



Understanding China: Pride & Policy

“**Y**ou stupid American,” my Chinese friend scolded me. “You insult China, and you offend me!”

I was shocked, speechless. I had thought that what I had just said, in complete privacy on a remote hilltop outside of Beijing, would please this intellectual, and he would praise me for saying it. The year was 1992, and it was my first deep lesson about China.

I had arrived in China for the first time in February 1989, 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 did not return to China for 15 months, and when I did go back it was still a time of repressed freedoms such that when people in Beijing wanted to talk politics, they would leave their offices or homes and walk around in the open air or drive around in moving cars.

That’s what made Professor Xu, as I shall call my friend, stand out. I couldn’t recall him having said anything complimentary about China’s political or economic system, and so I felt secure, on that remote hilltop, in applauding the U.S. action in preventing the 2000 Olympics from being held in Beijing, punishing the Chinese government for its armed



Artists perform ahead of the 2008 Beijing Olympic Games opening ceremony on August 8, 2008 at the National Stadium in Beijing.

response in Tiananmen Square. Professor Xu and I were alone, and I expected his hearty support of America's blackball.

And that was when he lambasted me with his "You-stupid-American" rebuke, a verbal stinging I shall never forget. It was a searing tutorial of what

Paris leg, a 27-year-old amputee and Paralympics fencer named Jin Jing, became a national hero when she was assaulted by protestors. Defending the Olympic flame from her wheelchair, she was bruised and scraped when protestors tried to extinguish the torch. "I felt no pain

the last century over whether to seek admission to 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, though it was rarely voiced, was that China belongs in the WTO because China is a great nation and must be counted as a world power.

Pride expresses 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 stymied and scourged by domestic tyrants. Now that China has regained its position at the high table of the great nations of the world and is involved in every important aspect of economic and international affairs, the Chinese people are proud of their recrudescence.

In every sphere of human endeavor, from business to culture, Olympic athletes to space *taikonauts*, 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 senior leaders expect its corporations to become among the largest and most successful in the world. When Haier CEO Zhang Ruimin stated in the middle 1990s that Haier's goal was to become a leading global company, foreign analysts barely noticed. Today, Haier is the world's second-largest manufacturer of refrigerators (after Whirlpool), among the top 1,000 manufacturers in the world, and its brand name has just joined the prestigious list of the World's 100 Most Recognizable Brands. China is proud that the mar-

Pride in country, heritage, history, economic power and personal and social freedoms is a fundamental characteristic of China.

BY ROBERT LAWRENCE KUHN

really counts in China. Don't let the criticisms fool you. Patriotism trumps all. The pride of the Chinese people—pride in their country, heritage, history, economic power, and personal and social freedoms, their growing international importance, and yes, their growing military strength—is a fundamental characteristic of China that one encounters over and over and over again.

Fast forward to early 2008. The pride of the Chinese people assumes a different form, as the Olympic Torch Relay is interrupted in city after city by highly visible protests triggered by the unrest in Tibet. Then came the backlash: Chinese citizens were infuriated by what they deemed to be the hijacking of the Olympics for political purposes; indeed for embarrassing China. Chinese chat rooms ignited spontaneously, heated by the incandescent fury of national pride.

One of the torchbearers in the

from the scratches and injury on my right leg," she said. "I would die to protect the torch." Hailed by the Chinese media as the "Smiling Angel in Wheelchair," Jin Jing found her images splashed across front pages all over China and when she returned to Beijing, she was treated to a hero's welcome.

The Power of Pride

Chinese pride invites itself into diverse policy debates. Rarely does it dominate and determine decisions, but often it affects and influences them. Consider China's spaceflight programs, including the *Shenzhou* manned spacecraft and lunar missions, both an apparent luxury in a country still fighting vast poverty, but both enthusiastically supported by an overwhelming majority of the people.

Why? Pride. Consider also the longstanding internal debate at the highest levels of the Chinese government during the final decade of

ket capitalizations of its companies in energy, telecommunications and banking are among the largest in the world.

Although economic improvement—a higher standard of living,

there are hundreds of thousands. In fact, China absorbs more foreign investment than any country in the world except the U.S. Chinese corporations are selling Internet routers and refrigerators competitively

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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.

The change in the economic lives of the Chinese people has been staggering: Since 1978, when Deng Xiaoping initiated reform, China's GDP per capita has increased more than 40-fold. The Chinese economy is now the second-largest in the world, and in 30 more 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 one 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

around the world, and Chinese entrepreneurs have built strong private businesses on the Internet. One statistic makes the point: In June 2008, the number of mobile phones in China exceeded 600 million, by far the largest of any country in the world.

The old communist ideal of the glorious masses in common class struggle is archaic and irrelevant. It has been replaced by something new and dynamic and historic, an economic engine fueled by personal dreams and national pride.

When doing business in China, don't make the same mistake I did and forget that pride is one of China's basic commodities. ▲

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