

U.S.-China Good Relationship Is a Strategic Necessity

In a May 10, 1997 webcast, Lyndon LaRouche discussed the urgent need for a “Four Powers” alliance of sovereign nations to restore economic sanity—“against the greatest power on the planet, which is the British Empire, called the British Commonwealth. That’s the enemy.”

In that speech, delivered 22 years ago, LaRouche outlined a strategy for today’s crisis.

“And if on one bright day, say, a Sunday morning, after a weekend meeting, the President of the United States, the President of China, and a few other people, say, ‘We have determined this weekend, based on our advisors and the facts, that the international financial and monetary system is hopelessly bankrupt. And we, in our responsibility as heads of state, must put these bankrupt institutions into bankruptcy reorgani-

zation, in the public interest. And it is in our interest, to cooperate as nations in doing this, to avoid creating chaos on this planet.’ The result then, is that such an announcement . . . means that the entire system, as of that moment, has been put through the guillotine, and the head is rolling down the street. (Alan Greenspan’s head, perhaps.) That means, we have, at that point, the impetus for building, immediately, a new financial and monetary system.”

That new financial system is now more urgent than ever. This pamphlet is intended as an antidote to the campaign to poison the U.S.-China relationship and to sabotage a new system from coming into being. As LaRouche noted, only the combination of the United States, China, Russia, and India, working together, would have the clout to put a new system in place.

INTRODUCTION: LOOKING AT CHINA

The Secret of China’s Success Model

by Helga Zepp-LaRouche

Oct. 30—Rather than seeing the rise of China as a threat, we in the West should acknowledge the enormous benefits for mankind flowing from the unprecedented economic miracle that China has achieved in the past 40 years. Unfortunately, most people in the United States and Europe know very little about China and its 5,000-year-old culture, which makes it relatively easy for the geopolitically motivated mainstream media and exponents of the anti-China lobby to paint a completely distorted picture of the country.

In fact, China has opened a new, totally inspiring



Helga Zepp-LaRouche addresses the 2019 Euro-Asia Economic Forum Think-Tank Meeting in Xi'an, China on September 11, 2019.

chapter of universal history, by setting an irrefutable example, for all other developing countries, of a way to overcome poverty in a relatively short period of time and achieve a good standard of living for a growing segment of its population. Over the past 40 years, China has implemented the most massive anti-poverty program in human history, lifting 850 million of its own citizens out of poverty, and contributing 70% of the total global pov-

erty alleviation efforts. Its average economic growth from 1978 to 2018 was an impressive 9.5% per year, and even the decline this year to only 6% growth, due

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to various factors, still represents a level that European nations and the United States can only dream of.

According to World Bank statistics, China has been the second largest economy in the world, in terms of GDP, since 2018, but number one in terms of per capita purchasing power. Since 2015, China has had the largest middle class in the world, and President Xi Jinping has personally committed himself to freeing the approximately 4 million people still living in extreme poverty in China from that plight by the end of 2020. Neither Europe, with some 90 million people living in poverty, nor the United States, where 40 million are considered poor, has a comparable program.



Above: A picture taken by Helga Zepp-LaRouche in August 1971 outside Shanghai—at the peak of the Cultural Revolution—shows typical transportation.

Right: A Fuxing high-speed train, Model CR400BF, arriving in Shanghai.

It is hard to imagine how poor and underdeveloped China once was before its tremendous transformation when, in today's China, you can travel on one of the lines of China's 30,000 km of high-speed railways, serviced by trains running punctually and quietly over the countryside at 350 kph; see the modern, well-organized stations with clean marble floors; or perhaps visit the Shenzhen-Guangzhou-Macao region, the economic engine of the Belt and Road Initiative. But before Deng Xiaoping introduced the reform and opening up policy, people were very poor, often without enough to eat, and technologically backward. The streets were filled with hundreds of bicycles. Even the roads linking many cities were essentially dirt tracks, automobiles

were a scarcity, and farming was not mechanized.

The Chinese people had lived through more than a century of enormous hardships and privations, from the British Opium Wars and territorial occupations to civil war, from the enormous initial economic difficulties of the People's Republic of China (PRC) to the horrors of the domination by the Gang of Four during the Cultural Revolution.

Two Generations of Economic Miracles

Deng Xiaoping launched an economic miracle with his reforms following the Cultural Revolution, which allowed the entire population, including the two generations born since then, to experience a continuous upswing, with expanding sections of society experiencing higher living standards. A comparable upward trend took place in Germany during the post-war reconstruction, at the time of the German economic miracle in the 1950s and 1960s. But then it ended due to a series of factors, such as the emergence of the anti-technology Green movement. The opposite direction was taken, toward the deindustrialization that threatens Germany today. In China, on the contrary, the improved living standards, the social progress, and the growing respect for the country, in particular



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Deng Xiaoping, then Vice Premier of China's State Council, and his wife, Zhuo Lin, getting a briefing on NASA's manned space program from Dr. Christopher C. Kraft, Director of the Johnson Space Center in Houston, Texas in 1979.

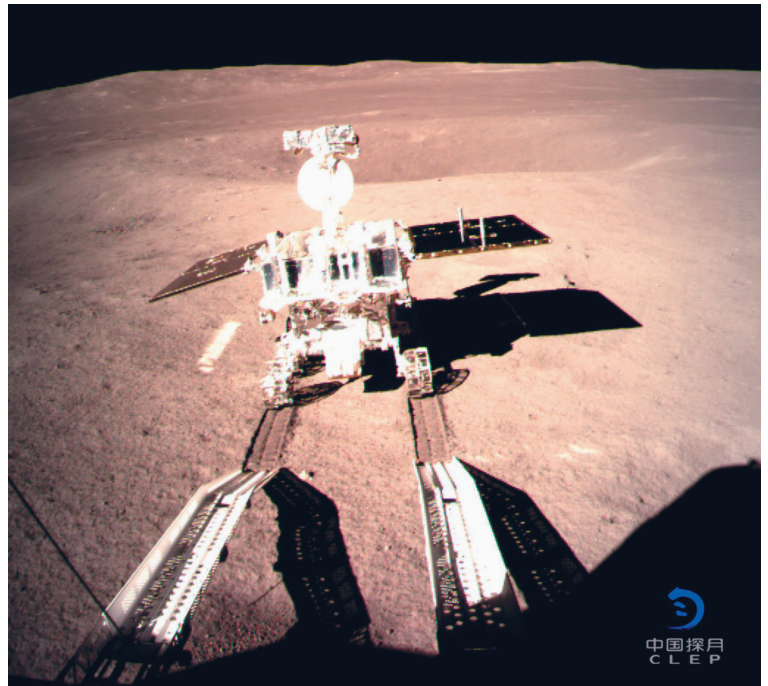
among the developing countries of Asia, Africa, and Ibero-America, have generated a fundamental cultural optimism, such as that which was characteristic of the United States of America from the time of Franklin Roosevelt's New Deal to the assassination of John F. Kennedy, and then continuing until the demise of the Apollo program.

During this time, China faced a series of problems. Deng Xiaoping describes how, in the early stages of his reforms, the world was still dominated by the notion of colonial rulers who attempted to suppress the development of China and other developing countries. Thus, China initially accepted foreign investment in areas of cheap production in the coastal special economic zones, which brought at least some capital into the country. China was in a certain sense the main target of the increasing deregulation and monetization of the transatlantic economic system, which outsourced the productive capacities formerly located in the U.S. and Western Europe to China and other developing countries. This was motivated by the greed for profit of the City of London, Wall Street, and compa-

nies like Walmart, Kmart, and Target. The price that China had to pay was in the form of enormous environmental problems, such as contaminated groundwater and polluted air, which the government has now invested great effort in trying to remedy.

At the same time, Deng sought to gain access to international capital and advanced technologies from abroad, by ensuring that scientists were invited in and students were sent to study in other countries. But given the attitude in the West, which consistently denied really advanced technologies with the "dual use" argument, as well as the increasingly hostile attitude of the Soviet Union since the era of Khrushchev, Deng emphasized the necessity for China to rely primarily on its own forces. That is something that very few in the West understand: the Chinese population's tremendous will to develop, and the virtues which used to characterize Germany—diligence, reliability, a sense of motivation, efficiency, and creativity—without which China would never have been able to accomplish this economic miracle, which is unprecedented in history because of its scope and vision.

Various think tanks, mainstream media, and politicians try to blacken China's image, by claiming that its success is due to the theft of Western intellectual property alone. It cannot be ruled out, of course, that in a population now reaching 1.4 billion people, there has



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China's Yutu-2 Rover rolling onto the Moon's far side shortly after its touchdown on January 2, 2019.

been industrial espionage, just as is the case for every industrial nation in the world. The American government itself often encouraged such piracy. In his 1791 “Report on Manufactures,” Alexander Hamilton called on the country to reward those who brought “improvements and secrets of extraordinary value” from elsewhere. Because he knew that the export of machines in most nations was prohibited subject to severe penalties, he obviously considered state-sponsored smuggling of technologies to be a legitimate means to build the American economy.

Chinese Innovation of Several Millennia

But how is it that China has become the world leader in certain areas—for example, that it has built the best and biggest high-speed railway system in the world, now reaching 30,000 km, or that it is the only country to have landed on the far side of the Moon? Who could they have copied that from?

Another angle of attack against China is the accusation that the Social Credit System is proof that China has become a total surveillance state, as if Edward Snowden had never existed. Representatives of the intelligence apparatus and the media who level this accusation are obviously projecting onto China their knowledge of the surveillance apparatus in the West. While the use of artificial intelligence—including facial recognition and digitization of many areas of life—is more advanced there than in the United States and Europe, such claims overlook the fact that China has a very different social system, namely a meritocracy that developed over more than two millennia out of the imperial examination system since the Han Dynasty (206 BC-220 AD), based on the Confucian tradition.

One of the most essential differences between the culture of not only China but all of Asia, and that of the West, is the priority placed for thousands of years on the common good of society over the unrestrained rights of the individual. Behind this is the conviction that the individual and the family can only do well if the state as a whole is doing well. The outstanding importance of individuality, as it developed positively from the Renaissance and European humanism, but negatively from the ideology of extreme liberalism (“anything goes”), is much less important in China. This historical cultural difference, deeply rooted in the Asian tradition, is the primary reason why the idea that China would automatically adopt the system of Western democracy after joining the World Trade Organization (WTO) was



China has a very different social system, a meritocracy developed over more than two millennia, based on the Confucian tradition. Shown, statue of Confucius at Confucian Temple in Shanghai, China.

an illusion from the outset.

By the same token, most Chinese people view the Social Credit System positively, because it is in line with their conviction that those who contribute to the common good should be rewarded, and those who create a drunken ruckus in the train should be refused a ticket the next time. This view is completely contrary to the liberal *zeitgeist* that reigns here in Europe and in the United States, in which the legalization of drugs, pornography, and sexual perversity is viewed as a matter of “human rights.” Those who regard the Chinese system as the great challenge to the Western “system of values” should rest assured: Thanks to the green ideology in some countries, and the decadent entertainment culture and declining life expectancy in others, the West has done a very good job undermining itself and its own values all on its own!

The anti-China propaganda is in no way something new; it comes from the resentment consciously stoked by the European colonial powers. The pejorative expression, “the yellow peril,” appeared at the turn of the 20th Century in all sorts of books, short stories, sketches, and caricatures. It insidiously stoked fears about Asian peoples, because the geopoliticians of the British Empire feared that their power in the world could be broken by the development of Eastern Asia. The same type of thinking is displayed by Samuel Huntington in his *Clash of Civilizations*, a book soaked in ignorance, or more recently by the former

Director of Policy Planning at the State Department, Kiron Skinner, who came out with the racist statement that the United States is confronted for the first time with a competing superpower which is not “Caucasian.”

The True History of Modern China

Over recent years, more and more people in the United States and Europe have developed a healthy mistrust of the mainstream media and the “fake news” they spread. It would be advisable to exercise the same wariness regarding the coverage of China and to form one’s own opinion. In that respect, it is recommended to read Xi Jinping’s speeches that have been translated into many languages, and which have been published in two volumes titled *The Governance of China*. They give the reader an impression of the philosophical depth and breadth of the Chinese president’s political spectrum, and his knowledge of Chinese history and of foreign cultures. It also becomes clear that he is interested in the regeneration of China, not at the expense of other nations, but that he is seeking a truly new paradigm of coexistence, namely a “shared community of the common destiny of mankind.”

If one considers Xi Jinping from the standpoint of the morality of Benjamin Franklin, of the other founding fathers of the United States, or of European humanism, one finds his policy orientation commendable; but considered from the standpoint of Hobbes, Locke, or the Rolling Stones, one only sees the suppression of the individual right to do whatever one wants to do. In the West, it is not usual for political leaders to care about the moral and cultural education of the population. But this is exactly what Xi Jinping does, when for example he promotes a renaissance of Confucianism on all levels of society.

In a dialogue with professors of the Chinese Academy of Fine Arts, Xi stressed the extraordinary importance of aesthetic education for the youth of China, because it is the precondition for the development of a beautiful mind and the creation of new great works of art. He emphasizes the role of literature and the fine arts in sensitizing people to “the true, the beautiful, and the good,” and enabling them to reject what is “false, evil, and ugly.” Without this moral and aesthetic education, he said, even those who are otherwise strong could



UN/Loey Felipe

Xi Jinping, President of China, addressing the UN General Assembly in 2015.

end up on the side of bad habits or vice.

That, of course, goes completely against the *zeitgeist* in the United States and Europe. Instead of presenting China as a great threat, which it is not, we should rather ask whether this Confucian orientation to the moral improvement of society has something to do with the extraordinary success of the Chinese model. No one should argue that everything is perfect in China, or that the West should adopt this model, but in order to judge the quality of a society, one needs to look at the direction development has taken. And for the past four decades, it has been upwards in China. As a result, the majority of the population is optimistic about the future.

If one has been freed of prejudice and ignorance about China, and becomes curious to get to know China and to understand its culture, one is very likely to arrive at the same viewpoint as the great German philosopher Gottfried Wilhelm Leibniz, who recognized the enormous potential of cooperation with this culture, so that if the most developed cultures of the time, Europe and China, joined hands, they could raise all the nations in between to a higher level.

The same applies emphatically today to the United States and China: If the two largest economies in the world work together to overcome poverty in the world, and to develop new advanced technologies such as nuclear fusion and cooperation in space, then all of mankind will benefit from it throughout the future.