms to become larger and stronger and gain international competitiveness, they should advocate "brand" identification rather than "regional" identification. Second, eliminating "regional" naming benefits brand building of law firm branch offices and participation in international legal services market competition. Under current branch office naming rules, a Beijing-Guangzhou branch office should be named "Beijing XX (Guangzhou) Law Firm." If this local branch office could remove the main office's administrative division name and directly use "XX (Guangzhou) Law Firm," it would better highlight the law firm's "brand" influence and competitiveness in the international legal services market. Third, it meets the needs of Chinese law firms' globalization development. For Chinese law firms to enter the international stage and establish branch offices worldwide, they inevitably need concise names, as law firm development focuses on "brand" building rather than "regional" branding. Current law firm naming rules prefixed with provincial domain names cause great distress for Chinese lawyers "going global." For example, a Shenzhen branch office of

a Beijing law firm hoping to establish branch offices, representative offices, business departments, and other branches overseas through new establishment, mergers and acquisitions, or joint operations would find such actions legally and logically untenable under current naming rules, because branch offices cannot establish branch offices overseas.

In summary, to enhance the internationalization level of Chinese lawyers and strengthen the international brand influence and global discourse power of Chinese law firms, while judicial administrative organs advocate and promote the opening of foreign-related legal service levels in the legal profession, they should also proactively fill administrative regulatory gaps and remedy shortcomings. Law firm naming rules should be improved in accordance with international common rules and practices to assist Chinese lawyers in “going global” legitimately, encouraging and supporting scaled local law firms and branch offices of mega-city law firms in Beijing, Shanghai, and other cities to pursue international development paths, cultivating a batch of world-class law firms with professional service capabilities, revenue scale, and brand influence, thereby enhancing Chinese lawyers’ global competitiveness.

(vi) Improving Lawyer Laws, Regulations, and Related Rules

This paper hopes that through the aforementioned measures and recommendations for lawyer system reform, it can contribute to improving lawyer laws, regulations, and related rules concerning legal services market access, industry regulatory systems, mediation systems, commercial registration systems, naming rules, legal professional community career exchange systems, special partner qualification review systems, lawyers’ rights protection systems, and legal professional conduct rules. Below are two specific recommendations using lawyer mediation and law firm naming rules as examples.

The establishment and improvement of the lawyer mediation system should be legislated at the National People’s Congress or its Standing Committee level, in addition to guidance from the normative document “Opinions of the Supreme People’s Court and Ministry of Justice on Launching Pilot Work for Lawyer Mediation,” particularly as a special law for the legal profession, the “Lawyer Law.” Therefore, we recommend amending Article 28 of the “Lawyer Law” regarding business that lawyers may engage in: “(5) Accepting commissions to participate in mediation and arbitration activities” should be revised to “(5) Participating in or presiding over mediation and arbitration activities.” Article 36 states: “When lawyers serve as litigation agents or defenders, their rights to debate or defend are legally protected.” We propose adding a clause: “Mediation agreements issued by law firms as mediation organizations, upon review by people’s courts for compliance with legal provisions, are legally protected.” Such amendments to the lawyer mediation system-related provisions of the “Lawyer Law” can connect and match institutionally with Article 201 of the newly revised “Civil Procedure Law” on judicial confirmation of mediation agreements, thereby establishing the legal status of the lawyer mediation system. We believe that

although the road from pilot to legislation for the lawyer mediation system is long and arduous, deepening judicial system reform, promoting the Fengqiao Experience, meeting people's judicial needs, and safeguarding social fairness and justice are the bounden duties of lawyers. The establishment and improvement of the lawyer mediation system will undoubtedly contribute positively to China's litigation source governance and the transformation and development of social governance models.

Regarding law firm naming rules, we recommend amending Article 6, Paragraph 1, and Article 8 of the current "Law Firm Name Management Measures." Article 6, Paragraph 1, which states: "Law firm names shall consist of three parts in sequence: province (autonomous region, municipality directly under the central government) administrative division name, firm name, and law firm," should be revised to: "Law firm names shall consist of two parts in sequence: firm name and law firm." Article 8, which states: "Law firm branch office names shall consist of four parts in sequence: province (autonomous region, municipality directly under the central government) administrative division name where the main office is located, main office firm name, city (including municipalities directly under the central government, cities with districts) or county administrative division name where the branch is located (with place name in parentheses), and law firm," should be revised to: "Law firm branch office names shall consist of three parts in sequence: main office firm name, city (including municipalities directly under the central government, cities with districts) or county administrative division name where the branch is located (with place name in parentheses), and law firm."

IV. Conclusion and Outlook

China's lawyer system has rapidly developed and continuously improved in the practice of socialist rule of law with Chinese characteristics. In 1988, You Jian and Gong Xiaobing published "A Review of Research on Lawyer System Reform" in "China Legal Science," which remains thought-provoking to this day. Therefore, 36 years later, this paper re-examines and studies the six aspects of issues raised in "A Review of Research on Lawyer System Reform" from a lawyer's perspective. First, regarding the nature of lawyers, it should balance the people's nature, professionalism, and commercial nature. Second, regarding the establishment of lawyer institutions, law firm naming rules should be revised and a commercial registration system should be established to promote the international development of the legal profession. Third, regarding the development of China's lawyer corps, given technological advancement and the entry of non-lawyers into the legal services market, a unified legal services market access and regulatory mechanism with lawyers as the main body should be established and improved. Fourth, regarding lawyer management systems, based on the "two-pronged" system, the functional divisions between judicial administration and bar associations should be further clarified, giving play to industry associations' self-regulation and bridging roles while clarifying judicial

administration and market supervision's access management and supervisory functions. Fifth, regarding the development of lawyers' business and working methods, the establishment of a tiered court appearance system for lawyers should be explored, legal technology should be promoted to empower the legal profession, and the establishment of a system for non-lawyers or institutions to become special partners of law firms should be explored. Sixth, lawyer laws and regulations should be improved, with recommendations for revising and improving the "Lawyer Law" and its supporting rules based on full demonstration and listening to opinions from all parties.

In summary, lawyer system reform affects everything with a single move, concerning the present and future of the legal profession and constituting an important component of the socialist political system with Chinese characteristics in the new era, affecting judicial justice and people's welfare. Therefore, this paper can only offer partial opinions and suggestions on lawyer system reform from a lawyer's perspective, and inevitable inadequacies exist. We hope that colleagues in academic and practical circles will not hesitate to teach and offer critical corrections. Finally, we look forward to the fifth revision of the "Lawyer Law" promoting the high-quality and sustainable development of China's legal profession.

Note: Figure translations are in progress. See original paper for figures.

Source: ChinaXiv — Machine translation. Verify with original.