

China in the World Economy

Autumn 2021

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Requirements for passing the course

- **Seminars + essay + exam**

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- 2 seminars – 3rd of November and 8th of December
- Position papers written from an assigned perspective

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- Position papers written from an assigned perspective
- Paper + active participation = **5 points for each seminar**
- = **10 points for seminars**

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- **Essay**
- Imagine that you are a Chinese intellectual contemplating what role their country should play in the world economy **by 2050**

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- **Essay**
- Imagine that you are a Chinese intellectual contemplating what role their country should play in the world economy **by 2050**
- > ideal path for China
- Its role in world trade, international division of labour, etc
- **10 points max**

Requirements for passing the course

- Final exam
- 4 open questions, five points max for each
- **> 20 points max**

Requirements for passing the course

- 40-38 points - „A“
- 37-35 points - „B“
- 34-31 points - „C“
- 30-27 points - „D“
- 26-23 points - „E“
- 22-0 points - „F“

Contents of the course

- Today – introduction to Chinese history and geography
- Relative decline of China after 1800 - „Century of humiliation“

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- Relative decline of China after 1800 - „Century of humiliation“
- Modern Chinese history, rise of the Communist party
- Waves of reforms after 1978
- China’s role in WTO, IMF, WB
- Belt and Road Initiative
- China’s contemporary economic and technological ambitions under Xi Jinping
- Trade war with the United States, deteriorating relations with EU

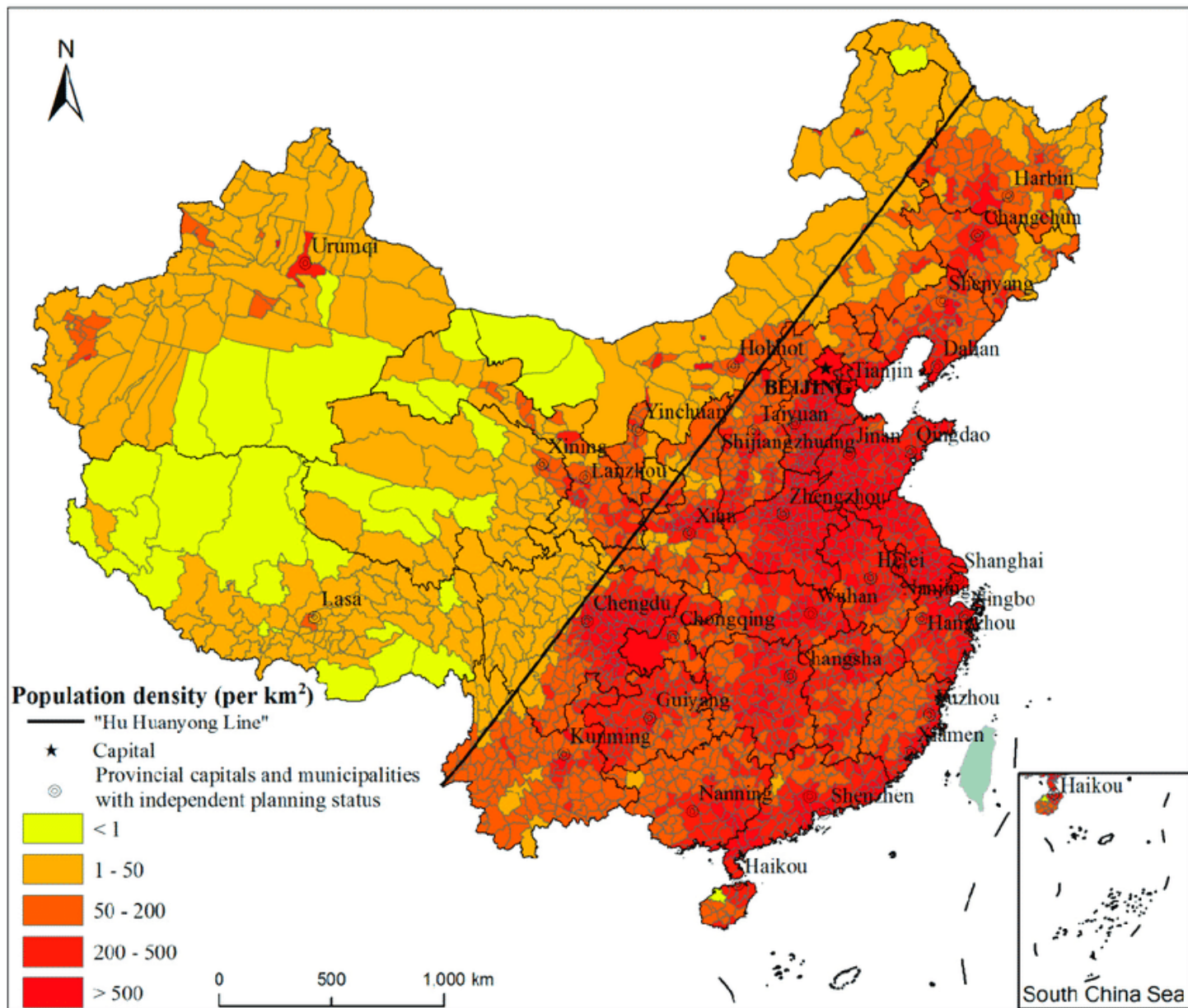
Geography of China

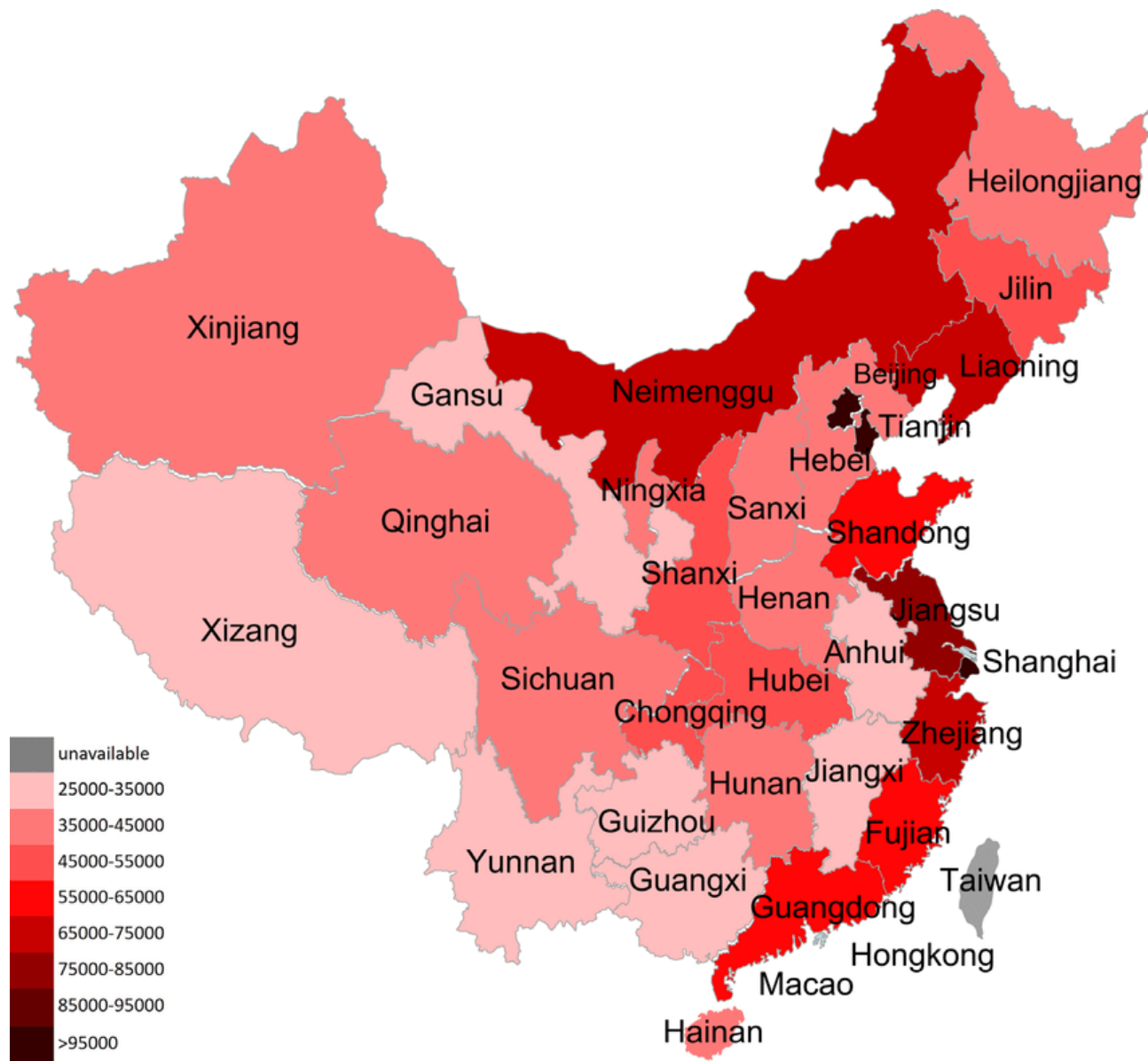
China Major Rivers Map



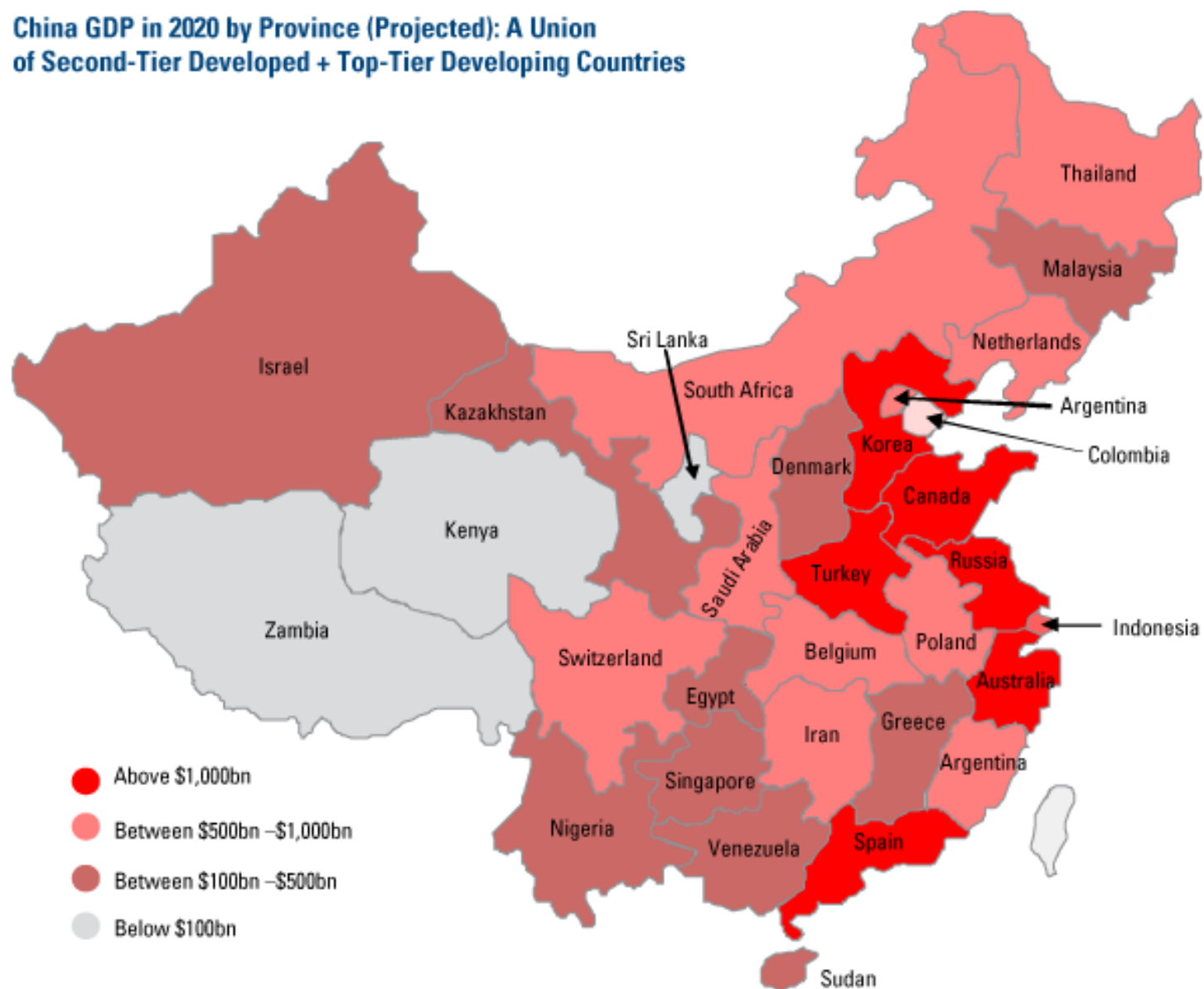








China GDP in 2020 by Province (Projected): A Union of Second-Tier Developed + Top-Tier Developing Countries



Source: HSBC, CEIC, IMF, CIA

Imperial China

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- „Celestial Empire“

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- **„Mandate of the Heavens“**

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- > natural disasters or military defeats signal the fact that Heaven is displeased

Imperial China

- Security

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- Security – **periodic invasions by steppe tribes**
- Nomadic vs. settled civilization

Imperial China

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- Nomads – **no conception of permanent borders or fixed property > no respect for China's state**
- Mobility, personal fighting prowess





Imperial China

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- Nomadic vs. settled civilization
- Nomads – no conception of permanent borders or fixed property > no respect for China's state
- Mobility, personal fighting prowess
- China – large population, organized military
- Mostly small-scale plunder; **large tribal confederations** = existential threat











Imperial China

- > duty of the imperial state to constantly repair fortifications and **station most of the military at the northern border**

Imperial China

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- The interior of China, however, was mostly **demilitarized and administered by civil bureaucrats = mandarins**

Imperial China

- Mandarins – **official-scholars**





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- > influence on the Communist party
- > influence on modern European states! > civil service

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- **„Mandarin Chinese“** – official language
- Many other **dialects** of Chinese survive to this date
- Mainly in the south – **remnant of China's slow expansion south** towards Southeast Asia



Imperial China

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- Foreign policy
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- > center of the universe, **surrounded by barbarians** = everyone else
- The best that other countries can do to lift their status is to become **Chinese vassals**

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- Benevolent imperialism?

Grand Canal



China Major Rivers Map



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- Connection between „**wheat China**“ and „**rice China**“ – **harvests during different parts of the year > exchange, prevention of famine**
- Invention of water navigation locks

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- Need for women to have many children > **early marriage, patriarchal society**

Imperial China

- Lack of available fertilizer > sophisticated system of using human feces
- = rules for who should go to which latrine etc
- Oppression of peasants by landlords

Timeline of dynasties

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- **Xia** (2000 BC – 1600 BC) – mythical, never proven
- **Shang** (1600 BC – 1000 BC) – small bronze-age state in northern China, pagan religion and divinations



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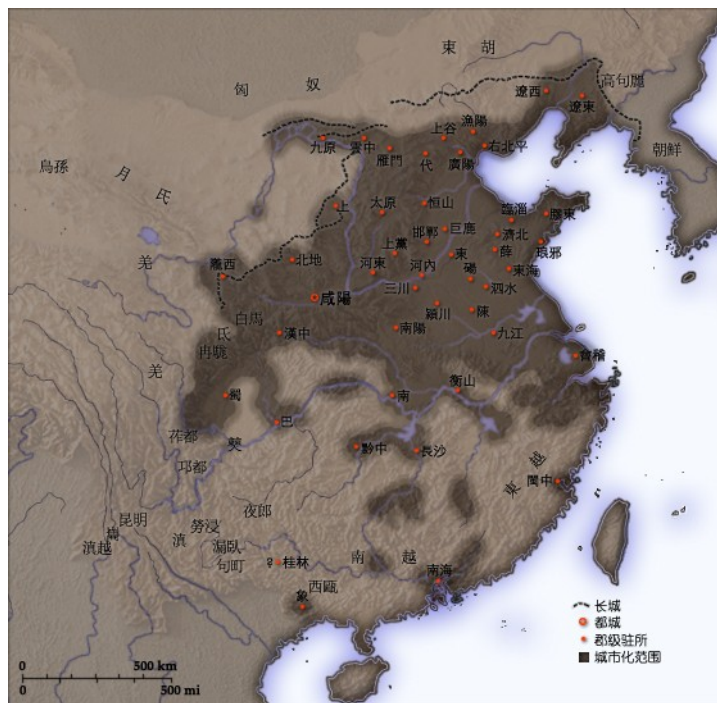
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- „**Hundred Schools of Thought**“ > Confucianism, Legalism, Taoism = search for legitimacy and unity in a turbulent age

Qin

- „First Emperor“ – Qin Shi Huang – around **220 BC**
- Destroyed the other states, **unified China**, expanded into the south
- **Great Wall**, terracota army, first great capital at Chang-an (Xian)
- Megalomaniac and tyrranical – high taxes, cruel punishments, purges of dissident scholars
- Unpopular > overthrown around 200 BC
- > „China“

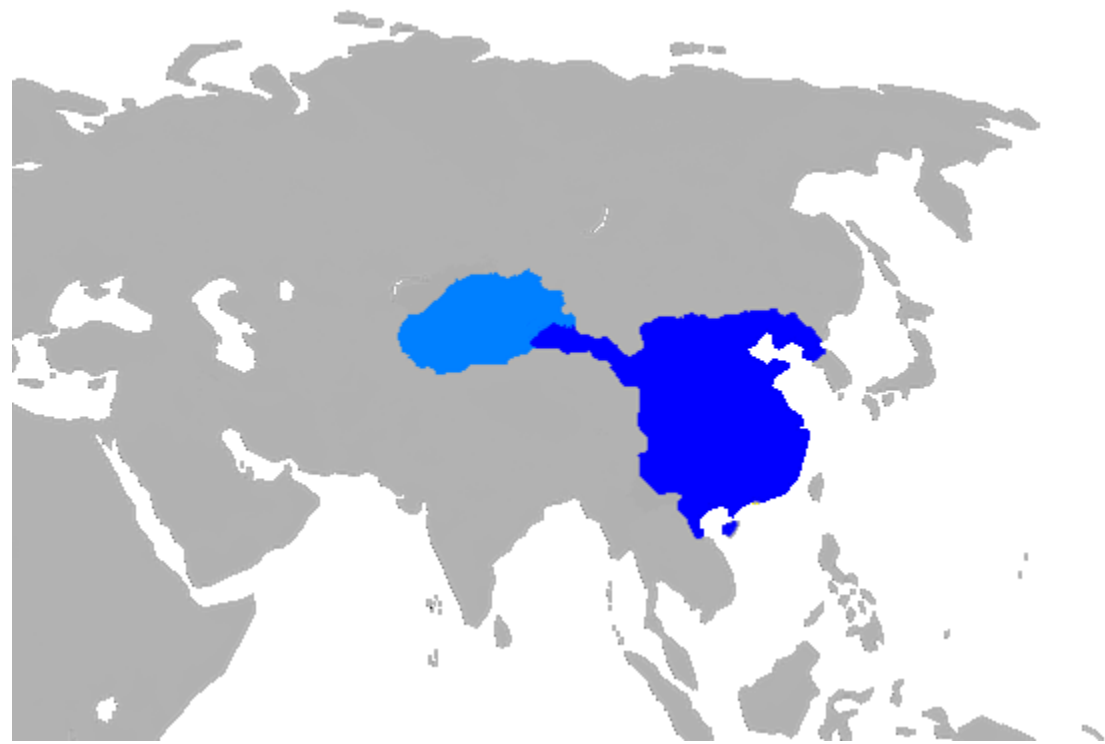




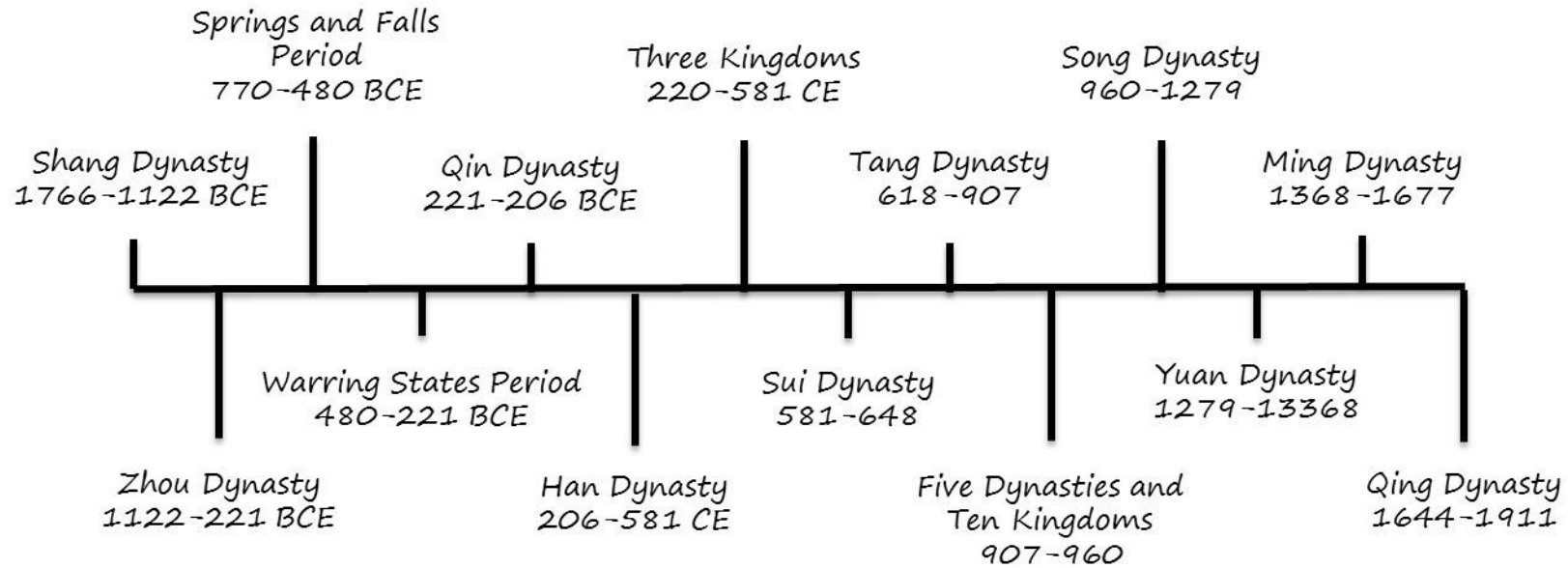


Han

- **200 BC – 200 AD**
- > „Han Chinese“, „Han characters“
- More lenient, ruled on the basis of consent
- Confucianism as the state ideology, first imperial examinations
- Defeated the Xiongnu steppe tribes > **Silk route**



Chinese Dynasties

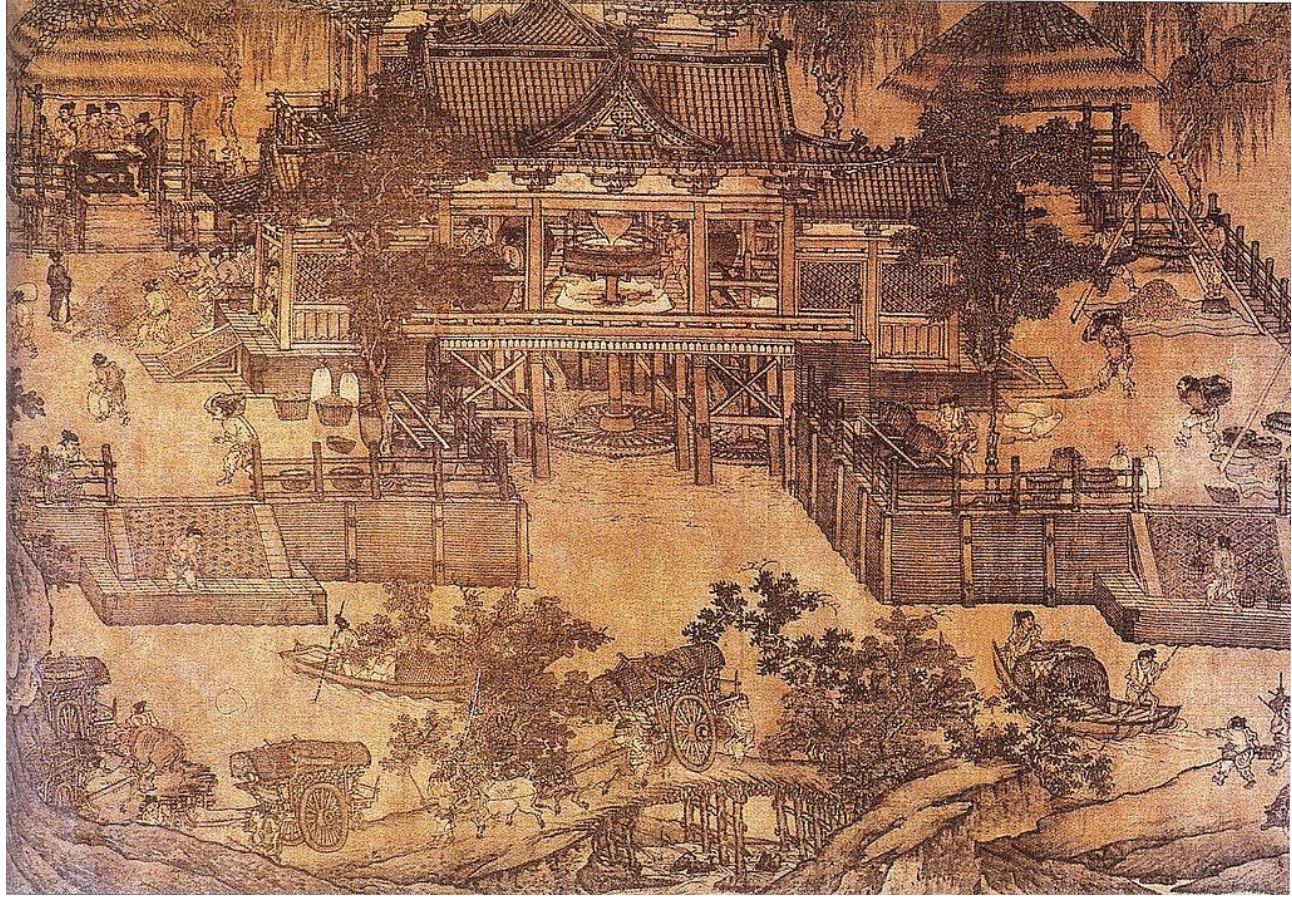


Sui and Tang

- 200 AD – 600 AD – „Three Kingdoms period“ – many short-lived regimes
- Around 600 – **Sui** – unification, **Grand Canal**
- Again too high taxes and too much cruelty > **Tang dynasty (600-900)**
- Exposure to foreign cultures (Buddhism, Islam, Zoroastrianism, Christianity)
- **Imperial examinations!**
- „An Lushan rebellion“ – **relatively** worst civil war in human history?

Song

- **Song dynasty (900-1250)**
- Unknown and underrated
- Better rice from Southeast Asia > **doubling of population**
- Technological Innovation: paper money, printing of books, gunpowder, compass, pound lock





Mongols

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- Kublai Khan – visited by Marco Polo
- Attempts to conquer Korea, Japan, Vietnam and Indonesia (!)

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- Nanking („Southern Capital“) and Beijing („Northern Capital“)

Qing

- Last dynasty – **1650 - 1911**
- **Manchus, steppe nomads similar to the Mongols - conquered China**

- „The transition from Ming to Qing, Ming–Qing transition, or **Manchu conquest of China** from 1618 to 1683 saw the transition between two major [dynasties](#) in [Chinese history](#).“

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tributary relations with Korea, Japan, Vietnam, Thailand
- Reached the limits of pre-industrial growth – highest yields and population possible without modern machinery

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- **Cantonese system** – trade with China was possible only in the city of Canton, and only via a cartel of Chinese merchants



„Century of humiliation“

- „China is already perfect the way it is and has no use for foreign ideas and technologies“

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- Meanwhile – **industrial revolution** in Britain, British conquest of India

„Century of humiliation“

- Europe had a persistent **trade deficit** with China

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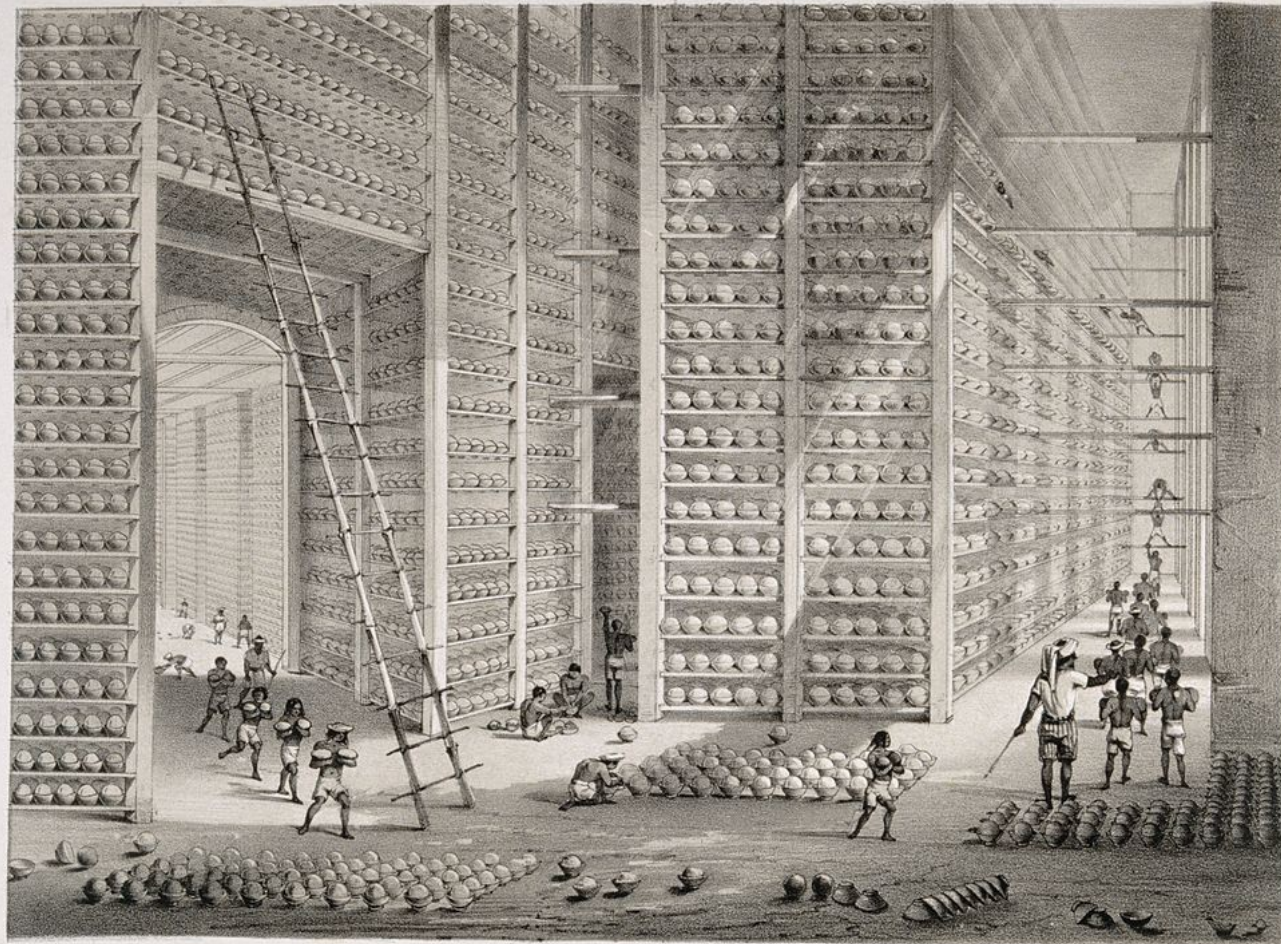
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- > **Opium wars > unequal treaties**

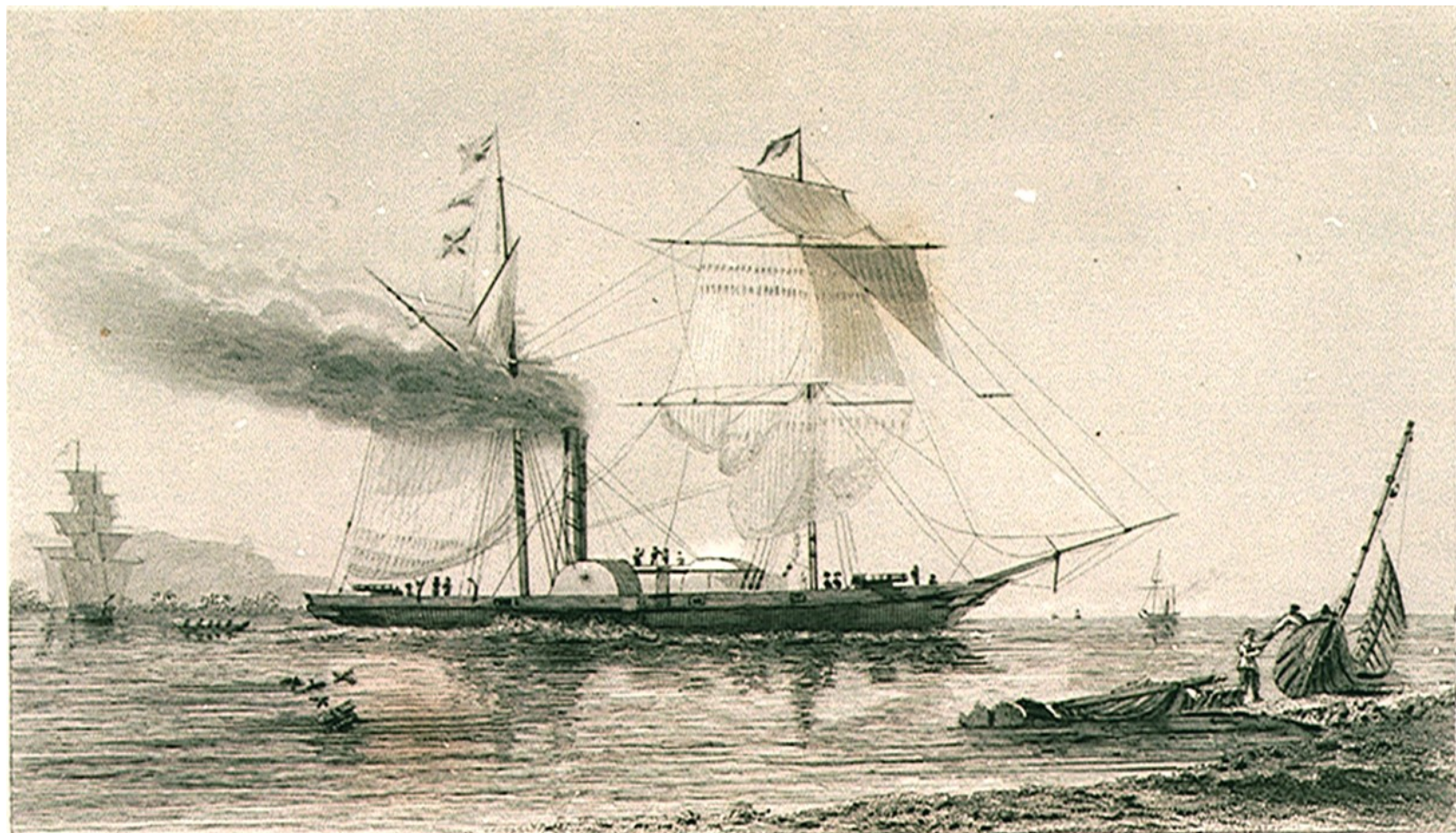


Drawn by W.S. Sherwill.

Engraved by Macdonald & Macgregor Lith. London.

THE STACKING ROOM,
OPIUM FACTORY AT PATNA, INDIA.





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- Other imperialist powers demanded similar concessions, **until China became partitioned into informal spheres of influence**





Colonial Powers Carve Up China, 1850-1910



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- **1900** – „**Boxer uprising**“



COLORIZED BY
JULIUS JÄSKELÄINEN



„Century of humiliation“

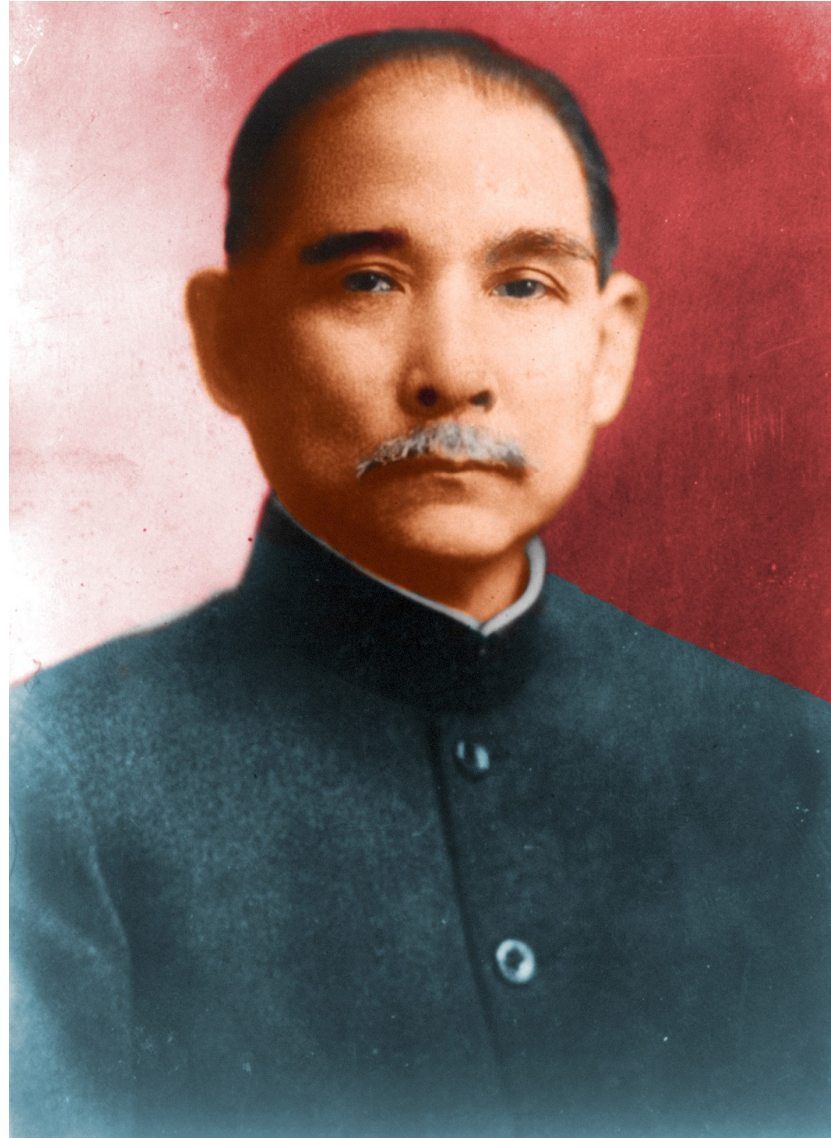
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- **Meant to overthrow the Manchu, create a Han-dominated republic, modernize China and expel the foreigners**

1911 – Xinhai revolution

- Series of army mutinies > quick collapse of the Qing, proclamation of the **Republic of China (ROC)**



„Five races under one flag“



Collapse of central power

- **Sun Yat Sen did not have enough support to rule**, so power went to general **Yuan Shikai**, who promptly tried to make himself Emperor



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- Tibet, Turkestan (Uighurs) and Mongols seceded former their own states

China, Second Warlord Era



China



Independent Warlords

- Xinjiang Clique
- Tibet
- Gansu Clique
- Kumul Khanate
- Ningxia Clique
- Yunnan Clique
- Shandong Clique

Beiyang Government

- Wan Government

Nominally KMT States

- Yunnan Clique
- Left Kuomintang Government
- New Guangdong Clique
- Right Kuomintang Government
- Guominjun
- Shanxi Clique
- Fengtian Clique

Revolutionaries

- Chinese Communist Party

天下

壹玖叁肆年

合必分
分必合
天下大勢

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- > founding of the **Communist Party of China in 1921**

Northern expedition

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- 1925 – Sun died, Chiang led a **Northern Expedition**, which conquered most of China by 1928

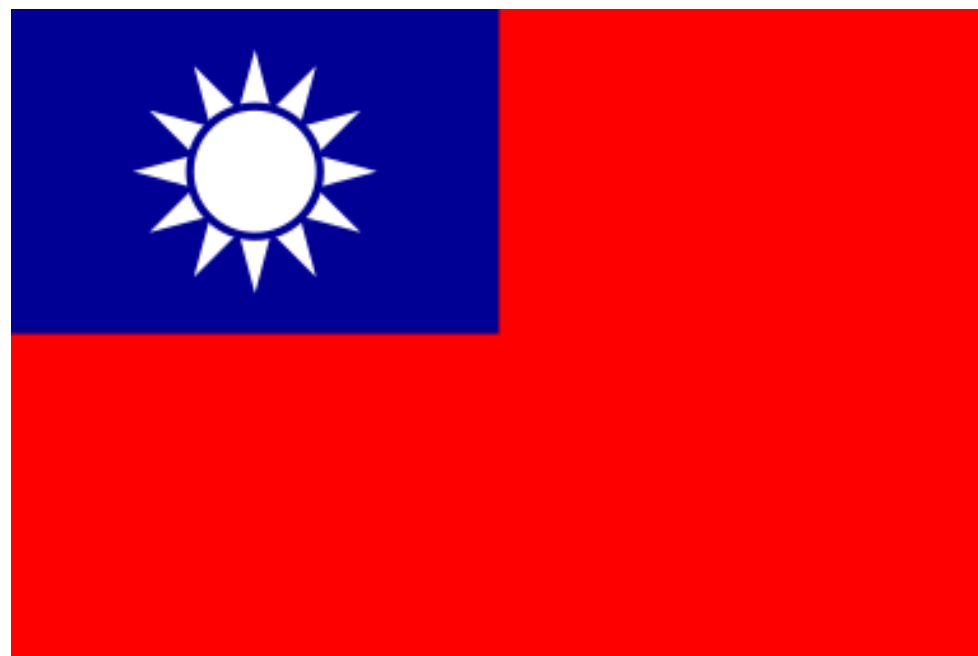






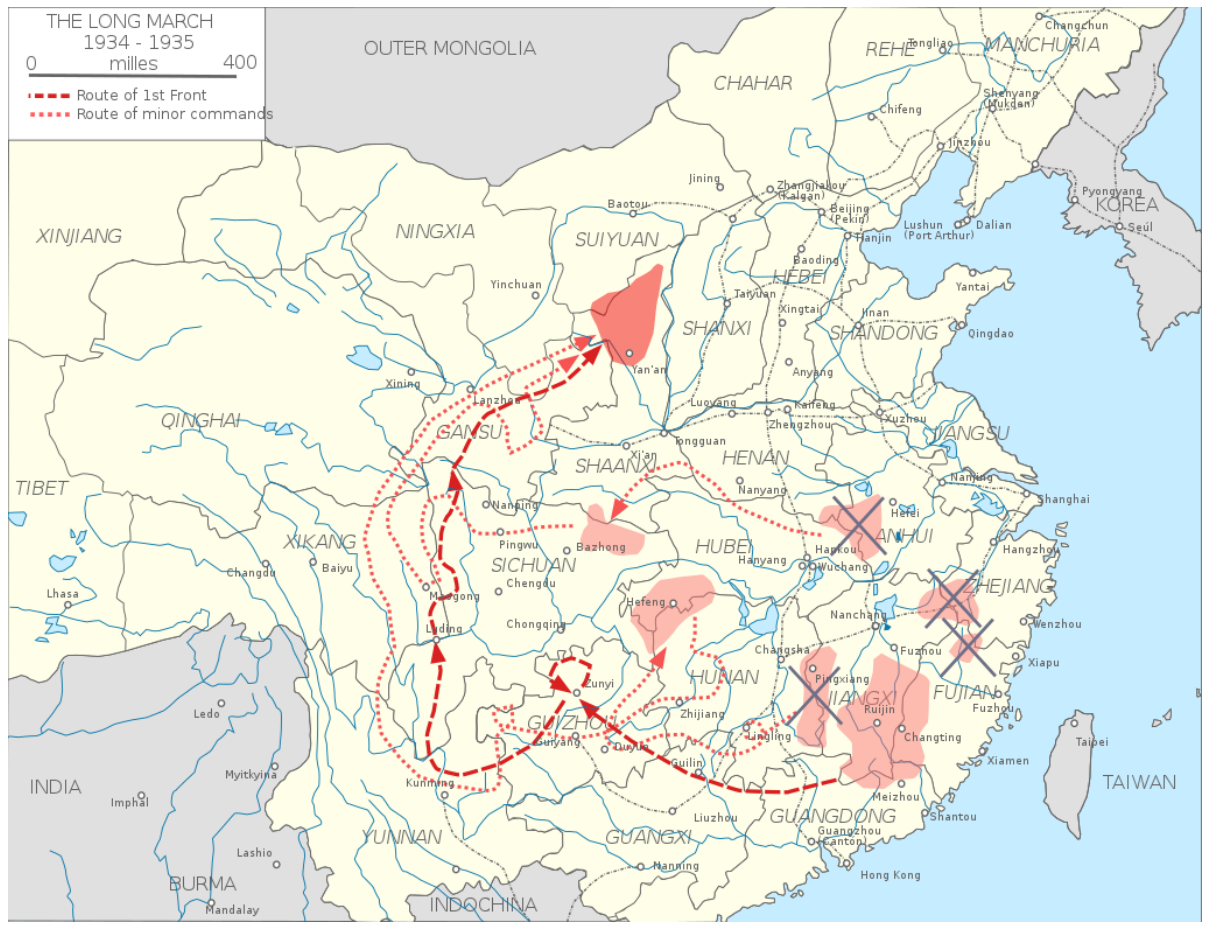
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Nanjing decade

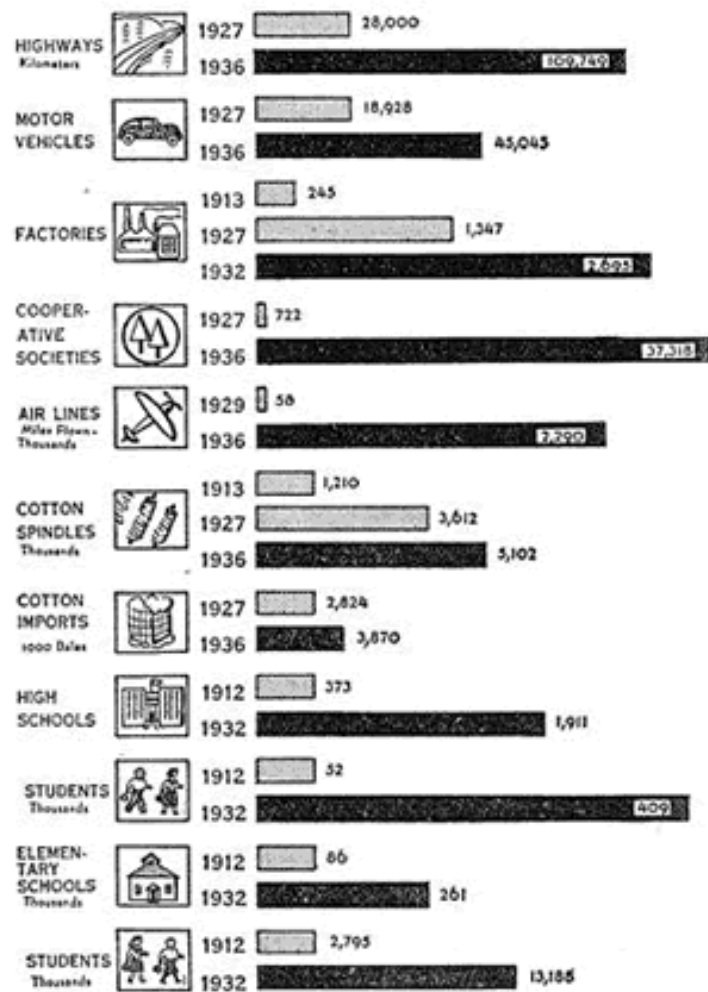
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CHINA'S PROGRESS BEFORE THE INVASION





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- > strengthening of the army for a clash against Japan

Second Sino-Japanese war

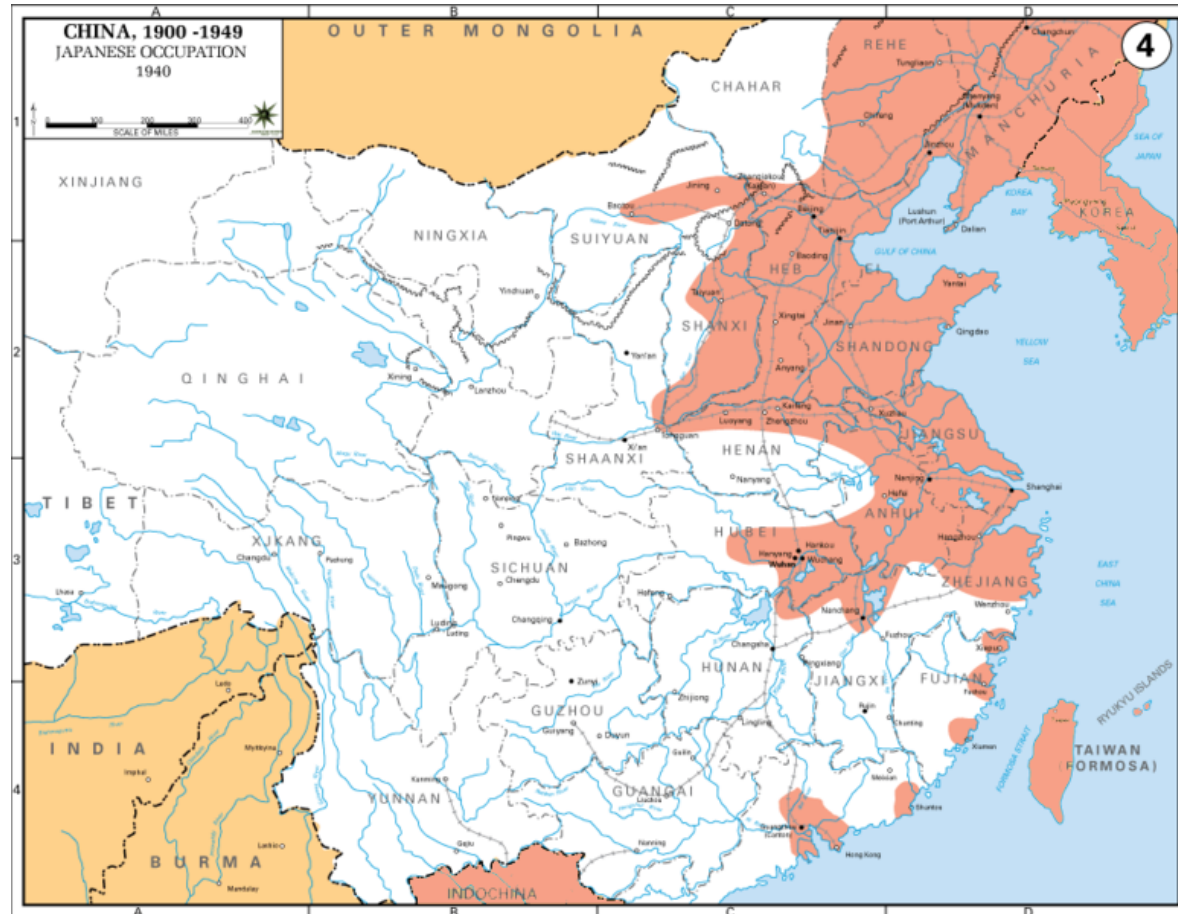
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- **1940-1944 stalemate**

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- Communist victory in **1949**, **Nationalists escaped to Taiwan**