

China in the World Economy

Autumn 2024

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What is this course about?

- „Why did I sign up for this....?“

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- 3) Be able to tell what the Belt and Road Initiative is, or what role China plays in major international economic organizations
- 4) Make your own case about the origins of the US-China rivalry
- 5) Understand basic macroeconomic concepts, such as balance of payments

Requirements for passing the course

- Seminar – position paper from an assigned perspective – **5 points**

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- Exam – 4 open questions – **20 points**

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- **Total: 25 points**

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- **25-22,5** points - „**A**“
- **22-19,5** points - „**B**“
- **19-16,5** points - „**C**“
- **16-13,5** points - „**D**“
- **13-10** points - „**E**“
- **9,5-0** points - „**F**“

Contents of the course

- Today – introductory facts about China's geography and history
- China's decline after 1800 - „Century of humiliation“

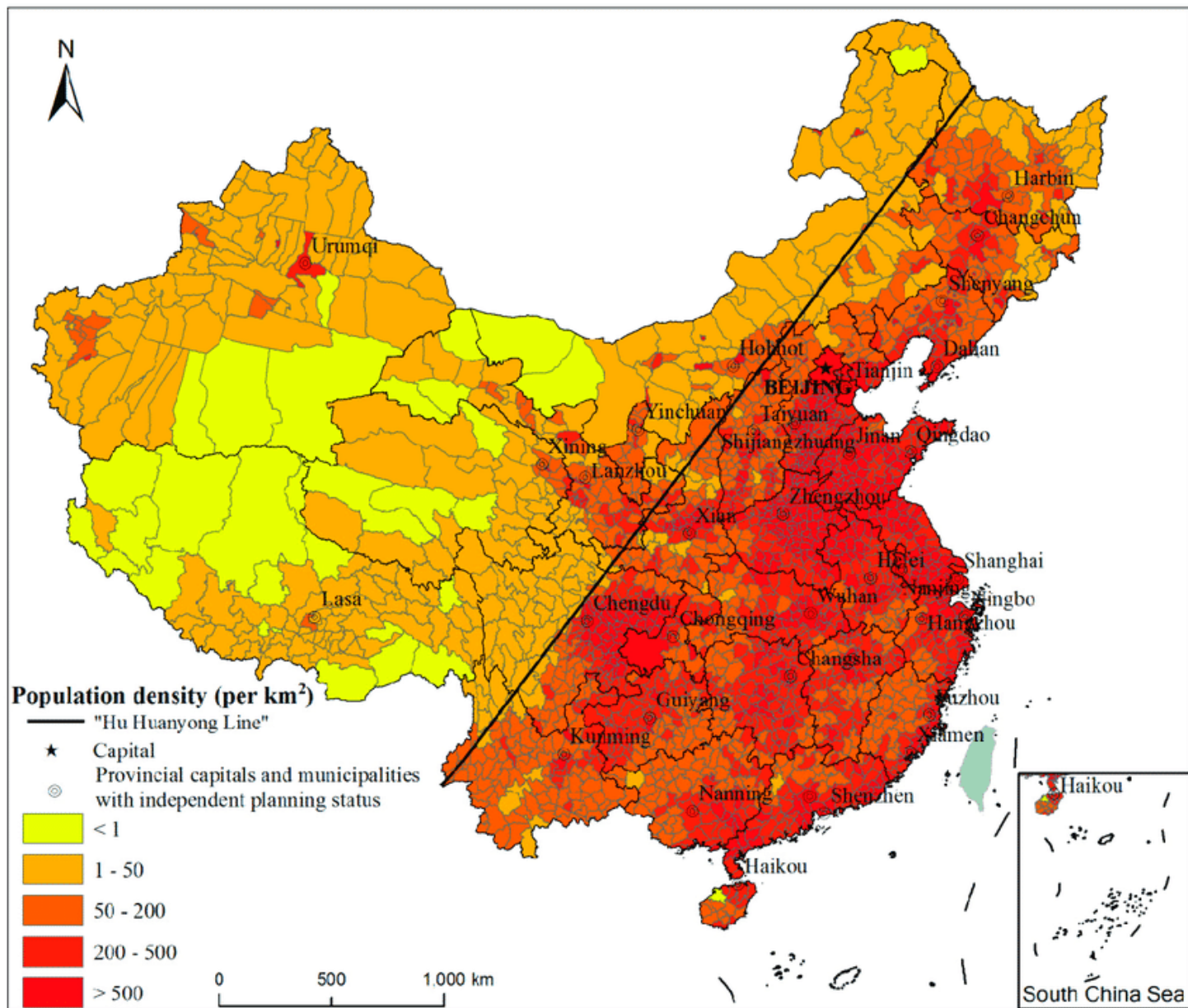
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- It is not going to be on the test 😊

Geography of China

China Major Rivers Map



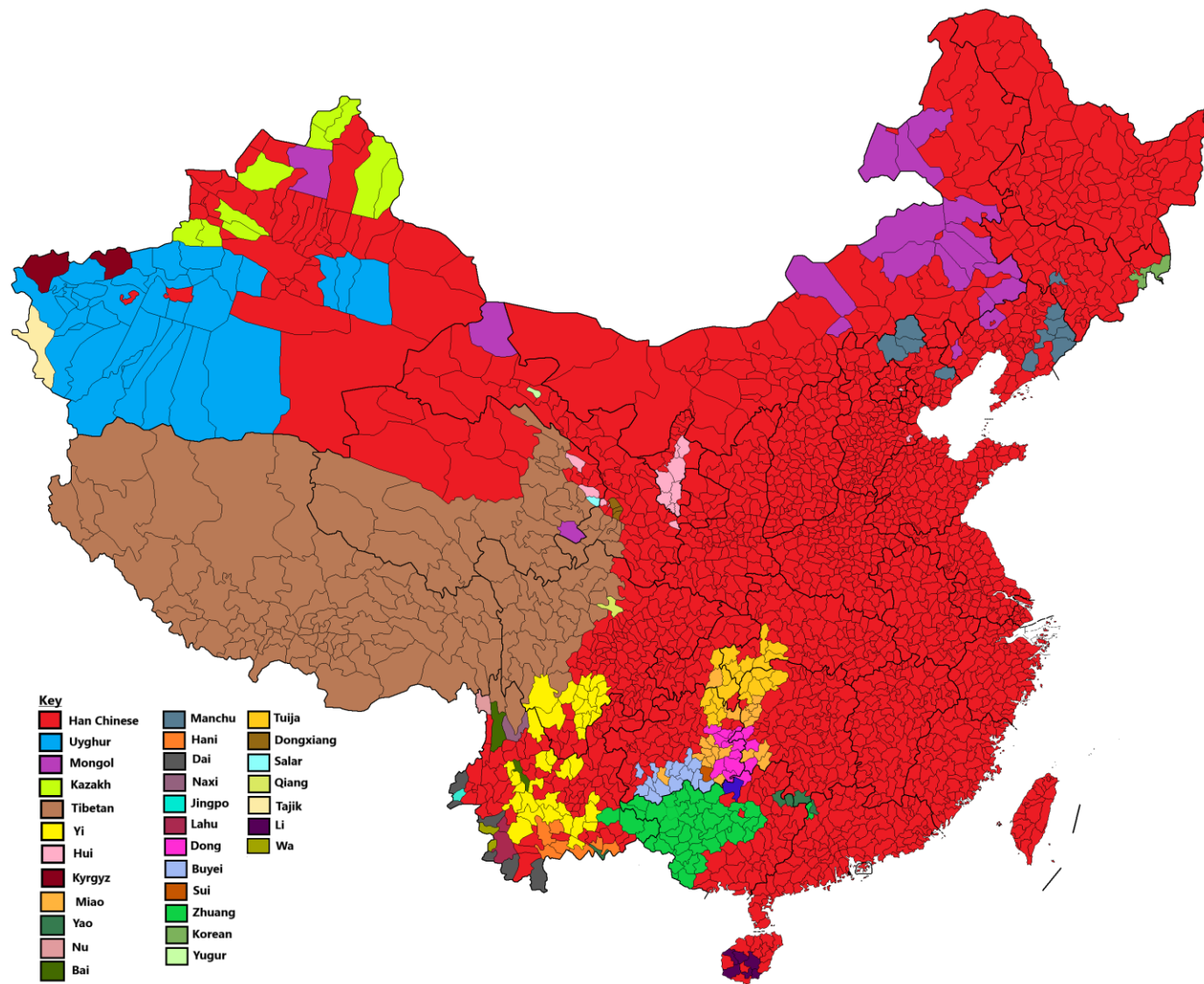




- National Capital (11,510,000 in 2000)
- over 10,000,000
- over 6,000,000
- over 2,500,000
- over 1,000,000
- other main city
- other city
- Capital of autonomous region
- Capital of province
- Shanghai Government-controlled municipality
- Hong Kong* Special administrative region

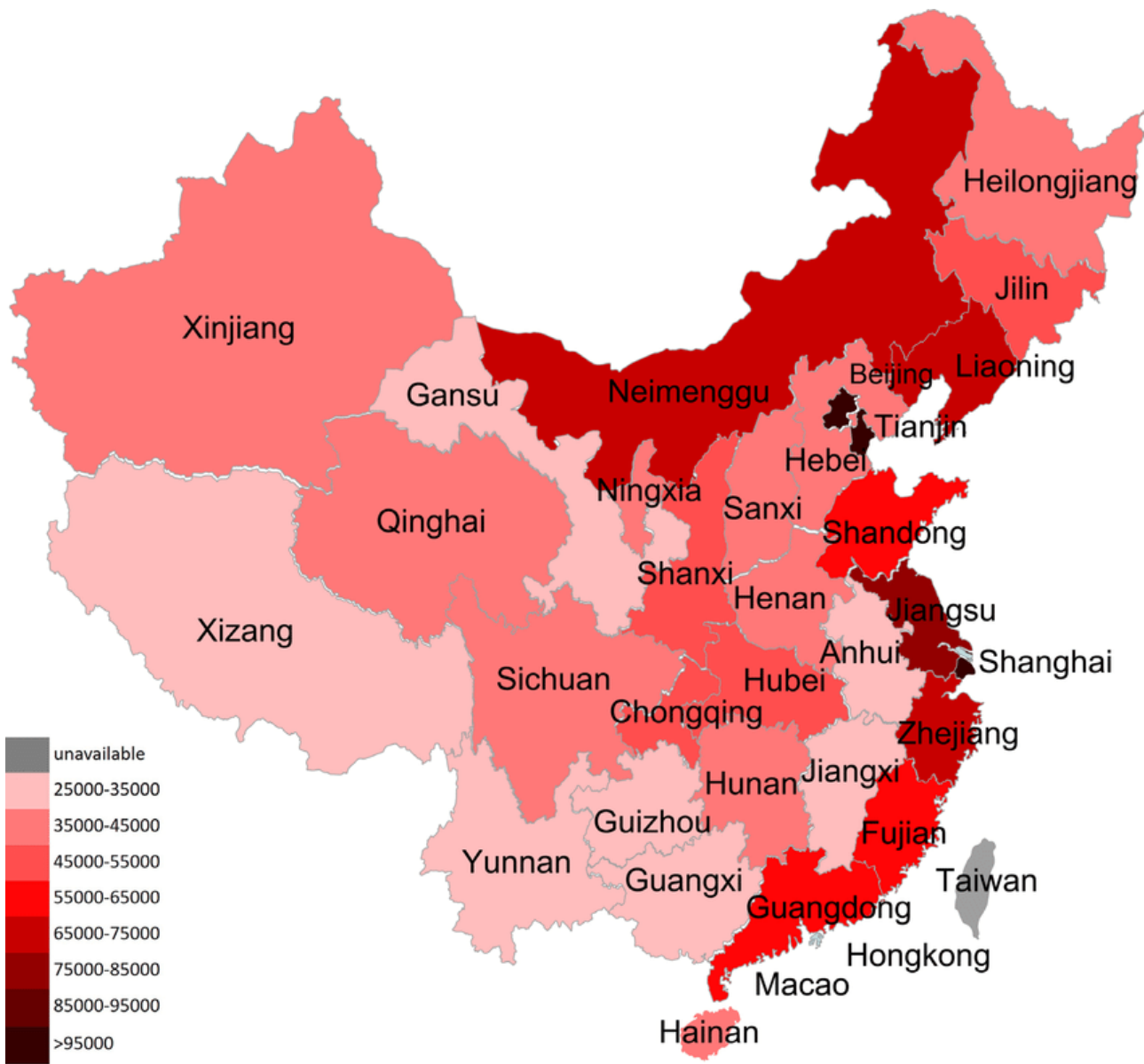
CHINA
 0 km 200 400 600 km
 ©2018 GEOTLAS* for Worldometer.org



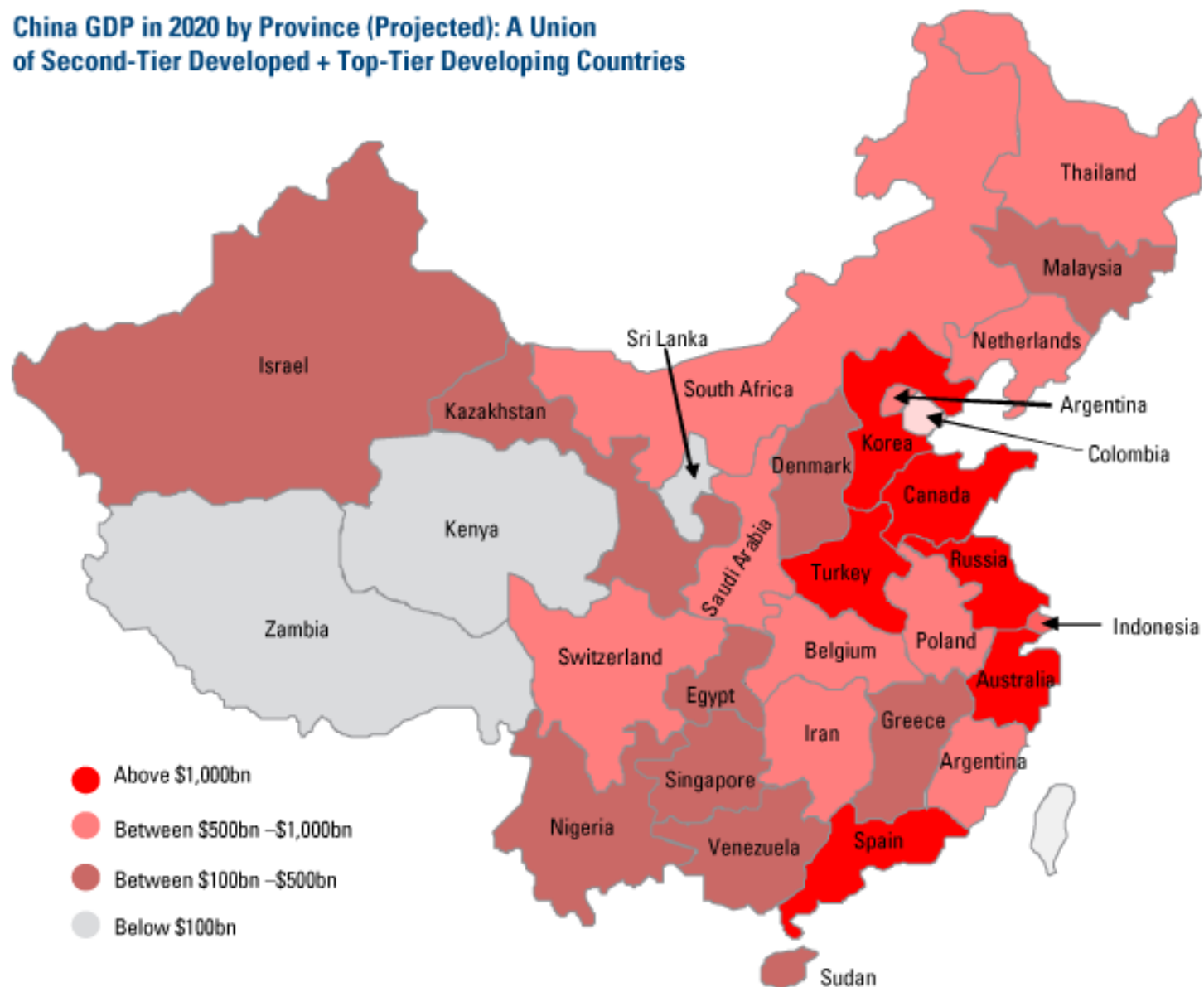


Key

■ Han Chinese	■ Manchu	■ Tuija
■ Uyghur	■ Hani	■ Dongxiang
■ Mongol	■ Dai	■ Salar
■ Kazakh	■ Naxi	■ Qiang
■ Tibetan	■ Jingpo	■ Tajik
■ Yi	■ Lahu	■ Li
■ Hui	■ Dong	■ Wa
■ Kyrgyz	■ Buyei	
■ Miao	■ Sui	
■ Yao	■ Zhuang	
■ Nu	■ Korean	
■ Bai	■ Yugur	



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



Source: HSBC, CEIC, IMF, CIA

Imperial China

Imperial China

- Chinese historiography - **skewed to highlight stability and continuity**
+ to justify the People's Republic's territorial claims

Imperial China

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- > unbroken line of legitimate rule from the Bronze Age to Xi Jinping

Imperial China

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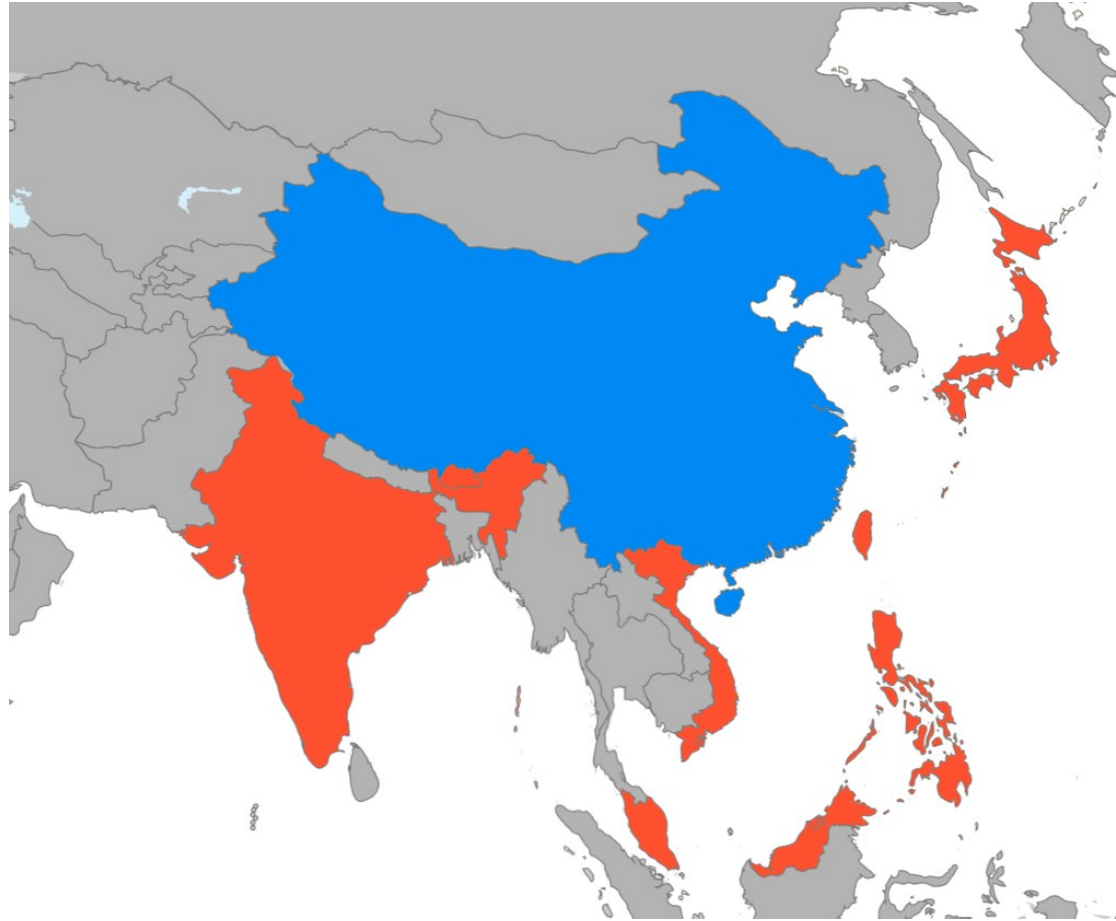
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- Tibet, Xinjiang, southern provinces – semi-independent vassal states, often ruled by indigenous leaders and chiefs
- Taiwan – only partially conquered in mid-1600s, treated as a neglected backwater until being ceded to Japan in 1894





Imperial China

- Ideology

Imperial China

- „Celestial Empire“

Imperial China

- „Celestial Empire“
- **„Mandate of the Heavens“**

Imperial China

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

Imperial China

- Security

Imperial China

- Security – **periodic invasions by steppe tribes**

Imperial China

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- Nomadic vs. settled civilization

Imperial China

- Security – **periodic invasions by steppe tribes**
- Nomadic vs. settled civilization
- Nomads – **no conception of permanent borders or fixed property > no respect for China's state**
- Mobility, personal fighting prowess





Imperial China

- China – large population, organized military (mostly infantry)
- Nomads mostly caused 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

- Administration

Imperial China

- Administration
- Mandarins – **official-scholars**





一集

戊申春日

李君五小相寄呈

Imperial China

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- **Imperial examinations** – Confucian philosophy and morality > dedication to the Emperor and to serving justice

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- Sophisticated system of ranks
- > influence on the Communist party
- > influence on modern European states! > civil service

Imperial China

- Society/economy

Imperial China

- Social elite - rent-collecting landowners

Imperial China

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- - the pool of potential mandarins > monopoly on political power

Imperial China

- Social elite - rent-collecting **landowners**
- - the pool of potential mandarins > monopoly on political power
- They saw **agriculture as the only morally correct productive economic activity**

The original agrarian status quo

- **Crafts, trade and finance - seen as suspicious activities** - greed and luxury, swindle and usury
- Detached from nature and naturalness

China: four classes

- 1. Scholars (Shi)
- 2. Farmers and Peasants (Nong)
- 3. Artisans (Gong)
- 4. Merchants (Shang)

Imperial China

- Imperial reign – **molded tribes into a single nation**

Imperial China

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- - **service in the military, bureaucracy; trade**

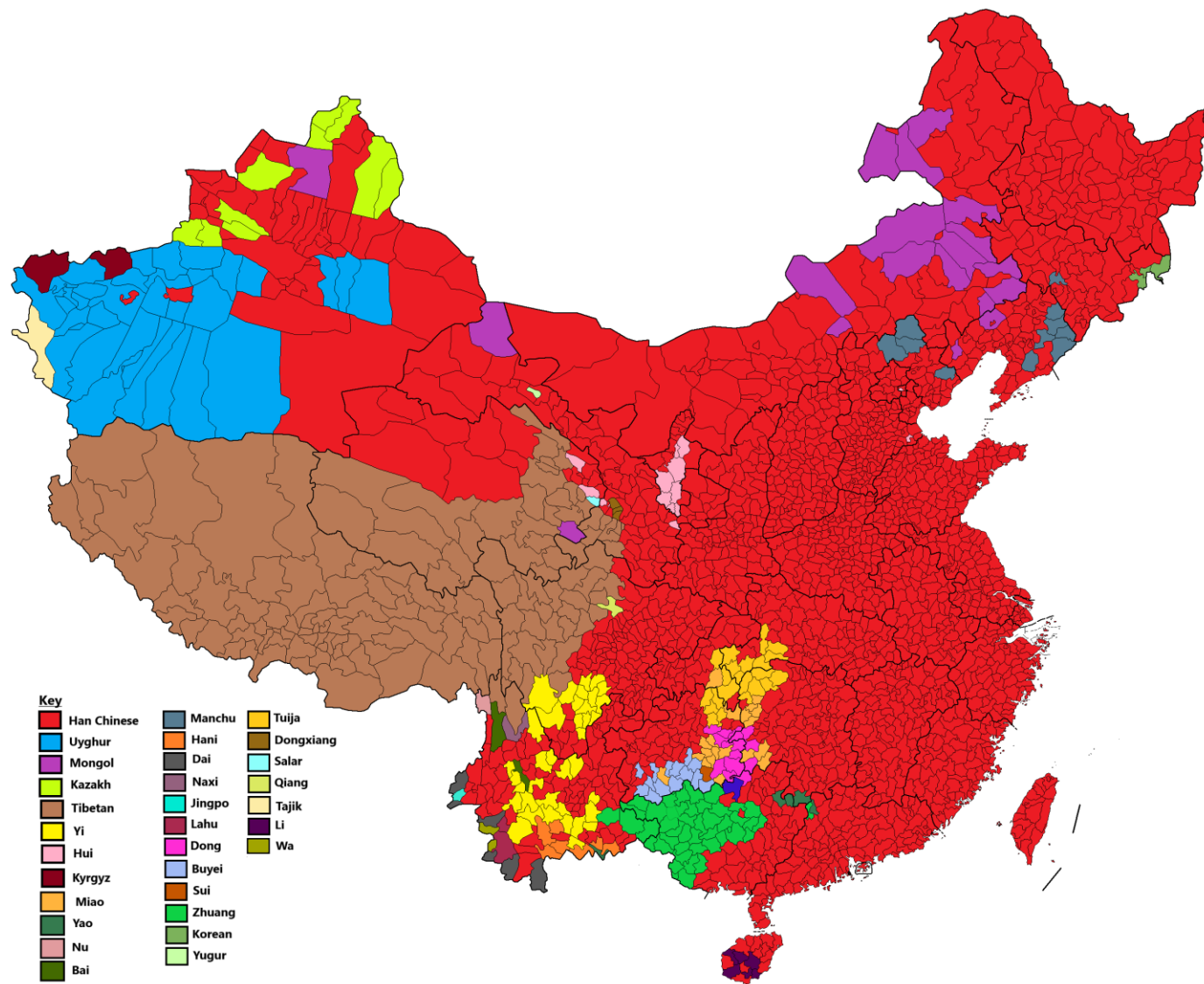
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- - **service in the military, bureaucracy; trade**
- **„Mandarin Chinese“** – official language
- Many other **dialects** of Chinese survive to this date
- Mainly in the south – **remnant of China's slow expansion south** towards Southeast Asia





Key

Han Chinese	Manchu	Tuija
Uyghur	Hani	Dongxiang
Mongol	Dai	Salar
Kazakh	Naxi	Qiang
Tibetan	Jingpo	Tajik
Yi	Lahu	Li
Hui	Dong	Wa
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Imperial China

- Foreign policy
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Imperial China

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- > center of the universe, **surrounded by barbarians** = everyone else

Imperial China

- Foreign policy
- „**Middle Kingdom**“ - [中国](#) „ Zhōngguó
- > 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**

Imperial China

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pay an annual tribute to show their formal subordination

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- They are encouraged to **adopt parts of Chinese culture**
- More or less respected in the region

Imperial China

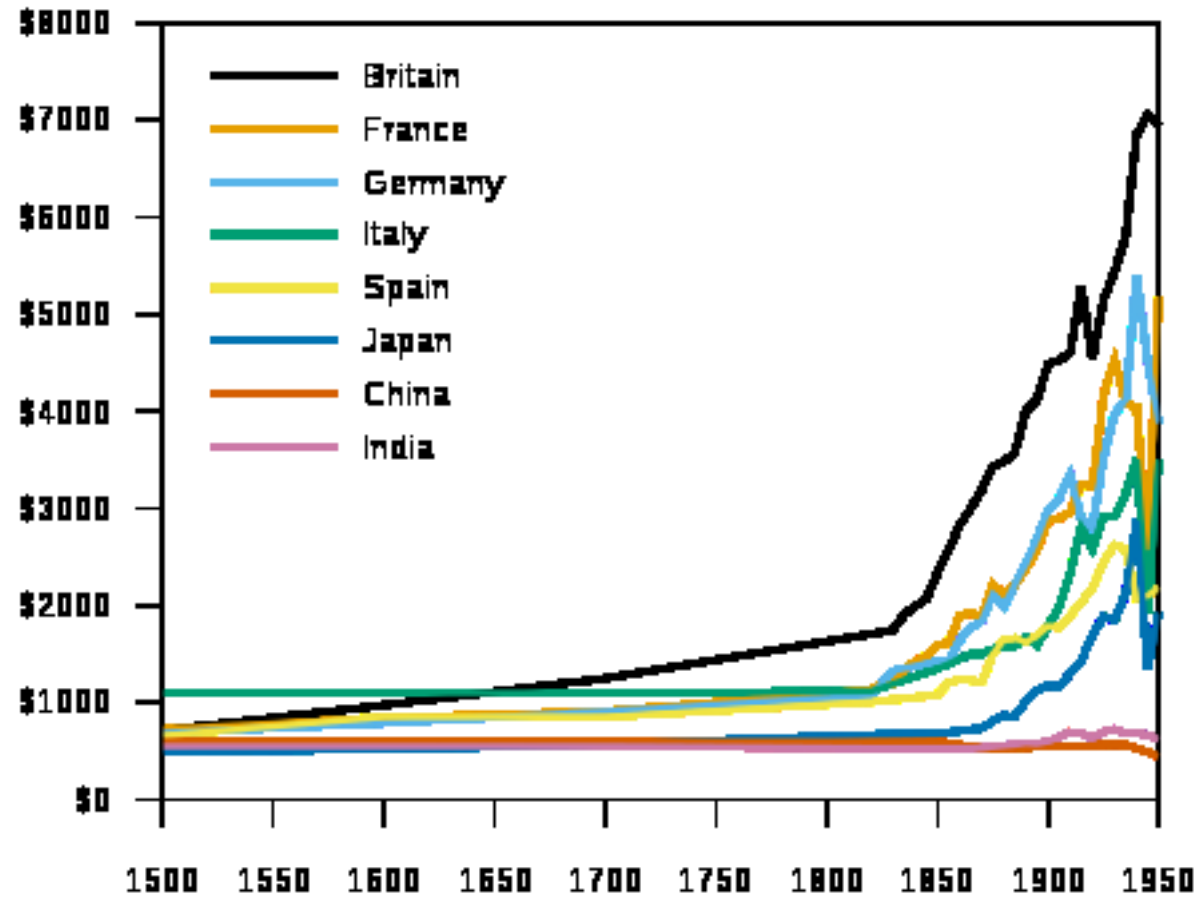
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 - Benevolent imperialism?
-
- Example of Chinese culture spreading – the use of Chinese-origin characters in Japan and Korea

The rise of Europe

The rise of Europe



The rise of Europe

- Probably overtook China in personal income as soon as 1400!
- A marked disparity only appeared with the Industrial Revolution (late 1700s)

The rise of Europe

- China – **relative decline**
- = doing well by its own standards, but falling behind

The rise of Europe

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- Vs. earlier dynasties – Tang, Song – open to adopting foreign influences

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- First encounters with Europeans in the 1500s – **contempt for „barbarians from the sea“**

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- First encounters with Europeans in the 1500s – **contempt for „barbarians from the sea“**
- **Cantonese system** – trade with China was possible only in the city of Canton, and only via a cartel of Chinese merchants



„Century of humiliation“

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

„Century of humiliation“

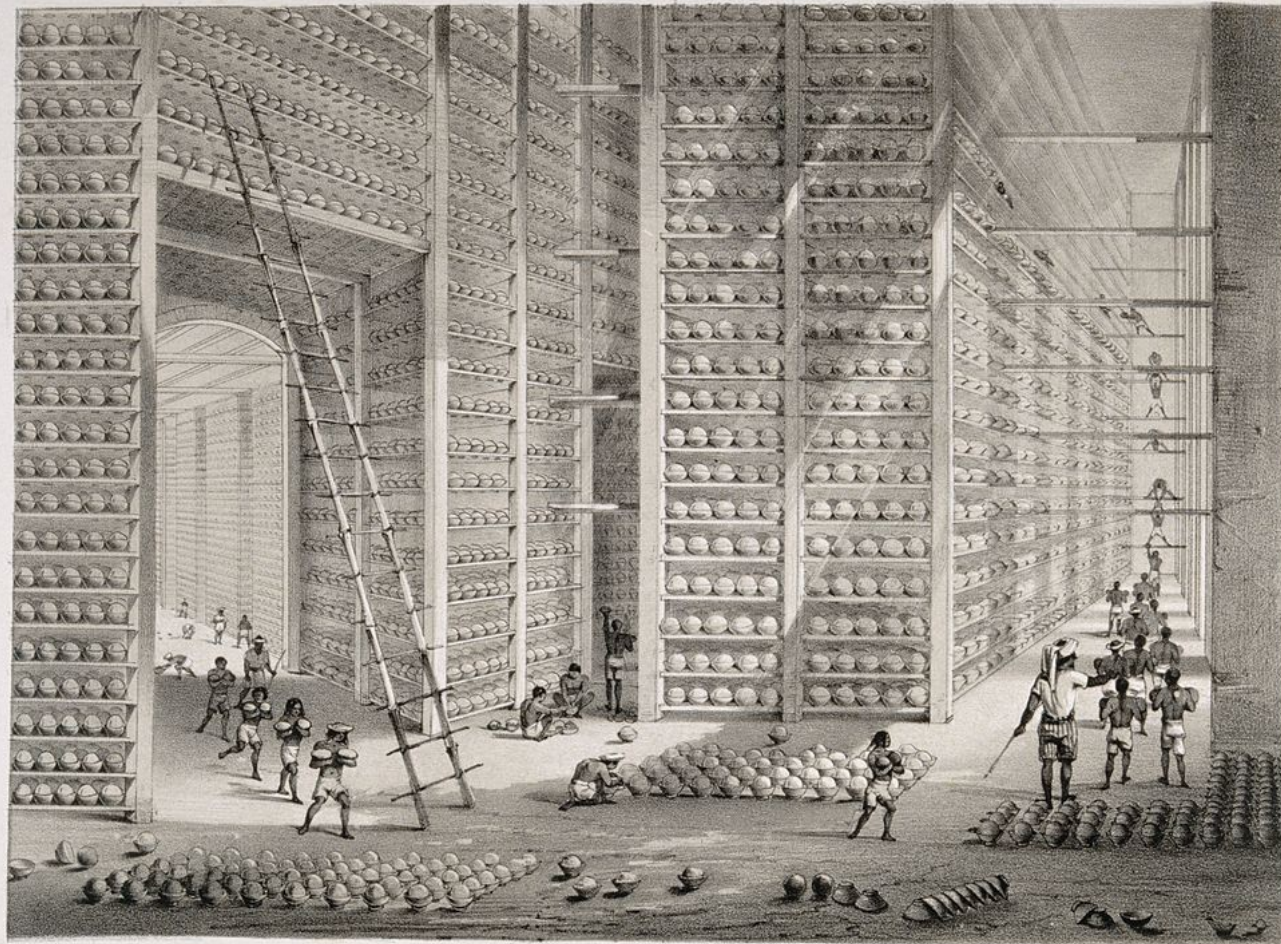
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- > **Opium wars > unequal treaties**

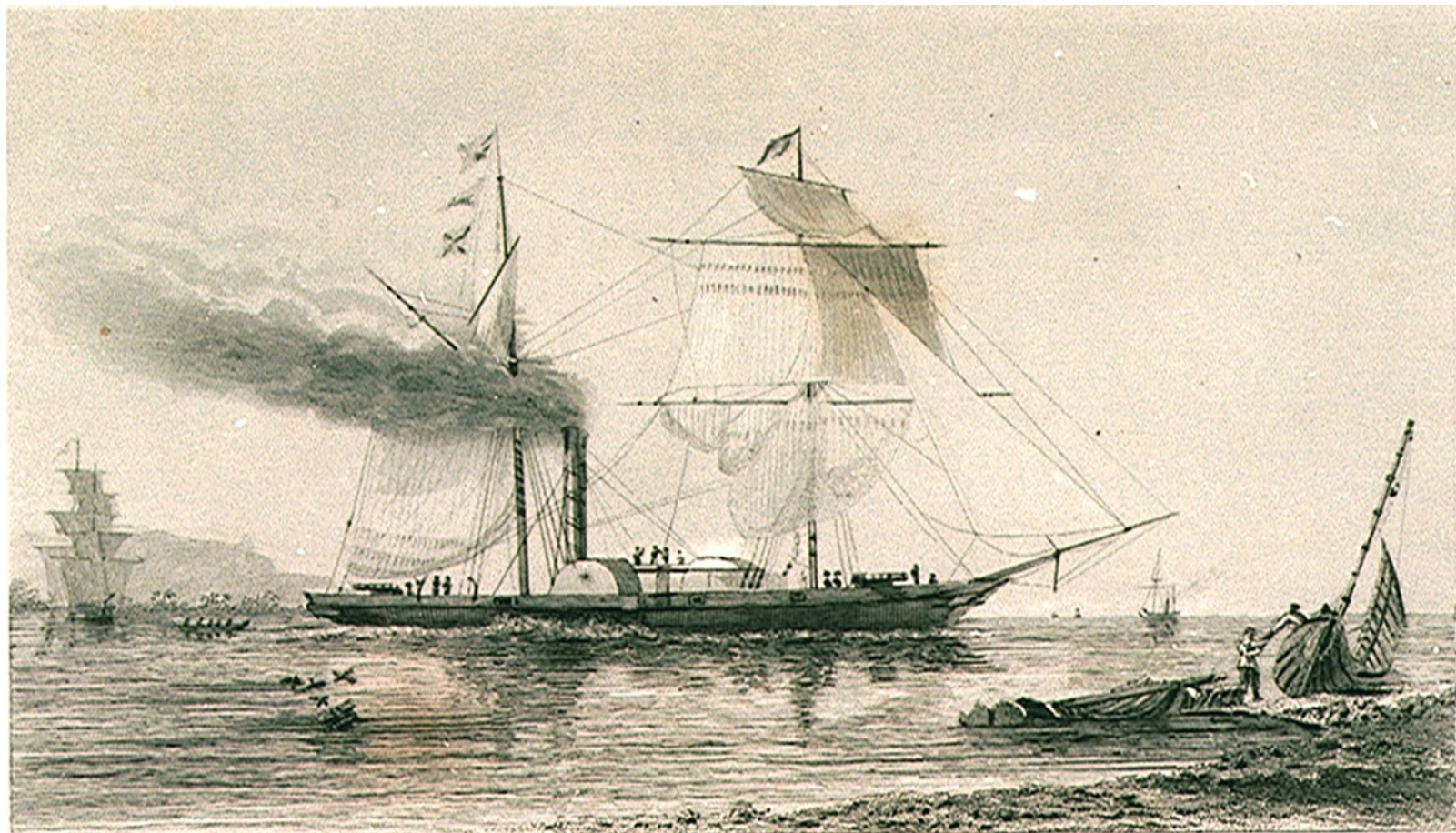


Drawn by W.S. Sherwill.

Engraved by Macdonald & Macgregor Lith. London.

THE STACKING ROOM,
OPIUM FACTORY AT PATNA, INDIA.





„Century of humiliation“

- **Unequal treaties**
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„Century of humiliation“

- **Unequal treaties**
- China was forced to open its ports to **free trade** with the West, give foreigners **extraterritorial status**, allow **missionaries**, grant Western countries **diplomatic equality**, hand over **Hong Kong**

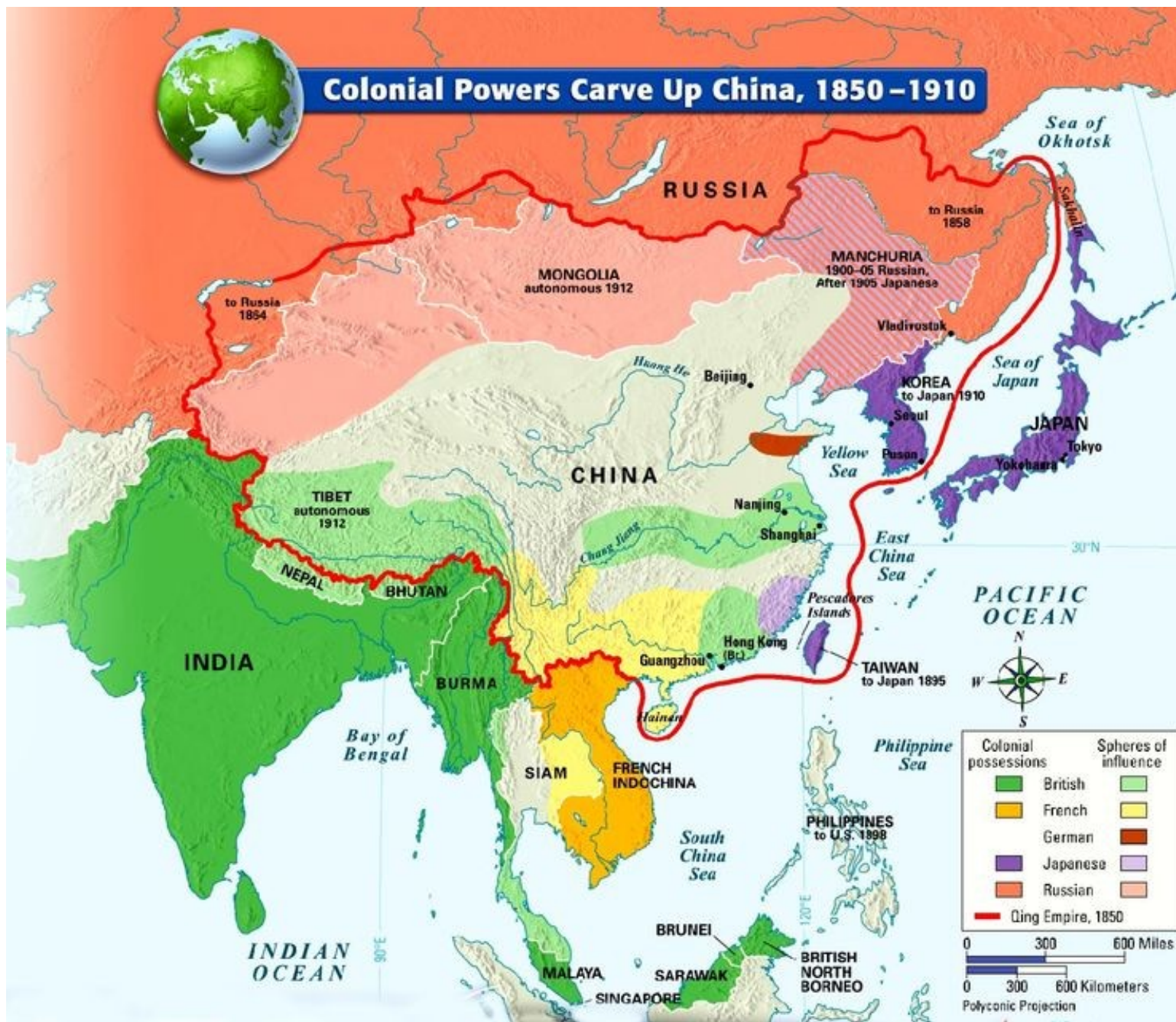
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- **Unequal treaties**
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- Other imperialist powers demanded similar concessions, **until China became partitioned into informal spheres of influence**





Colonial Powers Carve Up China, 1850-1910



„Century of humiliation“

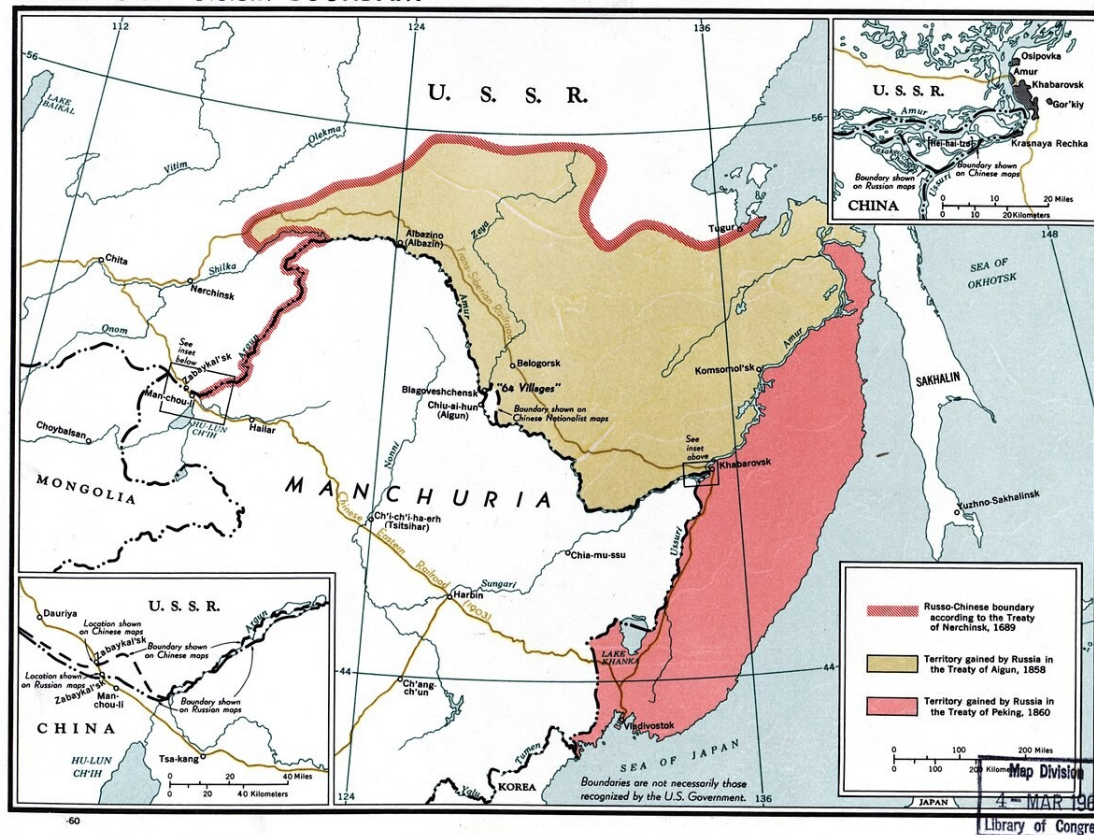
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- **Japan** – defeated China around 1890 and annexed Taiwan, Korea, expanded into Manchuria

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- **Russia** – conflicts since the 1600s, finally strong enough to defeat China by the mid 1800s

„Century of humiliation“

MANCHURIA-U.S.S.R BOUNDARY



„Century of humiliation“

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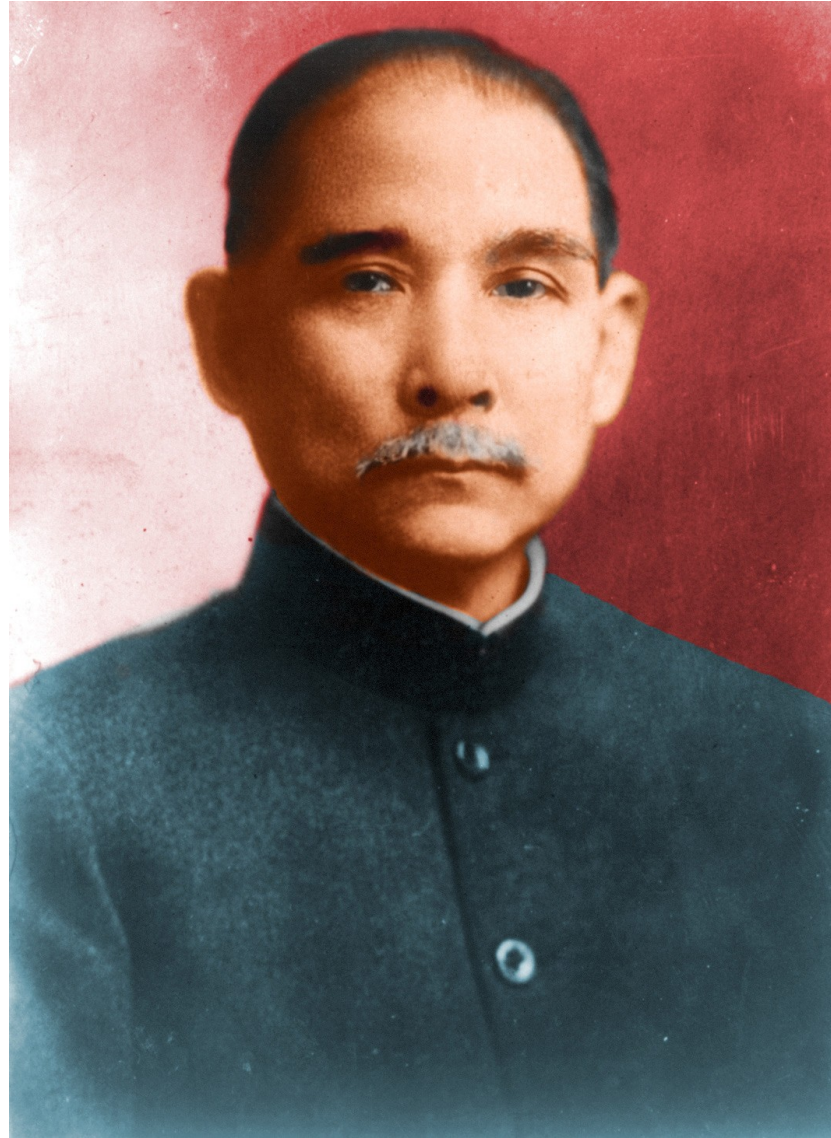


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JULIUS JÄASKELÄINEN



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- > **anti-imperial nationalist Chinese movement led by Sun Yat Sen**

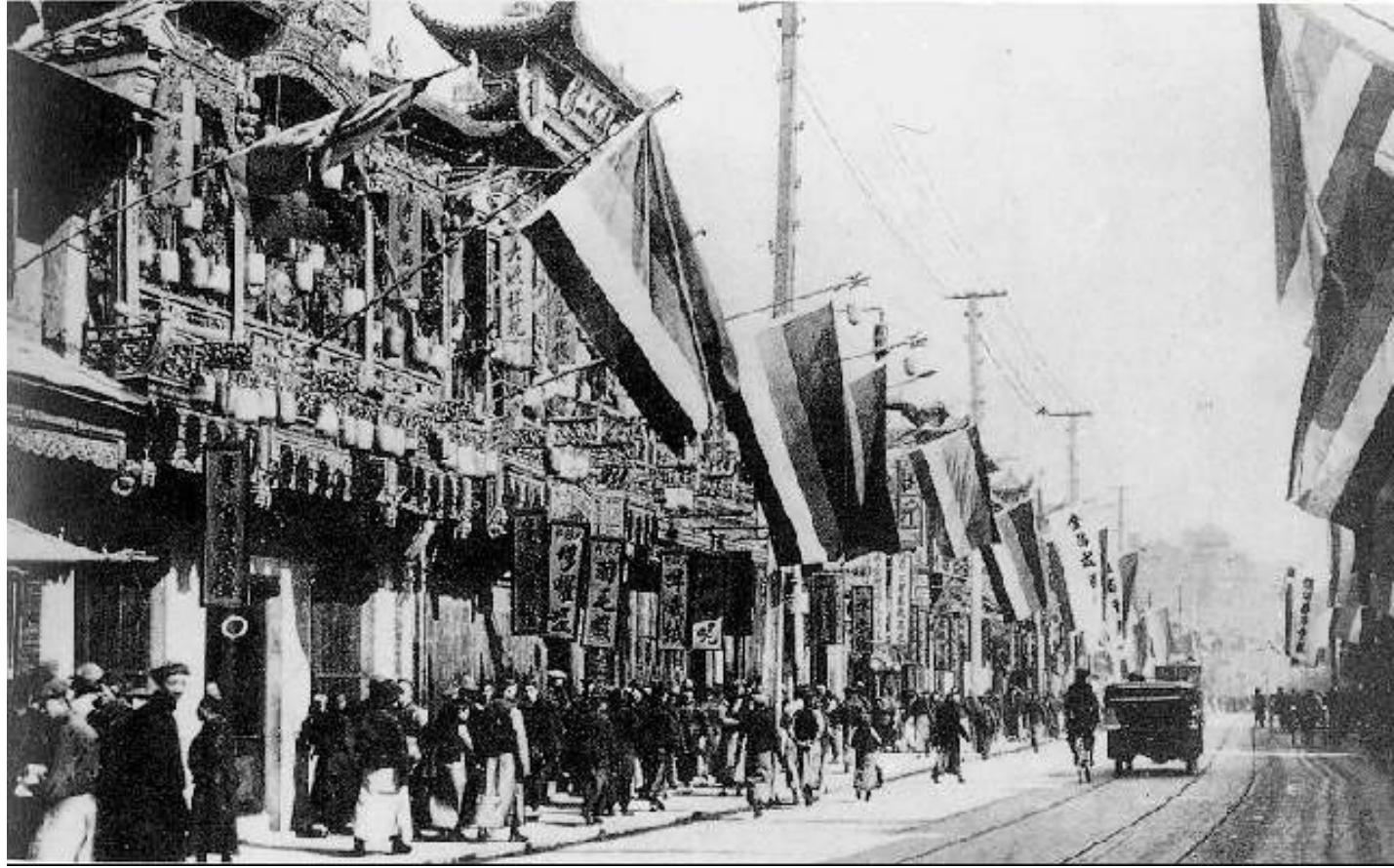


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- > **anti-imperial nationalist Chinese movement led by Sun Yat Sen**
- **Meant to overthrow the Manchu**
- > create a Han-dominated republic, modernize China and expel the foreigners

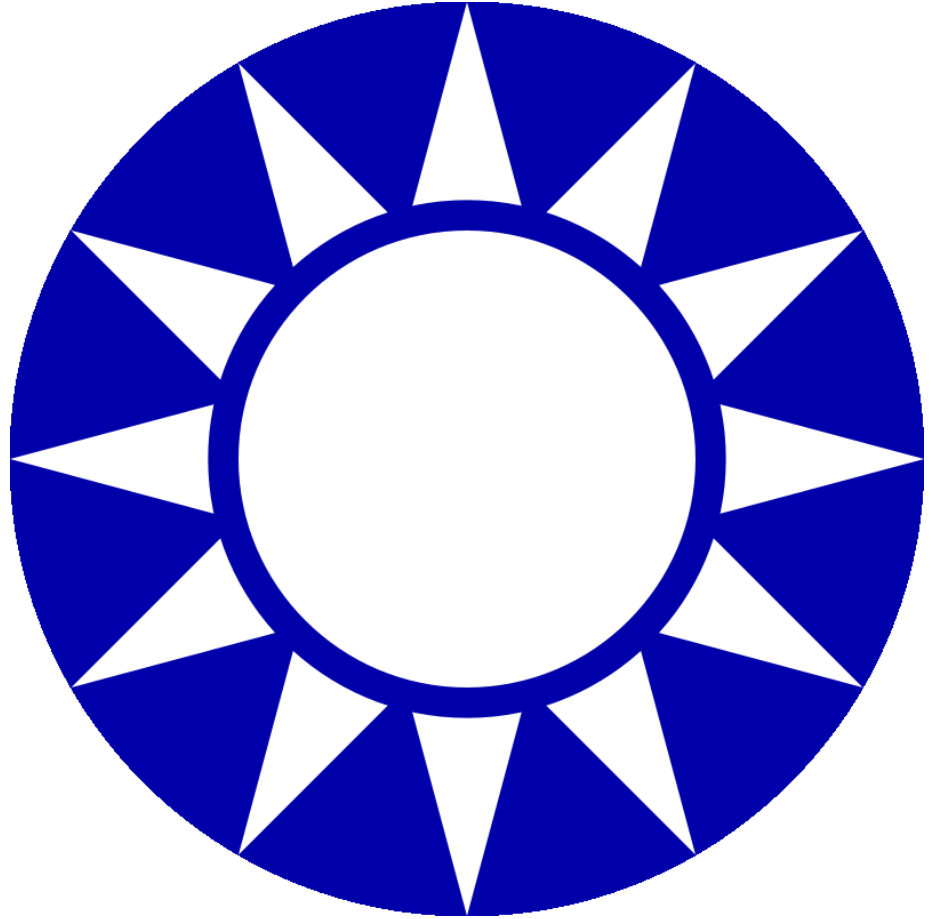
1911 – Xinhai revolution

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



„Five races under one union“





Collapse of central power

- **Sun Yat Sen did not have enough support to rule**

Collapse of central power

- **Sun Yat Sen did not have enough support to rule**
- **> individual provinces rebelled and became de facto independent under local warlords**
- **Tibet, Turkestan (Uighurs) and Mongols seceded former their own states**

China



Independent Warlords

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

Beiyang Government

- Wan Government

天下

壹玖叁肆年

Nominally KMT States

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

合必分
分必合
天下大勢

Revolutionaries

- Chinese Communist Party

Collapse of central power

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- = **attempt to turn China into a giant Japanese protectorate**

Collapse of central power

- Versailles conference 1919 > **recognized some Japanese claims**, but not all > both **China and Japan become angry with the West** 😊

May Fourth Movement

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

Northern expedition

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Northern expedition

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





Nanking decade

- 1927-1937
- Chiang chose **Nanking** as the new capital instead of Beijing

Nanking decade

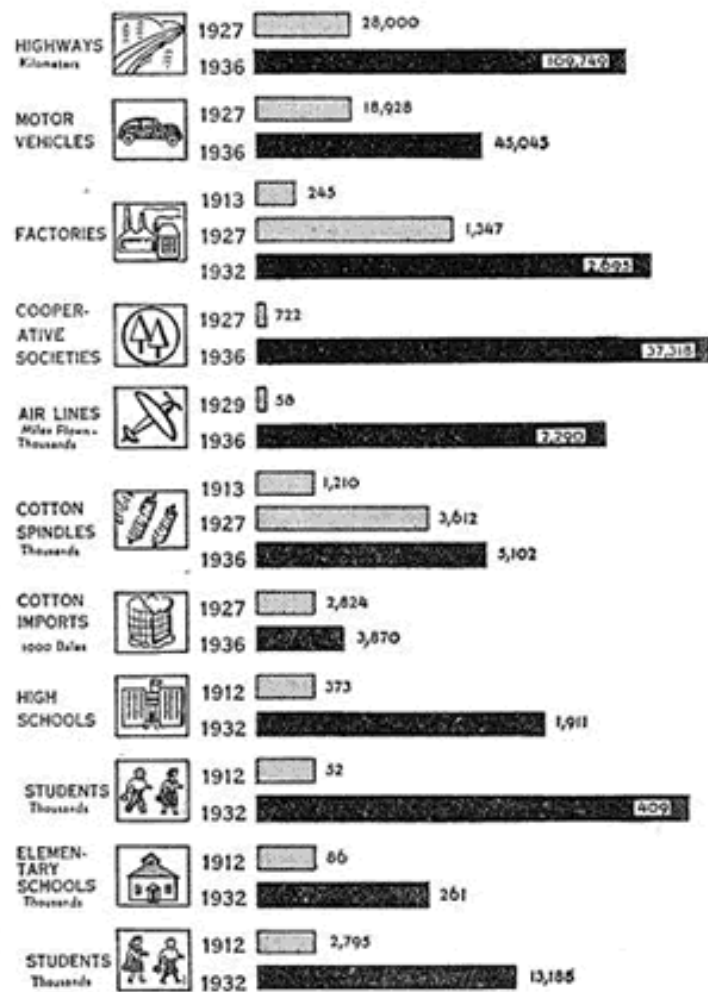
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CHINA'S PROGRESS BEFORE THE INVASION





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- > strengthening of the army for a clash against Japan

Second Sino-Japanese war

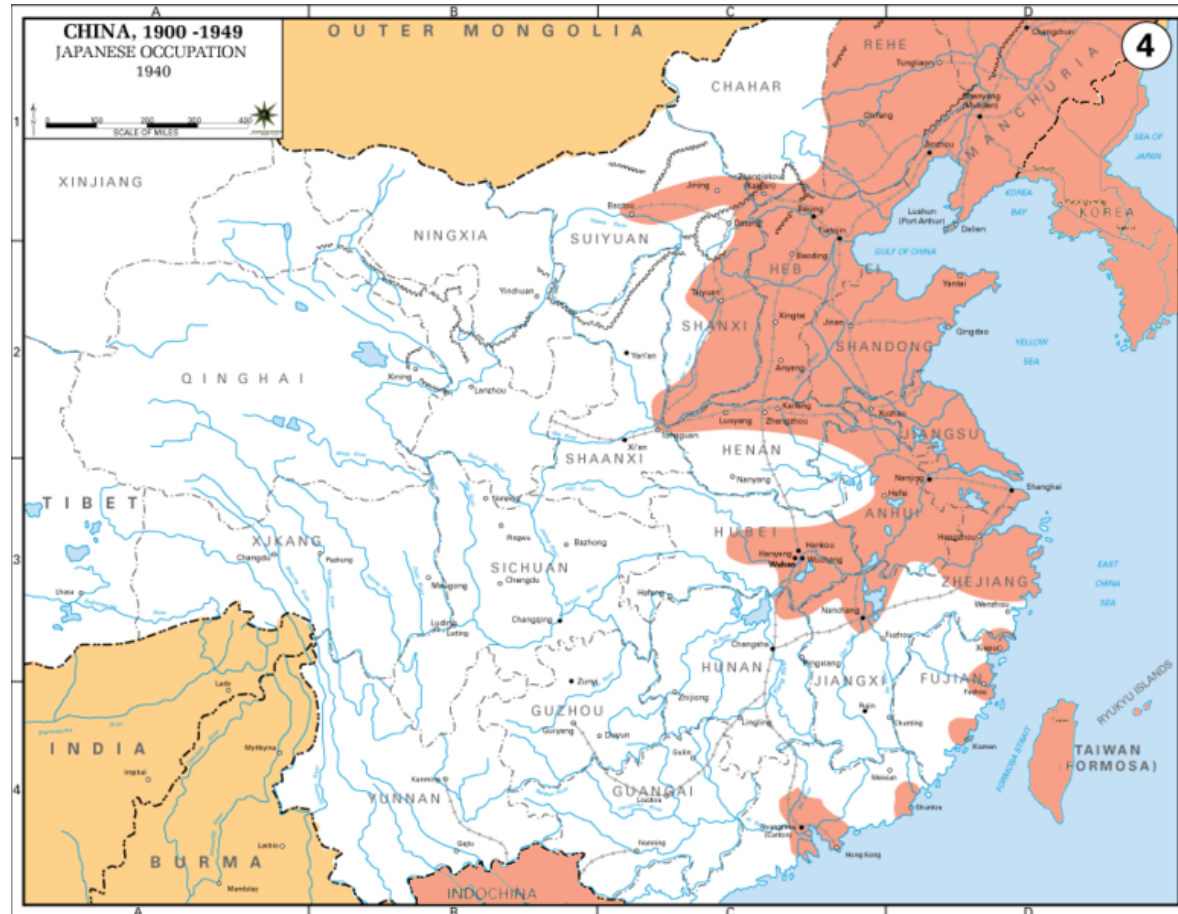
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- **1940-1944 stalemate**

Communist victory

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

- Next time:
- the intellectual roots of Communism and the CCP
- the Maoist period from 1949 to 1978