

# China - Developing Country or Global Power?

by

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# China - Developing Country or Global Power?

## What is China?

- A country with an uninterrupted central state of more than 2000 years and a cultural tradition of close to 5000 years
- The third largest territorial state in the world bordering on 14 other countries
- The most populous country of the world with an ageing population



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- Only 8 percent of the world's agricultural land is in China, but 20 percent of the world's population lives there
- 75 percent of China's territory is mountainous, bulk of the population settles in three areas: Sechuan plain, Yangtse delta, North China plain
- 50 nationalities, Han Chinese the largest, occupies approximately 25 percent of Chinese territory



# China - Developing Country or Global Power?

- Who is China?
  - A country with a deep sense of its historic legacy
  - A self-centred culture which is open to absorb and assimilate the achievements of other cultures
  - A learning society with a great interest in technological innovations



# China - Developing Country or Global Power?



- A country with a limited natural resource base which cannot sustain the current economic growth
- A centralised governed country with huge, regional, ethnic and social disparities
- A country on the go, but to where?

# China - Developing Country or Global Power?

- Does the West matter to China?
  - As a model whose achievements are to be emulated
  - As a learning venue
  - As a means to define what the essence of Chinese culture is
  - As a market for its products, and a provider of advanced technology
  - As a group of countries which need to recognize China as an equal and to deal with it at eye-level

# China - Developing Country or Global Power?

- Does China matter to the West?
  - As a market for its goods and services
  - As the third largest recipient of foreign direct investment after the US and the European Union
  - As an undefined threat to Western culture and political systems and values
  - As an exporter of unskilled, hardworking labour, ambitious students and cheap industrial mass products



# China - Developing Country or Global Power?

- Does China matter to the Rest of the World and vice versa?
  - as an ally for developing countries against the political demands of the US and the EU and its allies (Africa, Middle East, Pacific Island states),
  - as a strong competitor (e.g. Japan, Russia, South Korea), as a politically neutral country in other regions (Eastern Europe, Latin America)
  - to China the rest of the world is of interest either as a supplier of raw materials, or as a victim of US/European „hegemony“ (Africa, Pacific Islands, Serbia, Sudan)



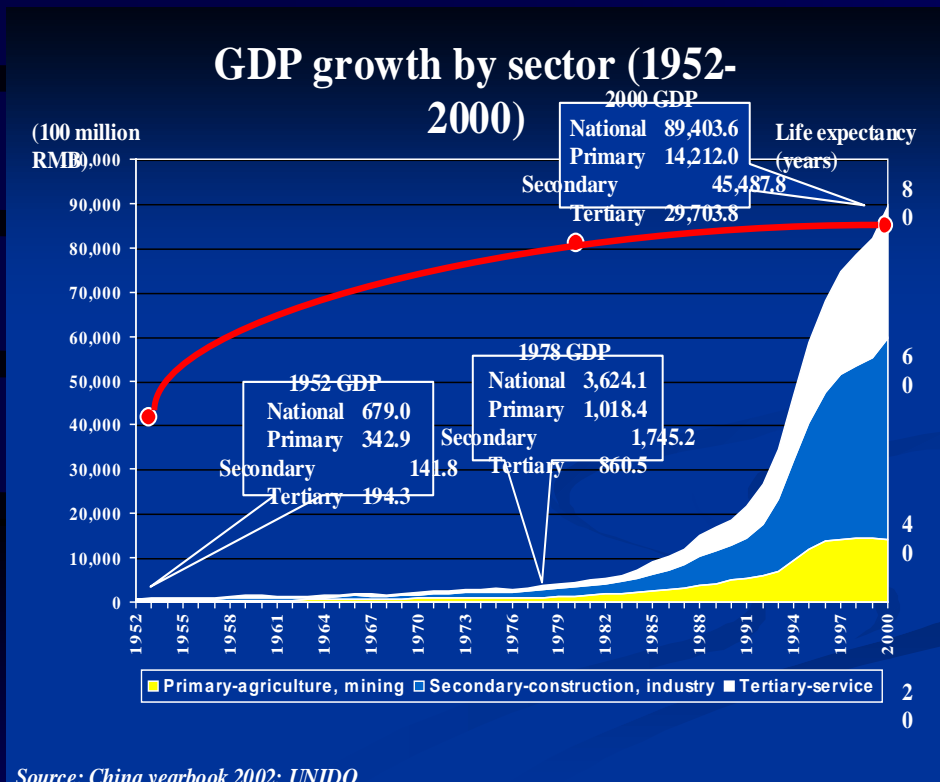
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## What is China?

- A huge market which is difficult to penetrate for foreign traders and investors
- A society operating on its own terms which do not always coincide with those of foreign partners
- A strong government and culture which adopts what it considers necessary



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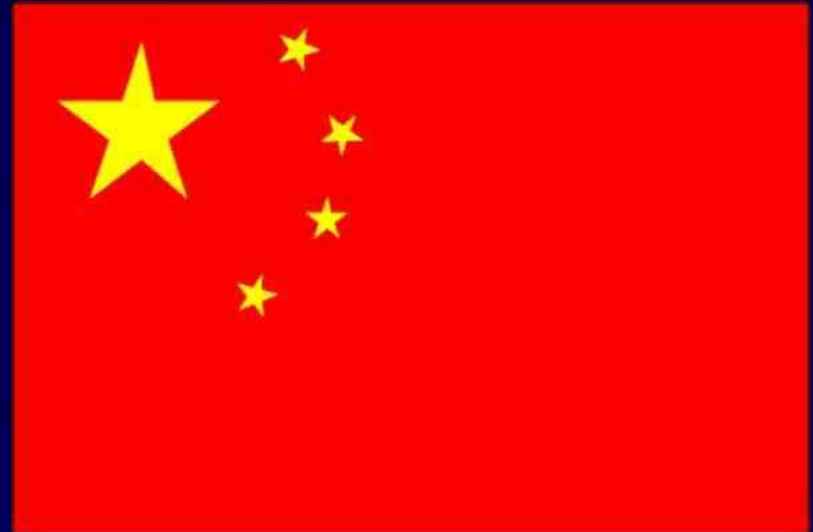
- A country in a massive economic and social transformation process
- A society with growing inequities and increasing social insecurity
- A society in search of a new set of values which are generally applicable

# China - Developing Country or Global Power?

- Who and what makes China tick?
  - *Running the show*: Private entrepreneurs and political cadres
  - *business culture*: determined by a gambling spirit rather than a spirit of contributing to the common good
  - *political culture*: a compact between the ruling class and the people – personal freedom against unwavering patriotism

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- Strong sense of hierarchy and lack of transparency foster the corrupt official
- Conflicts between the rule of man vs. rule of law
- One party rule vs. demands for greater civic participation in the political decision-making processes



# China - Developing Country or Global Power?



- For the first time in its history China
- has a greater urban than rural population
  - is running out of clean freshwater and is the most polluted country in the world
  - can it feed its population
  - can it influence the global economy
  
  - The catchup phase is soon over, what will come next?



# China - Developing Country or Global Power?

## Finding a new balance?

