

THE RISE OF A CIVILIZATIONAL STATE

3.1 China's Rocky Path towards a Nation-State

What is the nature of China's rise? This is a question on which China's future hinges. One view in China holds that China's rise is none other than that of an ordinary country that has carried out reforms in accordance with the Western theory of the market economy and thus enjoyed rapid development, and with a growing middle class, the country will accept more and more Western ideas and institutional arrangements and eventually become part of the Western world. Another view holds that China's rise represents the rise of a different type of country, and the major reason for China's rise is its adherence to its own path of development, and the country has thus, on the one hand, learnt a lot from other countries and, on the other hand, given play to its own strengths and moved beyond the Western model, and it is the rise of a *civilizational state* which has amalgamated the world's longest continuous civilization with a huge modern state. I take the latter view.

Some people think that the Western model represents the supreme ideal of mankind, and all China should do is to make an economic, social and political transition to the Western model. But to my mind, if a civilizational state like China follows the Western model, the country will experience chaos and break up. Indeed, in retrospect, if China had followed the Western model rather than adhering to its own path, the country could have disintegrated just like the Soviet Union and Yugoslavia.

China's rise is due to its own model of development which the West does not endorse, but China is likely to continue to move along its own chosen path and become the world's largest economy with all its impact on the world at large. Yet this does not mean that China and the West will be necessarily moving on a collision course. On the contrary, the nature of China as a civilizational state determines that given its cultural traditions, China is not likely to be a country bent on confrontation. Rather, it is more likely to seek peaceful co-existence, mutual learning and win-win outcomes with other countries and other political systems, and this is indeed good for the rest of the world. But this positive picture may change if some countries are determined to pick a fight with China.

In order to understand the rise of a civilizational state, it is perhaps useful to recall our understanding of the concept of a nation-state. A nation-state generally refers to a state made up of people who share some common traits such as language, religion and way of life. Europe is the birthplace of nation-states, and nationalism propelled much of Europe's nationhood and modernization. But nationalism proved a major cause of conflicts and wars in Europe and beyond. During the 18th and 19th centuries, nation-states emerged one after another in Europe.

The earliest nation-state in Europe is arguably France. The French emperors unified taxation and armies of various vassal states in the late 18th century and early 19th century, shaped a strong mobilization power and defeated on many occasions the various Prussian states. But when "blood and iron" Chancellor Bismarck unified Germany into a nation-state in 1871, Germany rose fast and embarked on a path of military expansionism.

In Asia, Japan went through the Meiji Restoration and became a nation-state, and defeated China in 1895, which was then not yet a nation-state. At that time, China's GDP was larger than both that of Britain and Japan, but two countries had already become nation-states with the kind of power for national unity and war mobilization that China lacked. Triggered by the repeated military failures, China embarked on its own path of building a nation-state from the early 20th century onwards. In the Western political discourse, a nation-state is almost synonymous with a modern state, and vice versa. The two concepts are by no means perfect, but I will employ them here for the sake of convenience.

Back in the 19th and 20th centuries, China was still a traditional agricultural society with 95% of its population living off the land. At that time, the Chinese countryside was essentially a kinship society, often with one village made up of people with the same surname, and the well-educated country gentry could handle independently most village affairs, especially matters between villages or between kinships. On the surface, the Chinese emperor had a lot of power over the country, yet as a saying goes, “The sky is high, and the emperor is far away”: the central government was nominally powerful, but weak in reality, and to a great extent, it did not have enough technical means to govern the country, and thus relied heavily on moral and ideological education. The central government did not have the kind of organizational or mobilization power as the Western nation-states, and Beijing even did not have many troops under its control. By the mid-19th century, China’s traditional state was no longer able to cope with the challenges posed by Western nation-states or modern states, as shown by the fact that China lost the First Opium War to the British in 1840, the Second Opium War to both the British and the French in 1860 and then the Sino-Japanese War to the Japanese in 1895.

Some Western scholars have already used the concept of a civilization-state to describe China, arguing that while China’s nation-state was still in the process of formation, China as a civilization-state had a history of several thousands of years. The Chinese nation lived on its soil and evolved its own unique civilization, and its rather comprehensive form of a state could at least be traced to Emperor Qin Shihuang’s first unification of China in 221 BC. But the concept of a “civilization-state” was applied to mean that China was still faced with many difficulties when it was trying to make the transition from a civilization-state to a nation-state, and they blamed China’s thousands of years of civilization for being a burden on its effort to build a modern state. In other words, being a civilization-state, China found it hard to evolve modern laws, economics, defense, education and political governance. Joseph R. Levenson, a Harvard scholar, presented this view in his book *Confucian China and Its Modern Fate*. Most Western scholars held the view that throughout the 20th century, China’s history was basically a process of transition from a civilization-state to a nation-state, from the idea of

“heaven” to the idea of a “state”. Lucian Pye, another American political scientist, even described China as “a civilization pretending to be a nation-state”.¹

Nevertheless, unremitting efforts were being made to turn China into a modern nation-state, and China did it the hard way. The efforts started with the Republican Revolution of 1911, which put an end to the last dynasty, the Qing Dynasty, continued with the May 4th movement of 1919 through the period of warlords in the 1920s, and the victory of the Northern Expedition of 1926–1927 and the War of Resistance against Japanese Aggression (1937–1945) till the founding of the People’s Republic. At the cost of tens of millions of lives, the Chinese have finally established a nation-state in the modern sense, and since then, with more efforts at nation-building, at reform and opening up, China is now the world’s second-largest economy and well on its way to becoming the largest in the coming decade.

The late historian Ray Huang (Huang Renyu) made a pertinent argument which I share. He summarized the contemporary history of China from what he called “a macro historical perspective”. He treated the Republican period (1911–1949) as a whole and held that the Kuomintang regime during this period succeeded in reshaping an upper structure for the modern state of China, which included various government ministries, the central bank, and the modern educational system, but this upper structure was out of touch with the grassroots of the Chinese society. Huang argued that Mao’s communist revolution since the 1920s based on land reforms and mobilization of the peasants in turn reshaped a lower structure for the Chinese state. Indeed, Mao’s efforts to organize peasant associations at the grassroots level and his land reform and literacy campaigns all paved the way for the so-called “numerical management” or modern economic management of China at a later stage. Huang argued further that Deng’s economic reform and opening up since 1979 reshaped a middle structure commensurate with a modern market economy, ranging from a modern taxation system to a comprehensive judicial system to millions of banking branches to nationwide logistics for

¹ Lucian Pye, “Social Science Theories in Search of Chinese Realities”, *China Quarterly*, 132 (1992), p. 1162.

material goods.² With the three structures in place, China's status as a modern nation-state is established. However, some people in China still believe that unless China adopts the Western political system, China will not be a modern state. But this is a marginalized view with little support in China.

3.2 The Rise of a Civilizational State

Today's China, with the aforementioned three structures, has established an unprecedented modern state system which includes a unified government, market, economy, education, law, defense, finance and taxation, and the Chinese state is among the most competent ones in the world, as shown by its organization of the Olympic Games in 2008 and its guidance for the country's economic growth. Yet it still retains its many traditions associated with a civilization-state, and these traditions are playing a vital role today in the world's most populous nation.

British scholar and writer Martin Jacques published in 2009 an influential yet controversial book titled *When China Rules the World*.³ Although the title of the book does not fit into the Chinese way of thinking or behaving, Jacques has gone significantly beyond the Euro-centric view of a civilization-state and given the concept a more positive assessment. One of his major arguments is as follows:

There are many civilizations — Western civilization is one example — but China is the only civilization-state. It is defined by its extraordinarily long history and also its huge geographic and demographic scale and diversity. The implications are profound: Unity is its first priority, plurality the condition of its existence (which is why China could offer Hong Kong “one country two systems,” a formula alien to a nation-state).

² Rey Huang (Huang Renyu), 《中国大历史》 (China: A Macro History), Lianjing Press, Taipei, 1993.

³ Martin Jacques, *When China Rules the World: The End of the Western World and the Birth of a New Global Order*, Penguin, New York, 2009.

The Chinese state enjoys a very different kind of relationship with society compared with the Western state. It enjoys much greater natural authority, legitimacy and respect, even though not a single vote is cast for the government. The reason is that the state is seen by the Chinese as the guardian, custodian and embodiment of their civilization. The duty of the state is to protect its unity. The legitimacy of the state therefore lies deep in Chinese history. This is utterly different from how the state is seen in Western societies.⁴

He cites my view on the China model in his book and holds that this model will become attractive to other countries. His observations on China as a civilization-state are helpful for better understanding the rise of China and its relations with the West and his views have also inspired some of my research on China as a civilizational state.

Yet, interestingly, despite his break with Euro-centric perceptions, Jacques still perceives a tension between the nation-state and the civilization-state, and this tension may, he argues, lead China in different directions. For instance, he hypothesizes that China may eventually revive a certain form of the ancient tributary system, characteristic of China's past relations with its supposedly inferior neighbors, and the alleged Chinese sense of racial superiority may pose a challenge to the existing international order.⁵ From this perspective, Jacques does not yet seem to be totally free from the core belief of many Western scholars that there is an inherent mismatch between nation-state and civilization-state.

For me, however, today's China is already a civilizational state, which amalgamates the nation-state and the civilization-state, and combines the strength of both. This fact itself is a miracle, highlighting the Chinese civilization's known capacity and tradition for creating synergies.

As a modern state, China accepts the concept of the sovereign equality of states and prevailing conceptions of human rights. China is not likely to

⁴ *Los Angeles Times*, November 22, 2009.

⁵ For Martin Jacques's views on the tributary system and the race issue, see pp. 374–376 on “the return of the tributary system” and pp. 380–382 on “the Chinese racial order” in Martin Jacques, *When China Rules the World: The End of the Western World and the Birth of a New Global Order*, Penguin, New York, 2009.

restore the tributary system, nor will China embrace racism. China is first of all a modern state, but unique due to the many traditions and features originating from its civilization. This is also the key conceptual difference between a civilizational state and a civilization-state. The former represents an amalgamation of an old civilization and a modern nation-state, while the latter often reflects the tension between the two.

As a civilizational state, China is both old and young, both traditional and modern, both Chinese and international. At least eight features can be distilled from the civilizational state of China, and these features are (1) a super-large population, (2) a super-vast territory, (3) super-long traditions, (4) a super-rich culture, (5) a unique language, (6) unique politics, (7) a unique society and (8) a unique economy, or simply the “four supers” and “four uniques”, each of which combines the elements of the old Chinese civilization and the new modern state.

(1) *Super-large Population*

One fifth of the world’s population lives in China. The average size of a European country is about 14 million people, and China is approximately the size of 100 average European countries. A civilizational state is a product of “hundreds of states amalgamated into one” over China’s long and continuous history. India’s population is also large and second only to China’s, but India was not a unified state until the British rule in the second half of the 19th century, as compared with China’s first unification back in 221 BC. As a result, the Indian population is far less homogeneous than the Chinese. In China 92% of the Chinese identify themselves as Han Chinese.

The Western countries as a whole represent only 14% of the world’s population, while China 19%. With the establishment of a modern state, especially a modern educational system, China’s educated population is China’s greatest asset. With both modern education and traditional cultural values, China’s large population has produced an impact on a scale unprecedented in human history, and a feature of the China model can be summarized as follows: China’s capacity for learning, adaptation and innovation, together with an unmatched scale effect thanks to the size of the population, has produced immense internal and external impacts.

China's rapid progress in such areas as tourism, automobile industry, the Internet, high-speed trains and urbanization has demonstrated this scale effect. Investors in China tend to share one belief: if they can achieve the No. 1 status in China, they may well be the No. 1 in the world.

In a broad sense, it is perhaps not far-fetched to claim that due to the size of the population, China may change the world so long as it changes itself. For instance, China has become the world's largest producer and consumer of automobiles, so all global automobile firms are now in China, and the world automobile industry has started some kind of China-oriented transition. Likewise, China now is engaged in the world's largest urbanization programs, and the world's best architectural firms are competing with each other for the Chinese market and have started some kind of China-oriented transition. This trend is likely to continue in ever more areas such as tourism, air transport, the movie industry, sports, education, alternative energies and even models of development and political governance.

(2) *Super-vast Territory*

China is a continent, and its vast territory has taken shape over its long history with a gradual amalgamation of "hundreds of states". Russia and Canada are larger than China in terms of territory, but they have never experienced the kind of integration process as a civilizational state. The Soviet Union tried to create the Soviet nation in the vast territory of the USSR but failed with the collapse of the country, while Canada has a small population and short history.

Some people admire the many advantages of small countries, which is understandable. But all countries have their own advantages and disadvantages, and small countries are often more vulnerable to various shocks than big ones. A senior Singaporean diplomat based in Geneva once told me that "Singapore is indeed a prosperous country, but it is extremely careful in managing state affairs, as any careless mistake could be costly. For instance, if a 9/11-type terrorist attack occurred in Singapore, it could spell the end of my country." Chile is a relatively prosperous developing country, but the 2010 earthquake hit the country hard and caused its GDP to drop. In comparison, for a large country like China, the huge 2008 earthquake of Sichuan did not affect the country's overall economy.

Its vast territory gives China certain geopolitical and geoeconomic advantages that few other countries have. China has established a strong state and a powerful defense capability, and gone are the days when foreign powers could bully and invade China at will, as was the case in China's century of humiliations from the mid-19th to the mid-20th century. It also allows China to carry out large-scale projects, rare in human history, such as the supply of natural gas from the western to eastern regions, and nationwide highway and high-speed train networks. For most countries, any move up in the value chain often means that labor-intensive industries will be out-sourced, but in China's vast territory, most of these industries gain a new lease on life as they are transferred to other parts of China. In China's modernization process, local and central governments both play an important role, which Chairman Mao used to call "walking on two legs", and this is also determined by the sheer size of the country and its population.

Being a civilizational state provides China with a unique geo-strategic "radiation". Over the past three decades, China has pursued an open-door policy along China's border regions, and signed a free trade agreement with ASEAN countries, established the Shanghai Cooperation Organization with Russia and Central Asian republics and promoted economic integration with Japan and South Korea, and with other entities of Greater China (Hong Kong, Macau and Taiwan). In effect, China has become the locomotive for the regional economic growth and for the world's economic recovery, and this is inseparable from China's geo-strategic location in the heart of East Asia, the world's most dynamic region of development.

(3) *Super-long Traditions*

Being the world's longest continuous civilization has allowed China's traditions to evolve, develop and adapt in virtually all branches of human knowledge and practices, such as political governance, economics, education, art, music, literature, architecture, military, sports, food and medicine. The original, continuous and endogenous nature of these traditions is indeed rare and unique in the world.

China draws on its ancient traditions and wisdoms. In the field of political governance, several key concepts used in today's political governance all originate from the ancient times. For instance, today's concept of

“keeping pace with the changing times” (*yushi jujin*) is derived from the idea of *yushi xiexin* (keeping up with the times) contained in the *I Ching* or the *Book of Changes*, dating back to China’s Warring States period (mid-4th to early 3rd century BC), and the same is true of today’s concept of “building a harmonious society”, which originates from the ancient concept of *taihe* (overall harmony) contained in the same classic. Deng Xiaoping’s idea of “crossing the river by feeling for stepping stones”, which has guided China’s reform and opening up, is in fact a popular proverb from the ancient times. And the historical roots of these ideas have apparently given them added legitimacy and facilitated their general acceptance by the people.

The China model and the Chinese political narratives also reflect the independent and endogenous nature of the Chinese civilization. In a way it is similar to Chinese traditional medicine: whether Western medicine can explain it or not, most Chinese have trust in its efficacy, and if Western medicine cannot explain such efficacy, just as Western social sciences still fail to predict or explain the success of the China model, this is not a problem of whether Chinese medicine or the China model is scientific or not. Rather, it highlights more the limitations of Western medicine or social sciences originating in the West, which have yet to develop further to explain the effects of Chinese medicine or the China model. What Chinese social scientists should do is not “cut one’s feet to suit Western shoes”; rather they should base themselves on the successful Chinese experience and rethink many preconceived ideas originating from the Western experience, and revise, if need be, the Western textbooks or create China’s own theories.

It has also been proved that an appropriate combination of Chinese medicine and Western medicine tends to produce a better overall effect. This analogy applies to the China model, as it has already drawn a lot on the Western ideas and practices, but has managed to keep its own essence, thus producing far better overall results than the Western model.

(4) *Super-rich Culture*

With its long and continuous history, China has developed one of the richest cultural heritages in the world, and Chinese culture is in fact the

synergy of the cultures of “hundreds of states” over China’s long history. Chinese culture stresses the holistic unity of heaven and earth, and harmony in diversity, as shown in the mingling of ideas from Confucianism, Taoism and Buddhism and the remarkable absence of religious wars over its long history. Chinese culture is more inclusive than exclusive, which has affected all aspects of Chinese life. For instance, China’s thousands of dialects have been unified under the same written language across this vast country. The people of Beijing, Shanghai and Guangzhou (Canton), the three most famous cities in China, also differ a great deal from each other in terms of lifestyle and mentality, and this difference may be even larger than between the British, the French and the German and differences among China’s 56 ethnic groups are also conspicuous. But most of these differences, if not all, are made complementary to each other within the broad framework of the Confucian idea of “unity in diversity”.

With the rise of China, Chinese culture is witnessing a renaissance, and the depth, width and strength of this renaissance can only be achieved in a country with such cultural richness and diversity. This renaissance is reflected in the rising “fever” for all kinds of Chinese cultural manifestations such as the ancient classics by Confucius, Mencius and Lao Tzu, Chinese paintings and calligraphy, old furniture, traditional houses, old cultural relics, Chinese medicine and Chinese traditional healthcare.

Three decades of cultural encounters with the West have not caused a loss of confidence in Chinese culture. On the contrary, these encounters have generated greater interest in China’s own culture. And this is significant. Chinese culture has not been weakened by its extensive exposure to Western culture. On the contrary, it has been enriched by this exposure. The Internet is from the West, but on the Internet, there are all kinds of Chinese stories and themes ranging from *Romance of the Three Kingdoms* to *The Story of the Water Margin*, and in the age of the Internet and Twitter, China’s diverse cultural heritage is the richest source of the arts and other creative activities for the Chinese.

Recent years have also witnessed the vigorous growth of China’s films and TV series, and behind this growth is the wealth of stories from China’s long history. Eventually, China may develop the world’s largest cultural industry, as the country has a richer cultural heritage and more cultural

resources than others, and has the world's largest audience and eventually the largest group of investors for the creative cultural industries.

There is perhaps no better example to illustrate this cultural richness than Chinese cuisine: there are eight main schools of cuisine and countless sub-schools, and each of the eight main schools is arguably richer than French cuisine in terms of content and variety. If French cuisine reflects the culture of France as a nation-state, then the richness of Chinese cuisine reflects the amalgamation of the cultural traditions of "hundreds of states" over China's long and continuous history. Indeed, this analogy is applicable to many other cross-cultural comparisons, and China enjoys a significantly higher degree of cultural richness and diversity than most other countries. Thanks to its continuous civilization of several millennia and its three decades of successful reform and opening up, China is now witnessing its cultural renaissance.

(5) *Unique Language*

The Chinese language is both an ancient and living language, a product of China's long history and culture. Chinese characters first evolved during the Shang Dynasty around 16 BC, when "the great city-states of classical Greece had not yet emerged, and Rome was millennia away. Yet the direct descendant of the Shang writing system is still used by well over a billion people today," as noted by Henry Kissinger.⁶

Many developing countries unfortunately lost their own languages under colonialism, and hence lost a large part of their cultural heritage and national identity. As a result, these countries often find themselves in a dilemma: on the one hand, they have lost lots of their own heritage, and on the other, their attempt to copy the Western system has failed to deliver the results they desire, and the fate of these countries seems to be forever shaped by others, and they often end up in dire poverty and prolonged chaos.

In China's state-building process, the Chinese language has kept up with the changing times. It has drawn on elements from other cultures and languages, and the language has thus undergone many "reforms": Chinese

⁶ Henry Kissinger, *On China*, Penguin, New York, 2011, p. 6.

characters have been simplified; modern vernacular Chinese has been adopted; and the pinyin or the Latinized phonetic system has been applied. All this has facilitated the learning and use of the Chinese language. Works of human knowledge from the outside world are now all translatable, and the Chinese language is compatible with the fast progress of science and information technology. It has in fact unique advantages: unparalleled brevity, imagery and embedded cultural meanings that few other languages can match.

The Chinese language is a major source of China's vast cultural heritage, and it is used by more people than any other languages. Its influence will further grow with China's growing engagement with the outside world. The fast spread of Confucian Institutes across the world seems to show that the Chinese language is becoming a major source of China's soft power.

Many Chinese are concerned with what they perceive as the moral decay of the Chinese society due to the market-oriented economic reform, and argue that the Chinese seemingly lack some religious spirit. But religion may not be the right solution for China. Anyone with a little knowledge of world history knows that religious wars between Christians and Muslims, between various Christian denominations, have had a huge toll on human life, and religious conflicts still affect much of the world today. It is true that the Chinese society has always been more secular than religious in its long history, but it is also true that Chinese culture, influenced by Confucianism, is moralistic and humanistic, and this morality and humanism are embedded in the Chinese language. Anyone who has mastered a hundred or so Chinese idioms or proverbs learns the basic tenets of Chinese culture with all its morality and expected code of behavior, and such idioms are numerous such as *yurenweishan* (to bear kind intentions towards others), *zishiqili* (to earn one's salt), *qinjianchijia* (to be industrious and thrifty), *ziquangbuxi* (to make unremitting efforts to improve oneself), *haoxuebujuan* (to be never tired of learning) and *tongzhougongji* (to pull together in times of trouble). Only when one travels across the world does one begin to appreciate how invaluable these tenets are. The lack of them in some cultures, to my mind, largely explains the failures of many societies and countries in the world. What one should do in China today is to revitalize the Chinese values embedded in the Chinese language through education, and in this way the Chinese society will become more harmonious and humanistic.

(6) *Unique Politics*

A civilizational state with the aforementioned “four supers” entails a unique structure and statecraft for political governance, and the governance of such a state can only be based mainly on its own methods shaped by its own traditions and culture. Henry Kissinger is right to observe that “China is singular. No other country can claim so long a continuous civilization, or such an intimate link to its ancient past and classical principles of strategy and statesmanship”.⁷

In China’s long history, all governments are expected to show special concern for improving people’s livelihood, tackle natural and man-made disasters and cope with all the challenges posed by China’s huge population and vast territory. Otherwise, it will lose the “mandate of heaven”. Over the past millennia, the Chinese have shaped a political culture characterized by a longer-term vision and a more holistic way of perceiving politics. Most Chinese tend to value highly their country’s overall stability and prosperity. It is unimaginable that most Chinese would ever accept the so-called multi-party democratic system with a change of central government every four years, and furthermore, all prosperous dynasties in the Chinese history were associated with a strong and enlightened state.

The Communist Party of China (CPC) is not a party as the concept “party” is understood in the West. In essence, the CPC continues the long tradition of a unified Confucian ruling entity, which represents or tries to represent the interest of the whole society, rather than a Western-style political party which openly represents group interests. The civilizational state is the product of “hundreds of states” amalgamated together over the past millennia, and if the Western political system were applied to this kind of state, its prospect could be chaos and even disintegration. The experience of China’s Republican Revolution of 1911 serves to illustrate this point. The Revolution copied the Western political model and the whole country immediately fell into chaos and disintegration, with warlords, each supported by one or a few foreign powers, fighting each other for their own interests, and this is a lesson that we should always bear in mind.

⁷ Henry Kissinger, *On China*, Penguin, New York, 2011, p. 2.

Some in the West only acknowledge the regime legitimacy bestowed by one-person-one-vote and multi-party elections, and this is shallow in the sense that if this criterion were applied, then no US government would have any claim to legitimacy prior to the mid-1960s, as most black people were not able to exercise their right to vote until the Civil Rights movement. I once encountered an American scholar questioning the legitimacy of the Chinese regime, and I suggested that he first question the legitimacy of the United States as a country: today's United States came into being following colonialism, large-scale migration from Europe and ethnic cleansing of the indigenous Indian population. From the Chinese point of view or from the view of contemporary international law, neither colonialism nor ethnic cleansing can constitute legitimacy. In the end, he agreed that all this was part of history; in other words, it is history that has shaped and determined the way legitimacy is established. This is indeed true throughout human history.

In the case of China, political ideas and practices over the past millennia are the most important source of the Chinese perception of legitimacy. The Chinese concept of legitimacy had taken shape well before modern Western states came into being. The Chinese historical discourse on regime legitimacy hinges on two key concepts. One is *minxin xiangbei* (its approximate English equivalent would be “winning or losing the hearts and minds of the people”) and the other is *xuanxian renneng* (selection of talents based on meritocracy). This idea of regime legitimacy largely explains why China was a more advanced and better-governed country than the European states for the most part of the past two millennia, and why China was able to reemerge since 1978 under new circumstances. To my mind, the two concepts have embodied the collective wisdom of a civilizational state and constitute a core part of the competitiveness of the China model in its competition with the Western model.

One could well apply the Chinese concept of “selection of talents based on meritocracy” to the Western society and question the Western concept of legitimacy. Without this legitimacy based on meritocracy, how could a regime be qualified to govern? How could such a regime be accountable to its people and to the world? This is illustrated by the example of the presidency of George W. Bush, and his eight years of

incompetence caused huge damage to the interests of the American and other peoples as shown in the financial crisis and the Iraq War.

China's political, economic and social systems are also more inclusive. Over China's long history, multiple political, economic and social systems overlapped each other and co-existed, and such systems ranged from the "county and prefecture system" to the "tributary system" to the "suzerain-vassal system" to the "system of autonomous entities", and this variety and inclusiveness are rare for Western-style nation-states. In today's China, there are the "one-country-two-systems" models of Hong Kong and Macau, autonomous regions for ethnic minorities, and special economic institutional arrangements with Hong Kong, Macau and Taiwan under various names. Since three decades ago, China has encouraged some regions to become prosperous first, to be followed by other regions, and this strategy is difficult to conceive in other countries with different political cultural traditions. But in China, thanks to its unique political traditions, this initiative has produced the remarkable $1 + 1 > 2$ effect.

Other Chinese political concepts, such as "when one region is in trouble, all other regions will come to help" (*yifangyounan bafangzhiyuan*) and "the whole country is treated as a single chessboard" (*quanguo yipanqi*), which means the coordination of all the major initiatives of the nation like moves on a single chessboard, are indeed rare in most other countries with different political cultures or systems. I once discussed the China model with some Indian scholars, who observed that on the surface, the Chinese political system represents a lot of concentration of power, but in reality, all reforms in China have their strong local flavors and different regions in China both compete and cooperate with each other, and that the Chinese system is much more dynamic and flexible than the Indian one. Indeed, if one takes the three regions of the Yangtze River Delta as an example, one finds that the functions of the state, market and society differ from each other in the economies of Shanghai, Jiangsu and Zhejiang. And this diversity mirrors in fact that of the whole country where intra-regional competition and cooperation thrive, and China's rapid reemergence to a great extent can be attributed to this combination of competition and cooperation at local levels.

In short, China has learnt a lot from the West in order to create a powerful modern state. At the same time, China retains, intentionally or

unintentionally, many of its political cultural traditions. This has allowed China today to be in a seemingly better position to overcome many challenges that the Western model is experiencing, such as simple-minded populism, short-termism and excessive legalism. With the passage of time, the Chinese political wisdom is likely to generate an ever greater impact on the rest of the world.

(7) *Unique Society*

The traditional society of China was based on family and kinships, and the Chinese ancestors were mainly settled “farmers” engaged in agricultural activities, in which family and kinships played a uniquely important role. In contrast, the Western society is more individual-oriented as it started, in most cases, from a nomadic existence in which blood relationship was less emphasized. In this sense, the Chinese and the Western societies constitute two different types of societies. In contrast to the individual-based Western society, the Chinese one is far more family-based and group-oriented, and this structure is further extended into a whole set of social norms and relationships and reflected in the Chinese way of life.

Over the past millennia, there also emerged such prevalent Chinese ideas as *sheji weijia* (sacrificing oneself for one’s family) and *baojia weiguo* (defending one’s family and safeguarding one’s nation), which have shaped what is called *jiaguo tonggou* or “family and nation in one”, as implied by the Chinese characters for the word “nation” which is composed of the two characters “state” (国) and “family” (家). This linkage of an individual’s pursuit with a broader and higher social commitment is a core idea of Confucianism, and Confucius famously wrote, “cultivating one’s moral character, putting one’s house in order, running the country well and letting peace prevail under the heaven”. In the process of building a modern state, this old Confucian value has gradually evolved into people’s strong sense of identity with the Chinese nation and with its overall cohesiveness.

With the rapid pace of modernization, China’s social structure has undergone a fast transformation. The old subsistence economy and low-mobility society have been replaced by a fast-changing and most mobile society connected with the outside world. People’s lifestyles have

undergone rapid changes accordingly. In the process, it seems that every individual or every cell of the society has been mobilized for self-fulfillment, for making money, for greater achievement, and the Chinese society is thus extremely dynamic and full of competition and opportunities. Yet, with such a fast-changing society, tensions of all sorts have also surfaced, a situation similar to that of an adolescent with all the hopes and risks that his or her age entails. But from a broader historical perspective, this stage of development may be inevitable as a society moves towards modernization.

With the quickened pace of modernization, it is widely thought that individual-based and self-centered Western values may replace China's family-based values. Yet the reality is different. While many traditional Chinese values have indeed been eroded with China's rapid pace of modernization, the process has also witnessed a growing and ever stronger desire to return to Chinese roots and to embrace some core Chinese values, and this is happening in today's entirely new environment, as China is now widely open to the outside world. There is no better example to illustrate this trend than the Chinese pop song "Coming Home More Often" (*Chang huijia kankan*) which became a national hit overnight a few years back. It apparently struck a chord with most Chinese people: whatever social and economic changes in China, family remains the core of emotional attachment for most Chinese, and filial piety, however diluted when judged by the traditional Chinese standards, remains crucial for the Chinese. In today's China, individual freedoms have been expanded a great many times, yet most people are still ready to make sacrifices for their families to a degree that individual-based Westerners will find it difficult to comprehend. This is also the main reason why Chinese society tends to be more cohesive than most Western societies. In today's China, the culture of filial piety seems to go along exceedingly well with the expansion of individual rights and freedoms.

In the political domain, some in the West take it for granted that with the rise of China's middle class, the Chinese society will also follow the Western model and end in conflicts between society and state. But they seem to have discovered that in China today the middle class, more than any other class, is a staunch force for China's political stability. China's middle class is made up largely of well-educated people who tend to

appreciate China's stability, and they are more aware of the fact that China has experienced too much *luan* or chaos in its history and Western-style democratization has brought about too much *luan* in other parts of the world and that their hard-won wealth is inseparable from China's continuous stability over the past three decades. Looking into the future, China's overall social trends are more likely to follow a model of mutually complementary interactions between society and state, rather than the Western model of confrontation between society and state.

(8) *Unique Economy*

In China's long history, economics was, strictly speaking, not market economics, but humanistic economics. In other words, it was always more political economics than pure economics. Chinese traditional economics tended to link economic development with political governance and link the improvement of people's living standards with the country's overall stability, rather than profit maximization. Influenced by this tradition, the guidelines for China's development today are "human-centered development" and "satisfying people's demands". In Chinese history, if the state failed to develop the economy and improve people's living standards or cope with major natural calamities, it would lose the hearts and minds of the people and hence lose the "mandate of heaven".

From my point of view, the Chinese concept of the "socialist market economy" today is in essence a mix of Western market economics and China's traditional humanistic economics. Neither market economics nor humanistic economics on its own can work well in China, as the former alone can hardly meet the demands of the general population whose expectation of the state is always high, while the latter alone does not allow China to compete on the world stage. To my mind, the China model today has combined both the strengths of market economics and humanistic economics, and this combination has produced the competitiveness of the Chinese economy.

In the Chinese tradition of economic development over the past millennia, the visible hand of state intervention was always present, as seen in the debate over the government monopoly of salt and iron in the Western Han Dynasty (202 BC to AD 9) or the Self-Strengthening Movement in the second half of the 19th century. Judging from the experience of reform

and opening up over the past three decades, it is fair to argue that if one had only relied on the spontaneous market signals without a strong state to promote and organize various market-oriented reform initiatives, it would have taken a much longer time to establish a market economy with a sound foundation and regulation in China.

Thanks to three decades of unremitting efforts, China's socialist market economy has largely taken shape, which combines what the Chinese American historian Ray Huang called "numerical management" (or micro management) with what can be called "macro regulation", and created a highly competitive economy in the world. "Numerical management" is the strength of the West, and China has learnt to master it to a great extent, but "macro regulation" is rooted in Chinese culture and it is the strength of China, and the West has not yet realized that it would serve its own interest to learn something from China in this regard. It is also true that given the individual-oriented culture and traditions, it may not be all that easy for the West to do so. To my mind, with intensified globalization and international competition, an economy with only the competence of "numerical management", not "macro regulation", may not be as competitive as those with both competences. I will elaborate on this in the next chapter on China's development model.

In summary, China itself is a splendid universe. As mentioned earlier, if the ancient Egyptian, Mesopotamian, Indus Valley and Greek civilizations had continued to this day and undergone a process of modern state transformation, then they could also be civilizational states; if the ancient Roman empire had not disintegrated and been able to accomplish the transformation into a modern state, then today's Europe could also be a medium-sized civilizational state; if the Islamic world today made up of dozens of countries could become unified under one modern governing regime, it could also be a civilizational state with more than a billion people, but the chance for all these scenarios has long gone, and in the world today, China is the sole country where the world's longest continuous civilization and a modern state are merged into one.

Frankly speaking, the world's longest continuous civilization itself is precious and invaluable, with all its tangible and intangible legacies of mankind and their implications for the future, and one should treat this civilization with due respect. The Chinese civilization today is both old and young

and full of dynamism. Its manifestations cannot and should not be assessed by over-simplistic dichotomies of “modern” or “backward”, “democratic” or “autocratic”, “high human rights standards” or “low human rights standards”, as contended by some Chinese and Western scholars. The contents of the Chinese civilization are 100 of times more complicated and sophisticated than what these shallow concepts are able to capture. Indeed, a civilization that has been sustained for more than 5,000 years must contain some unique wisdom, and we should treat it the same way as we treat other tangible and intangible cultural legacies of mankind, some of which have already become the spiritual and intellectual sources powering China’s decisive move beyond the Western model.

The civilizational state is both one state and “hundreds of states in one”. As one state, it is characterized by an unparalleled cohesive strength and competence for macro governance, and as “hundreds of states in one”, it is marked by the greatest internal diversity, yet as a part of China’s continuous civilization for millennia, this diversity works well under the Confucian idea of “unity in diversity”.

3.3 A New Perspective

Under the China model, the four features of the civilizational state (population, territory, tradition and culture) all constitute China’s greatest strengths. China has the richest human resources and potentially the largest consumer market; China has an unparalleled geopolitical and geoeconomic status; China has its own tradition of independent thinking, and has the richest cultural resources in the world. However, if China abandons its own model and adopts the Western model, then the greatest strengths of China as a civilizational state may turn out to be its greatest weaknesses. “Hundreds of states in one” may become “hundreds of states in conflict”; its emphasis on harmonious politics may become adversarial politics; its huge population a rich source of contentions; its unified vast territory split and disintegrate; and its diverse traditions the pretext for endless disputes and its cultural richness the source of cultural clashes. And the dream of the Chinese nation’s renaissance may well perish.

Due to the nature of the civilizational state, China cannot and should not copy the Western model, and China should be selective in its learning

from the outside world, as has been the case over the past three decades. Under no circumstances should China lose its own identity and inherent strengths. For instance, the mainstream view in the West argues that the market economy should be based on private ownership of land, yet China is a large and populous country with limited arable land, and mishandling of land always led to economic and social crises in China's long history. China's land system today has combined the public ownership of land with the individual right to use the land, and this innovative approach has proven to be a core part of China's overall competitiveness. Without this kind of innovative system, how could China, within so short a period of time, build up a first-rate infrastructure, carry out a large-scale urban facelift across the country, and allow the Chinese home ownership to become one of the highest in the world? Naturally, the Chinese land system has its share of problems which should be addressed step by step, but its future remains bright, and abandoning it would be foolish.

In a broad sense, China and the West can exchange ideas and practices for each other's benefit, and China has been doing so over the past three decades, but at a deeper level there are things that should not and cannot be changed, as they constitute the essence of a nation, distinguishing it from other nations, and efforts to change the essence of China is likely to end up in complete failure.

The political tradition of a nation has its own internal logic and a nation should evolve along its own internal logic, rather than pursuing political romanticism which could be extremely costly for a super-large country like China. In fact, even a country like Britain, which has a much shorter history than China, has all along adhered to its own political traditions and never accepted the French type of democracy then prevalent in much of Europe. I even wonder if the European Union, with only one third of China's population, could function if it were to be governed under today's prevailing system in the West, i.e. popular election and a multi-party system. If the European Union adopted this model, it would either degenerate into a symbolic white elephant without the ability to promote Europe's collective interests or fall into disarray and end up in disintegration.

The greatest wisdom of a civilizational state is perhaps its long tradition of "seeking common ground while reserving differences", and this wisdom is first of all reflected in the Chinese language. Chinese characters

are commonly made up of various components, and the components often give a hint of the pronunciation and the meaning of the word, and they are structured in such a way that they often follow the principle of “seeking common ground while reserving differences”. For instance, virtually all words relating to water contain a component indicating water, as shown in the Chinese characters for river (江), lake (湖), sea (海) and ocean (洋), and virtually all words relating to metal contain a component indicating metal, as shown in silver (银), copper (铜), iron (铁) and tin (锡). German philosopher Martin Heidegger famously said that it is not that “we speak the language, but the language speaks us”, i.e. the language we use actually reflects our way of thinking and behaving. The Chinese language seems to underline the fact that seeking commonality from diversity is a trait of Chinese culture. Hence, the core vocabulary of the Chinese language is much smaller than any European languages. Reading Chinese newspapers requires mastering about 3,000 characters, which then take all kinds of combinations to express countless meanings. In contrast, Western languages tend to focus on seeking differences, and hence have a much larger core vocabulary.

To my mind, the governance of a civilizational state follows the same logic, and if one can focus on seeking the commonalities of different interest groups, one stands a better chance of solving the tensions among them, whether it is the tension between regions, between enterprises, between social groups or between rich and poor. If one shifts away from the China model of seeking commonalities to the Western model of stressing differences, it is more likely to lead to social instability and conflicts.

The concept of a civilizational state can prompt us to rethink many preconceived concepts, for instance per capita GDP as a measurement of the level of development for cross-country comparisons. In fact, such comparisons could be misleading with regard to countries of different sizes and natures. A symphony orchestra made up of several hundreds of players can hardly be compared with a single violinist, pianist or a chamber music group. Norway’s per capita GDP is much higher than China’s, but China has thousands of industries that Norway does not have. If comparison has to be made, it is perhaps more pertinent to compare two violinists, say, Norway, with a population of 5 million, and Suzhou, a city near Shanghai with a population of 8 million. This kind of comparison may be

more relevant and immediately comprehensible for people directly concerned. After all, a heavyweight boxer and a lightweight boxer are hardly comparable and they can not be equalized by the average method, as they belong to different categories of sportsmen. And if boxers cannot be compared by the average method, how can cross-country comparisons be made and become genuinely relevant when intra-country differences are 1,000 times more complicated than boxing?

China is indeed too big, and its geographical, economic, social, political and cultural spaces are simply too huge to be compared with most other states. China's population is four times that of the US, and it is not far-fetched to say, at least in theory, that it is only normal that there are four times more problems in China than in the US, although in fact, problems are perhaps fewer in China than in the US, as shown by the fact that the US's prison population is larger than China's.

Another example is the measurement of the number of outbound tourists as an indication of change in living standards. China is a super-large civilizational state, and it is "hundreds of states in one". When one travels from Austria via Slovakia to Hungary and the Czech Republic, it is almost like traveling from Shanghai to Nanjing with short stopovers in Suzhou and Wuxi. If we have to apply the measurement of outbound tourists for international comparisons, it is perhaps more accurate to consider all those Chinese who take planes or high-speed trains within this huge country. There were 30 million outbound trips from South Korea in 2009 and 60 million from China in the same year. But South Korea is a small country, and once you embark on a plane, you may go abroad. On the surface, China's outbound tourists only double South Korea's, but in reality the number of Chinese with such means to travel abroad are at least five to ten times higher.

Likewise, when one treats the Western countries not as single countries but as part of the Western civilization, one acquires a sharper perspective of history, culture and reality, and it becomes easier for us to discover the innate strengths as well as weaknesses of a civilization, and to know how to better understand and deal with the West and to increase one's self-confidence. If one compares the evolutions of the Chinese and Western civilizations, one will find that the rise of the West is not simply a process of industrialization, urbanization, globalization and

democratization, but also a process of slavery, colonialism, fascism, ethnic cleansing, the outbreak of world wars, and bullying and exploiting many other nations. Among the Western countries, there are less corrupt ones like the Nordic countries, but there are also corrupt ones like Greece and Italy. One will also discover the long-term historical trends of China and the West: China led the world for most of the time in the past 2,000 years, started lagging behind the West from the 18th century, and then began to catch up with the West three decades ago.

The Chinese civilization is the world's longest continuous civilization and it seems capable of drawing on positive elements from other civilizations while retaining its own identity, just like Indian Buddhism being Sinicized, and Marxism too. Now, 400 million Chinese are learning English, 20% of Chinese publications every year are translated books, and China's newspaper with the largest circulation is *Reference News*, a daily translation of foreign press news and comments. McDonald's meets resistance in many countries, but not in China. The objective of the Chinese seems clear: they want to learn from others and eventually do better, and though such efforts may not always succeed, they never cease.

In certain ways, one may argue that the three decades of reform constitute an effort to let the Chinese civilization face global competition to see if it can withstand such competition. It seems that it has withstood the test of international competition, and its core contents have been revitalized and China has thus become one of the most dynamic countries in the world, and this unique civilizational state is bound to generate its impact on the future evolution of the world economic and political order.

3.4 Looking at China Afresh

On January 18, 2009, former Finnish president and Nobel laureate Martti Ahtisaari chaired a seminar in Brussels on crisis management in Africa and I was invited to speak on the China model. In the evening, the Finnish ambassador to the European Union held a dinner for the participants of the seminar. When Ahtisaari stood up to speak, he said that many issues in Africa today call for new ideas and solutions, and he reflected a bit on my presentation on the China model and came to the conclusion that the Political Bureau of the Communist Party of China was like the board of