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THE US AND CHINA: DANGERS OF PREMATURE EXTRAPOLATION

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Many commentators assume that China will become the next world superpower. This may be a premature assessment. As Judo players know, size can be a weakness rather than a strength. It is the spirit of freedom that made America great. And it is this that will determine to whom the 21st century belongs.

MUCH RECENT debate on whether there is a global power shift from the West to the East takes the conclusion for granted. But while writing-off the United States as a spent force appeals to those who dislike all things American, it is not an objective assessment. In the words attributed to Zhou Enlai when asked about the impact of the French Revolution on history, the answer may be that it is 'too early to tell'.

We should recall that, not so long ago, it was Japan that was held to herald the eclipsing of the West. Since then, and until recently, it has been in a near permanent recession. Assumptions about the future are often wrong, especially when dealing with long time horizons affected by countless variables, many of which have yet to manifest themselves.

Anodyne assumptions

When it comes to China, a synthesis of the available literature about its development reveals a series of inane platitudes and wishful thinking, as well as apocalyptic doom-mongering and irrelevant detail.

On the one hand, China is held to save us from the world economic crisis. On the other, it is perceived as a major threat to the West.

China, we are advised, is taking-off, but still faces numerous contradictions and challenges. These concern all-manner of issues – environmental, social, economic, demographic and political. Its hinterland is poorly developed and without an internal market it remains overly-dependent on global demand for its goods. So, despite tremendous progress, and the supposed advantages offered by its centralised command-and-control hierarchy, China is nowhere near ready to replace the US as global

leader. Much remains to be done and it may never get there.

Others assume that if China is to succeed, it will have to adopt what are held to be '*Western values*' pertaining to human rights and democracy. The problem is that such presumptions are moral, rather than rational, much like those who announced that the advent of the market would destroy China because it was held to be an '*evil system*' waiting to collapse. What many such models have in common is a tendency to inflate the importance of China's rise and then exaggerate the potential consequences of any possible decline.

And, by focusing attention on the possible problems caused by China in the future, we fail to debate the actual issues in the world today – both political and economic. The key question is not whether we are for or against China or the US – but what are we for?

Size is not everything

Optimists, such as Kishore Mahbubani, rightly point to the shift that will result from the 88% of the world's population who do not live in the West, only now acquiring the benefits – material, intellectual and spiritual – of modernity for the first time.

These changes will be dramatic. A cursory glance at numbers suggests that all the biggest ones are in Asia. The fastest growth rates, the most rapidly expanding economies, the largest exporters, the holders of the most foreign reserves, as well as most of the biggest cities, the tallest buildings, the majority of the world's PhDs in science and engineering, the largest infrastructure projects on earth and, of course, the most people.

But, as we all know, size is not everything. The truly remarkable aspect of the UK's and the US' domination of the world in each of the preceding centuries, is that they achieved this with such small populations. Even today, America's population is not that much larger than Indonesia's. And from the time of the Pilgrim Fathers on, it was a lack of manpower that forced the advance of innovative technical solutions in America. China's ability to throw labour at problems may yet be a disadvantage.

China and India will find that it is easier to take-off than to take-over. Putting toilets into homes and building railways and airports is relatively straightforward when all of these things have been invented before. Late-comers to development always move faster than earlier players. Whether these countries have what it takes to push the envelope further once they reach maturity remains to be determined.

Lessons from history

Much can be learnt by examining previous power shifts amongst the great powers. It is often extraneous circumstances that accelerate change rather than a conscious push. Distractions can be more significant than intentions.

The US became independent when Britain was preoccupied by a war with France. It took over from the UK as the preeminent world power – not when it achieved economic supremacy at the dawn of the First World War – but once all of the European powers had effectively destroyed themselves over the course of the Second World War.

China too has advanced during such periods. The First World War in the West allowed it to industrialise and overcome the delays to its growth caused by the Opium Wars. The Second World War witnessed its revolution and emergence as the People's Republic.

Most recently, the end of the Cold War in the West and the associated moralising of liberals there subsequent to events in Tiananmen Square further advanced its cause. As Western investors pulled out

of China, so the dominant backers of its industry became the Chinese communities of Hong Kong, Macau, Taiwan and Singapore. And as Westerners balked at maintaining relations with the supposedly 'rogue states' of Burma/Myanmar, Iran and the Sudan, so these offered new development opportunities to China.

The point is though, that world leadership may still be more the US' to lose than China's to win at this stage. Above all, the success of the 'free market' was a consequence of the wider spirit of exploration and freedom of expression that reached its apogee in 'the land of the free'.

If Asia in general, and China specifically, are truly to realise the potential of their evident optimism and dynamism, it may only be once they have discovered their own spirit of freedom.

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