

## **Q & A on China's concept of Harmony**

With China's dramatic rise, the China paradox is becoming more perplexing, if not frustrating, to many observers. China is at once communist, socialist and Victorian capitalist. She is as modern and as ancient. She is richer or at least better-off and yet extremely poor. She is both centralised and decentralised. She promotes peace and cooperation but many remain doubtful of her intentions.

Some try to reconcile China's development with her Confucian culture. China, on her part, has branded her latest development strategy with the mantra of Harmony.

The following Q & A may throw some light on China's concept of Harmony and serve as a kaleidoscope to better examine the China paradox.

### **What is the cultural background to Harmony?**

It is rooted in the ancient Chinese classical thoughts (*ru jia*) of Confucius, Mencius, Lao Zi and Zhuang Zi. It includes harmony between members of the same Family, between different people in the same Society, between different Nations, and between Man and Nature. It embodies the thinking that Nature (or Heaven) acts according to the Way (or *Dao*) of eventual Equilibrium, Balance or Harmony. A wise king would rule according to *Dao*, which embraces the collective well-being of his subjects, on pain of forfeiting his Mandate from Heaven (See *Confucianism*, my article of 7 June, 2006 under Publications). This is encapsulated in the classical saying '*shi ren xinze, shi tianxia*' (Who loses the hearts and minds of the people, loses the world).

### **Is this just political rhetoric? What is the modern relevance?**

The refrain may smack of political rhetoric but it is the product of a well-thought-out national strategy suited to the most modern zeitgeist.

Internally, China is facing threats to its stability through inequality, regional imbalance, corruption, moral erosion, and environmental degradation. So she hopes to restore balance or harmony by addressing these issues head-on beginning with the last 11<sup>th</sup> Five Year Plan. There is increasing emphasis on the concept of Government for (though not yet 'of' or 'by') the People, focussing on the livelihood of the impoverished peasants, who, after all, helped to establish the Communist Party.

Externally, China is up against the global scramble for energy and minerals. She has to contend with rising protectionism, extremism, unilateralism, and the revival of a Cold War bi-polar mindset. Recalling Sun Tzu's *Art of War*, China knows that to win does not always have to mean to fight, especially in an increasingly interdependent world. It may be better to resolve problems or create a win-win harmony through peaceful co-existence, tolerance of diversity, dialogue on narrowing (whilst accepting) differences, and building trust by seeking common grounds for cooperation (See my article *Unilateralism does not work* of 22 July, 2007 under Publications).

***China faces so many problems such as pollution, inequality, corruption, and deficits in human rights, intellectual property protection, and more recently, product safety. How can China achieve a harmonious society?***

I don't think China is saying she's got there. It has been widely cited that there are about 87,000 mass incidents of social protests every year. But these were localised and case-specific and have not translated into any popular movement.

China's Gini Coefficient is broadly comparable to that of the US, in excess of 0.45. UN Development Indicators consistently show

that as a non-democracy, China has done remarkably well in comparison with many countries in the same lower-middle-income category (including developing democracies) on every major indicator except civil and political rights. A PEW Global Attitudes Survey in June, 2006 found that 81% of the Chinese were satisfied with the state of their nation, compared with 29% for Americans and 35% for Britons. It was also telling that the Chinese satisfaction figure increased from 48% in 2002 to 72% in 2005. Admittedly such figures are biased towards urbanites, so Beijing has highlighted the peasants, the countryside and agriculture for special attention.

China is changing rapidly. The system of law is being improved by the day. There is a more pluralistic civil society. China is already home to one of the largest Christian populations in the world (*Jesus in Beijing*, David Aikman, 2003). Though still controlled, the media has been given much more elbow room. Wide-ranging public consultations, including public hearings, are beginning to be used for major legislations, such as the recently enacted Property Law.

Intellectual property and product safety have come right on top of the economic agenda, as China is building a nation of innovation and nurturing her own global brands.

The world has outsourced or off-shored a large proportion of its energy-intensive pollution to China. Left with no viable alternative to coal, China has launched the world's most ambitious nuclear-power programme. China is amongst the world's leaders in exploiting solar, wind, bio-fuel, hydroelectric and other renewable energies at a cost of US \$200 billion during the same period (See my article *Energy Security and Countering Climate Chaos – China's Approach and Global Impact* of 8 August 2006 under Publications).

***Is China using Harmony as a Soft Power to attain global dominance?***

Goldman Sach's projection sees China's economy (in nominal terms) overtaking the US by 2027/8 and then exceeding it by 75% by 2050, when India's economy is expected to match the US (*The Economist*, 30 June, 2007). This is not dependent on any global dominance strategy. But the per capita income of China only ranks below 100 in the world, along with some of the poorest in Africa. Even if the Goldman Sach's projection should come true, by 2050 China's per capita income would only equate to that of a middle-income country in Asia or Eastern Europe. Such is the burden of a population the size of a fifth of mankind.

Moreover, in face of the mounting internal and external challenges to her development, China would be hoist with her own petard if she harbours any ambitions of hegemony in an increasingly interdependent world, where she is amongst the most externally-oriented economies.

As for Soft Power, it may be an apt description of how China negotiates her development in a world still dominated by a single super-power. But it cannot be linked to any illusion of grandeur.

### ***Surely China's nationalism means greater assertiveness?***

China is a vast and ancient civilization with a long history of world prominence until the last few centuries characterised by foreign humiliation and economic atrophy. It is natural that the Chinese people now take pride in the nation's current remarkable achievements. But there is a real danger that unfair and selective demonization of China with double standards could serve to fuel China's vengeful nationalism (*China's New Nationalism*, Peter Hayes Cries, 2005).

Is there increased assertiveness? Sure, if it means standing up for China's rights. But assertiveness to impose her will or

ideology on other people and countries? No. China needs a window of internal and external stability during the next four decades or so to build a more solid economic foundation in face of the looming burden of an aging population. So she doesn't want nor can afford to be aggressive.

***China is very opaque about her military build-up. What about Taiwan? And earlier this year, she fired a missile to knock out a moving satellite in space. You're saying that China can't be aggressive?***

China has published her Defence White Paper and has released a great deal of data on her military expenditure. Leaving aside the US, whose expenditure exceeds the rest of the world combined, China's expenditure is dwarfed by those of the UK, Japan, France, and Germany. In terms of % GDP, it is below those of the UK, France and Russia. Even in terms of % of government expenditure, it has been declining from 9.51% in 1994 to 7.29 % in 2005. And about two-thirds of China's expenditure is for personnel expenses, training and maintenance.

As for space militarism, I have earlier commented on the US insistence on her sole and exclusive freedom of action in space in rejection of the call of 160 countries, China included, for talks on banning weapons in space. (See my article *China as an aspirant Superpower: Signal for Space Arms Race or Win-Win Engagement* of 21 January, 2007 under Publications).

It is only natural that as a huge country with long outdated military equipment and technology, China needs to strengthen her defence, including in space.

Taiwan's economy has become so inextricably dependent on outsourced manufacturing on the Mainland that the Taiwanese electorate, whilst against immediate unification, has clearly signalled their displeasure at the separatists pushing the envelope too far. They have recently deprived the latter of their

Parliamentary majority. China on her part realizes that the best route to eventual unification is through economic and social integration. US strategic interests are also best served if the existing balance is maintained. So the cards are stacked in favour of the status quo. But with his last term as President coming to an end in 2008, Chen Sui-bian's latest separatist referendum proposal may be a wild card betting, albeit unwisely, on Beijing's exploitability during the coming Olympics.

***China is a rising non-democratic superpower. How do you prevent her clashing with America?***

China needs the US market for her exports and jobs at least as much as America relies on China's financing her trade and budget deficits. Both need cooperation in curbing nuclear proliferation, fighting terrorism, and maintaining global and regional stability. Both share a strategic interest in and global responsibility for energy security and Climate Chaos. Additionally, China is boosting her internal consumption as her middle class expands rapidly. She is also discouraging certain environmentally- unfriendly exports. Such measures serve to reduce China's economic imbalance as much as to address the US's concern of trade deficit with China.

However, US unilateralism and liberal fundamentalism may continue to pressurize China to share the same approach to global issues. These differences may exacerbate mutual frictions and sour symbiotic relationship. Nevertheless, the stakes now on both sides would appear too high for any unbridled aggression (*China Modernizes*, Randall Peerenboom, 2007).

Moreover, China is adjusting her initial Victorian capitalism towards more social justice and economic equality whilst Western capitalism is moving towards the middle ground. There should be room for greater mutual understanding and cooperation.

**Is China's strategy succeeding in creating a more harmonious world?**

Across the developing world from Asia and the Middle East to Africa and Latin America, China seems to have done well with her brand of tolerant multilateralism in reducing poverty and helping many countries to develop in dignity, self-determination, and in harmony. She has done this with a disbelief that there is a one-size-fits-all formula good for all peoples and for all times.

**So should we all dump the Washington Consensus and embrace the Beijing Consensus?**

No, not at all. The Washington Consensus has a great deal to commend itself such as macroeconomic and fiscal prudence, and social provision. But blind adherence to immediate openness, foreign competition and premature financial and trade liberalisation could result in prolonged chaos as in the earlier experience of Argentina. Similarly, the Beijing Consensus is by no means a panacea. Shielding local industries too long may lead to gross inefficiencies and misallocation of resources, as in the case of China's banking sector. China in fact is trying to apply a bit of both.

**Finally, would you like to summarize the modern dynamics of Harmony with a few Chinese Classical sayings?**

I can do no better than quoting President Hu Jintao. For example, his Yale University speech on 21 April, 2006: '*hai na bai chuan, you rong nai da*' (As the sea admits hundreds of rivers, so should a great mind be inclusive of diversity) and '*he wei gui*' (Harmony is of the essence). Or his University of Pretoria speech on 7 February, 2007: '*qiang bu ling ruo, fu bu wu pin*' (The strong should not bully the weak. The rich should not humiliate the poor.)

Andrew K P Leung, SBS, FRSA

[www.andrewleunginternationalconsultants.com](http://www.andrewleunginternationalconsultants.com)

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