

Review

Sinomania

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***When China Rules the World: The Rise of the Middle Kingdom and the End of the Western World* by Martin Jacques, Allen Lane, 550 pp, £30.00, June 2009, ISBN 978 0 7139 9254 0**

***Capitalism with Chinese Characteristics: Entrepreneurship and the State* by Yasheng Huang, Cambridge, 348 pp, £15.99, November 2008, ISBN 978 0 521 89810 2**

***Against the Law: Labour Protests in China's Rustbelt and Sunbelt* by Ching Kwan Lee California, 325 pp, £15.95, June 2007, ISBN 978 0 520 25097 0**

These days Orientalism has a bad name. Edward Said depicted it as a deadly mixture of fantasy and hostility brewed in the West about societies and cultures of the East. He based his portrait on Anglo-French writing about the Near East, where Islam and Christendom battled with each other for centuries before the region fell to Western imperialism in modern times. But the Far East was always another matter. Too far away to be a military or religious threat to Europe, it generated tales not of fear or loathing, but wonder. Marco Polo's reports of China, now judged mostly hearsay, fixed fabulous images that lasted down to Columbus setting sail for the marvels of Cathay. But when real information about the country arrived in the 17th and 18th centuries, European attitudes towards China tended to remain an awed admiration, rather than fear or condescension. From Bayle and Leibniz to Voltaire and Quesnay, philosophers hailed it as an empire more civilised than Europe itself: not only richer and more populous, but more tolerant and peaceful, a land where there were no priests to practise persecution and offices of the state were filled according to merit, not birth. Even those sceptical of the more extravagant claims for the Middle Kingdom – Montesquieu or Adam Smith – remained puzzled and impressed by its wealth and order.

A drastic change of opinion came in the 19th century, when Western predators became increasingly aware of the relative military weakness and economic backwardness of the Qing empire. China was certainly teeming, but it was also primitive, cruel and superstitious. Respect gave way to contempt, mingled with racist alarm – Sinomania capsizing into Sinophobia. By the early 20th century, after eight foreign forces had stormed their way to Peking to crush the Boxer Uprising, the 'yellow peril' was being widely bandied about among press and politicians, as writers like Jack London or J.H. Hobson conjured up a future Chinese takeover of the world. Within another few decades, the pendulum swung back, as Pearl Buck and Madame Chiang won popular sympathy for China's gallant struggle against Japan. After 1948, in a further rapid reversal, Red China became the focus of still greater fear and anxiety, a totalitarian nightmare more sinister even than Russia. Today, the high-speed growth of the People's Republic is transforming Western attitudes once again, attracting excitement and enthusiasm in business and media alike, with a wave of fashion and fascination recalling the chinoiserie of rococo Europe. Sinophobia has by no means disappeared. But another

round of Sinomania is in the making.

The title of Martin Jacques's *When China Rules the World* belongs to the scare literature of the first. But its function is little more than a commercial come-on, designed to clear the purchased display-table and the airport stall. The book itself is a sweeping contribution to the second. Its message consists of two parts. The first is the now well-known projection that – at present growth rates – the Chinese economy will be the largest in the world, overtaking the American, within about 15 years. With four times the population of the US, China already has the biggest foreign reserves, is the leading exporter, posts the most spectacular stock-market gains, and contains the largest car market on earth. So massive is the transformation its rise to economic supremacy will bring that – so Jacques – history can henceforward simply be divided into BC and AC: Before China and After China. This part of the argument is a straightforward quantitative extrapolation. Jacques hammers the impending figures home, without adding a great deal to what anyone with a certain economic literacy would know already.

Beyond altering international league tables, what will China's emergence as an economic superpower signify? The second part of Jacques's message is not about size, but difference. China is not like other nations, indeed is not really a nation-state at all. It is something vaster and deeper, a 'civilisation-state', inheritor of the oldest continuous history in the world, whose underlying cultural unity and self-confidence are without equal. Long before the West, its rulers created the first modern bureaucracy, imbued with a Confucian outlook at once authoritarian and democratic, controlling domestic subjects more by moral education than force, and organising adjacent regions into a consensual tributary system. By absorbing feudal aristocrats into impersonal state service, they freed market forces from customary constraints to develop a commercial society of unparalleled dynamism and sophistication. Only the accident of more readily available coal at home, and ruthless colonial pillage of resources overseas, allowed 19th-century Europe to overtake this great proto-modern economy, as industrialised in its way as the West, and much larger. But this Western predominance will prove a brief interval. Today, China is returning once more to its historic position as the dynamic centre of the global economy.

What are going to be the consequences for the rest of the world? Traumatically for the United States, China will fairly soon replace it as hegemon, not only in traditional areas of Chinese influence in East and South-East Asia, but across former Third and First Worlds alike. The soft power of its sporting prowess, its martial arts, its costly painters, its multitudinous language, its ancient medicine, and not least the delights of its cuisine, will spread China's radiance far and wide, as Hollywood, English and McDonald's do America's today. Above all, its spectacular economic success will not only inspire imitation wherever poor nations strive for betterment. It will reorder the entire international system, by holding out the prospect, not of democracy within nation-states, which the West vainly seeks to promote, but of 'democracy between nation-states'. For we are entering a time in which the political and ideological conflicts that marked the Cold War are giving way to an 'overarching cultural contest', in which 'alternative modernities' will end the dominance of the West. In that emancipation a distinctively Chinese modernity, rooted in the Confucian values of devotion to the family and respect for the state, will lead the way.

How should this construction be judged? Enthusiasm, however well-meaning, is no substitute for discrimination. Chinese antiquity stretches back to 1500 BCE or beyond. But this no more makes today's People's Republic a special genus of 'civilisation-state' than comparable claims for la civilisation française make one of the Third or Fourth Republic. Talk of 'civilisations' is notoriously self-serving, and delimitations of them arbitrary: Samuel Huntington arrived, rather desperately, at eight or nine – including an African, Latin American and Eastern Orthodox civilisation. Nothing is gained by affixing this embellishment to the PRC. Like France in the 1930s or 1950s, contemporary China is an integrist nation-state, cast in an imperial mould, if with a much longer past and on a

much larger scale. Nor are inflated claims for the age-old economic centrality or social wisdom of pre-modern China much help in understanding the present or future of the country. If, up through the Song, China was technologically and commercially far in advance of Europe, by the end of the Ming its science lagged well behind, and even at the height of Qing prosperity in the 18th century, agrarian productivity and average wage levels, let alone intellectual progress in a broader sense, were nowhere near vanguard developments in Europe. Nor are idyllic images of sage concern for the welfare of the masses much closer to the realities of rule by successive dynasties, which in the words of one of China's finest historians, He Bingdi, were always 'ornamentally Confucian and functionally Legalist' – repression wrapped in moralising rhetoric.

It would be unfair to judge any of this side of *When China Rules the World*, a popular work, by scholarly standards. None of it matters very much to the main thrust of the book, where it serves only as preliminary folklore to adjust readers in advance to the idea of pre-eminence to come. China could perfectly well be about to dominate the world without having nearly always represented the summit of universal development in the past. More serious is the incoherence of the book's central message. For the most part, *When China Rules the World* is an unabashed exercise in boosterism, hailing the PRC not only as the paramount power of the future, but as the liberating ice-breaker that will, in the book's American subtitle, bring about 'The End of the Western World and the Birth of a New Global Order'. Sightings of this sort seem to have become a late British speciality: Jacques's version is only a little less absurd than *Why Europe Will Run the 21st Century* by Mark Leonard, a fellow seer of the Demos think tank Jacques helped to found. But there is another side to *When China Rules the World* at odds with its generally upbeat story. Internationally, China has 'embraced multilateralism', attracts its neighbours and partners by 'soft power', and promotes 'democracy between nations'. Yet we also need to be aware that 'the Chinese regard themselves as superior to the rest of the human race,' inheriting a Middle Kingdom mentality that has always been more or less racist, and traditions of tributary statecraft that may have been conducive to stability, but were always based on hierarchy and inequality. Might this heritage compromise the fair prospect of a democratic inter-state system? Not necessarily, since while 'the Western world is over, the new world, at least for the next century, will not be Chinese in the way that the previous one was Western'. The book, in other words, disowns its own title, confected purely to increase sales. China is not going to rule the world. All that is happening is that 'we are entering an era of competing modernity' in which China will 'increasingly be in the ascendant and eventually dominant'.

But the idea of a distinctively 'Chinese modernity' winning a global competition for hegemony is no more coherent than that of high-speed Chinese growth ushering in 'democracy between nation-states'. Its role in the book is to be understood in the light of the author's *cursus vitae*. Once the editor of the Communist Party of Great Britain's monthly, *Marxism Today*, after his party and journal gave up the ghost in the early 1990s Jacques moved into mainstream journalism, shedding the language, if not altogether the reflexes, of his past. The Cold War over and the Soviet Union gone, the opposition between socialism and capitalism was now a back number. How then should the open-door policies of the PRC – its welcome to the world market – be related to it? This is not a matter on which *When China Rules the World* cares to dwell. Such questions belong to a vocabulary the book goes out of its way to avoid. Over five hundred pages, the word 'capitalism' scarcely ever appears. But there is still a global contest, in which the more sympathetic side can nonetheless win. Simply, it is now between not the outdated political and ideological categories of socialism and capitalism, but alternative 'modernities', as so many different cultural ways of being up to the minute. The function of this change of lexicon is not hard to see. What it offers is the chance of a consolation prize for the left. Capitalism may have won worldwide, so why bother to go on talking about it? Instead, why not look ahead to the welcome prospect of a non-Western variant of what is now our common destiny overtopping all others, in a country where the ruling party at least still describes itself as Communist?

Alas, there is a logical difficulty in this wistful hope, which is insuperable. Alternative modernities, so conceived, are cultural, not structural: they differentiate not social systems, but sets of values – typically, a distinctive combination of morality and sensibility, making up a certain national ‘style’ of life. But just because this is what is most specific to any given culture, it is typically what is least transferable to any other – that is, impossible to universalise. Other recent works highlighting cultural differences in a post-ideological world – Huntington’s *Clash of Civilisations* or Fukuyama’s *Trust come to mind* – have grasped this intransitivity, making no claims that any one complex could tend towards predominance over all others, in the way that a modal economic order can. Moreover, projections of a Chinese modernity that will eventually become hegemonic not only forget the inherently self-limiting character of any strongly defined national culture, they further ignore the especially intense Chinese insistence, familiar to anyone who has been in the country, on the uniqueness of China. Few contemporary cultures, save perhaps Japan, are so self-consciously resistant to international comparison, so convinced of the inimitability of their own forms and traditions. In his way, Jacques is aware of this, at times even exaggerating it as an inveterate sense of superiority close to racism, of which there is less evidence than he assumes. But he fails to see how thoroughly the cult of *Zhonghuaxing* – ‘Chineseness’ – undoes his own imaginings of a future Han modernity spreading triumphantly, as a universal attractor, across the globe.

The rise of the PRC as a great economic, political and military power is a central fact of the age. But it gains no illumination from a vacant notion of modernity, which remains as nebulous at the end of *When China Rules the World* as it was at the beginning. It would not be too unfair to say that what the book at bottom represents is a belated meeting of Yesterday’s Marxism with Asian Values. For beyond a general insistence on the ethical continuities of Confucianism, of which Chinese Communism is viewed as a lineal heir, it says remarkably little about contemporary Chinese society itself. A few cursory lines noting that inequality has been growing, but the government is now acting to redress it; a bit more on the shortage of natural resources and environmental problems; a clipped paragraph on the Party; some prudent reflections on trouble in the border regions; and a firm assurance that the country is not ready for democracy, so it would be best if the CCP could rule undisturbed for another 30 years: this is more or less all the reader curious to learn about the actual social landscape of the PRC could gather from it. Certainly there is nothing to upset the authorities in Beijing, where reception should be excellent. In 1935, the Webbs entitled their book on the USSR *Soviet Communism: A New Civilisation?*, dropping the question mark in subsequent editions. Today’s ‘civilisation-state’ has been approached in something of the same spirit.

Serious understanding of contemporary China lies elsewhere. Two works of outstanding scholarship, from opposite ends of the political and intellectual spectrum, can be taken as current benchmarks. From the liberal right, Yasheng Huang’s *Capitalism with Chinese Characteristics* is a tour de force of empirical inquiry, conceptual clarity and independence of mind. Anyone wanting to know what kind of economy, and what sort of growth, can be found in the PRC should now start here. Huang’s premises could not be more rigidly neoclassical: sound development is delivered by private ownership, secure property rights, financial liberalisation and the systemic deregulation of economic transactions – and these alone. His conclusions, however, are a clear illustration of the truth of Carlo Ginzburg’s observation that a misguided ideology can be a precondition of original research, as well – perhaps as often – as an obstacle to it. By meticulous scrutiny of primary evidence, above all a huge mass of bank documentation tracking loans and their recipients, rather than simply relying on aggregated second-hand statistics, Huang has cut through the clouds of obscurity and confusion that have tended to surround the performance of the Chinese economy in the Reform Era which followed the passing of Mao.

His central finding is that the apparently unbroken rates of high-speed growth have rested on two quite different models of development. In the 1980s, a general liberalisation of financial policy

allowed private businesses to flourish in the countryside, many under the misleading sobriquet of 'township and village enterprises', as credits flowed to peasant start-ups and rural poverty fell dramatically. Then came the shock of 1989. Thereafter, the state abruptly changed course, choking off credits to rural entrepreneurs, switching loan capital instead into large, rebuilt state-owned enterprises and urban infrastructures, and – not least – granting massive advantages to foreign capital drawn to the big cities. The social consequences of this change, Huang argues, were dramatic. Inequality – not only between village and city-dwellers, but within the urban population itself – soared, as labour's share of GDP fell, while peasants lost land, rural healthcare and schooling were dismantled, and illiteracy in the countryside actually grew. In a blistering chapter on Shanghai, the showcase of Chinese 'hyper-modernity', Huang demonstrates how little average households in the city benefited from its glittering towers and streamlined infrastructures. Amid a 'forest of grand theft', officials, developers and foreign executives prospered while private firms were stunted and ordinary families struggled to get by, in 'the world's most successful Potemkin metropolis'. Nationwide, in 20 years, officialdom – raking in four successive, double-digit increases in its salaries between 1998 and 2001 alone – has more than doubled in size.

Cautiously, Huang expresses some optimism about the direction of the current Hu-Wen government, as a correction of the worst excesses of the Jiang-Zhu regime of the 1990s, while remarking that its reforms may prove too late to redress the ruin of peasant enterprise, in villages now often emptied by labour migration. But he ends by contrasting the sky-high Gini coefficient of today's PRC with the relative equity that marked the high-speed growth in the rest of East Asia – Japan, South Korea and Taiwan – and the far greater role in China of foreign and state enterprises, and the lesser weight of the domestic private sector, in the country's growth model. One consequence, he maintains, is that productivity gains have been declining since the mid-1990s. For Huang, the lesson is straightforward: efficiency and equity always depend on free markets, which in China remain half-strangled. Capitalism there certainly is, but a variety deformed by a corrupt and self-aggrandising state, which in denying its people liberty to manage their own economic affairs has failed to create reasonable conditions of fairness or welfare. The prescription is simplistic, as a glance at the United States could have told any scholar at MIT like Huang. Since the 1980s, financial liberalisation and cast-iron property rights have not delivered much social equity to Americans. But the indictment, set out with exemplary care and lucidity, is unnegotiable. So too is the anger behind it, at callousness and injustice. Not many economists would think to dedicate their work, as *Capitalism with Chinese Characteristics* does, to a couple of imprisoned villagers and an executed housewife.

Huang's central concern is with the fate of rural China, where, as he rightly insists, the majority of the population still lives and dies. The fate of urban labour is the subject of Ching Kwan Lee's *Against the Law*. Studies of the working class anywhere in the world, once a staple of history and sociology, have declined along with labour movements as a political force; in recent years, perhaps only in France has writing of real distinction appeared. Lee's book, written from a standpoint on the radical left, transforms this scene. Although quite different in mode and scale, in power nothing like it has appeared since E.P. Thompson's *Making of the English Working Class*. In fact, it could well have been called *The Unmaking and Remaking of the Chinese Working Class*. The product of seven years' research and interview work on the ground, it is an ethnographic and analytic masterpiece.

The book is a diptych, one part devoted to the rustbelt of Manchuria, the other to the sunbelt of Guangdong. Its first half is a study of the destruction of the proletariat that built China's principal industrial base after Liberation, as the great state-owned enterprises of the north-east were scrapped or sold off, leaving their workers jobless and often near-penniless, while officials and profiteers lined their pockets with what was left of all they had created. By coincidence, we have an unforgettable fresco of the wreckage of this old working class and its universe in Wang Bing's nine-hour documentary *West of the Tracks* (2003), a landmark of world cinema in this century and a

fitting pendant to *Against the Law*, made in Shenyang while Lee was conducting her research in the same city. The second part of Lee's book explores the emergence of a new working class of young migrant labourers from the countryside, about half of them women, without collective identity or political memory, in the coastal export zones of the south-east. They have low-wage jobs, but no security, toiling up to 70 or 80 hours a week in often atrocious working conditions, with widespread exposure to abuse and injury. Dereliction in the rustbelt, super-exploitation in the sunbelt: the treatment of labour is pitiless in either zone.

How do workers react to it? In a system where they have no freedom of industrial or political organisation, and the social contract that once gave them a modest security and dignity in exchange for subordination has been jettisoned, the law – however authoritarian – becomes the only resource to which they can appeal. Any direct action risking police repression, protests typically find their way to the courts, in the hope that blatant violations of legality by employers or local officials will find some redress there – and in the belief that the central government, if it knew its laws were being broken, would take action to see them enforced. Such popular faith in the good intentions of the Party leadership might be seen as a Chinese version of the traditional Russian belief in the tsar as 'Little Father', unaware of the misdeeds of his bureaucrats and landlords. The central authorities naturally foster the illusion that they are not responsible for illegalities lower down, giving them leeway to step in with last minute concessions when protests look like getting out of hand.

In fact, as Lee makes clear, the law can only function as an effective system of control and mystification if the courts do not invariably act as rubber stamps for criminality or oppression. In general, that is just how they do behave. But in a minority of cases, labour disputes are decided – more often partially than wholly – in favour of workers, keeping alive the belief that the law remains a protection even where it is being brazenly flouted by those with state power behind them. In ways reminiscent of the 18th-century England depicted by Thompson in *Whigs and Hunters*, notions of 'the rule of law' become a battleground, in which the anger of those below seeks to wrest verdicts from the cynicism of those on high, as the only potential weapons of the weak to hand. The reason regular failure in this unequal contest does not lead to more explosive forms of protest, Lee shows, is material rather than ideological. In the rustbelt, workers dispossessed of everything else typically retain their own housing, privatised to them at low prices, as a safety net. In the sunbelt, migrant labourers still have rights to a plot of earth back in their villages, where land has not yet been privatised, as a fall-back. For all the wretchedness of their respective lots, neither is quite destitute: each has something to lose.

The sobriety and realism of these conclusions diminishes nothing of the tragedy of betrayed hopes and ruined lives that fills the pages of *Against the Law*. Lee's capture of the voices of those caught in the relentless industrial mechanisms of the Reform Era, in one poignant interview after another, is among the finest accomplishments of her book. The stories are often heartbreaking, but the accents with which they are told speak of courage, indignation, stoicism, even humour, as much as bitterness, resignation or despair. Few sociological studies have combined structural and existential, objective and subjective truths so memorably as this one. Without taking stock of it, no sense of contemporary China is clear-eyed. In the 19th century, Europe looked to America as the future, if one still quite some way off. In the 21st century, the West looks towards China in something of the same way. So far, certainly, no Tocqueville of the East has appeared. Is what he once achieved repeatable? There is plenty of time yet. But it is unlikely that Democracy in America will find its successor, wherever else it might, in any Modernity in China.

P.S.

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<http://www.lrb.co.uk/v32/n02/perry-anderson/sinomania>