## Part I

## **Guiding Principles**



## Pride

Observing New China's 60th anniversary in 2009, Westerners marvel at the country's momentous changes. The obvious improvement in the standard of living of most Chinese, and the economic strength of the country, is evidenced in virtually every city and town. The diversity in dress and entertainment, the new flexibility in sexual behaviors—even the increase in divorce and legions of lawyers—all speak to the uncontestable fact that China is no longer the drab, monolithic society so ingrained in Western consciousness.

But even more fundamental is the change in outlook and spirit. One need only speak with Chinese people in the major cities to sense their newfound self-confidence and enthusiasm. They tell you plainly what they think whether how to make money, or their dislike of government bureaucracy, or of the omnipresent air pollution. They give you their opinions bluntly—you don't have to ask twice—and they don't look over their shoulder before they speak out.

The change in the economic lives of the Chinese people has been staggering: Since 1978, China's GDP per capita has increased more than 40 fold. Arguably, the Chinese economy is now the second largest in the world,<sup>1</sup> and in another 30 years it may well be the largest. Average salaries are low by Western standards, but prices are also low, so that most people, even rural farmers, are living far better than the income statistics indicate. Over a billion people have access to television; three decades ago only 10 million did. In 1978 there were 200 foreign companies doing business in China; today there are hundreds of thousands. In fact, China absorbs more foreign investment than any country in the world except the United States. Chinese corporations are selling internet routers and refrigerators competitively around the world and Chinese entrepreneurs are building strong private businesses on the Internet. The old communist ideal of the glorious masses in class struggle is dead and buried. It has been replaced by something new and dynamic, an economic engine fueled by personal dreams and national pride.

Although economic improvement—higher standard of living, financial success, luxuries of life—are goals in every country, there is extra energy to achieve these goals in China. The motivation goes beyond material benefits: the Chinese want to show the world that they are in every way a modern

nation and in every sense a great power. If this demonstration requires material wealth, technological prowess, military strength, a world-class aerospace program, then these are what they must and will achieve. In every sphere of human endeavor, from business to culture, Olympic athletes to space *tai-konauts*, music and art to modern science and ancient philosophy, China seeks its fair share of world leaders. For example, in every industry of importance, China's leaders expect its corporations to become among the largest and most successful in the world. When Zhang Ruimin, CEO of household electronics giant Haier, stated in the middle 1990s that Haier's goal was to become a lead-ing global company, foreign analysts yawned or smirked. Today, Haier is the world's second largest manufacturer of refrigerators (after Whirlpool), among the top 1000 manufacturers in the world, and its brand name has joined the prestigious list of the World's 100 Most Recognizable Brands. China is proud that the stock market capitalizations of its companies in energy, telecommunications and banking are among the largest in the world.

The roots of this pride go deep, to the visceral feelings of a people whose civilization of culture and technology led the world for centuries, only to be humiliated and oppressed by foreign invaders and then stymied and scourged by domestic tyrants.

"To understand our dedication to revitalize the country, one has to appreciate the pride that Chinese people take in our glorious ancient civilization," says China Vice President Xi Jinping. "This is the historical driving force inspiring people today to build the nation. The Chinese people made great contributions to world civilization and enjoyed long-term prosperity," he explains. "Then we suffered over a century of national weakness, oppression and humiliation. So we have a deep self-motivation to build our country. Our commitment and determination is rooted in our historic and national pride."<sup>2</sup>

Xi is at pains to stress that pride in China's recent achievements should not engender complacency: "Compared with our long history, our speed of development is not so impressive, because it took thousands of years for us to reach where we are now. We need to assess ourselves objectively," he emphasizes. "But no matter what, China's development, at least in part, is driven by patriotism and pride."

LiYuanchao, head of the Party Organization Department, which is responsible for all high-level personnel appointments in the Party, government and large state-owned enterprises, emphasizes that it's China's national spirit that has motivated people to keep looking ahead and seeking further progress.

"Although the Chinese people are not as wealthy as Westerners, and China lags behind developed countries in many areas such as technology, social systems, and environmental protection," Li says, "I am confident that the Chinese people as a whole are very positive about their country's development and have confidence in their future. We have a sense of adventure and pride and we are ambitious to build our society."<sup>3</sup> My first lesson in how deep such pride runs came in 1992. I had arrived in China for the first time three years earlier, in February of 1989, about six weeks before students began gathering in Tiananmen Square, but it would be years before I would begin to understand what was really going on here. After the tragic events of June 4, I determined not to return to China. About 15 months later, however, my mind was changed by appeals for support from reform-minded friends. When I did come back, I came to know Professor Bi Dachuan, an academic (mathematician) and defense analyst with quick wit and trenchant criticism. It was a time of repressed freedoms: the post-Tiananmen conservatism was in its ascendancy; if anyone in Beijing wanted to talk politics—when confiding to foreign friends, for example—they would insist on leaving their offices or homes and walk around in the open air or drive around in moving cars.

That's what made Bi stand out. Even then, he remained cavalier in his criticism of the government, the planned economy, classical communism. His comments were slyly comical, delivered with a mischievous glint of impolitic cynicism. Bi was certainly not alone among the Chinese intelligentsia in disparaging the government, but I was nonplussed when he offered these barbed witticisms in much-too-public situations, such as when addressing a dozen of his professional colleagues. How could he get away with such an unbridled tongue, I wondered?

Although I didn't at the time know him well, I couldn't recall Bi having said anything complimentary about China's political or economic system—and so, one fine day on a remote hilltop outside Beijing, I felt secure in applauding the American action in preventing the 2000 Olympics from being held in Beijing. This was how the U.S. government intended to punish the Chinese government for its armed response in Tiananmen Square. Bi and I were alone, and I was fully expecting his hearty support of America's blackball.

His response left me speechless.

"You stupid Americans," he scolded me sharply. "You insult China and you offend me!" He continued, unsmiling. "How stupid and insulting," he said again, glaring at me as though I myself had cast the blackballing vote. "How stupid of your country and how insulting to mine!"

It was a verbal stinging I shall not forget, and a searing tutorial of what really counts in China. Don't allow the internal disputes to cloud your vision. Don't assume that derogations of the government, or of communist ideology, indicate a diminished patriotism. The pride of the Chinese people—pride in their country, heritage, history; pride in their economic power, personal freedoms, and international importance; and, yes, pride in their growing military strength—is a fundamental characteristic that one encounters over and over and over again. As I see it, Pride is the first of the guiding principles that energizes a great deal of what is happening in China today.

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Chinese pride invites itself into diverse policy debates. Rarely does it determine decisions, but often it influences them. "It involves the pride of the nation," is how former Information Minister Zhao Qizheng characterizes Chinese advances in science and technology. Consider China's spaceflight programs, including the *Shenzhou* manned spacecraft and lunar missions, an apparent luxury in a country still grappling with widespread poverty, but enthusiastically supported by an overwhelming majority of the people. Why? Pride.

Although President Hu Jintao stresses how science and technology drives China's development, he also radiates pride in China's renewed contributions to humanity. Speaking just after the successful return of China's first manned space voyage, *Shenzhou* V, in 2003, Hu said, "Our science-based civilization is due to the efforts of all nations and is a sterling demonstration of human creativity . . . spurred by the interaction and integration of the world's diverse wisdom and cultures." Hu asserted that, over time, each great civilization has contributed to the global advancement of science and technology, and that history shows that the active, free-flowing exchange of information among civilizations promotes such advancement.<sup>4</sup> Hu attends ceremonies for each of China's manned space flights.

Zhao Qizheng also points with pride to the fact that, during World War II, China was the only country in the world that gave shelter for Jews seeking to escape the Nazi Holocaust in Europe. While even America and Britain refused entry for Jewish refugees, China, though enduring severe tribulation



President Hu Jintao presents medals to Chinese *taikonauts* after the successful completion of the Shenzhou VII manned space mission (which included China's first extra-vehicle activity) at the Great Hall of the People in Beijing (November 7, 2008; Xinhua News Agency, Ma Zhancheng).

at the hands of the Japanese, opened its doors so that more than 20,000 Jews could come to safety in Shanghai, where they became known to history as the "Shanghai Jews."

Moreover, consider the long-standing internal debate over whether China should enter the World Trade Organization (WTO). Although the contesting views pitted the economic benefits of foreign investment against the heightened competitive pressure from foreign companies, an underlying motivation was that China belongs in the WTO because China is a great nation and must be counted as such.

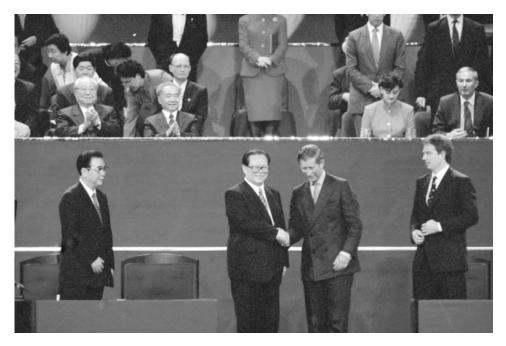
This quest for pride is woven into the fabric of much of China's modern history. In the West, for example, the Korean War is remembered as a wretched, miserable conflict, which epitomized the bleak years of the Cold War. For many in China, however, the same conflict is viewed as a crucible of national resuscitation and revival. After three years of hurling wave after wave of human sacrifices, China managed to end the war in a stalemate. It was an exceptional achievement. The United States, the greatest military power in the world, which less than ten years earlier had vanquished both Germany and Japan, was battled to a draw – grit and determination, in the Chinese view, having thwarted far superior military technology.

Though "victory" came at a tremendous cost—700,000 to one million Chinese lives were lost,<sup>5</sup> including that of Mao Zedong's own son—for many Chinese citizens, the war seemed a turning point. The war was all about national sovereignty and national pride. The treaty ending the Korean War was the first in over a century which was not "unequal." Chinese credited the Communists, particularly Mao, with the country's reemergence as a world power. After interminable years of subjugation and humiliation, China finally had a unified and independent government, not beholden to foreigners. Though Sino-American relations had hit an all-time low, China had stood up with pride.

Such pride was in evidence again 45 years later, as China celebrated the end of British rule in Hong Kong, and its return to Chinese sovereignty. For 925 days before July 1, 1997, a huge "countdown board" in Tiananmen Square ticked off the seconds to the historic event. As the Chinese flag reached the top of the flagpole eight seconds after midnight, the precise time determined in painstaking negotiations, joyous pandemonium broke out across China as huge crowds screamed, jumped and danced, waving Chinese and Hong Kong flags. Colonial humiliation of 155 years had come to an end.

In 2006, Hong Kong's stock market surpassed New York as the world's second most active board (after London) to float initial public offerings. The largest new stock listings were companies from China.

If the stock exchange in Hong Kong, with its legions of investment bankers wearing elegant tailored suits, seem from a different planet than the killing fields of Korea, with its legions of exhausted soldiers wearing filthy military fatigues, they draw together under the rubric of Chinese pride.



President Jiang Zemin with Prince Charles at the ceremony of Hong Kong's repatriation to China, with UK Prime Minister Tony Blair (right) and Chinese Premier Li Peng (left) (July 1, 1997; Xinhua News Agency).

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Sovereignty exemplifies Chinese pride. Even the Soviet Union, China's fraternal-socialist-communist big brother, found out the hard way that if China's pride as an independent nation was at stake, there was no compromise. In 1958, the Soviets proposed building a long-wave transceiver station in China and establishing a joint fleet. Mao rejected both.

China's fractious relationship with Moscow—in part because of a common and disputed border running for thousands of miles—exploded in the 1960s. One of the untold stories of this under-reported hot war was how Soviet tanks were unstoppable in their advance into Chinese territory until Israel, in highly secret arrangements while China still refused to recognize the fledgling Jewish state, provided the Chinese with special weaponry to destroy those Soviet tanks and defend their own tanks.<sup>6</sup>

In 1963, when the United States, the Soviet Union and Britain signed the Partial Test Ban Treaty, China denounced the "act of hegemony," and took action to break the tripartite nuclear monopoly. The mushroom cloud rising into the desert sky in northwest China in October 1964 startled the world, revealing the rapid progress of China's nuclear technology and affirming the country's determination to safeguard its sovereignty and independence.

China's pride in its nuclear achievements, like the pride in its aerospace enterprises, made American accusations of Chinese nuclear spying, particularly in 1999,<sup>7</sup> all the more galling. The underlying affront was not so much the spying charge itself but the implication that China was incapable of developing advanced technology on its own. To the Chinese, an independent nuclear and aerospace capability makes the unmistakable assertion that China will never again be humiliated by foreigners, that China will control its own destiny, and that if there is to be peace in the world, an independent China must help guarantee it.

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China did of course eventually win the right to stage the Olympics. On July 13, 2001, when the International Olympic Committee would announce the name of the host city of the 2008 Summer Games, an estimated 400,000 expectant Beijingers gathered in Tiananmen Square, hoping to celebrate victory. As China Central Television flashed the message "We Have Won" in triumphant red characters across the screen, a roar of excitement rumbled through the square and from there across the city. People of all walks of life celebrated by throwing flowers, waving flags, and banging on drums and gongs, while cars zoomed along Beijing's main thoroughfares honking incessantly.

Six-and-a-half years later, in early 2008, Chinese pride assumed a different form, one born of nationalism and anger, as the Olympic Torch began its traditional journey from the birthplace of the games in Olympia, Greece, and, carried by 22,000 torch bearers, traveled in a worldwide relay some 137,000 kilometers (85,000 miles) on its way to Beijing. After riots erupted in Tibet in March, and the Chinese government sent in troops, highly visible protests dogged the Olympic Torch in cities along its route, changing the character of the relay from celebratory to confrontational.

The backlash was sharp and swift. Chinese citizens throughout society were infuriated by what they deemed to be the hijacking of their Olympics for political purposes, and, significantly, by what they saw as intent to embarrass China. Chinese chat rooms were set aglow with fiery indignation. Counterprotests by overseas Chinese and Chinese nationals, largely students, ignited spontaneously, heated by the incandescent fury of national pride.

One of the torchbearers in the Paris stage of the relay, a 27-year-old amputee and Paralympics fencer named Jin Jing, became a national hero when she was assaulted by supporters of Tibetan independence. Defending the Olympic flame from her wheelchair—she determined to hold it herself – she was bruised and scraped when protesters tried to extinguish the torch.

"I felt no pain from the scratches and injury on my right leg, I would die to protect the torch," Jin Jing said, adding, "I was moved to tears seeing so many Chinese students waving national flags and singing the national anthem along the route."<sup>8</sup> Hailed by the Chinese media as the "Smiling Angel in Wheelchair," images of Jin Jing protecting the torch and smiling in her wheelchair were splashed across front pages all over China; when she returned to Beijing, she was treated to a hero's welcome.

Some Chinese reacted to the events in Paris by organizing a boycott of Carrefour, the large French retailer. Any foreigner imagining the boycott to have been instigated by the Chinese government could not have spoken with ordinary, normally nonpoliticized people (including my young assistant, who never before had protested anything but who was determined to protest against France).

Jin Jing herself remained calm, saying she didn't want her compatriots to boycott Carrefour. She called on the Chinese people to "handle the situation rationally," adding that "most French people are very friendly."

That national pride can turn ugly was confirmed when Jin Jing's desire to defuse the crisis drew sharp rebuke from Chinese radicals on the Internet, some of whom even branded her a "traitor," perhaps the ugliest accusation in China. Nonetheless, because she had burnished the pride of China, she remained a national icon.

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At 8 minutes after 8:00 pm on the 8th day of the 8th month in the 8th year of the new millennium – the number "8" being a propitious number in Chinese (it sounds similar to the word meaning "prosper" or "wealth")—the Beijing Olympics, the most anticipated in history, opened in spectacular fashion.<sup>9</sup> With dramatic displays of breathtaking pyrotechniques and elaborate traditional performances involving 15,000 performers and 29,000 fireworks, China showcased for the world its vision and its artistry, rooted in its 5,000-year civilization and symbolizing its contemporary re-emergence.

Accompanying President Hu Jintao, who rose from his seat to wave to the cheering crowds, was a star-studded audience, including U.S. President George W. Bush, who had resisted political pressure to boycott the opening ceremony. "It would be an affront to the Chinese people," said Bush, who became the first U.S. president to attend an Olympics abroad.

More than 80 foreign heads of state or governments attended the games, a new Olympic record. Prior to the opening ceremony, President Hu held separate meetings with 11 foreign leaders, each for about 20 minutes. Calling for "the building of a harmonious world featuring lasting peace and common prosperity," Hu said "The world has never needed mutual understanding, mutual toleration and mutual cooperation as much as it does today."

The ceremony was presided over by acclaimed film director Zhang Yimou. With his early, gritty films *Red Sorghum*, *To Live*, and *Raise the Red Lantern*, Zhang portrayed the resilience of the Chinese people in the face of want and suffering and in enduring all manner of adversities. His later, lavishly



President Hu Jintao announces the opening of the 29th Summer Olympic Games in Beijing (August 8, 2008; Xinhua News Agency, Lan Hongguang).

photographed films *Hero* and *House of Flying Daggers*, set new standards in cinematography.

Critics accused Zhang of "selling out" by supporting the Chinese government in its Olympic efforts. Others, though, believed it was not Zhang who had changed, but China itself, in that reform and opening-up had transformed the country. For Zhang, the Olympics were all about patriotism and pride—pride in Chinese civilization and artistry, pride in China.

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When the Chinese edition of this book was published, the concept of Pride as a guiding principle struck a resonant chord and this surprised me. Several Chinese political leaders and theorists considered my four guiding principles—Pride, Stability, Responsibility, Vision—a helpful framework for seeing themselves in a fresh light. One minister said that although China's leaders do not think in these terms themselves it was useful to see how a foreigner would try to plumb the depths of their motivations and behaviors.

Another minister, Party theorist Leng Rong, was intrigued that Pride was my first guiding principle, a word that in translation connotes dignity and patriotism. He noted that while other countries, such as India, could achieve industrialization by being colonized by Western powers, China could not. The only time China could industrialize was, first, after it had achieved political independence, and second, when the country itself determined to take aggressive, pro-active steps to reform and open-up. He attributed this failure of forced, colonized industrialization, and this success of voluntary self-modernization, to the pride or dignity of the Chinese people, especially in light of their 5,000-year civilization.

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It was coincidence that the year of the Olympics in Beijing, 2008, also marked the 30th anniversary of the beginning of reform and opening-up in China. Well, perhaps not complete coincidence, because the two historic events were not unrelated. Were it not for reform, with all its challenges and frustrations, triumphs and tragedies, these Olympics would not have been possible and likely none at all.

But to the Chinese people, thrilled by the stirring victories of their athletes and beaming at the artistic magnificence of the ceremonies, history was hardly on anyone's mind. And that would have been just fine with Deng Xiaoping, who had initiated reform so that China could once again become a great nation, with its people increasingly enjoying life and the country increasingly respected in the world, a renewed China in which all the Chinese people could take pride.

## Endnotes

- 1 Based on a calculation using Purchasing Power Parity (PPP), a system that normalizes prices of goods and services relative to income or gross domestic product. PPP helps explain how such significant improvements in Chinese standards of living are supported by such seemingly low per capita incomes.
- 2 Author's meeting with Xi Jinping, Hangzhou, March 2006.
- 3 Author's meeting with Li Yuanchao, Beijing, December 2007.
- 4 China Daily, April 19, 2006. President Hu Jintao's opening address of the Third World Academy of Sciences, Beijing, October 16, 2003 - http://beijingtwas.sdb.ac.cn/meeting/ 20anniversary/200409030011.html
- 5 According to official sources in China, 170,000 lives were lost.
- 6 Author's communication in Beijing.
- 7 Accusations against China's nuclear spying were epitomized by the so-called Cox Report. It was released in declassified, redacted version in May 1999, engendering much disputation between China and America.
- 8 "Handicapped Jin receives hero's welcome for protecting Olympic torch in Paris." Xinhua, April 10, 2008.
- 9 People's Daily, August 8, 2008.