

## DOES WESTERN CIVILISATION HAVE A FUTURE?

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THE CENTRE FOR  
**INDEPENDENT**  
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**&** CULTURE, PROSPERITY  
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## Foreword

We in the West are blessed to live in an unprecedented era of peace and prosperity measured by any number of indices of human progress. And yet the paradox is that we also live in a time of great civilisational self-doubt.

The principles of free market, liberal, democratic capitalism are under assault. The threats to the core freedoms, values and institutions of Western Civilisation are diverse. They range from the populist movements thriving across much of Europe, to the anti-Enlightenment ideas of post-modern relativism that infest humanities departments in our elite universities.

The paradox, and the threats to Western civilisation, lie at the heart of this essay by distinguished economist, and long-time contributor to The Centre for Independent Studies, Emeritus Professor Wolfgang Kasper.

We are used to reading about the decline of the West: British journalist Douglas Murray believes the rot is so deep that European cultural equivalence — in the face of the migrant-led spread of Islam across the continent — means Europe as a Western social and political ideal is finished. As a student of the rise, decline, and fall of civilisations throughout history, Kasper is all too aware of how societies can be

brought down by internal conflicts that stem from lack of cultural self-belief.

Kasper therefore issues a timely warning against cultural pessimism. He identifies the urgent need to ensure that our key culture-shaping institutions — schools and universities — play their proper and vital role in our society. They must pass on to future generations our precious cultural inheritance of faith, hope, and trust in the classical liberal rules and institutions of limited government that have laid the foundations of peace, prosperity and progress in the West.

Kasper therefore argues that Western civilisation is not dead yet, or can at least be saved by restoring its cultural resilience, and resisting the various forces of cultural decline that would stifle liberty with the dead hand of bureaucracy and regulation.

Importantly, the essay sets this call for a renewal of civilizational self-confidence in a crucial international context: that of 'systems competition' with an ascendant China.

Kasper tells us that China has emerged as the global, market-oriented economic and political powerhouse of the 21<sup>st</sup> century by combining its distinctive Confucian values — born of centuries of Chinese civilisation — with the borrowed 'cultural DNA' of the West.

By detailing the mixed roots of contemporary Chinese society, Kasper warns us in the West against the dangers of 'zero-sum' thinking about China. The challenge, he suggests, is to successfully compete and co-exist with China's success — not hope that China fails, or aim to bring that situation about. This can be best achieved by ensuring the West is secure in, and sustained by, its own values and traditions.

The message here is that the West's ability to compete, while helping shape China's domestic and international world view, would be enhanced by restoring the West's faith in its own civilisation.

The West's capacity for constructive engagement with China would also be enhanced, Kasper strongly argues, by avoiding simplistic, polarised and xenophobic stereotypes. We should instead ensure that Western attitudes to China are properly informed by a better understanding of the core cultural drivers of Chinese civilisation.

Kasper is not naïve: negotiating the new strategic environment created by China's rise will take more than simply greater knowledge of Confucianism.

He recognises the dangers of the resurgent authoritarianism of the illiberal Chinese Communist Party — both to China's economic success, and to how and why it engages with the rest of the world.

These issues are central to Australia's national interests. China has played a crucial role in the nation's near-30 years of unbroken economic prosperity. But that prosperity may be undermined by the threat China's neo-nationalist, neo-mercantilist ambitions could pose to the liberal world order and the principles of free trade that have greatly benefited Australia — particularly in our region in South East Asia.

The potential risks and benefits of China's future direction is an issue The Centre for Independent Studies is anything but sanguine or complacent about. This is why we have decided to launch a new research program that will study the strategic challenges that Kasper rightly describes as "the big and decisive story" for the future of Western, Chinese, and Australian civilisation.

## Tom Switzer

Executive Director

The Centre for Independent Studies

# Does Western Civilisation Have a Future?

The question, whether our civilisation has a future, will sound preposterous to many. Has Western civilisation not overcome many a crisis in its thousand-year history? Has it not — in its modern incarnation of individual freedom, the capitalist market economy and democratic control of government predation — flourished since 1945? Has the West not reached unheard-of levels of longevity, material comfort

and peace? Indeed, it has also triumphed in other parts of the world beyond its heartland of Western Europe, North America and Australia. In particular, the injection of some of the West's cultural genes into the Far East's DNA has led to an unprecedented revival of that other great civilisation; that of China. And yet... Civilisations have normally been born, flourished, entered a cultural crisis and died.

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## The Past

A cycle of rise and fall has been the historic trajectory of world civilisations, ever since the beneficial global warming of the Holocene began to pave the way for civilisations some 12,000 years ago. The first civilisation, that of Sumer, emerged slowly among small, rivalling Mesopotamian city states in about 4,000 BC and disappeared in about 2,000 BC. Only in exceptional instances has a period of cultural crisis been overcome by a revival. One example for that was the era of the Renaissance and Reformation, after the European Middle Age had entered a phase of tribulations because geographic and cosmological discoveries had made the Biblical-Scholastic belief system untenable, and moral and financial abuses proliferated in the Roman church. Another such episode was the near-death experience of our civilisation in the 1930s and 1940s when totalitarian collectivism of the Left and the Right threatened traditional Western values. Similar rare revivals occurred several times in the 3,000 years of Chinese civilisation. Such revivals have been the exceptions.

Normally, civilisations entered phases when elites imposed external institutions that deviated from the values and internal institutions of the community at large, lost the support of the wider population or were caught up in fractious infighting. They then fell victim to attacks and invasions from the outside, environmental stresses, climate changes, epidemics or famines. At times of cultural flourishing, such challenges are deflected; at times of tribulation, civilisations fall.

Sumer was but a memory in 1,900 BC, after it had been conquered by the Akkadian empire to the north. The Indus-valley civilisation disappeared ca. 1,700 BC when internal conflicts arose and Aryan-speaking nomads invaded. Egyptian civilisation fell — exhausted — after about 2,500 years, when Roman legions marched in. The path-breaking Shu civilisation of Sichuan disappeared when Shan expansion from China's northeast snuffed it out. The long-lasting Greco-Roman civilisation fell in 476 AD, when Germanic tribes invaded. The mighty Moche civilisation of coastal Peru, ruled by priests who demanded regular human sacrifices, died out ca. 700

AD when floods and droughts weakened its agriculture and fishing. The splendid Maya civilisation vanished rather suddenly after a phase of increasing internecine warfare around 800 AD. The Aztec civilisation, given to a frenzy of human sacrifice, was extinguished by a few Spaniards in 1521 AD. And the totalitarian, over-extended Inca empire collapsed amid internal power struggles, as soon as it was confronted by a few resolute horsemen and Dominican friars, who freed the thousands of young women who had been sequestered as potential bedmates for the Inca emperor and married them off to deserters from the Inca army. The list of civilisation obituaries could be extended.

With these facts in mind, one should take note of the warnings of British author Douglas Murray in his book *The Strange Death of Europe*.<sup>1</sup> He looked only at recent developments: the Merkel-triggered invasion from dysfunctional, mainly Muslim countries, an abject self-denial and loss of confidence among the European elites and the clueless helplessness of the political class. Murray concluded that civilisation, as we know it, is doomed in Western Europe.

Do we have to yield to such gloom and seriously contemplate the end of Western civilisation? I think not ... yet. To imagine alternative plausible futures, we must first define what is meant by civilisation, and then what particular qualities have contributed to the resilience of Western civilisation.

### Civilisation Defined

As so often in the social sciences, it is the invisible that matters most. A civilisation is built on shared values and beliefs, on habits, manners, customs, attitudes and laws, which form the 'cultural DNA', define the civilisation, shape social relations and governance structures and give the community a degree of cohesion. These qualities constitute the 'cultural software' that shapes the hardware — the architecture, the arts, the industries, the infrastructures and the implements, and how these are used. Historians all too often focus only on the visible. Thus, the recent disjointed BBC series

*Civilisations*, presided over by Simon Sharma and run on SBS television in late 2018, focussed almost exclusively on showing us pleasing 'eye candy'. By contrast, the (Australian-born) Cambridge historian Sir Christopher Clark regaled us, also on SBS in December 2018, with a more profound rendition of *The Story of Europe*, produced for German ZDF television. He probed into the underlying driving forces and 'traffic rules' that have made European culture such a successful civilisational achievement.

The software of a civilisation is made up mainly of internal institutions, i.e. rules that evolve in the light of experience and are mostly adhered to voluntarily, and — if violated — are enforced by spontaneous social sanctions, such as rebuke, ostracism or a bad conscience. The internal institutions tend to be reinforced in civilisations by designed and government-enforced (external) rules, such as legislation and administrative regulations. It is important that the external institutions of a country are, by and large, in step with the internal institutions, lest confusion and conflict result. A cohesive rule system facilitates mutual trust and hence productive cooperation, a measure of social cohesion, as well as risk-taking experimentation by enterprising people.<sup>2</sup> The rule system tends to be shaped by the elites, whether religious, military, administrative, philosophical or artistic. But it only works if the wider population approves — or at least complies — because of more or less resolute enforcement. Different from biological DNA, the cultural genes are not inherited, but have to be taught and learnt. Relevant beliefs and institutions have to be passed down in an interlocking 'generation chain'; a process during which they gradually evolve. Civilisations are endangered when education fails in this task — for example because the elders and teachers embrace the Freudian mantra that the young must not be constrained and might even be psychologically damaged by sanctions.

Civilisations evolve ceaselessly, but they do so gradually and slowly — like viscous dough. Where a revolution breaks the 'generation chain', costly social disruptions and eventual reversals occur; such as the re-emergence of long-suppressed traditions and attitudes in Russia after the fall of Communism, and the prompt disappearance of all traces of the brutal Maoist attempt to create 'new man', once the dictator was dead. If old traditions are prevented from reasserting and adapting themselves, cultural crises emerge; civilisations then become vulnerable.

Finally, one must recognise that not all civilisations are of equal value when it comes to alleviating human suffering and enhancing the enjoyment of life by all.<sup>3</sup> Cultural patriotism — pride in one's own institutions and traditions — is necessary for societal coherence and cultural vigour. It defines what a community is, and gives its members a sense of secure belonging and social inclusion. Those who reject such cultural patriotism and instead preach cultural relativism,

merely signal that they despise the merits of their own shared rule system. Recognition of the strengths and weaknesses of one's own culture must, however, not slide into belittling of, or contempt for, the merits of others. Cultural chauvinism and jingoism, of the sort that prevailed in the era of the Gatling gun, are dangerous. It easily leads to destructive, conflictive 'my country first' nationalism that mobilises deep-seated tribal and xenophobic sentiments. After all, tribalism dominated human evolution for many hundred thousands of years. When demagogues and populist elites nowadays appeal to these deeply engrained attitudes, they may create collectivist cohesion, but also place the collective above the individual. That threatens freedom and promotes a sort of nationalism that has time and again ended in tears. Students of the universal history of civilisations therefore have to beware of the fine dividing line between cultural patriotism and collectivist, xenophobic tribalism.<sup>4</sup>

### What is Special about Western Civilisation?

Following the now widely accepted views of French philosopher Philippe Némo (born 1949), I date Western civilisation from the 'Papal synthesis' in the 11<sup>th</sup> century, when the Vatican think tank of Pope Gregory VII and his successors shaped a rational religiosity: Essentially free, responsible individuals could and should distinguish between virtue and sin. This was done mainly to distinguish the Occident from mythical Eastern Orthodoxy and aggressive Islam. One should speak of Western civilisation only from that time onwards.

The emerging European civilisation could draw on four sources: (i) Athens with its palaeo-democracy, the *polis*, liberty, humane philosophy and artistic realism; (ii) Rome with its law, the definition of several property, the distinction between the public and the private, and an embracing imperial order; (iii) Jerusalem whence Christianity contributed a measure of compassion to Rome's harsh order, a notion of progress, but also the burden of original sin, and (iv) the Germanic spirit with its sense of individual freedom and rule-bound, elective kingship.<sup>5</sup>

Western civilisation flourished after 1075 as Medieval Scholasticism. It ended in the afore-mentioned crisis that begat (from the 1400s) the Renaissance and Reformation, but also terrible wars of religion. This evolved in the 16<sup>th</sup> century into the Scientific Revolution when great minds searched for the hand of God in Nature. But soon the great thinkers of the Age of Reason told the public to forget about the salvation of the soul and instead improve the human condition on Earth.<sup>6</sup> Immanuel Kant, who coined the term 'Enlightenment' for this new kind of thinking, called it "mankind's exit from its self-incurred immaturity." Intellectual liberalism, elite democracy and the market economy became hallmarks of Western civilisation. The Industrial Revolution emerged from the crucible

of science, freedom and skill improvement after 1750. From about 1850, this morphed into mass democracy and gradually a growing redistributive welfare state. After the existential crisis of the 1930s and 1940s, the West embarked on an era of growing knowledge, plenty, complexity and bureaucratisation. Many outside the West now tried to emulate it, often without success because the invisible internal institutions are less easily adopted than the visible technology.

The core characteristics of the Western order derived from the fact that Europe was divided into competing jurisdictions -- the German Emperor versus the Papacy, between different kings, princes, free cities and republics. However, the inter-jurisdictional competition was tempered by shared *meta* rules: a shared Christianity, for most of the time the shared language of Latin, and understandings about the role of rulers in more or less simultaneously evolving societies -- from feudalism to mass democracies. Such overarching rules of engagement were important to achieve compromises in major conflicts. Different from centralised regimes, such as the Middle Kingdom or Safavid Persia, citizens of the various European countries could develop a glorious diversity of ideas, propelled by the stimulus of creative competition. Merchants, talented people and capital owners

were able to move to jurisdictions with citizen- and enterprise-friendly rule systems. Increasingly, this induced ambitious rulers to offer the people more freedom, not least of religion, assembly, speech and opinion. These jurisdictions thrived and were then often emulated by others. This allowed more and more people to pursue happiness as they themselves saw fit. Inter-jurisdictional competition also curbed the power of the rulers, but sometimes also led to wars. Of course, power elites often tried to evade the disciplining pressures of competition; but on the whole, traditional, deeply engrained tribal herd instincts were slowly overcome. Gradually, communities became freer to embrace individualistic mores, customs, rules and laws.

The cyclone of liberty and economic progress moved from northern Italy in the Renaissance across the Alps, down the Rhine axis to the Netherlands and England, before it jumped the Atlantic and eventually also extended to the distant lands Down Under.<sup>7</sup> Over the centuries, Western civilisation was incarnated in various successive guises, never standing still, to become dominated in the 19<sup>th</sup> and 20<sup>th</sup> centuries by the institutions of the Anglosphere. However, Western civilisation has always meant more than just that; being nurtured by contributions from Switzerland, Vienna/Bohemia, France and Scotland, among others.

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## The Present

The mega trend towards more rule-bound freedom notwithstanding, some leaders on the political right and the left are trying to offer the people salvation in exchange for unquestioning obedience. So far, the political siren calls of tribalism have met with limited durable popular response. However, as of the present, the West faces renewed attempts to undermine the heritage of the Enlightenment. To my mind, four horsemen of a new apocalypse are advancing, offering the people a Faustian Pact: "We promise you salvation in exchange for unquestioning obedience."

- (i) Almost-revolutionary, Critical Marxism is on the rise in many universities and intellectual circles, in the form of new political movements such as *La France Insoumise* and *Podemos* (Spain's Leninists); the calamities caused by the Soviet, Maoist and *chavista* experiments notwithstanding.
- (ii) Democratic socialists also try to win popular votes by promising more tax-funded welfare and social engineering. Just compare the programmes of the reformist Hawke-Keating era with the more recent, more reactionary programmes of Australian 'progressives'.
- (iii) Mass migration from failed states in the less developed world; and in particular, the attempt of the rising Islamic fundamentalism constitute

another new external challenge to Western civilisation.

- (iv) At the same time, the traditions that Western civilisation has developed over the past 200 years are being openly attacked by the post-modernist movement and cultural relativism.

These 'anti-system' movements share a tribalist-elitist vision of government. They see the public as subjects of an administrative-dirigiste state, ruled by elites. These represent particular interests and self-serving bureaucracies, often backed by supra-national authorities or covenants. If necessary, the bureaucratic elites hide behind the façade of elected parliaments, who however have less and less genuine decision-making power and are less and less able to represent voter interests. This conception of government is opposed to the classical liberal position of free, self-responsible citizens, who are governed in liberal-democratic nation states only to the extent necessary to safeguard security, peace, prosperity and liberty. In classical liberalism, the elected representatives of the people have autonomy in shaping the rules within a constitutional framework, and public servants are subordinate assistants in the task of government, not the agents that determine the objectives. As a consequence of this clash between

the *rule of subjects* and *governance of free citizens*, the present crisis of Western civilisation focusses, yet again, on the shape of government and the role of the nation state.

Over the past two generations, the successful model of classical liberal democracy — formal rule making by periodically elected parliamentarians, independent courts and politically controlled, rule-bound administrations — has become increasingly hollow. The real power has increasingly been seized by unelected, tax-funded bureaucracies, while elected parliaments simply rubber-stamp supra-national directives or, because of real or pretended complexity, pass laws that enable bureaucrats to make the real decisions that affect the citizens. The result is rule by the bureaucracy, of the bureaucracy, for the bureaucracy — and a growing cynicism in the electorate.<sup>8</sup> Single-issue activists, who reject the familiar, bourgeois political order, have managed to ‘march through the institutions’ and bust popular trust in democracy, as authorities and courts resign and yield. ‘Sanctuary cities’ in the US now undermine national immigration policies. Bureaucrats in some European cities decree bans of fuel-efficient diesel cars, thus destroying national traffic and transport standards and causing private vehicle owners enormous costs. Some Australian municipalities try to redefine the traditional, nationally accepted meaning of Australia Day. Student activists here and overseas prevent academic appointments and free speech on campus. As a consequence, citizens lose confidence in the fundamental constitutional understandings about the role of rule making by elected parliaments and the vertical and horizontal division of powers, on which Western democracy rests. Thus, activists and some bureaucrats are now advancing the counter-hegemony and creeping, surreptitious revolution that Italian neo-Marxist Antonio Gramsci had advocated.<sup>9</sup>

Consequently, support for democracy among the population is waning across most Western democracies. Simplistic, conflictive populism is on the rise. This is facilitated by the advent of social media. Traditional, more centralised, more elite-influenced information and opinion formation, tempered by a measure of quality control, is becoming less important in influencing people’s beliefs and values. Political and academic elites seem helpless when faced by unexpected spontaneous expressions of popular discontent, such as the reactions to the Brexit referendum in Britain or the sudden emergence of the Yellow Vest movement in France. To the student of the long-term history of civilisations, these tribulations are harbingers of a period of tribulation and civilisational vulnerability.

### Normative Matters

To be civilised, and not barbarian, is good. Indeed, Western civilisation is deemed special and especially good... right?

Wrong! Enter Critical Marxism (the ‘Frankfurt School’) and, worse still, post-modernism. Their reading of Western civilisation has come to the conclusion that it only perpetuates historic structures of domination and victimises certain identity groups. It is claimed to have led to worker exploitation, slavery, misogyny, homophobia, racism, genocide, the Holocaust and the despoliation of Mother Earth. The neo-Marxists admit that totalitarian revolutions, as instigated by Lenin, failed. A ‘new humanity’ can therefore only be created by disrupting the ‘memory chain’ and by discontinuing the teaching of traditional history. ‘Anti-system’ activists are not only one-sided when they belittle the achievements of the Enlightenment; they also attribute these calamities and injustices to Western civilisation, whereas in reality most are the result of a lack of civilisation!

The rise of neo-Marxism and post-modernism explains the blitzkrieg against the Western Enlightenment tradition that has been waged since the late 1960s. Much of academia in the Western world has been won over to this standpoint. Australians, who welcomed the generous offer of the Ramsay Centre for Western Civilisation to advance the study and teaching of Bachelor and Masters programmes, were perplexed by the loud, vehement rejection.<sup>10</sup> Most independent observers still believe that, on balance, our civilisation has played a positive role in attaining peace, freedom, security and prosperity and therefore were taken aback by the strident claims of student activists that the critical study of Western civilisation would ‘weaponise’ it in the political debate. Many, including this author, were also disappointed by the spineless caving-in of academic leaders. Apparently, few have realised just how far the neo-Marxist ideology and relativism now pervades private and public schools, the universities and social networks.

Above, I used the word ‘blitzkrieg’ to characterise the attacks on Western civilisation since the 1960s. This was done intentionally, because I believe that, despite lightning surprise attacks over recent decades, the war is not quite lost. In the present cultural war, we stand — figuratively speaking — at the equivalent of 1940. A better-informed assessment of the merits and the burdens of civilisation can restore balance and avert its terminal crisis. We have to acknowledge that the ceaselessly competitive Western system leads to conflicts and is sometimes disruptive; we have to cope with burdens of choice and accept that rule enforcement can sometimes be painful. But it would be tossing out the baby with the bath water if we no longer recognised that Western civilisation has helped mankind to realise unprecedented achievements, such as: a long, healthy life; less arduous, more interesting work; more leisure; and wider material choices. Apart from these material consequences, the Western world has become less violent, more peaceful and democratic, and offers greater opportunities for everybody’s cultural enrichment than any alternative in history.<sup>11</sup>

## The Future

What are the prospects for the West's great cultural adventure? Will internal fractiousness and loss of confidence aggravate the current cultural crisis further? Can we expect the present constellation of internal tribulations and adverse exogenous factors — such as climate change, ageing, invasions or intolerable stresses of accelerated change — to cause a downfall of our civilisation this time round? Will new competitors — in particular, China — become a threat or a boon? To my mind, the competition between the West and the Chinese East will be the big and decisive story of the next generation or two.

To penetrate the fogs of the future, let us begin by looking first at the potential of a clash between our (still more or less) free-market democracies and the Chinese model of political monopoly coupled with a considerable extent of free market capitalism. China — following the East Asian Tigers of the 1960s and 1970s — adopted and adapted Western technologies and redesigned its economic system. The success was unprecedented in history. From Mao's death in 1976 to 2018, real production per capita grew from a very low basis by a sensational compound rate of 6.7% p.a. to approach middle-income status.<sup>12</sup> Since the 1970s, the vast majority of China's population were able to lift themselves out of dire poverty. At present, only 3.1% of the population are still mired in absolute poverty.<sup>13</sup> China is now a global power — economically, politically, militarily and culturally — expanding its sphere of influence; and that at a time when the leaders in Washington indicate that they will no longer play the costly role of world policeman who undergirds the *Pax Americana*.

Given their deep-seated traditions, it would be naïve to expect the Chinese to embrace Westminster-style democracy. There is a 3,000-year old tradition of top-down rule and private subordination of one's wishes to social harmony and a perceived greater communal good. The Confucian conception of the state as a family, whose father is obeyed for the sake of social harmony, is deeply engrained in the Far East's civilisational software. For the past 2,000 years, China has been ruled from an imperial centre. To many, the Communist rulers who took power in 1949 are just the next dynasty, the Red Emperors. I can vouch from personal experience in China that most see the chaotic confusion in present Western democracies as a weakness and a greater degree of top-down command — and voluntary compliance with it — as a strength. The rapid economic rise and the competitive success of Chinese producers in global markets is a source of confidence that most citizens share with the Beijing leadership.

It is therefore plausible that 'multiple modernities' will evolve and that the next generation will experience massive West-East systems competition — the 'mother of all systems competitions'.<sup>14</sup>

When speculating about imaginable futures of Western civilisation, one therefore has to ask three questions:

- (i) Will the West re-embrace the values of the Enlightenment and the model of governance that has been successful over the past 200 years, or will it succumb to its internal fractiousness and external challenges?
- (ii) Will the approach to private life and collective governance in China continue to produce superior material consequences?
- (iii) Will Eastern civilisation, as it evolves, be shaped more by the Confucian/Daoist tradition that relies on internal, informal institutions and voluntary compliance, or the Legalist-Marxist tradition that relies on strict top-down rule enforcement by a central authority?

Answering the first question is risky as of 2019. In any case, the answer may well differ for Western Europe, the traditional heartland of Western civilisation, and the offshoots of the Occident in America and Down Under. There is a possibility that the traditional culture in Western Europe is indeed doomed, as Douglas Murray predicted. If that became a reality, the Americans and Australians would have to come to grips with being 'cultural orphans'. In any event, Australia and New Zealand — frontline states of Western civilisation in our time zones — will almost inevitably be attracted because of our cultural affinity towards the American orbit. Preserving a measure of cultural autonomy and political independence will then become a persistent challenge.

The second question is exercising the minds of all China watchers. To my mind, centralised collective control and citizen obedience have been useful in the early catch-up phase of modernisation when less developed countries are able to imitate proven successes and can readily emulate Western technology and management. The same was true in the Soviet Union in the 1920s and 1930s and in Japan in the 1950s and 1960s. But the real test of the economic and political institutions comes when subsidies, cheap labour and available land reach limits, and one industry after the other approaches the technological frontier. Emerging countries are then at risk of entering the so-called middle-income trap.<sup>15</sup> This test is coming soon for many of China's industries, as they reach innovation frontiers and as the country's population begins to age. Deng Xiaoping's aspiration for China to become rich before becoming old, may well become a receding illusion. Let us not lose sight of the fact that, despite amazing growth over recent decades, China's productivity levels and real incomes are at present only less than one-third of US standards and less than two-fifths those of Australia. As much of future economic growth will occur in diverse and specialised service industries,

it is doubtful that collective centralism will be able to trump our system of greater freedom, flexibility, openness and competitive and constitutional checks on arbitrary political power. In China, two-thirds of economic growth and job creation has been carried by private enterprises, while state-owned firms have been a drag on growth. Their rate of return is only half that of private enterprise. But the public sector is now being increasingly propped up by cheap credit and favourable regulations. And Party cells in private businesses are spreading. President Xi Jinping's initiative to re-assert central political control may be a 'dream' that comes exactly at the wrong time in the country's development trajectory.

Having said this, I sometimes am tempted by the dangerous thought that a little of the Confucian sense of harmony might inspire more useful compromise in Western societies, and thereby promote a better development of infrastructures and avert costly frictions when our individualistic (self-centred) societies are faced with unavoidable structural changes. This is an empirical question, on which the future East-West competition will shed light.

The answer to the third question will greatly matter over the next few decades. Over the past 2,500 years, Chinese thought about government has been subject to a tug-of-war between mainly internal Confucian institutions, modified often by Daoist *laissez-faire* concepts, on the one hand, and reliance on collectivist, external Legalist institutions on the other. Legalism inspired the brutal unification of China under the first emperor Qin Huangdi in 222 BC and Mao Zedong's revolutionary, disruptive social engineering. The 'Golden Years' from Mao's death to about 2010 — as the Chinese call the episode of capitalist reform and opening — were a reaction to Mao's costly Legalist-Communist experiment. Now, however, we are witnessing a swing against 'Western ideas' of markets and smaller, less dominant government. The cancer of renewed Party control is spreading throughout the economy. Foreign observers — not least Australia, caught like no other Western nation between the West and the East — will need to monitor these swings in China's ideological fluctuations.

Whatever the answers to these questions, it will be important for non-violent, constructive global competition to preserve a shared framework of overarching rules; similar to the shared rule system that was essential for inter-jurisdictional rivalry throughout European history to remain — on the whole — more constructive than destructive. Without some shared understandings and an over-arching global order, there would be a danger of nationalist economic and military confrontation of the type that arose when an ascendant Wilhelmine Germany challenged the European pecking order in the late 19<sup>th</sup> century. The consequences of mutual sledging and xenophobic contempt unfolded in the first half of the 20<sup>th</sup> century.

To monitor events and assess the consequences for our civilisation, Australians will need to be better informed about the Confucian *Weltanschauung*. As of 2019, Australians and other Westerners are much less well informed about the Chinese world view and Chinese reality than the Chinese are about us.<sup>16</sup> Far away Europeans and Americans may be able to afford this asymmetry more than we in Australia, the frontline state of Western civilisation. A better understanding of the competitor's civilisation will be necessary to understand what is happening there and to push back where necessary. Western leaders and opinion makers must therefore desist from 'China bashing'. Sledging of competitors is only a sign of a low and dangerous class of nationalism.

We should know that, different from the West's Christian DNA, Confucianism is not a religion. It is a practical morality to govern private interactions and collective governance. Confucius is not a god. And Confucian temples are not churches or synagogues, but places for quiet reflection about the ethical principles taught by a sage. In Western civilisation, we do not have — heaven forbid! — 'churches' dedicated to the veneration of great thinkers, such as John Locke, Voltaire or Charles Darwin.

It is true that the Chinese tradition is less individualistic and more group- and family-oriented than our Western civilisational tradition, and that the Chinese are more prepared to subordinate their individual wishes to collective objectives. It is also true that the Chinese are more optimistic and unaffected by the Western tradition of 'original sin guilt'. There is no self-flagellation for enjoying the fruit of one's hard work and enterprise. Nonetheless, even a cursory glance at Confucian ethics shows they are not dissimilar to Western values: humanism, just intentions, respect, discipline, wisdom and honesty are key Confucian attitudes, to which Westerners can also subscribe. I can vouch from personal experience that these values are alive and well at the level of private interaction. Where there are sharp differences between Orient and Occident is with regard to the external (government-made) institutions that have in China, time and again, been determined by the Legalist-Marxist philosophy of enforcement and assertive control.

Therefore, the future of Western civilisation will in part depend on what philosophical worldview gains the upper hand inside China over the next generation or two. The West can arguably exercise at least a marginal influence by upholding a liberal global order. Moreover, if we embrace to some extent the Chinese approach of sharing long-term interests and engaging respectfully, we will serve our own long-term interests better than by relying on short-termist deal making. Much would be gained if we abandoned the Western preference for *winning* a competition and adopted the Chinese preference for *succeeding*.

Students of Western civilisation would be well advised to study Eastern civilisation, also to enrich the understanding of who we are and what made us so successful in the past. Australia is placed geographically and notionally in a unique position to make the best of the coming systems competition between the world's two most influential and impressive civilisations. Besides, Australia is a country with a growing Chinese population that can give us a better understanding of Confucian principles. Australia can therefore make a valuable contribution to the future of the Western heritage, whose hallmark has

after all been competition and openness. Whilst we are, and must remain, part of Western civilisation, we also have the opportunity to thrive by adopting certain useful concepts from elsewhere — a source of cultural innovation that has done much for the West's success.

In the final analysis, the big question for the future of our civilisation remains. Will we reject the neo-Marxist contempt for our traditions, conquer pusillanimous self-doubts, petty politics and macroeconomic stupidity, and foster the strengths of our civilisational inheritance?

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## Endnotes

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- 12 Gross domestic product per capita in constant 1990 US dollars (*Maddison Project Database*, <https://www.rug.nl/ggdc/historicaldevelopment/maddison/releases/maddison-project-database-2018>).
- 13 As defined by China's national poverty rate [cited by the World Bank], which still comes close to abject poverty, but a prospering urban middle class has spread from coastal cities throughout the country.
- 14 The concept of 'multiple modernities' was first popularised by Polish-American sociologist Shmuel Eisenstadt (1923-1985). S.N. Eisenstadt (ed.) (2017), *Multiple Modernities* (New York: Routledge); also: S.N. Eisenstadt (1987), *European Civilization in a Comparative Perspective* (Oxford: Oxford University Press); also Tu Weiming (1996), *Confucian Traditions in East Asian Modernity* (Cambridge, Mass.: Harvard University Press).
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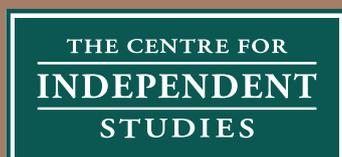
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