

Inspirational Economy: Chinese Model

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Abstract This study comes in continuation of extensive work done by author in relevance to the legacy of Chinese Culture and its influence in the future Inspiration Economy. The paper investigates how the Chinese approach helps to inspire the values of ingenuity of a country and its leadership. The Chinese literature shows how inspiration can function with clear vision with farsighted ideas, tools to put the ideas into practice and a follow up mechanism. Since inspirational economy means an economy that is motivated by untraditional drivers, i.e. certain drivers that are not limited to supply and demand. China represents a new thinking and new approach based on inspiration in economics, in politics and in culture. The paper propose an economic development model based the learning of the Chinese strategies that can be used for creating more inspiration for the rest of the world socio-economies.

Keywords China, Leadership, Strategy, Inspiration, Inspiration Economy

1. Introduction

This introduction focus on synthesizing the learnings from the Chinese Strategies and how it can be used in the future.

1.1. The Ingenuity of China as a Country and Leadership

There are three main reasons for the ingenuity for China and its strategies as a source of inspiration economy.

First, China differentiated its self by its vision over the years. Any vision is comprised of three elements:

- Farsighted ideas,
- Tools to put the ideas into practice and
- A follow up mechanism.

Second, an ability or a talent to recruit the personnel, a staff or a cadre who believe in the vision and is able to propagate and implement it.

Third, a Culture that represents the ideology and environment from which the vision stems up and in which the vision is put into practice.

Fourth, the suitability of the vision to the culture. In other words one could say the compatibility of the vision to the cultural environment. Thus, a harmony is the law that is prevailing, controlling and guiding the interaction in a certain society.

Fifth, the resources needed to implement the vision, and the security to protect the vision and its outcome.

1.2. The Traditional Political Theory Advocates that a Government has Mainly Three Functions

Security, Defense and Justice, should not interfere in business, social or any other activity in society. This theory failed to accommodate different societies as it was a product of Western countries. It failed to accommodate even Western culture. It failed to address the new circumstances in the developing world such as Africa or Asia or Muslimism, Chinese and/or Indian cultures. So, new theories such as the elite theory of the Italian economist/engineer Pareto (principle of 20-80), or the socialist theories and others came into being to be able to address various circumstances.

1.3. Inspirational Economy Means an Economy that is Motivated by Untraditional Drivers i.e. Certain Drivers that are not Limited to Supply and Demand

Some inspirational ideas in economy advocated by Keynes during the Great Depression Period 1929-1932. He advocated new ideas to deal with the Great Depression and employment. Some of these ideas are that:

- 1- Aggregate demand is the most important driving force in an economy (measured as the sum of the spending by the households, business, and the government.
- 2- Free market has no self-balancing that leads to full employment. Keynes justifies government intervention through public policy that aim to achieve full employment and prices stability. Government intervention can stabilize the economy.

Keynesian economics dominated the economic theory and policy after the Second World War.

- New approaches of inspirational economy are the enlarging the concept of human rights i.e. right to clean environment, right to health, right to food. In the same vein the introduction of the concept of sustainable economy. Sustainable production..Etc. Also expanding the concept of sustainability to natural resources,

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sustainable water resources.

- An inspiration idea is the rotating finance in Mohamed Younis initiative for the "Bank of the Poor" in Bangladesh.
- The UNICEF Executive Director James Grant (1985-1995) who had an initiative how to help the poor children from poor family by selling them medicine for the dehydration in Sub Sahara Africa and getting money to pay for buying new medicine and so on.

The concept of sustainability is extending to the extent that one hears about sustainable defense and sustainable security.

1.4. China New Thinking and New approach based on Inspiration in Economics, in Politics and in Culture

One could refer to some of this unique Chinese philosophy that guides its history and its development;

First - Chinese Culture produced an inspirational philosophy based on the concept of "Let one thousand schools to contend and one thousand flowers to blossom.

The result is a culture based on harmony, love and reconciliation in politics, religion, economy and philosophy..Etc. Thus the main characteristics of the system could be highlighted in the following points:

1. In politics there is more than one system. They could live together. For example, it has one party (CPC) with great majority and many other small parties.
2. In economy china has a "Socialist Market" and "Socialism with Chinese characteristics", that combine socialism and capitalism at the same time.
3. In the leadership China has a paramount leader, but at the same time, it has a collective leadership such as "the politburo, the central committee.
4. In administration Chinese administrations work with nearly two heads; a mayor or a governor, along with the secretary of the party at all levels. One leader is concerned with the implementation of policies while the other is focusing on supervising and monitoring.
5. The officials are elected and selected at the same time. They are elected by the grassroots but selected by the top leadership. The practice is applied to all levels and to all main organs i.e. executive, legislator and Judiciary bodies. (They are nominated by the party and elected by the People's Congress i.e. the parliament by voting on each member of the executive and judiciary.
6. Chinese inspirational thinking could be in coining certain concepts such as "Socialism with Chinese Characteristics". These characteristics are capitalist characteristics. Due to the economic reforms and open door policy in 1978 China has passed through a radical change from poor and underdeveloped country to a developed one. Thus it achieved an economic miracle. This miracle changed China from equal society or rather semi equal society to a semi class society where the gap between the rich and the poor is widened. Also

the same happened between Eastern and Western provinces.

This has to be faced in ingenious way elaborated by the communist party under the leadership of former president Jiang Tzemin. The new idea was called move to the Western provinces. The inspirational idea was to urge the Eastern provinces should help the Western ones by investing in them. Also certain motivation is done to encourage this process by given the investing companies from East certain privileges such as certain facilities in housing and schooling..etc.

Thus the move towards equality or semi equality took full swing. It is worth noting that the concept of inequality is a traditional capitalist concept. While, the concept of equality is a traditional socialist concept. Here the Chinese inspirational economy provided the new practice by elaborating the concept of the rich and developed regions should help the poor and underdeveloped regions.

Second- China is a unified country from 221 BC. It has the longest history of a unified political entity. So the concept of unity of the country is the main concept guiding its history and its foreign relations.

Third- Chinese philosophy has so many schools of thought but the most dominating ones are five: Confucianism, Taoism. Buddhism, Yin and yang and the legalist school. Chinese History, politics, military, economy and culture practices are guided by the five schools while giving priority to this or that school according to the various circumstances and development of the country.

2. Synthesis of the Chinese Economic Development Model and Its Sources of Countries Inspiration Economies

The Chinese learning from recent and past managed to put a model that have a unique economic development, based on the following constructs.

- 1- Export/ import/consumption/
- 2- low-and high- technology.
- 3- win /win game or mutual benefit.
- 4- Innovation and inspiration such as the ideas of rejuvenating the ancient Silk Route with a new reformation; "belt and road" and "maritime silk route".
- 5- Asian Development Bank for infrastructure..etc
- 6- Balanced and imbalanced development among cities, regions and provinces.
- 7- Investment from rich developed regions to the poor undeveloped regions as well as from foreign countries.
- 8- Central planning and regional implementation.
- 9- No occupation or colonialism experience.
- 10- The peaceful rise of China and easing the tension in the relations with the neighboring countries through the concept of cooperation and partnership.

It is also worth remembering that since the sixties of the 20th century there was a forecast that rapprochement between the two systems; capitalist and socialist will take place to the extent of convergence. This forecast was advocated by thinkers and scholars during the peak of the cold war. Here is an example of inspirational idea or could be called thinking out of the box i.e. thinking about the unthinkable.

In the issue of "Foreign Affairs Journal of January –February 2016 the political analysts are predicting and writing the focusing on the drawbacks of the "inequality" and calling for the rectifying its abuses and predicting that the concept of equality is making a comeback (see foreign Affairs vol.95 Number 1, Jan-Feb, 2016, the special section titled "inequality" pp 2-45). This part contains new ideas about American democracy and the necessity of equality" Other concepts entitled "How to spread the Wealth", "How to create a society of Equals"...etc. The latest inspirational idea is tossed under an article entitled 'inequality and globalization; How the Rich get Richer as the Poor catch up "see Ibid. PP. 11-15".

3. Conclusions

To sum up the idea one could state that in a world of open skies, of globalization and of global village any one or any country cannot live in an isolated world adopting the classical concept of 17th or 18th centuries capitalist such as "Laissez faire laissez passer" or government should not interfere in economic activity. The emergences of the world "Group 20" of the strongest economies are a vivid example for an inspirational thinking.

The ingeniousness of such scholars and politicians from third World countries bear witness of their farsightedness when they called for New Economic Order in the eighties of the 20th century, the declarations of the G77 and Nonalignment Movement bear witness to this fact. Nevertheless those leaders lack authority, power and imagination to implement their inspirational ideas. Today development characterized by the globalization and interconnectedness is the most important driving force towards between countries rich and poor, as well as between social classes. Gone are the days of totally free economy. Governments role in economy and social lives of the people is recognized, accepted and even encouraged.

Many economists and social reformists are attributing the failure of traditional capitalist and socialist to the lack of imagination or inspirational approach as well as selfishness. Many ideas are tossed by writers such as Peter Drucker, John Kenneth Galbraith, and Andrew Shanfield. Galbraith for example wrote in 1967. "Power has passed, inevitably and irrevocably from the individual to the group". Other writers consider Schumpeter was passé (belonging to the past as the entrepreneur no longer exists as an individual person in the mature industrial enterprise" (see Ibid. PP.18-19). The classical concept of equality is also depasse, it is a populist

option.

Equality is redefined as social identity or homogeneity. The social liberal opinion speaks about equality of opportunity. The theory of equality today needs to focus on the structure of society and the singularity as opposed to individualism. Diversity became part of the new form of equality. Commonality today is under attack. The secession of the rich into their own private haven is the most shameful of today capitalist system. Equally a bad concept is the egalitarian concept and policies as they kill the inspiration and imagination. Tossing concepts of human rights is greatly changing today than they were in the mid 20th Century.

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