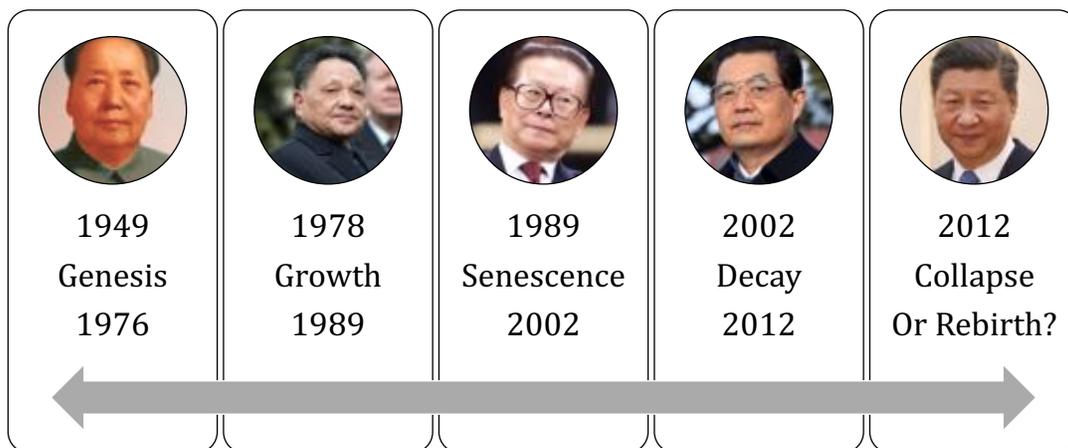




## Rise and Decline of the CCP Empire



Abstract: This essay reviews [Evan Osnos' Age of Ambition – Chasing Fortune, Truth and Faith in the New China](#) and elaborates on how isolationism and moral corruption decides over a civilization's ultimate fate. As such it reveals that the stages of development for societies and civilizations do not change but accelerate as a consequence of technological progress. For a completely different view on China's state of affairs read [Dan Wang](#). Its amazing how different the perception of one and the same thing can be. [approx. 4500 words]

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This is the first book in two decades which I read about China without being in the country myself. As such, I experienced an important change of perspective. Osnos was recommended to me by several people, but I had read too much about China already and felt a deep frustration with the country's status quo. After having departed from where I felt despite all the challenges at home, it came a few weeks ago back to me, almost as if I had to read it to close a big chapter in my life. [Yuanfen](#) as the Chinese say.

I rank Osnos' account of China on the same level as Edward Luce's account of India [Inspite of the Gods](#) and David Pilling's account of Japan [Bending Adversity](#). It really is the book which anybody should read who has only time to read one book on modern China. It is free of accounts about the pre-Deng era and refers to Mao Zedong only rarely. But probably because I know China in contrast to India and Japan very well, I felt that Osnos lacks the depth of cultural understanding which make Luce's and Pilling's accounts so excellent. It is true what Winston Churchill said: *"The farther back you can look, the farther forward you are likely to see."*



There is good bit of envy. Osnos lived the life which I wanted to live for a while. He worked for the Chicago Tribune and The New Yorker as Beijing based investigative journalist from 2005 to 2013 and witnessed during these years three important events and the surrounding preparations which mark China's emergence on the world stage and the world's transition into pax sinica: the Beijing Olympics 2008, the Shanghai World Expo 2010 and Xi Jinping's ascend to power in 2012. All three of them reflect the ambition of a nation and its leading individual and confirm the perfectly chosen title.

Age of Ambition is structured into three parts - 1. Fortune (p 9-113), 2. Truth (p 117-274) and 3. Faith (p 277-355) - and is eclipsed by a short prologue and a substantial epilogue. Each chapter is eloquently written, and pages keep turning, but it becomes very soon apparent that each chapter is a revised New Yorker article. Osnos stacked his New Yorker stories into three categories to mold this book into a final summary of his China stint. There is nothing wrong with this. I would even argue that the depth of his research for single New Yorker articles improves the quality of the book. Moreover, it would have otherwise not been possible to work both as a full-time staff journalist and churn out Age of Ambition within the little time that Osnos spent in China.

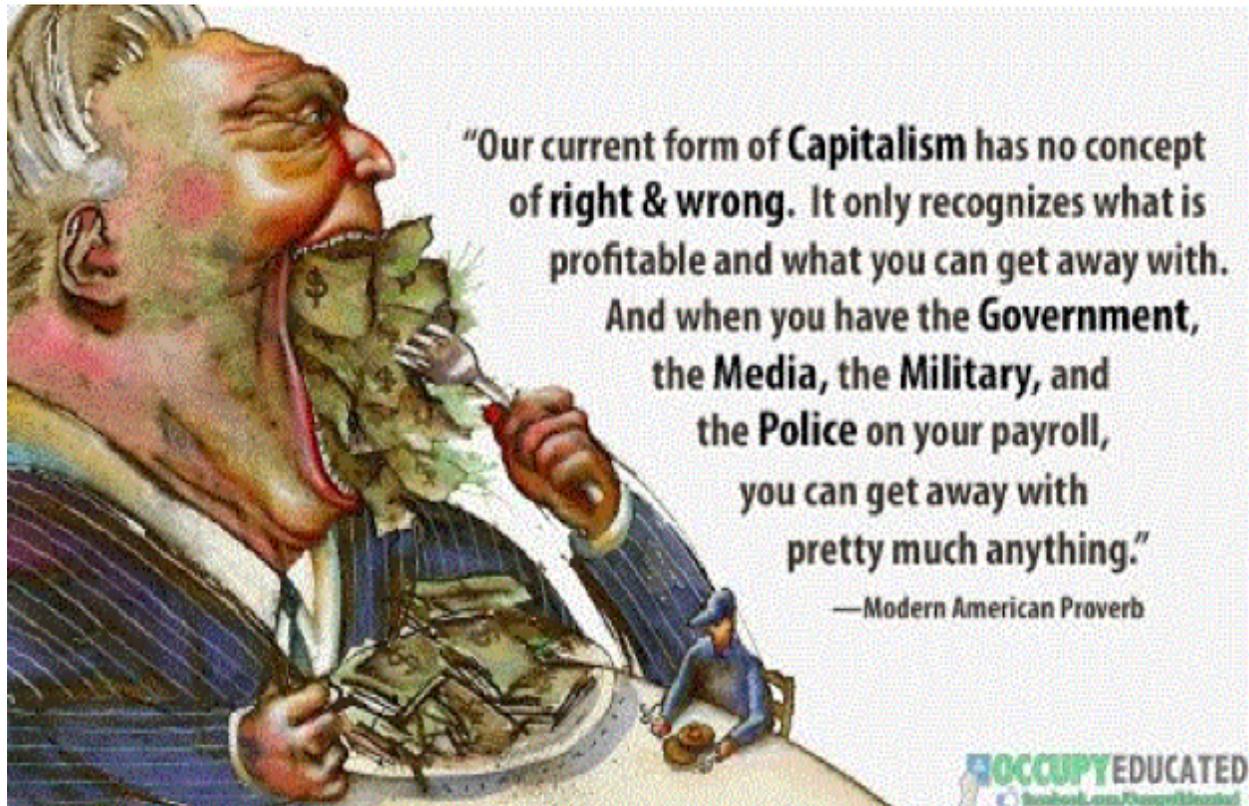
Part 1, Fortune, is really written for those who don't know China yet and can be skipped by old China hands with the exception of a detailed account on the role of Macao's casinos in money laundering and capital flight, and the last chapter in which Osnos joins as the only foreigner a guided tour of Europe with Chinese middle-class travelers. It is when Chinese are abroad that they provide the most stunning insights into their own and thus their nation's psyche, probably best reflected by one of the Lu Xun quotes Osnos uses: *Chinese have never looked at foreigners as human beings. We either look up to them as gods or down on them as wild animals.*"

Part 2, Truth, oscillates too much around celebrity artist Ai Weiwei, celebrity blogger Hanhan and blind star lawyer Chen Guangcheng. It would have done the book good to portrait some of the struggles which ordinary laobaixing experience when searching for truth. On the other hand, I feel reassured that it was the right thing for me and my family to leave the country - I can't keep my mouth shut or my pen idle for too long and this trait would have sooner or later inflicted pain on us. I think Jeremy Goldkorn said something similar after he had left the country in 2015.

Part 3, Faith falls short of capturing what faith means in modern China. I certainly recommend reading Ian Johnson's [The Souls of China](#) instead or at least in addition. Part 3 would have been also the place to make a substantial reference to the title in terms of psychological or spiritual motivation. Ambition is quite a tricky word in Buddhist terminology and offers itself to expand upon the spiritual void which is experienced by



large parts of the Chinese society. Too much ambition is a form of greed, which causes pain to oneself, others and – as we quite often forget - to the planet. The [ecological and psychological damage](#) done by China's accelerated rise reflects that The Age of Ambition is nothing really great. In its essence it is what caused wars in the past, when kings forget humility and are tempted by hubris.



Osnos writes in the prologue: *I lived in China for eight years, and I watched this age of ambition take shape. Above all, it's a time of plenty – the crest of a transformation one hundred times the scale, and ten times the speed, of the first Industrial Revolution, which created modern Britain. The Chinese people no longer want for food – the average citizen eats six times as much meat as in 1976 – but this is a ravenous era of a different kind, a period when people have awoken with a hunger for new sensations, ideas, and respect. China is the world's largest consumer of energy, movies, beer, and platinum; its building more high-speed railroads and airports (and nuclear power plants) than the rest of the world combined.*

Ambition reads in these lines as if materialist greed and infinite consumption compensate for some emptiness deep within. The German philosopher [David Reinhard Precht](#) tells us that the focus of modern societies on material wealth blocks spiritual well-being. It is in particular the exponential modernization of Chinese public transportation, which exemplifies how technocratic capitalism can accelerate a society's material progress. Many



notice though that a progress in hardware must be balanced with an upgraded software. High tech infrastructure like the [Beipan river bullet train bridge](#) must be matched with a corresponding, moral (or if you prefer spiritual) value system. China gains rapidly ground in the first, but an increasing number of people feel emptiness in the latter.<sup>1</sup>

Mainstream faith and thus the country's values are reflected in the CCP's religion like status as Osnos writes in his prologue: *The party no longer promises equality or an end to toil. It promises only prosperity, pride and strength.* Such a statement resonates with what historian Harari wrote in Homo Deus about capitalism: *Most capitalists probably dislike that title of religion, but as religions go, capitalism can at least hold its head high. Unlike other religions that promise us a pie in the sky, capitalism promises miracles here on earth – and sometimes even provides them.* It remains to be observed what capitalism provides in the long run – currently it looks like an accelerated depletion of natural resources and thus the end of not only Chinese but human civilization.

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It's seven years since Osnos wrote Age of Ambition and it is still worth reading for its eloquence and density of interesting facts. This book is for rising China and the 21<sup>st</sup> century what Florian Illies wrote for rising Germany and the 20<sup>th</sup> century with [1913](#). Interestingly both books were published in 2013 and both books describe a rising nation which shifts political tectonics through a fault line of acceleration and alienation.

Not only Henry Kissinger points out the similarities between Germany's prolonged rise during its early and China's belated industrial revolution in his masterly oeuvre on international relations [World Order](#) but also Osnos provides a striking argument that means of propaganda and disagreement with the system are managed in similar and unique ways: *Two days after Liu Xiaobo won the Nobel Prize, his wife, Liu Xia, visited him at Jinzhou Prison in the province of Liaoning. This is for the lost souls of June Forth, he told her. Returning to Beijing, she was placed under house arrest. The government barred her, and anyone else, from going to Oslo to pick up the award; the only previous time this had happened was in 1935, when Hitler prevented relatives from going on behalf of Carl von Ossietzky, the German writer and pacifist, who was in a guarded hospital bed after having been in a concentration camp. Liu Xia's telephone and Internet connections were severed, and she was barred from contact with anyone but her mother – the beginning of a campaign of isolation that would last for year. [p205]*

Being able to enjoy Age of Ambition in 2020 is in itself already a big compliment, because the breathless country changes fast and its difficult for foreigners to make sense of what happens behind this wall of language, culture and recently also technology. Age of Ambition



fills a void in the literature describing in a nutshell what modern China is about. It did also complete my time in China by explaining a few important incidents, which lapsed the attention of a busy corporate executive dealing with the pressure of daily business.

As time passes, I believe though that only the book's epilogue will remain important. It is not one of Osnos' New Yorker articles, but his own summary of investigating the essence of a nation-civilization on the ascend. It's a summary which is different from what many mesmerized foreigners perceive, and hence describe the Middle Kingdom's trajectory with a devout kowtow like Martin Jacques in his 2009 book [When China Rules the World](#). Osnos' epilogue calls for a different title and points towards an important observation which he missed to include: Where does ambition lead to? And what is the psychological root of China's ambition?

### **Ancient Civilization on the Rise?**

Writers like Jared Diamond or Stephen Johnson work with a research and narrative technique which is called the longitudinal perspective. They describe the status quo of any subject by zooming out to observe how it changed over the span of its existence and if possible, compare its development to the trajectory of similar subjects. China, if considered a civilization rather than a nation, can be compared to the Roman, Egyptian or American Empire. Historian Neil Ferguson wrote three books on empires and turned a comparison of China as the most recent one into a [BBC documentary](#).

As a social psychologist, I am not interested in day to day journalism – I have as a matter of fact quit reading newspapers and weeklies when I first touched Chinese soil two decades ago. Names and places change, but the stories repeat. The stories shared in publications like The New Yorker are told from a meta-perspective and remind me of [Wayne Wang's Chinese Box](#), where John, a mid-aged, British journalist who has been living in Hong Kong for more than 15 years, wants to give up fast moving finance reporting to get to the essence of the city-state. It takes though more than a few ten-thousand-word pieces to understand where we are as a society and which collective destiny its cultural flywheel makes us head to.

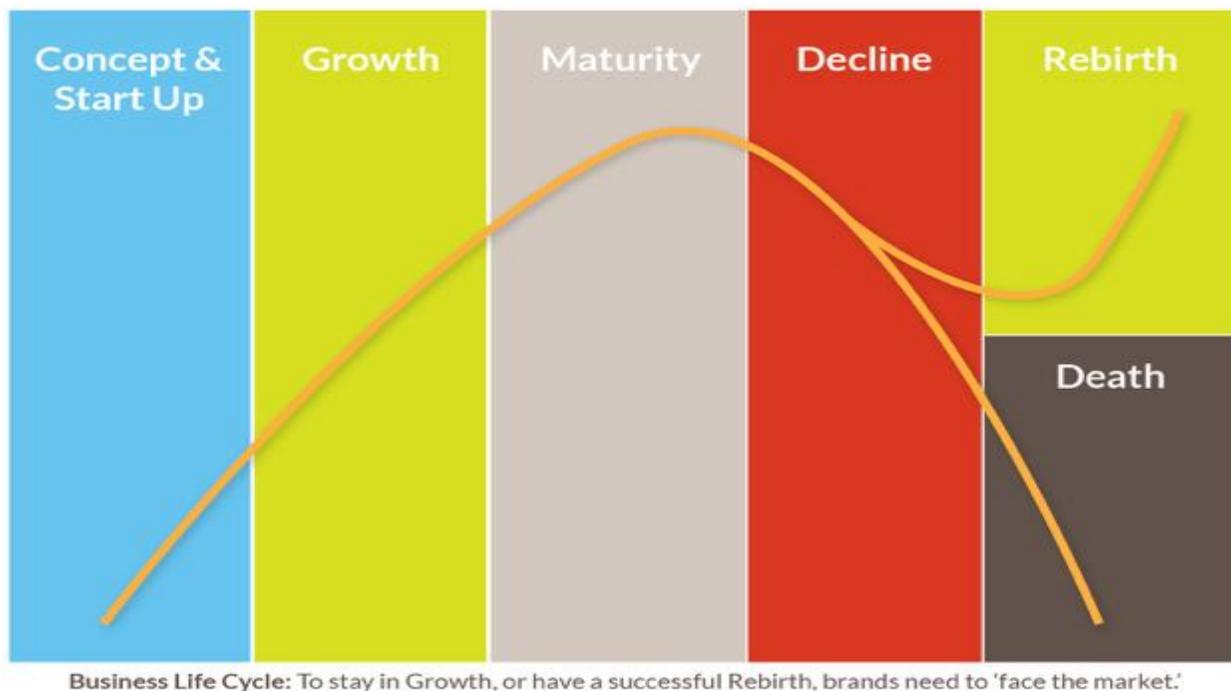
Osnos describes China as marching through the age of ambition. What does this mean? Do we take this agglomeration of facts as what they are – a short glimpse in the emergence of a new colossus? Or do we want to deduct from all this information a higher-level insight? How can we combine Osnos' observations which only span over a period of eight years with the terminology used by comparative historians like Theodore Mommsen, Barrington Moore or Jeffery McNeely? How can Osnos' stories about increased living standards, luxury



spending, technological censorship, propaganda and oppression be read as the manifestation of a certain state of social evolution?

We know from business that all organizations – including political ones - go through a life cycle which includes foundation, growth, maturity, decline and termination. Occasionally organizational death can be avoided, and a source of rejuvenation is found to extend the lifetime. The great German scholar and Nobel laureate Theodor Mommsen proposed in the 19<sup>th</sup> century based on his research of the Roman Empire a concept to describe the evolution of civilizations. He made an analogy to biology and proposed for the life cycle of a civilization five distinct periods: 1. Genesis, 2. Growth, 3. Senescence, 4. Decay, and 5. Collapse.

If we are to compare modern China to Rome, then we need to ask a couple of very interesting questions. When was the modern Chinese empire founded? More than two millennia BC as the official history claims or only in 1949? Another question relates to the accelerated evolution of organizations. Do we apply a similar time frame to China as we did to Rome? Or does technological and scientific progress – not change but - compress the evolutionary trajectory?



My years in the tech law industry have taught me an important thing: innovation cycles do not only accelerate for businesses and make therefore competition tougher. The same laws of gravity do also apply to the political entities in which those enterprises are embedded in.



When the patent system was standardized in industrializing Western nation states, innovation cycles lasted 20 years and longer. With teams competing against each other in tech giants like Huawei, we are down to 18 months or less. Not only the 200+ year old patent system is obsolete, but also the ground rules for public governance have changed. An industrial revolution which is compressed from 250 to 50 years implies that the political organization concerned grows faster, reaches maturity faster and is much faster threatened by decay and collapse.

We ascribe China's rise all too often to the Party – following like blind sheep its official reverberation, but even keen observers like Osnos forget to mention that

1. China's ascent was kickstarted to a large extent by investment from Hongkong, Taiwan and Japan. The Party only had to open its doors.
2. China's development was mostly driven by foreign technology imports, first heavy industry from its Soviet allies, later upgraded heavy industry and state of the art light industry from the US, Taiwan, Japan and Germany and many other countries in smaller quantity.
3. the government of the world's largest single market was and still is able to set conditions for investment and technology transfer which no other country has ever been able to.

China is as such no miracle, but rather what I would like to call in an analogy to NBA athletes, a freak of nature. China is as a nation very much like Shanghai born Yao Ming. Its sheer size gave it access to an arena where only a few are allowed to play like demi-Gods while the rest is asked to watch.



## Corruption, GDP Growth & Political Power

Variation	Characteristics	Effect on economic growth
Confiscation-like corruption	Systemic theft of public and private assets; domestic consumption or export (capital flight) of stolen values	Extremely growth averse
Dividend collection	Political players request profit shares from businesses in exchange for growth and stability conducive administrative services	Growth conform
Organized crime	Appears as confiscation-like corruption and dividend collection; varying power balances and trade-off relationships between political and criminal players; risk of state privatization	Mostly growth adverse

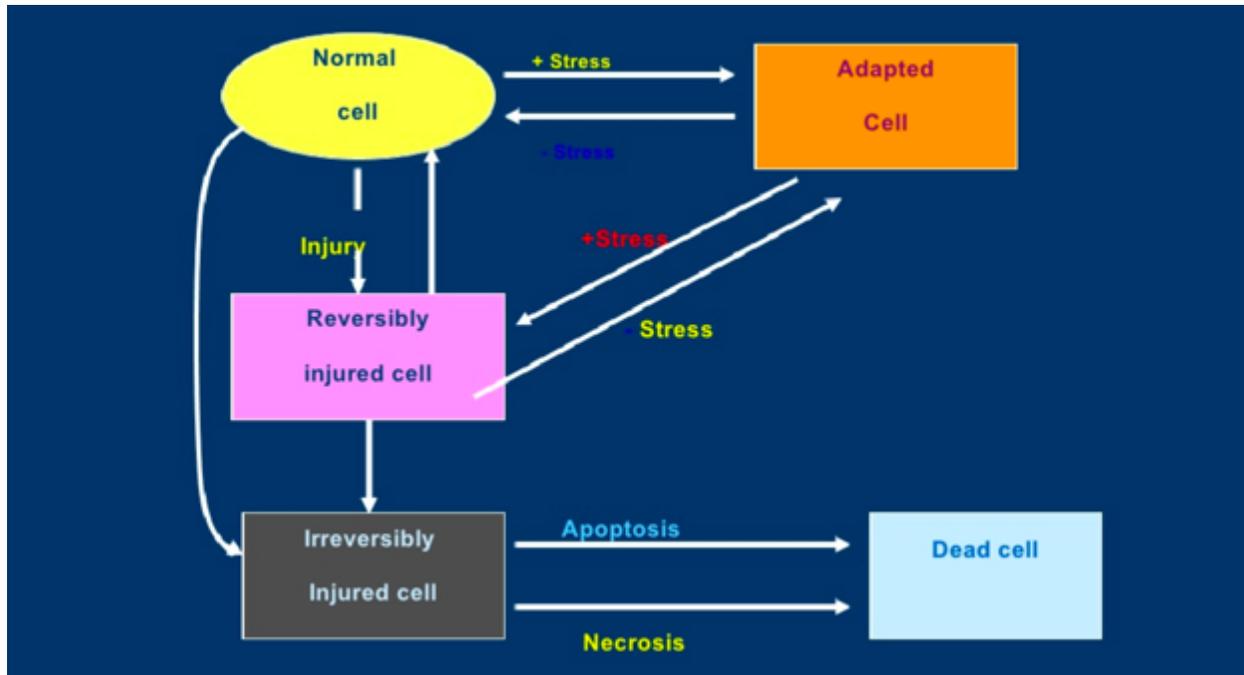


## Age of Corruption

Do we agree with Party easy speak and believe in the continuity of China as a 5000 year old civilization which has managed to rise from the ashes like a Phoenix or do we think of China as a new social entity which emerged with the foundation of the CCP in 1921 and absorbed the Industrial Revolution of the West in less than five decades? It's not that important after all and it might be more difficult to agree on the date of a civilization's genesis than on the signs which herald its collapse. Here are only three from Osnos elaborate research:

- Wu Jinglian, one of the leading economic advisers in the decade after reform began told Osnos: *Its entirely obvious that the biggest problem China faces right now is corruption. It is the reason for the gap between rich and poor. Where did this corruption come from? From the fact that government continues to control too many resources.* [p157]
- By 2012 the richest 70 members of China's national legislature had a net worth of almost ninety billion dollars – more than then times the combined net worth of the entire US congress. [p252]
- The news of extraordinary wealth reached ever higher ranks. In June 2012, Bloomberg News used corporate documents and interviews to calculate that the extended family of China's incoming president, Xi Jinping, had accumulated assets worth hundreds of millions of dollars. That wealth was hard for the Party to explain, so it decided not to try: within twenty-four hours, the government blocked the Bloomberg website – it would stay blocked in China for the foreseeable future. [p 259]

Osnos' epilogue focuses so much on corruption (as do much of the three main parts) that one is inclined to change the book's title to Age of Corruption. After all, it is corruption which is at the root of much of China's fortune, truth and faith seeking. Political scientist [Sebastian Heilmann](#) even considers China's form of corruption of being conducive to GDP growth. It is corruption which creates Kafkaesque truth finding odysseys; it is the corruption of a party, which has established itself as a religious organization that sabotages faith and creates a spiritual void. Read Ian Johnson on the orchestrated annual Party assembly ritual for understanding how much the CCP presents itself as a religion and Xi himself as China's pope.



### Defects in Membrane Permeability

Many sinologists consider the Joseph Needham question the most important of all: why did Ming-China (1368-1644) fall behind rising Europe? So does 46-year-old accountant Zhu Zhongming, who travels with his wife and daughter (and Osnos) to Europe: *“Chinese interest in Europe was motivated in part by a need to understand their own history: When Europe was ruling the world, China was strong as well. So why did we fall behind? We have been thinking about this ever since.”* Needham provided an answer which can be summarized in two words: bureaucratic futilism, i.e. a euphemism to describe rampant corruption and unresponsive governance.

Osmotic modelling provides a different and complimentary answer. It looks at organizations as if they were organic cells, which need to maintain a balance between protecting themselves from the environment and staying permeable enough as to remain innovative. Ming and early Qing China, as described by David S. Landes in [The Wealth and Poverty of Nations](#) implemented a gradual Sakoku foreign policy and started therewith right after its foremost admiral, Zheng He, had sailed the globe to rival and exceed the discoveries of Magellan and Columbus.

Sakoku was the [isolationist](#) foreign policy of the Japanese Tokugawa shogunate under which, for a period of 214 years, relations and trade between Japan and other countries were severely limited, nearly all foreign nationals were barred from entering Japan and common Japanese people were kept from leaving the country. The policy ended after 1853



when the American Black Ships commanded by [Matthew Perry](#) forced the opening of Japan to American (and, by extension, Western) trade through a series of treaties. China invented sakoku originally under the umbrella term [haijin 海禁](#) or forbidden sea to restrict private maritime and coastal settlement trading during most of the Ming dynasty and in early Qing.

The size of allowed ships was gradually reduced, and enforcement reached during early Qing dynasty such intensity that substantial numbers of coastal merchants set up trading bases abroad and thus became part of the early Chinese diaspora to e.g. Indonesia and the Philippines. The resulting brain drain and loss of financial and commercial power is a result of restricting private freedom for the sake of keeping a dysfunctional bureaucracy in place.

The Japanese term Sakoku, which is originally Chinese and reads suoguo 锁国 or closed country, reflects on a cultural level what a cell pathologist would diagnose as a defect in membrane permeability. A society needs to maintain a permeable membrane to the outside world, one which allows the influx of new ideas and concepts to rejuvenate culture and allow progress. Tang China e.g. allowed such rejuvenation and bestowed upon its people Buddhism as a new believe system which made Chinese culture more resilient.

One doesn't need to be a savant to see the similarity between 16<sup>th</sup> and 17<sup>th</sup> century haijin policies, Mao Zedong's 20<sup>th</sup> century isolationism and modern nationalism, which shows itself as restrictions to the finance, data and information technology industries. Modern China has created a new iron curtain consisting of internet censorship, cyber law, and technology transfer mechanisms which can only be put in place, because of its enormous domestic market – again similar like during Ming dynasty, when self-complacent court rulers preferred to focus their limited attention on domestic issues rather than remaining a vibrant and open entity.

The English language defines corruption as dishonest or fraudulent conduct by those in power, typically involving bribery. While political corruption and its synonyms read rather like financial crimes (dishonesty, unscrupulousness, double-dealing, fraud, fraudulence, misconduct, crime, criminality, wrongdoing; bribery, venality, extortion, profiteering, payola; informal graft, grift, crookedness, sleaze), does the metaphysical definition explain moral degeneration (immorality, depravity, vice, degeneracy, perversion, debauchery, dissoluteness, decadence, wickedness, evil, sin, sinfulness, ungodliness; turpitude.)

The Chinese language offers with its graphic characters a different insight into the essence of the word. 腐败 reads fubai and consists of three radicals which show meat 肉 and payment 付 in an enclosure 广. 腐 is a widely used character for important food items like 豆腐 (beancurd) or 腐乳 (fermented beancurd). Its moral significance enlightens when we



think of human flesh instead of beancurd and contemplate it rotting in an enclosure without access to fresh air.

A cell's life span ends either through apoptosis, the programmed cell death or through necrosis, which is traumatic cell death. A defect in membrane permeability leads to necrosis, and it leads in analogy to the collapse of a society. It is a mystery to the mindful observer why Chinese leadership has such a strong focus on explaining a continuous history of more than 5000 years but can't remember what thus must repeat itself: the collapse of yet another dynasty.

### **Autophagy & Cytostasis**

We know from cell pathology that a cell loses its integrity if its membrane shows defects in permeability (from being too permeable to being completely sealed off from its environment) and have identified modern China's Sakoku policies as reflecting this cellular effect on an organizational macro level. We also know that cells cannot recover and suffer permanent damage if the self-healing process of autophagy is suppressed for too long by continuous stress, i.e. a liver cell being fed for too long with alcohol-based carbohydrates. The analogy to the human body allows us to discuss the effects of corruption on a society's body.

*Osnos writes, that shortly after Xi took office, he acknowledged what many had come to believe: unless the Party beat back the tide of corruption, that corruption would "inevitably lead the Party and the nation to perish." He compared it to "worms breeding in decaying matter, " and he vowed to punish not only low-ranking "flies" but also powerful "tigers".* [p361]

*A bribery expert is asked if he thought China would grow past its corruption boom, just as America and Korea did. He responds: "I see our society as an enormous pond. For years, people have been using it as a restroom, just because we could. And we enjoyed the freedom of that, even as the pond got filthier and filthier. Now we need someone who can stand up and tell everyone that the pond has been fouled and if you continue to pollute it, nobody will survive."* [p263]

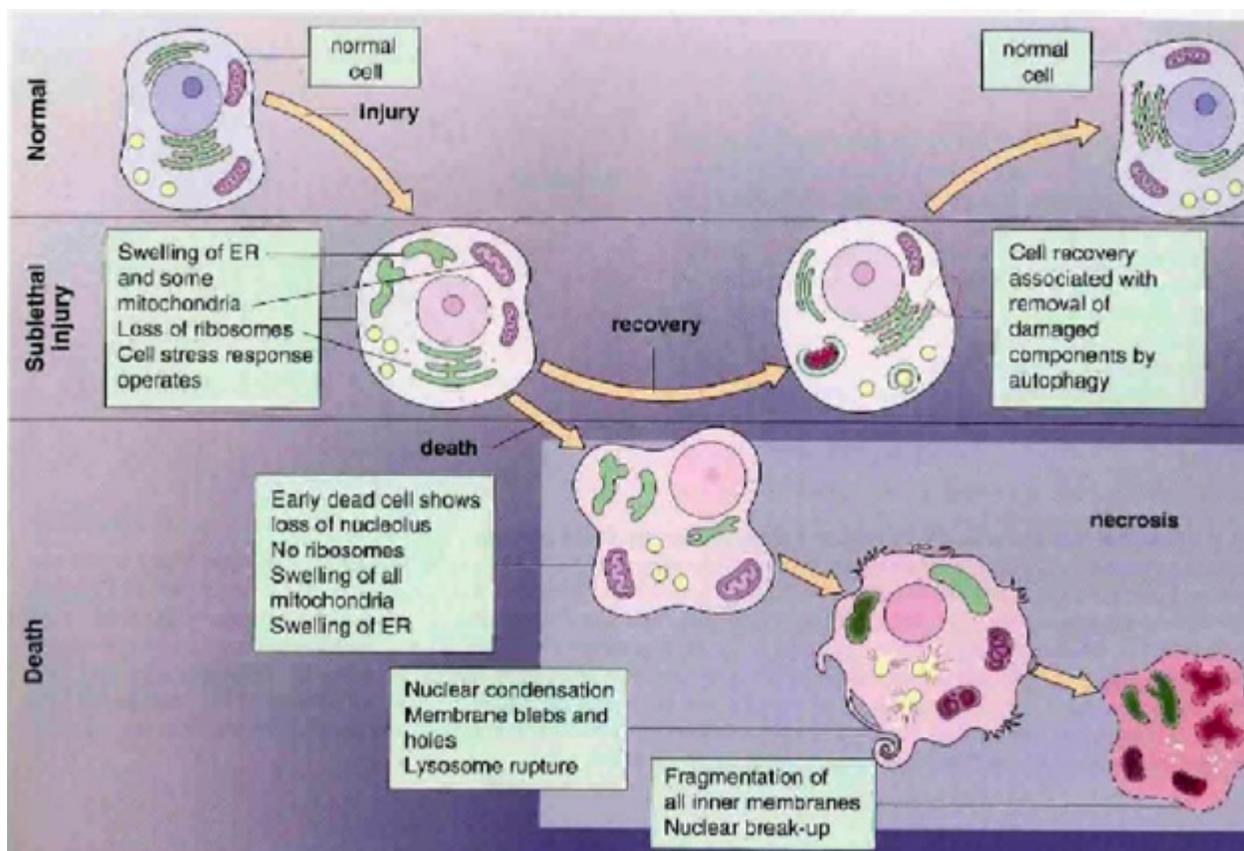
Gluttony is in moral terms a form of greed which materializes as eating too much. Eating too much inhibits on a cellular level [autophagy](#), i.e. a process which regenerates cells and thus avoids premature aging and disease. [Cytostasis](#) (cyto – cell; stasis – stoppage) is the inhibition of cell growth and multiplication. Cytostasis is an important prerequisite for structured multicellular organisms; the lack of cytostasis leads to uncontrolled cell growth or cancer.



Again Osnos on the Chinese high-speed railway and thus the lack of cultural cytostasis: *The obsession with speed was all-encompassing. The system was growing so fast that almost everything a supplier produced found a buyer, regardless of quality. [p240] Liao Ran, an Asia specialist at Transparency International, told the International Herald Tribune that China's high-speed railway was shaping up to be "the biggest single financial scandal not just in China, but perhaps in the world. [p243]*

And on why autophagy is inhibited in a country whose paramount leader preaches less corruption but shows deep ambition for infinite power by [scrapping the two times five years term limit for top government positions](#): *The official campaign against corruption had its limits. Instead of splurging in public, some government departments moved their banquets in-house by hiring the cooks from luxury hotels. An unofficial new slogan took root: "Eat quietly, take gently, play secretly. [p364]*

The analogy to cell biology has clearly demonstrated that Communist China faces a double crisis: one is caused by its modern Sakoku policies which deprive the society from a natural source of social rejuvenation. The other is fueled by an insatiable hunger of the top leadership to stay in power and take again the global pole position. This ambition translates to gluttony in the lower ranks of China's bureaucracy.





## **Collapse or Rebirth?**

The longitudinal reader must come to the conclusion that modern China as a civilization is beyond its maturity and on a decay trajectory. This is true for humanity at large – I am not pointing at China with a blaming index finger. However, in the case of China it is plausible to connect each of the CCP's chairmen to one of Mommsen's civilization periods. Mao Zedong was instrumental in modern China's genesis, but he also presided over a long and traumatic period of stagnation and almost led it to its own demise. Deng Xiaoping initiated China's growth. Jiang Zemin moved the country into senescence, which gave way to decay under Hu Jintao.

Whether Xi Jinping will be able to rejuvenate the nation remains to be observed. I don't think a faltering or even collapsing China serves the world at this point any good. But with one of Osnos epilogue quotes, I am sure that Xi walks a very thin red line: *Fight corruption too little and you'll destroy the country. Fight it too much and you'll destroy the Party.* This line is not only thin but also blurry. With climate change being the number one global threat for humanity as a single civilization, Xi has to bear a responsibility for the planet, not only for China.

How can this global responsibility be reconciled with a domestic campaign of extreme nationalism – embodied in the [resurrection of religion](#) policy - one which can only be compared to what Europe experienced before WWI? The One Belt One Road foreign policy which aims at creating new export markets and secure access to cheap resources is not a solution to the climate crisis but China's insatiable hunger for more goods to fill the gaping spiritual void. Beijing's self-perception of being again at the center of the world was in the past a form of arrogance and its now repeated by Xi posing on posters next to ancient symbols of power or installing [import export fairs](#) which are designed to mirror the ancient tributary systems.

### Articles & Essays:

1. [Coffee, Good Ideas & China](#)
2. Book Review – [The Souls of China](#)
3. Fish, Energy and XJP – [Is Xi Jinping the captain planet the world has been waiting for?](#)
4. [Hong Kong – Polis between two empires](#)
5. On the China International Import Expo – [What can't be remembered must repeat itself](#)
6. On Nippon Sakoku - [The Isolated Land Where the Sun Rises – A Blueprint for China?](#)
7. How China shapes global tourism - [Ctrip & Corporate Responsibility in the 21<sup>st</sup> Century](#)



8. [Asia's Reckoning – China, Japan and the Fate of US Power in the Pacific Century](#)
9. [China's Asia Dream](#)
10. [China – Evolution's new leading edge?](#)
11. [How China Taught Me to Lie](#)
12. [On the Teleology of Shanghai's Waste Management Law](#)
13. [On Taiwan and its Identity Crisis](#)
14. [Leaving China – 10 reasons why I want and 5 why I don't](#)
15. [China Charity & Genuine Social Development](#)
16. [The Abundance of Less](#) – How Japanese minimalism could be model for China to embrace sustainability
17. [A Theory of Chinese Race & Rice](#)
18. [In China, 'Xi Forever' May Not Be Forever, After All](#)

Videos:

1. Martin Jacques on TED speaking on [When China Rules the World](#)
2. The New Silk Road – China's favorite show case project | [ARTE](#)
3. The New Silk Road – Xi Jinping's Monopoly | [ARTE](#)
4. Civilization – The West and the Rest | [BBC](#)

