

stars insights: 23 May 2018

With Asia's Rise, West Must Let Go of Eurocentrism

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Almost 30 years ago the cold war came to its end. At the turn of the century we entered the Asian age, in which the rise of China is the most important development. Today we are clearly in the midst of a profound rearrangement of soft and hard power in the world. Significantly, with the creation of the Asian Infrastructure Investment Bank (AIIB) at the beginning of 2016, the last element of the post-World War II order, the dominance of the Bretton Woods institutions, the International Monetary Fund and the World Bank, has been removed.

Looking back over the past two centuries we notice that every time a new major power claimed its "place in the sun" major conflicts and disastrous wars took place. This was the case with Napoleon, with the German Empire, with the "Third Reich" and with the Japanese Empire. The question arises, whether this time, with the rise of China we will witness a peaceful transition to a new world order. What is certainly different this time, is that the new world power, China, is not a newcomer. For most of its long and impressive history it has been a world power with a great impact on human civilization and culture.

The rise of China and the emerging Asian century present substantial challenges to the West. The cold war, often described as an era of conflicts between the East and the West, had been an intra-European affair. Karl Marx and Adam Smith were Europeans. The United States has been shaped by European civilization and culture, and the Soviet Union, although spanning the continents of Europe and Asia, had been part of European culture and history. The foundation of the common European identity is the Judeo-Christian inheritance.

Now, in the Asian age the West has to deal with countries that adhere to different religions and cultures. If the West wants to participate in this new age, it has to abandon its traditional eurocentrism. The 19th and 20th centuries were unkind to Asia. Major powers like India and China were humiliated by Western powers and most of Asia came under the control of European colonial masters. As a result many in the West viewed Asia as the "decadent orient." World history, so it seemed, was forever the domain of the West.

Now, a fundamental rethink is called for, as Asia and in particular China are claiming their seats at the head table. The fading away of the G-7 and the emergence of the G-20 are clear indicators for the new world order. Chinese initiatives such as the Belt and Road Initiative and the AIIB, as well as the obvious shrinking of the Pax Americana in Asia point to significant shifts in the global power constellation.

There are many Westerners who fear this development, a fear which is exploited by populist politicians. The fact that too many Western media either report only intermittently on Asia or even continue to spread traditional prejudices is certainly not

helpful. In reality the world should be excited and optimistic about the rise of Asia and the rise of China. Never before in human history have so many people been lifted out of poverty so fast, and never before has there been such a rapid growth of the middle classes.

Westerners are very good at keeping face. They, however, have difficulty giving face, an elementary aspect of Asian civilizations. There can be no doubt that without the rise of China the world economy would be much worse off. For the past four decades the Chinese leadership and the Chinese people have shown how with hard work a country can liberate itself from age-old poverty and backwardness. This deserves praise and recognition.

When China started its socio-economic modernization in the late 1970s it could profit from an international environment in which, at least in the Western part of the world, international trade and global streams of investment worked well. Had there not been an international order in place where goods could be shipped around the globe and financial resources could be mobilized across national boundaries, the historic fight against poverty that China led under Deng Xiaoping would have been much more difficult, and certainly more time consuming.

With the new chances a more open world offers to China, come obligations, too. Under the leadership of President Xi Jinping, the People's Republic of China has become one of the leading voices in favor of an international order that favors the free exchange of goods and services. Regrettably, in many Western countries protectionists and nationalists have been gaining ground and globalization has come under attack. Conveniently, the media and many policymakers forget that the West, too, has profited from the rise of China. International trade is always a two-way street, which is based on give and take. In an honest assessment of what has happened during the past two decades Western consumers would have to thank Chinese producers for providing goods at affordable prices and contributing decisively to inflation free creation of wealth.

On the other hand, when it launched its ambitious march toward modernity, China had to focus on the accumulation of wealth, which resulted in a mercantilist approach towards trade and finance. Today, China is in a position that allows it to be bold and to open up to the world. It has the strength to take a leading position among the countries that shape the 21st century. The whole world is aware that whatever shape the world economy and the global order will be taking in the years and decades to come, it will be China, which will make its mark.

After the end of the cold war some precocious intellectuals were predicting the "end of history." They based themselves on the belief that globalization will proceed on the basis of the so-called "Washington Consensus." Today, after many rude shocks like 9/11, the Iraq war, and the war in Syria, we know better. History has not come to an end, but it is shaping our lives more than ever.

If the new world order that is emerging is to provide stability and prosperity, the United States and China will have to share responsibility. This will only work on the basis of mutual respect and a substantial amount of trust. Today there is still too much volatility and all too often old prejudices are used to score points. One thing is clear, to avoid disruptions and to prevent misunderstandings the world has to

appreciate the rise of China as one of the most significant contributions to the emerging world order that will determine the fate of the 21st century.

*This article was first published at [Caixin Global](https://www.caixinglobal.com/2018-05-11/opinion-with-asias-rise-west-must-let-go-of-eurocentrism-101248061.html) on 11 May 2018:
<https://www.caixinglobal.com/2018-05-11/opinion-with-asias-rise-west-must-let-go-of-eurocentrism-101248061.html>*

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