

## Analysis of today Assessment of tomorrow



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## A glance at the Chinese economy - Any democracy that does not respect free will fails to achieve its purpose



In September, I was invited to attend a key conference in Shanghai, one of the largest and busiest cities not only in China, but also in the whole world.

During my few days at the conference, I had the opportunity to explore the fact that the Chinese government, which still maintains its "Open Door" policy, had taken important steps to ensure the city's and also the country's rapid growth and development.

The first of these steps was to move factories to other regions when the population of the city increased significantly. It was a wise decision, given the heavy traffic I had to endure during my visit in 2016.

Seven years ago, it would take 3 hours to drive from one place to another in the city. Now it takes only one. Obviously, this kind of drastic change is not something you could witness in Europe or the western world.

In the West, factories cannot be relocated by a mere government order. Even if they could, it would take some time. China, on the other hand, does not allow such time-consuming factors.

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The second step was to switch to a market economy. Liberating entrepreneurship has considerably helped increase the competition between technology companies in particular, probably despite objections and fears that communism would collapse.

Today in China, there are countless companies operating in a variety of industries, from electric cars to massage chairs, restaurants to hotels. All of this happened after the Communist Party of China decided to put an end to their centrally planned economy.

Even my Chinese friends there who guided me

throughout the conference told me that they could not fully understand how this miracle came to pass. So I explained to them how:

In a planned economy, supply and demand are controlled by the government. People buying more than they need is not desired, so resources are managed accordingly.

However, in this system, no one has either motivation or inspiration to produce better goods and services, not to mention that you have to have the government's permission to innovate and design new things.

Besides, as all non-profit activities are also uncompetitive, it becomes harder and harder to make progress, which renders it impossible to shift from labour-intensive technology to information technology.

The Chinese have their focus set on measuring and evaluating their activities, not utilising politics or social engineering to organise and control the workforce. They have built an architecture that can upload information to the system correctly.

Once information is entered, it is verified in several ways. This information is then processed based on performance, feedback and new services. Thus, people do not need to share posts on social media that list and praise the things they have done.

In other words, in this system, those who do their job properly have nothing to worry about, but if you don't, the system does not allow you to deceive others.

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I also asked my guides at the conference, "are people free to object to things that are done poorly or wrongly". Their answer was, "of course they are, and these objections are carefully listened to by the Communist Party of China. Because, as local administrators,

including mayors, are appointed to their posts rather than being elected by the people, the government has to please the public. The only centre of power is the Party".

This insight helped me understand more clearly the difference between the forms of western and eastern democracy. In the West, pressure groups can object to efforts that are beneficial to the general public.

People have to struggle to get what they need. In China, on the other hand, no one has the right to object or prevent a decision, a move that will benefit all citizens. Only a little patience is required to understand that what was decided will work for the good of the people.

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Not all of my questions were about politics, some of them were about art. For instance, I asked them about rap music in China.

"Yes, we have rap music here but without any anti-government or explicit lyrics. A form of art without rebellion or passion. But everyone seems to be happy with this situation. Of course, we have dissident artists like Ai Weiwei. In 2011, he was were arrested by the Chinese authorities and placed in detention for 81 days for being a stubborn government critic. Although he faced charges of tax evasion, he was rarely asked about tax issues during his interrogation by police. And in order to protest his detainment, the artist rejected China's biggest art award", they replied.

I also asked them about the East Turkistan conflict. Luckily, I got a sane answer.

They told me that this is not an issue between China and Turkey, that external powers are trying to cause trouble between the 2 countries, and that there is not a religious conflict in China since nearly 40 million Muslims live there.

Meanwhile, the Chinese government has no tolerance for any form of uprising against their policies. In the Shanghai bazaar, I witnessed a women being rear-handcuffed and taken into custody by the police just for raising her voice in public. My Chinese guide said, "unfortunately, the police always use force to suppress any discontent or opposition".

## Buildings in Shanghai are taller and more functional than those in New York

But the ancient Chinese culture has not been forsaken; old buildings and temples have been restored accordingly. People are happy to remember their old traditions which underwent purges and forced cultural revolution under the Maoists. They are protecting their country that they reestablished and saved from occupation.

To be honest, I regretted the decision to come to China within a few minutes after I landed there. However, after spending 3 hours in the country, I said to myself, "I'm truly glad that I came here".

By the end of my trip, when I put together my notes on China, the mistakes of the developing countries in the western hemisphere became clearer in my head:

- We get information from managers executives we trust about the work done around the company, but the information they give us often turns out to be unreliable. This makes "managing" organisations even more difficult than it already is.
- In organisations, critical tasks are always assigned to the same person or the same handful of people. Therefore, this person or persons are granted authority and given responsibility far beyond their positions justify, which also give them the power to cover up their own mistakes and other things that have gone wrong.
- All activities are performed with the single purpose of pleasing senior management, instead of achieving quality standards. The aim

is not to do the job in a quality manner, but to "finish it one way or another".

- There is no interest in workplace training and development and for this reason, organisations can neither produce capable intermediate staff nor capable managers. This lack of interest causes those who hold managerial positions to remain in office for years, which obviously worsens inefficiency. Things get done by a handful of hardworking employees, and they are never happy because they are paid the same wage as others who barely do any work.
- All critical decisions are made in a manner that serves the interests of certain groups or individuals, which makes it impossible to increase national welfare and prosperity.

In conclusion, most countries, like China, also have central governments and these governments decide who should or can own or do what, or what rights people can or should have. But these decisions are made rather arbitrarily.

The same rights that are granted to some are not granted to others. This not only happens in governments, but also in organisations and institutions.

A lot of people are deprived of the same rights that are given to their counterparts, for no specific reason. If the boss is happy, no one speaks up.

Considering the perspectives mentioned above, it becomes easier to understand the flaws in "western democracy", and the intentions of those who use democracy to exploit these flaws hence serve their own interests, not the interests of the society.

Any democracy that does not respect free will fails to achieve its purpose, nor is it possible to develop as a country without actions that aim to increase social welfare and prosperity.