## Creativity Unleashed: The Time of Xi

by Michael J. Carr

Oct. 30—Imagine the combined impact of the European Renaissance, the Industrial Revolution, the Marshall Plan, and the Apollo Program. Now multiply that by a thousand and you begin to get an idea of the magnitude of the global change initiated by China's President, Xi Jinping. The developing political, economic, scientific, and cultural transformations are already nothing like mankind has ever experienced.

China: Time of Xi, a documentary released on October 14-16 in three linked episodes, gives just a hint of the astounding developments underway in China. The video, by Meridian Line Films for Discovery Asia and CCTV-English, is available at these links:

- Episode 1: People's Republic
- Episode 2: Running China Now
- Episode 3: All Aboard

Yes, the more people you have, the more problemsolvers you potentially have. In fact, over time it may become possible to super-saturate problems with an abundance of solutions.

In one sense, what President Xi and his people are doing in China is entirely natural. It is the "pursuit of happiness." Xi calls it the "Chinese Dream"—a new concept in Chinese history and philosophy. But it is an inclusive idea. He conceives of the Chinese Dream, the American Dream, the African Dream, and so on, harmonizing in a Confucian manner into "the Dream for a Beautiful Future for All Mankind." Shortly after assuming the role of President of China, Xi Jinping announced in 2013 the adoption of a set of ideas and proposals powerfully reflecting those long-since designed and advocated by Lyndon and Helga LaRouche. It is now known as the Belt and Road Initiative (BRI). Xi's action is the final flanking action in a centuries-long process of mankind freeing itself from the imperial financial system currently centered in London and its appendages on Wall Street (and with tentacles in "intelligence agencies," various forms of media, and "educational" institutions).

There is a long history of American and Americanallied groupings behind measures taken to promote the development of strong, independent sovereign nations in the Americas, Asia, and Africa, which could become allies against the depredations of the predatory British Imperial political and economic system. (See Anton Chaitkin, "The 'Land-Bridge,' Henry Carey's Global Development Program," in *EIR*, May 2, 1997, and many other articles on the subject in the *EIR* archives.)

Now, imperialism is being overtaken by what John Quincy Adams called a community of sovereign republics. Xi refers to the "community of common destiny."

The BRI is unprecedented in many respects. China has never before stepped out onto the world stage to take a leading role in world affairs. However, now China is strong enough physically, and confident enough in its demonstrated economic methods, to offer to share its proven, successful methods with the entire world.

Books will be written about these historic ideas and events, but we shall begin here with a few observations which can help to overcome the suicidal (British Imperial) influences operating in the West, to bring the whole world together into the Community of Common Destiny of which Xi speaks.

In this video series, Xi is described as "pragmatic." A better description would be "humble, yet independent and audacious." On the one hand, Xi and the leadership of China have humbly listened to advice and criticism from all quarters (of most relevance here, the 40-year dialogue with Lyndon and Helga LaRouche)—yet steadfastly refused to allow the entry of ideas into China which would foster artificial internal division and conflict.

Lyndon LaRouche has always insisted that developing countries must leapfrog into the future using the most cutting-edge infrastructure and technologies. Modern China is audaciously leapfrogging in sector after sector of the economy, moving away from technologies associated with "cheap labor" production methods, to cutting-edge, capital-intensive production methods. The rise in overall productivity provides the basis for reaching the seemingly impossible goal of completely eliminating poverty in China by 2020! But that is only a small step towards Xi's goal of eliminating poverty in the world!

While LaRouche's <u>Four Laws</u> are operating in China now, and spreading steadily around the world, Xi has added further ingredients within China. He not only looks from the top down, but from the bottom up. He has assigned to individual officials personal responsibility for each to work with small groups of 150-200



President Xi's concept, "the Chinese Dream," orients the nation.

families, to come up with the plans for each family to escape poverty.

He not only pursues big dreams on the national and international scales, such as the Belt and Road Initiative, bullet trains, exploration and development of space, fusion power, water projects, and new industries—but also pushes the poor individual to dream, and then work to make that dream reality.

Just because you have been poor for 60 years, that is no reason for you to remain in that condition. What are your interests? capabilities? hobbies? dreams? Do you need access to markets? The Chinese government will work to get the roads, rails, and Internet connections built. Do you need machinery, land, or tools to make your dream come true? If there is any degree of success conceivable in your new plan, we will arrange credits or grants.

With the right infrastructure, the rural producer can sell his or her output via the Internet to the city-dweller, or even create a tourist attraction in the countryside for the skyscraper-dwellers in the city to visit. The human mind is the primary asset—not a useless being eating out the substance of the state!

To cherish and stimulate the activity of the human mind, by multiplying the objects of enterprise, is not among the least considerable of the expedients, by which the wealth of a nation may be promoted.

So said Alexander Hamilton in his *Report on the Subject of Manufactures* in 1791.

Alexander Hamilton is alive and well in China. Xi and his team recognize that the source of wealth lies in the powers of the human mind. Xi takes the term "People's Republic" seriously. Not only is the Republic responsible for the welfare of the People, but it recognizes the People as its primary asset, the source of its current power and future potentials.

## Renaissance Man

As Helga Zepp-LaRouche recently said, Xi is a modern-day Renaissance man. You may recall that Nicholas of Cusa in many respects laid the basis of the European Renaissance with his concept of the "coincidence of opposites." It is a method of approaching problems that seeks to find a unity, or superseding principle, between or above two or more apparent opposites. He used this approach in solving many problems, and thereby overthrew the dominance in Europe of the Aristotelian approach to the world.

In the Aristotelian view, science and philosophy are just tools of social control: "We already know everything we need to know via sense perception. Don't ask outlandish questions. Shut up and do as you are told! If you are poor or afflicted, it is because you were born that way or so destined. End of story."

Even though Cusa overthrew Aristotle long ago, the

British empire and its appendages and admirers have never given up on Aristotle. Whenever you hear, "Well, we just couldn't afford to build it," or "The rate of return was too low to go through with the project," or "Studies found the project to be economically unfeasible," or "The cost of labor was too high," or "The government should keep out of industry and agriculture because it distorts the sanctity and purity of the market," or "Yes, it's too bad, but we just had to cut those people off for unavoidable economic reasons," or "Sorry, your fate is just a reflection of the market finding a new equilibrium," or "Yes, we used to do great things, but now we just don't have the money," or "Science threatens to take away jobs"—stop and think. This poppycock was all overturned by Cusa, the man who initiated the project adopted by Columbus, to sail west to reach China in order to better link the East and West.

In Xi's China, and increasingly around the world, Aristotelian dogma is losing influence. Cusa's scientific method has growing influence. For example, the fact that the rapid, fairly unregulated growth of industry in China has led to very serious pollution problems, is not taken to mean that industry must be shuttered, and Africans told to give up the idea of ever having air conditioning (infamous initiatives of President Obama). A large productive population and clean air and water are not mutually exclusive. You just have to advance to the next step, the next level.

So, instead of promoting suicide, China is pushing to get beyond the problems of chemically fueling society, by hastening the development and deployment of nuclear fission and fusion, along with the electrification of everything that can be electrified.

For example, China has taken the world lead in the production of electric vehicles (ebikes, autos, and buses). It is the only country with commercially operating maglev rail systems. Already having the largest electricity generation capacity in the world, it is currently building twenty nuclear fission plants and has many more planned, and plans to export nuclear power plants of its own design and manufacture.

Just listing the statistics about China's rapid growth in all areas would astonish you.

## Xi's Outlook

Xi invented the term "Chinese Dream." As with Cusa's coincidence of opposites, the Chinese Dream looks for the value in combining or bridging apparent contradictions between East and West, North and South, the rural farmer and the city factory worker; between Western music and traditional Chinese music; between modern medicine and traditional Chinese medicine, as with the recent Nobel prize for a malaria treatment derived from an ancient Chinese remedy. At the same time that it encourages its own population to master spoken and written Mandarin, it promotes the study of the English language by all of its students. There are 300 million students of the English language in China!

The Chinese Dream blankets the country from one end to the other with credit for good ideas (what Xi calls innovation). The source of wealth is the human mind, but it must be provided with credit to bring the ideas to fruition. If you have the work requirements and you have the people, it is credit that brings the two together. As Hamilton understood, it enables the future to pay for the present by massively increasing the power of the future—to the point that repaying the debt is a relatively minor undertaking compared to the increased productive power that the credit enabled to be created.

With Xi's announcement of the Belt and Road Initiative in 2013, China began the process of working with partner nations to create many new international development banks (along the lines of LaRouche's 1975 proposal for an International Development Bank), to finance global development with methods similar to those which have been, and are being used in China itself. Among these are the Asian Infrastructure Investment Bank (AIIB), the New Development Bank, and the Silk Road Fund.

Xi understands that it is credit that can bring together the requirements of the future and the unemployed hands of the present—credit that pays for the present by creating the future. That is the critical ingredient recently wiped out in the Western world. As in China, in the Western world there are millions of people with great potentials in their mental powers, but with no way to bring their potentials to reality as long as all credit goes to Wall Street and London predators.

It is high time that the United States overthrew the destructive domination of America by predatory Wall Street bankers, by reinstating Glass-Steagall and implementing the full Four Laws of LaRouche. With any significant agreement between Xi and Trump to bring the United States into the global BRI project, the pressure for the Four Laws will increase to an overwhelming degree, over and above the demands from Puerto Rico, Texas, Florida, and California. No solution but La-Rouche's exists. China has proven that it works!

## China's Auto Industry, Its Industrial Robots, and Automaker Chery

China's "Made in China 2025" strategy, with its emphasis on quality manufacturing, has given a tremendous boost to automation in China's industrial production. Rising labor costs have helped turn China into the world's largest consumer of industrial robots. The result is visible in the auto industry, which accounts for 42% of China's industrial robot use (the electronics industry comes second with 22%). The widespread use of automation and emphasis on innovation have brought China's auto industry to a level of quality comparable with that

of Europe and Japan. In a test drive organized by Global Broadcasting Times for Chinese automaker Chery, on Sept. 25-26 in Germany, that quality was clearly demonstrated.

EIR was one of two western media invited to a two-day test drive and photo-shoot experience with the Tiggo 5x—the newest crossover (mini-SUV) by Chery. EIR's driver took the frontwheel drive, 1.5 liter turbo out on Autobahns and country roads, and into heavy city traffic. His impression was very favorable, finding the car's performance, comfort, passive and active safety systems, and generous range of options to be comparable to current western standards. The targeted market for this model is the younger generation. The large, intuitive touch-screen easily activates functions ranging from navigation, to weather forecasts, to web news. All touch-screen actions, and more, including starting the engine, can be activated using an app on your smartphone. Voice commands are recognized in all world languages and dialects!

Aaron Cao, marketing director of Market Research & Branding for Chery cars—who led the test group of fourteen, with four vehicles, through German cities, tourist sites, and vinyard country—explained that for Chery it is important to test the reaction of the German public. The German auto industry has been chosen as the benchmark by China, and Chery came to the Frankfurt International Auto Show not so much to market its cars—this will take a few more years—but to gauge the reactions and acceptance of German experts and consumers, confident that it can play this back into China to advantage.

Chinese cars of the Chery quality have a lot of western (German) engineering inside. Electrical components are manufactured by Bosch, while the transmission is by Getrag—two top producers for German

and international automakers. The model we drove, with 147 horsepower, full

leather seats, and a panoramic roof, sells in China for the equivalent of 13,000 Euro (\$15,295), an "affordable" price, and indeed nearly a dumping price in Europe. However, if and when the car is sold in Europe, the price will be significantly higher.

Large metropoles such as Beijing suffer from traffic congestion and have introduced a ceiling on car ownership. Such limits on ownership in large cities are not a source of concern for China's auto industry, however. The government encourages driving since development is not limited to the big cities. In the countryside, living spaces are larger and further apart, and individual driving is therefore necessary.

Thus, the Chinese auto industry is rapidly expanding. China has been the <u>largest automaker in the world</u> when measured by unit production since 2008, and since 2009, annual production of



automobiles in China has exceeded that of the European Union, the United States, and Japan, combined. In 2014, total vehicle production in China reached 23.7 million, accounting for 26% of global automotive production. But that is not all. McKinsey, the global management consulting firm, estimates that by 2020 there will be 200 million vehicles on the road in China, which is one car for every seven Chinese. And there is much growth potential, when compared to the United States, where the ratio is one-to-one.

China wants to cover most of its growing internal market with automobiles produced in China. Standards for crash-testing, emissions, and reliability have been set and are rapidly being met.

Plant automation has played a major role in improving production quality. Today, robots put in screws more exactly than a worker can do with a screw driver, and robots do so in a fraction of the time. While still importing most of its robots from Japan and Europe, China has also begun to build its own robots. According to technical journals, China's robots still have some catching up to do, in terms of quality and reliability. However, in the long run, there is no doubt that the quality and performance of China's domestically produced robots will rise to the highest of international standards.

Meanwhile some companies are accelerating the automation process by acquiring western technology. A case that made international headlines was the acquisition of 95% of the leading German robot producer KUKA by the Chinese home appliances producer Midea at the end of last year. The acquisition was seen as a threat by European China-bashers, who are looking for pretexts to damage or stop cooperation with China. The European Union recently launched a mechanism to watch and eventually stop so-called "unfair" Chinese competition by using European government-sponsored or government-subsized companies to take over European firms of "strategic interest."

In the case of KUKA, however, the alarm were entirely bogus. Midea is a private Chinese company, quoted on the stock market, and the deal was entirely within the canonical "free-market" rules. As KUKA CEO Till Reuter said, in an interview with the Augsburger Allgemeine last January 20, "KUKA robots are now a strong division within the Midea family. Our aim is to make the KUKA brand, backed by its strong partner Midea, number one in the Chinese robot and automation market."

And the market is huuuuuuge.....

Almost one third (27%) of the world's industrial robots are currently sold in China. The demand is surging as China extends automation in the manufacturing sector. According to the International Federation of Robotics, this percentage will rise to 40% by 2019. Despite such large numbers, the density of robots in China is comparatively low at 49 per 10,000 workers, below the global average of 66. The KUKA-Midea potential will surely not be able to fill the gap alone.