China's Mandate of Heaven:

From Agricultural Stability to World Peace

"What does not kill me makes me stronger."
— Friedrich Nietzsche, Twilight of the Idols

"Thus,
when Heaven is about to confer a great office on any man,
it first exercises his mind with suffering,
and his sinews and bones with toil.
It exposes his body to hunger,
and subjects him to extreme poverty.
It confounds his undertakings.
By all these methods it stimulates his mind,
hardens his nature,
and supplies his incompetencies."
— Mencius, Gaozi II

Introduction: The Pendulum of History

The grandest narrative in the world today is undoubtedly China's rise. This is not merely a redrawing of the economic map, but a violent swing of the historical pendulum of humanity.

Faced with this transformation, Western academia is accustomed to interpreting it as a threat to existing hegemony, or the return of a heterogeneous civilization. However, these interpretations are too superficial. They see only the waxing and waning of power, ignoring the deeper logic: **This is not just a question of *who* will lead the world, but with *what logic* the world will be led.**

If we cast our gaze over the river of history spanning five thousand years, we discover that the uniqueness of the Chinese path did not begin in the present, but originated in the very initial survival settings of the civilization:

Faced with a vast land so bountiful yet so treacherous, how was Chinese civilization to survive?

I. The Origin of Civilizations: The Mountain of Law vs. The Mountain of Building

At the source of human civilization stand two metaphorical peaks, defining the distinct survival logics and governance genes of the West and China.

One is **Mount Sinai**. The prophet Moses climbed alone amidst thunder and lightning to face the divine will. What he brought down was not bread—for God had already bestowed food—but two stone tablets engraved with the Ten Commandments. Faced with the chaotic tribes of Israel in the wilderness, Moses established order through **"The Law"**: establishing a covenant between man and God, from which the covenant between man and man was derived. This moment serves as a metaphor for the **"Conservative"** survival logic of Western civilization: Order comes from heaven-sent laws; perfect order lies in conserving a set of eternal rules. It focuses on the definition of rights, presupposing a greenhouse garden under divine grace. Its core task is to divide the cake through political debate and legal gaming. In the modern West, this logic has evolved into a mystical confidence in "Government by Lawyers."

The other is **Mount Tu**. Here, Yu the Great convened the lords, but before arriving, he had already trudged through the mud for thirteen years. Faced with monstrous floods, Yu did not flee

to the wilderness to wait for food bestowed by God like Moses; instead, he picked up the shovel and the measuring line. The way he established order was through **"Building"**: dredging riverbeds, leveling hills, and channeling the raging floods into rivers, thus defining the Nine Provinces. This moment serves as a metaphor for the **"Transformative"** survival logic of Chinese civilization: Order comes from building practice; effective order lies in taming a constantly changing environment. It focuses on problem-solving, presupposing a survival trial of raging floods. Its core task is how to make the cake bigger by transforming nature and reshaping the landscape. In contemporary China, this logic is embodied in the development miracles of "Government by Engineers."

Over the past few centuries, the rise of the West led the world to believe that the "Conservative Logic"—dedicated to maintaining existing boundaries of rights—was the righteous path. Today, however, China's rise is proving to the world the power of the "Transformative Logic"—dedicated to self-renewal through practice.

II. American Theology: Confusing "Luck" with "Ability"

The narrative of China's rise has long been dominated by a Western-centric discourse. Its core argument mirrors Francis Fukuyama's declaration of the "End of History": that Western institutions represent the final form of human civilization. We might call this **"American Theology."**

This theology is a modern echo of "Order from Divine Law": prosperity is God's reward for "keeping the faith." Through "Justification by Faith," as long as one copies the Anglo-American holy laws of "Market Economy" and "Constitutional Democracy," prosperity will automatically descend. It deifies a success based entirely on favorable timing and location into a universal truth.

Unfortunately, this theology commits a fundamental attribution error: **It depicts the gifts of nature (Luck) as the victory of institutions (Ability), playing the role of a cheap successology.**

The sin of arrogance emboldens it to claim a monopoly on truth, daring to measure global history with a single ruler—Western institutions. Under the filter of American Theology, thousands of years of Chinese history are smeared as a dark age of "despotism and stagnation," as if this land had never known the glory of civilization, nor had its people created achievements worth pride.

Even more paradoxically, this narrative insists on cutting Chinese history apart: it selectively affirms the last forty years, attributing them to "moving closer to Western institutions," yet refuses—and is unable—to tell a complete, coherent Chinese story.

This not only belittles the immense achievements gained through the arduous struggles of the Chinese people but also misleads the vast Global South. Only by transcending this theology and seeing the difference between the "Greenhouse Garden" and the "Survival Trial" can we understand the true meaning of the "Chinese Path"—this is by no means sailing with the current in a greenhouse, but a heroic epic of defying fate in a survival trial. For Global South countries without "Heaven-sent Luck," this is a revelation for breaking fate.

III. The Undertone of History: The Game Between Man and Nature

Let us return to the most fundamental perspective. Human history, at its root, is the story of humanity responding to natural challenges to survive and develop.

In this story, different geographical and climatic conditions set different survival environments and shaped distinct forms of civilization.

Chinese civilization is a grand narrative with "Yu the Great Taming the Flood" as its source and symbol. This land is not barren; on the contrary, it possesses the vastest temperate and subtropical fertile soil and the most abundant water-heat resources in the Northern Hemisphere. Relying on this natural bounty, China created a brilliant civilization in the long agricultural era, supporting the world's largest population, with its economic aggregate leading the world for most of the past two thousand years. However, this superior endowment was accompanied by a dangerous trial—an unstable monsoon climate. In the history of world civilizations, rarely has any civilization, like China, been forced to elevate the struggle between man and nature to such a core position. The harnessing of the Yellow River and the Huai River, the construction of Dujiangyan and the Zhengbuguo Canal, the excavation of the Grand Canal — behind these engineering miracles lies a nation's continuous combat against floods and droughts, an extreme adaptation of agricultural civilization on the East Asian continent.

This combat shaped the "Seeking Truth from Facts" gene of Chinese civilization: faced with ruthless natural laws, empty talk and dogma are of no avail; only through large-scale organization and mobilization can survival be sought in the wilderness. Here, survival is not a natural right, but the result of conquering crises.

However, the immense natural risk and the consequent survival pressure, while stimulating the Chinese people's potential to transform the world in the agricultural era, also formed an invisible high wall, blocking its path to spontaneous industrialization.

Therefore, when the Industrial Revolution arrived, the glory of agricultural civilization instantly

became fragile. The century of humiliation in modern China was essentially the inevitable collapse of an agricultural nation dependent on the weather when faced with an industrial nation armed to the teeth.

Criticisms of China's "despotism and stagnation" since modern times often ignore this point: the problem lies not in some fundamental cultural defect of the civilization itself, but in the colossal challenge brought by "depending on the weather."

IV. The Physics of the Market: Agricultural Stability Behind Industrialization

Industrialization does not happen in a vacuum; it requires stringent economic and social conditions. For the vast majority of countries other than a few "lucky ones" like Britain and the United States, these conditions are not naturally available. The most critical among them is the formation of an "Efficient Market."

However, an "Efficient Market" does not appear simply by copying "Constitutional Democracy" and hanging up a sign saying "Market Economy." Its prerequisite is extremely low market risk. Economists often talk abstractly about "market risk," but rarely ask: Where does risk come from? The answer is: **Food and Energy.**

As the bedrock at the very upstream of the economic chain, the supply status of food and energy directly determines the stability of the entire market.

We are talking not just about shortages of materials, but about violent fluctuations in prices. The Qianlong Emperor once said: "There is no one under heaven who does not eat rice. When the price of rice rises, the prices of all goods and labor must follow." This means that the price of rice is the base of all prices; once it rises, all commodities and labor costs follow. This reveals a transmission mechanism ignored by modern economics:

When grain prices fluctuate violently, the entire price system falls into chaos.

In years of plenty, cheap grain hurts farmers; in years of disaster, expensive rice harms the people. The impact of grain price volatility transmits rapidly to the entire market via price signals: enterprises cannot predict costs and revenues, so they dare not expand reproduction; laborers cannot predict the purchasing power of their wages, so they dare not leave the land to become industrial workers; capital, to avoid risk, prefers hoarding to investing in long-cycle technology R&D or industrial projects.

A deeper obstacle lies in the difficulty of stabilizing asset valuation. In a society with extremely unstable survival expectations, land and assets lack a baseline for preserving value. In years of plenty, everyone scrambles to buy land, inflating prices; in years of disaster, fertile fields worth a thousand gold are sold cheaply for a mouthful of life-saving grain. This price oscillation turns asset trading into gambling; buyers and sellers cannot see future value, making business difficult to negotiate. Even if deals are struck, defaults are common, making transaction processes extremely complex and the cost of resource allocation high.

Ultimately, grain and energy are the market's anchor. Only when they are stable can everything else be priced accurately. Only when price signals no longer convey survival panic can people trade with confidence, gather assets, and refine the division of labor. Only then can an "Efficient Market" truly take form and support a modern industrial system.

After all, when survival expectations are unstable, all planning points to "hedging" for self-preservation, rather than "development."

V. The Greenhouse Garden: Low-Risk Agriculture and the Rise of the West

Fundamentally, it was the Industrial Revolution that provided the West with overwhelming material power. England, which nurtured this revolution, was a special case where an "Efficient Market" formed spontaneously. However, this was not the inevitable result of some abstract culture or institution, but the encounter of one of history's few "Lottery Winners": a historical experience based on unique geographical and climatic conditions that cannot be universally replicated.

1. The Natural Lottery: The Greenhouse Garden of Overflowing Luck

England possesses a mild and moist maritime climate. Influenced by the North Atlantic Drift and westerlies, precipitation is evenly distributed throughout the year, with no obvious seasonal drought or flood, and extreme weather is rare. In sharp contrast to China's unpredictable monsoon climate, English farmers did not have to worry about the violent volatility of "bumper harvest this year, total failure next." Grain output could be estimated accurately.

"Those with constant property have constant perseverance." It was this low risk in grain

production that allowed England to embark on a path different from the Eurasian continent. Here, people only cared about delineating boundaries and writing leases. Grain would always grow in the fields; a unit of effort would yield a unit of harvest without worry.

2. Long-Term Fixed Rent: A Luxury of Fortune

In the vast regions affected by monsoon or continental climates, grain output fluctuated wildly like a gamble. If a fixed rent system were adopted, the landlord would starve if the rent was set low, and the farmer would "lose the gamble" if the rent was set high. Therefore, sharecropping—sharing revenue and risk—was the universal system in these places.

But England was different. Precisely because agricultural production had been quite stable for a long time, landlords and farmers had the confidence to settle grain distribution rules with the simplest "fixed price" for "fifty years unchanged"—this is the origin of the long-term fixed rent system. According to economist Steven N. S. Cheung, "permanent or near-permanent agricultural land leases" were widespread in England since the Middle Ages or even earlier. This was not because the British had more "contract spirit" than others, but because the "Natural Lottery" endowed them with the "luxury" right to adopt this simple system.

"Confidence is more precious than gold." The long-term fixed rent system not only saved worry and effort for both farmers and landlords but also had a profound impact on the operation of the entire English society.

3. Evolution of Business Models: The Rise of Tenant Farming

Based on the long-term fixed rent system, England evolved the tenant farming mode. As an operator, the tenant farmer rented land from large landowners paying fixed rent, and hired agricultural laborers paying fixed wages. The harvested grain was sold independently by him, and the surplus after deducting rent and wages became his exclusive profit. This special business mode is the precursor to the modern enterprise—it is completely isomorphic to the typical model of "paying fixed interest to banks, fixed wages to workers, and claiming exclusive residual profit."

As the forerunner of the modern enterprise, this tenant farming model, which was much larger in scale than individual households, was extremely sensitive to profit and loss. Fortunately, England's stable grain production not only supported long-term fixed rent but also ironed out fluctuations in prices and wages, allowing this mode of operation to sustain profits. Thus, tenant farming gradually grew and prospered.

4. Social Order: The Unified Source of Smith's Three Elements of Wealth

The stability of grain output brought deeper social consequences. Adam Smith proposed three elements for wealth growth: "Peace, easy taxes, and a tolerable administration of justice." For a long time, this was seen as a profound "institutional recipe." But in reality, this is just the natural projection of the "Natural Lottery" on three sides:

* **Peace:** Not just the absence of war, but low internal social conflict. As long as one is sure of having food in the future, one does not want to fight to the death now. It was the sense of security brought by stable grain production that reduced people's survival anxiety, eliminated fierce survival gaming, and peace descended naturally.
* **Easy Taxes:** Under peaceful conditions, the government did not need high taxes to raise many soldiers, and people had stable incomes to pay taxes. Moreover, with stable grain production and small market price fluctuations, calculating taxes became easy. This avoided the endless struggle over "excessive taxation" and "tax resistance."
* **Tolerable Administration of Justice:** This point is most often misunderstood. The reason England practiced a piled-up, loose, and messy common law system was that its social conflict intensity was low, so the judicial task was naturally light. Just as one does not need a heavy winter coat in warm weather, a society where every family has surplus grain does not need precise, high-efficiency justice. In contrast, in those places where grain production was unstable, the survival environment was harsher, social conflicts were frequent, and the government had to establish a strong control system to maintain order, forcing them to adopt a more precise and efficient codified law system.

Rather than saying England possessed "superior rule of law," it is better to say it possessed the fortune of "not needing strong rule of law." Smith described not a universal institutional design, but a natural condition in a greenhouse environment.

5. Comprehensive Effect: The Natural Formation of an Efficient Market

Before the Industrial Revolution, England underwent a profound agricultural revolution. In the 17th and 18th centuries, the spread of the four-course rotation eliminated fallowing and increased yields. Livestock improvement combined animals with planting to improve soil fertility. The Enclosure Movement integrated scattered land, established large-scale operations, and cleared obstacles for the promotion of new technologies. This agricultural revolution significantly increased grain output and stability, releasing a large amount of labor.

While labor was ready, the "Natural Lottery" gave England even more conditions: on the one

hand, when the European continent was plunged into endless wars, the Channel protected England, allowing it to enjoy long-term geopolitical security; on the other hand, no place in England is more than 120 km from the sea, with a winding coastline and many natural harbors like London, Liverpool, and Bristol. Canal construction connected industrial areas with ports, making transportation costs extremely low. Coal reserves were abundant, and mines in Yorkshire, Lancashire, and Newcastle were close to ports and major industrial areas, providing the material basis for the invention of the steam engine.

At this point, the three major elements of the Industrial Revolution were ready: stable and abundant grain made labor dare to leave the land; sufficient energy provided cheap power for machines; convenient transportation allowed low-cost circulation of goods. When these three superimposed, market risk and production costs were minimized, an "Efficient Market" formed naturally, and capital dared to turn from short-term speculative arbitrage to long-term industrial investment. Industrialization happened naturally.

6. The Mirror Image of England: The American North

The conditions of the American North were as superior as the mother country, England. New England and the central colonies possess a temperate humid climate. Influenced by the Atlantic, precipitation is stable and uniform, without the violent fluctuations of monsoon climates. Pennsylvania's land is fertile, known as the "Breadbasket of America," with abundant wheat yields, stable grain prices, and predictable farmer incomes. Excellent ports are scattered like stars. Inland rivers are navigable. The opening of the Erie Canal in 1825 connected the Atlantic with the Great Lakes, drastically reducing transportation costs. Although New England lacked coal, it had many rivers with large drops, rich in hydropower resources. Not far away, Pennsylvania had abundant coal resources, providing the energy basis for the transition from water to steam power.

Stable grain, dual energy sources, convenient water transport — the American North not only perfectly replicated England's industrialization conditions but also became an "enlarged version" of England with its vast hinterland. The "Efficient Market" formed spontaneously, and industrialization unfolded naturally.

7. Institutional Superiority: The Arrogance of Greenhouse Flowers

The essence of the rise of the West was "winning the lottery." However, later theorists selectively ignored this. They claimed that as long as one imitates Western institutions — engaging in multi-party elections, privatization, and marketization — prosperity will automatically descend. They denied the complexity of the world and universalized the Western development model

created by the "Natural Lottery." This is tantamount to a cheap successology: it ignores the gifts of nature and arrogantly packages luck as ability.

VI. Colonial Plunder: Assistance, Not Driver

Regarding the rise of the West, two diametrically opposed misunderstandings have long existed: the right-wing "American Theology" attributes it to the victory of Western institutions, packaging luck as ability; while the left-wing "Dependency Theory" attributes it to the consequences of colonial plunder, exaggerating sin into motive power.

Dependency theory argues that the West became rich because it accumulated primitive capital through colonial plunder, thereby achieving industrialization. While this theory reveals the evils of colonialism, it commits a fundamental error—mistaking the "assistance" of external plunder for the "driver" of internal development.

History proves: Plunder is not the fundamental reason for modern nations to become strong.

1. Spain: The Lesson of the Golden Funnel

The most potent counterexample is Spain. It was the earliest "Empire on which the sun never sets." Starting from 1492, it plundered an astonishing amount of gold and silver from the Americas for 300 years. According to the "Plunder for Wealth" theory, Spain should have become the strongest modern industrial nation. But the result was the opposite: Spain became the famous "Golden Funnel."

Why? Because Spain's mainland is constrained by a Mediterranean climate, agricultural output is very unstable. It could not provide a stable and abundant grain surplus and market demand for industry and commerce, making local industry and commerce extremely fragile. Therefore, the huge wealth plundered was not converted into capital investment for reproduction domestically but was used to buy foreign goods, maintain a huge army, and fund luxury consumption.

This gold flowed through Spain like water, quickly flowing to the Netherlands, Britain, and France—countries with stable agriculture and prosperous industry and commerce. In the end, sitting on mountains of gold, Spain not only failed to industrialize but rapidly declined into a second-rate nation due to severe inflation.

2. Britain: Not Just Claws, But a Stomach

In contrast to Spain, Britain plundered less in the early stages, but relying on the stability of local grain production, it developed a prosperous industrial and commercial system (textiles, shipbuilding, finance).

When Britain later began to plunder outwardly, every penny snatched could be invested into the local industrial cycle: investing in factories, improving technology, expanding trade. Britain was able to come from behind to become the world hegemon because this wealth multiplication capability was key: it possessed the "stomach" to digest and utilize wealth, not just the "claws" to snatch it.

3. Industrialization: Dynamics Within, Not Without

In the rise of the West, colonial plunder was undoubtedly a huge "assistance," but by no means the "driver."

The true "driver" originated from the industrial and commercial advantages brought by stable local grain production. The areas on both sides of the English Channel, including England, the Netherlands, Belgium, and the Paris Basin, along with New England and the central states across the Atlantic, shared similar stability in grain output. They nurtured efficient markets and the Industrial Revolution. This is the fundamental source of Western power. With them, the West later had the ability to plunder the globe militarily and commercially.

Deliberately simplifying the rise of the West as the result of colonial plunder, although occupying the moral high ground, falls into a logical trap. This "external attribution" thinking obscures the true threshold of industrial civilization.

At this point, we can make a complete clarification of the rise of the West: Facts prove that neither the "Institutional Theology" praised by the right nor the "Dependency Theory" clung to by the left touches the essence of the problem. Ultimately, the rise of the West is built on the luck of "winning the lottery."

Greenhouse flowers cannot withstand the scorching sun and severe frost of the trial grounds. The vast Global South countries are in the same "Survival Trial" as China, lacking this "Natural Lottery." Blindly copying Western institutions — those "greenhouse flowers" — to seek development is tantamount to climbing a tree to catch fish.

Fortunately, China walked a new path.

VII. Survival Trial: High-Risk Challenges and the Involutionary Society

What Chinese civilization faced was not only unique richness but also a trial brought by the monsoon climate. Here, well-drawn boundaries and written leases could not withstand the fatal blows from floods and droughts.

1. Division of Labor That Could Not Be Sustained

We can start with an ancient song said to be composed by Emperor Shun while inspecting the Salt Lake in Hedong:

The fragrance of the South Wind can ease the anger of my people.
The timing of the South Wind can increase the wealth of my people.

This "Song of the South Wind" reveals the abundance brought by the Southeast Monsoon ("South Wind"): the "timing of the South Wind" brings abundant rainfall and heat, the best conditions for agriculture and salt harvest. This allowed this land of China to possess amazing yield and wealth. However, behind this abundance lay immense danger: the "South Wind" has no set schedule for when it comes or how much rain and heat it brings. Once the "South Wind is untimely," abundance turns into disaster. For five thousand years, from the Three Sovereigns and Five Emperors to the founding of New China, the challenge of "depending on the weather" never changed. It was not only a survival threat but also an obstacle to the division of labor. Let's use the salt industry as an example.

The land around the Salt Lake was saline and unsuitable for farming. If the salt workers focused solely on making salt and exchanged it for grain with farmers on fertile land far away, both sides could focus on their work, production efficiency would be high, and both would benefit. This is the benefit of the division of labor. But in reality, this division of labor was hard to sustain.

For those specialized in salt making, "depending on the weather" put them in a "Catch-22":
The monsoon is elusive. When the "South Wind is timely" and the weather is good, income from salt can buy enough grain; but when the "South Wind is untimely" and grain harvest fails, farmers can only sell less grain, causing grain prices to skyrocket. The salt worker will find he can't afford grain; meanwhile, everyone has to spend a lot of money buying grain, leaving no spare money to buy salt, so the salt worker finds he can't sell his salt. Thus, the salt worker is "blocked at both ends": he can't afford expensive grain and can't sell his salt. This danger makes him dare not specialize in salt making; he must grow some land himself to survive.

Historically, because salt was an important tax source, the government often set up special salt households, forcing them to specialize in salt making. But this government-led division of labor

was equally fragile: once grain prices skyrocketed, salt households either relied on government relief or fled to survive. Historical records are full of accounts of salt households facing hardship and fleeing.

For those specialized in farming, "depending on the weather" also put them in another "Catch-22":
In years of plenty, grain was abundant but prices were low, and it couldn't be sold for a good price; in years of disaster, prices were high but there was little grain, and there might not be much or any to sell. So he was always poor. Besides farming, he had to do some handicraft to buy other necessities or supplement grain.

This logic extends to all industries. Not only did workers dare not specialize, but farmers also dared not specialize.

This obstacle to the division of labor led to the so-called "Involution" phenomenon: Farmers farmed and did handicraft simultaneously; all family members had to work; working hours were very long and intensity very high; extremely hard-working but still extremely poor.
This "Involution" is not limited to a certain country or region; it can be seen wherever grain production is unstable. For example, Engels spoke of a similar situation in Germany: *"The fragmentation of land always proceeds until the land becomes too small to support a family... Land does not allow these people to seek another livelihood, but at the same time, it cannot supply them with sufficient means of subsistence. This class is also extremely poor."*

2. Why Could Large-Scale, Mechanized Operations Not Be Established?

People often simply attribute "Involution" to "overpopulation" or "too many people, too little land." But this is only the surface. If surplus population could enter factories, that would be a "demographic dividend," not involution.

The essence of "Involution" is not overpopulation, but **stagnation of the division of labor**. To ensure a mouthful of food in disaster years, labor could only be dispersed among peasant households in "men plowing and women weaving," unable to establish large-scale operations, let alone transition to mechanized mass production.

Take the traditional cotton cloth industry in China as an example. Before the Opium War, its total output was as high as 310 million bolts, seemingly grand in scale. But this was not the result of large-scale production: they were produced by countless small family workshops and immediately dissolved into a micro-circulation of self-sufficiency or neighborhood exchange. Why did large-scale weaving factories fail to emerge in this largest non-agricultural industry?

The fundamental reason lies in the instability of grain production killing the possibility of scale

expansion and capital accumulation.

First, market demand was extremely unstable. In an environment dependent on the weather, consumers' purchasing power depended entirely on grain harvests. In years of plenty, they could consume; in years of disaster, they couldn't even eat enough, and demand for cloth would plummet. This violent demand shock meant any factory owner attempting to expand capacity was destined to face inventory backlogs and broken capital chains—a disaster.

Second, saving money was impossible, let alone borrowing. Large-scale production requires a stable chain of funds, and mechanization requires high initial investment. But in this environment dependent on the weather, the money earned by small producers was often spent in disaster years just to buy grain to survive, leaving no money to expand reproduction. The lending market also shrunk to only usury due to high market risk. Cautious operators dared not expand scale, nor did they dare to risk buying expensive machines, because they couldn't predict if they could sustain it, let alone when they could recover costs; and those reckless operators who dared to gamble would soon be eliminated by market risk.

The result was that the division of labor was locked by market risk. Adam Smith pointed out that "the division of labor is limited by the extent of the market." Here, "extent" refers not only to geographical size but also to continuity in time. A volatile market cannot support specialized workers and complex processes. When everyone dares not leave the land to work full-time, high-efficiency assembly line division of labor is out of the question.

Thus, in the trial brought by unstable grain production, people could only choose the most conservative strategy: farming and weaving at the same time, doing everything but making no money from anything, only exchanging desperate increases in labor time for meager means of survival. This is the fundamental reason why the "Industrious Revolution" failed to trigger the "Industrial Revolution."

3. The "Positive Feedback" Exacerbating Population Pressure

The instability of grain output also drove population growth to its limit through a dual mechanism, exacerbating the conflict between man and land.

The first mechanism is **"Cannot Leave."** As mentioned earlier, violent fluctuations in grain prices prevented farmers from completely detaching themselves from the land. Once they left, they might not be able to afford grain in disaster years. Therefore, no matter how much the population grew, everyone had to cling tightly to the land to survive. This resulted in excessive overcrowding on limited land, making livelihoods difficult for everyone.

The second mechanism is **"Must Reproduce."** Since the population on limited land was already overcrowded and life was hard, why keep having children? Because in a society with unstable grain output, social conflict is also high, and the most fundamental guarantee of survival is the

blood-related family. By uniting through blood ties, there is strength in numbers, enabling mutual relief and collective defense. This triggered the pursuit of early and numerous births. "More children, more blessings" was not a baseless cultural superstition, but a rational choice in a high-risk environment.

When these two mechanisms were superimposed, they formed an inescapable **"positive feedback loop"**: to resist risk, people were locked onto the land on the one hand, and compelled to desperately have children on the other. As a result, the man-land ratio became higher and higher, per capita output lower and lower, and the risk actually became greater. In contrast, in England and the American North, because grain output was stable and social conflict was low, people did not need to rely on large clans and dared to leave the land. This led to lower fertility rates and a moderate man-land ratio, which in turn promoted agricultural progress, reinforced the abundance and stability of grain output, and created the conditions for moving towards industrialization.

4. Survival of the Fittest: The Loss of the Grand Spinning Wheel

In places where grain production is unstable, the small peasant economy becoming an obstacle to the Industrial Revolution is a common phenomenon. However, there were also special periods that could spawn advanced machinery.

For example, in Yuan Dynasty China, a highly efficient water-powered grand spinning wheel appeared. Used for spinning hemp, it had 32 spindles and was driven by a huge water wheel, with a complexity of mechanical structure that was breathtaking. But by the Ming Dynasty, on the one hand, cotton was promoted, and on the other hand, with increasing population pressure, labor became cheaper than machines. Since hiring people was more cost-effective than buying machines, labor-saving technology naturally became unprofitable.

Although the grand spinning wheel was advanced, because demand disappeared, the chain of technological iteration broke, and it failed to evolve a new version suitable for cotton spinning. The fate of the grand spinning wheel is a microcosm of countless advanced technologies in ancient China—they streaked across the night sky like meteors, eventually disappearing in the long river of history of "too many people, too little land."

Without stable grain production, there is no stable market demand, and even advanced machinery cannot ignite the fire of the Industrial Revolution. Only when the risk of grain production was minimized and stable for a long time could an "Efficient Market" form, promoting the Industrial Revolution. This is why the Industrial Revolution happened in Britain, and not in vast regions where the population was denser and resources like coal, iron, and water power were no less scarce than in Britain.

If following the logic of a laissez-faire market, under the condition of "depending on the weather," it is fundamentally impossible to spontaneously form an "Efficient Market" supporting industrialization. Faced with this problem that trapped countless traditional civilizations, superstitiously believing in the Western "institutional prescription" is ineffective. Someone must stand up like Yu the Great to dig canals, build reservoirs, and transform the physical world.

This is the necessary direction of the Chinese path: through the active efforts of a "Facilitating Government," investing in infrastructure, reshaping the survival base, systematically reducing market risk, and artificially creating an "Efficient Market."

VIII. The Great Foundation: Installing a "Shock Absorber" for the Divine Land

Before understanding the significance of the first thirty years, we need to answer a deeper question: What was the revolution for?

From the late Qing to the Republic of China, traditional agriculture with too many people on too little land collapsed. Western impact destroyed the old order. Famines were frequent, refugees were everywhere, warlords fought, and foreign enemies invaded. Chinese society was chaotic to the extreme. In this "high-risk" environment of "great chaos," the market mechanism was paralyzed, and modernization achievements were negligible.

The revolution was not just an ideological choice but a reconstruction of survival order. The success of the revolution lay not in seizing power, but in establishing a strong organization capable of maintaining survival order.

To move toward industrialization, China had to first revolutionize the fate of "depending on the weather." Only by thoroughly overcoming the grain risk hanging overhead could the foundation of industrialization be firmly cast. This was the modern "Yu the Great Taming the Flood," a feat of rebuilding China.

From this perspective, re-examining the first thirty years of New China reveals a completely different story: this was not a "detour violating comparative advantage," but a foundational process of systematically reducing market risk and creating an "Efficient Market."

1. The Planned System: The "Breakwater" Against Market Risk

At the founding of the People's Republic, China was essentially still an agricultural country. After long wars, grain production had recovered, but constrained by traditional agriculture, per capita grain output hovered around 300 kg and was extremely unstable.

It was in this extremely difficult situation that China introduced the planned system and began its magnificent journey of modernization.

Critics often use "shortage economy" to criticize the planned system. Shortage certainly existed, but this criticism reverses cause and effect: It was not the planned system that caused the shortage, but the shortage that necessitated the planned system.

We should not forget, before the planned system was established, when did China ever *not* have shortages? The shortage then was frequent famine, as Mao Zedong painfully stated: *"What can we make now? We can make tables and chairs, teacups and teapots, we can grow grain, grind it into flour, and make paper, but we can't make a single car, a single plane, a single tank, or a single tractor."*

However, to carry out construction, one first has to overcome a hard hurdle: Where does the money come from? Or more fundamentally, where does the credit of money come from?

The value of money fundamentally comes not from the gold or US dollars behind it, but because it can buy things—especially grain to fill the stomach and clothes to wear, which are the "Wage Goods" in classical economics. This is the iron law of economics: money is stable only when there is enough grain. As Chen Yun said: *"How much money is issued depends on how much material there is, mainly grain and cotton."*

In the environment of depending on the weather, grain surplus was limited and fragile. The logic of a laissez-faire market would only lead to skyrocketing grain prices, rampant speculation, and order collapse. The essence of the planned system was that, in a situation where the big market could not operate effectively, the state used limited grain surplus as a currency anchor to create a risk-insulated "small market." In this safe haven guaranteed by state credit, heavy industry, national defense, and research sectors could accumulate capital and iterate technology over long cycles in an environment isolated from external turbulence.

Although the planned system lacked flexibility, it acted like a breakwater, blocking market risks, preserving the spark of industrialization, and maintaining the initial socialized mass production.

2. Agricultural Revolution: A Transformation Unseen in Five Thousand Years

In the first thirty years, China completed a deep transformation of the physical world with one core goal: countering survival threats.

* **Systematic Advance of Infrastructure:** Centered on the 156 projects aided by the Soviet Union, China initially built a complete industrial system covering metallurgy, energy, chemicals, machinery, and military industry. Meanwhile, breakthroughs were made in infrastructure and resource exploration: the Chengdu-Kunming Railway crossed forbidden zones, and the Daqing Oilfield broke the "oil-poor" theory. Coupled with breakthroughs in atomic weapons in the 1960s, peace and development were guaranteed, and defense costs reduced. These investments, which might have seemed "uneconomical" at the time, were actually building the skeleton and laying the blood vessels for the entire country's full industrialization.
* **The Hidden Battleground of Agricultural Revolution:** Most critical yet often overlooked was the systematic engineering in agriculture. Under the monsoon climate, to achieve stable and high yields, a thorough "anti-natural" transformation was necessary. By promoting the four elements of "Water, Fertilizer, Pesticide, and Seeds," China achieved a quiet agricultural revolution:
* **Water Conservancy:** Upon the founding of New China, a struggle to tame rivers began. From harnessing the Huai River to rooting out the Hai River issues, from the Red Flag Canal to countless small reservoirs. By the late 1970s, 80,000 reservoirs were built (accounting for over 90% of today's total), and millions of kilometers of irrigation channels crisscrossed. These reservoirs were not just water containers, but shock absorbers for grain fluctuations—irrigating in drought and draining in flood, turning "depending on the weather" into "harvest guaranteed despite drought or flood," systematically reducing the impact of the monsoon climate on agriculture.
* **Fertilizer:** Starting from scratch in the 1950s, China introduced 13 sets of large-scale fertilizer equipment through the "43 Plan" in the 1970s. China's fertilizer industry grew from nothing, and its scale continued to expand. By 1980, fertilizer usage was about 12.7 million tons, and by 1990, it exceeded 25 million tons. The spread of fertilizer meant Chinese agriculture broke natural constraints: utilizing the petroleum and natural gas industry represented by Daqing to provide key raw materials, a modern chemical system was built to convert deep underground oil and gas resources into nitrogen urgently needed by the land. Industrial achievements became nutrients nurturing agriculture, crucial for high grain yield.
* **Pesticide:** Starting in the 1950s, by the late 1970s, China had established a relatively complete pesticide industrial system. The spread of pesticides effectively curbed pest rampages, estimated to save 15%-30% of grain losses. This meant not only increased total output but also significant contribution to stable yields.
* **Seeds:** Seed breeding achieved breakthroughs in the 1970s: hybrid rice three-line matching was successful in 1973, and disease-resistant high-yield wheat varieties also came out. Good seeds enhanced crops' ability to resist pests and adapt to the environment, making grain

yields higher and more stable.

The significance of this agricultural revolution cannot be overestimated.
In the first thirty years, while the population nearly doubled (from 540 million to nearly 1 billion), per capita grain output remained stable around 300 kg—maintaining per capita output despite a population explosion was a huge achievement in itself. In the early 1980s, large fertilizer plants built in the 70s went into production, high-yield seeds were fully promoted, and grain stability and high yield flew together. Per capita grain output no longer hovered but climbed steadily.

3. Significance of the Foundation: The Bridge to an "Efficient Market"

When grain supply tended to be stable and abundant, a road from physical foundation to efficient market was finally opened:

Grain supply became stable and abundant, constituting a solid currency anchor, making the prices of commodities, labor, and assets in the market predictable, and market risk reduced. On one hand, government taxation and capital investment had a clear basis, enabling the opening of numerous factories; on the other hand, breaking free from the "hand-to-mouth" survival constraint, hundreds of millions of farmers could leave the land and enter factories. This ultimately detonated a magnificent full-scale industrialization led by township enterprises.

The first thirty years were not a detour. It was the decisive beginning of "a Facilitating Government creating an Efficient Market." Just as a building cannot be built on sand, without the survival base laid in the first thirty years, the "Market Economy" building of the subsequent forty years could not have been constructed.

IX. Creating the Big Market: From Physical Foundation to Full Industrialization

When basic conditions were met, the full-scale industrialization of the subsequent forty years became a matter of course. This is not only a victory for the market but also a victory for construction. It is a great story about development, but its prologue was written in the first thirty years.

1. Breaking Shackles, Explosion of Division of Labor

The arduous construction of the first thirty years finally gathered into a torrent that broke historical shackles in the early 1980s.

First was the removal of grain risk. When fertilizers and seeds became popular, and stable high agricultural yields became the norm, the "Involution" curse that had plagued China for thousands of years was finally broken. With the food problem secured, the state finally opened the gate strictly controlling population flow. Hundreds of millions of farmers could be released from the shackles of the land and turn to join the industrial army.

Second was the accumulation of infrastructure. Continuously extending railways and roads supported large-scale logistics. The strong power grid, gradually covering the whole country, provided energy stability far exceeding that of average nations. The dense transportation network and super-stable power supply allowed the "Efficient Market" to operate at extremely low costs, integrating originally scattered and isolated regional markets into a unified big market.

Thus, we saw the most spectacular explosion of division of labor in human history: hundreds of millions of farmers no longer clung to one acre of land like their ancestors but entered factories to specialize in a certain process. Spindles spinning in textile mills, conveyor belts flowing in electronics factories — everyone did only one thing, and production efficiency leaped. The "efficiency revolution" envisioned by Adam Smith in the pin factory was replicated thousands of times on Chinese soil.

China became the "World Factory" and eventually evolved into a "Global Manufacturing Center." The fundamental reason was not cheap labor, but the realization of deep division of labor—this is the true source of China's power. This extreme division of labor system established China's dual manufacturing advantage: compared to Global South countries with incomplete industrial systems, China possesses irreplicable industrial chain depth; compared to Western countries constrained by scale bottlenecks and energy shortfalls, China possesses unshakable super-scale and energy advantages. Ultimately, this all-round strength allowed Chinese manufacturing to reach the pinnacle of human industrial history in terms of efficiency and scale.

More notably, China has not stopped at its existing industrial achievements. Relying on the full-chain advantage of the world's number one industrial nation, China took the lead in igniting the new energy revolution, injecting stronger power into the "Efficient Market."

If the agricultural revolution solved the problem of "food for humans," then the new energy revolution is solving the problem of "food for machines." Breakthroughs in nuclear energy, PV, wind power, and energy storage mean energy supply will become unprecedentedly cheap, stable, and ubiquitous. This will further reduce societal production costs and thoroughly iron out the dual risks of external energy price fluctuations and supply interruptions.

This is a perfect positive feedback loop: "Efficient Market" promoted full industrialization, full industrialization created new energy technology, and new energy technology in turn further consolidated the physical foundation of the "Efficient Market," pushing China toward the next, grander industrial revolution.

2. Deepening Lin Yifu's Theory: Facilitating Government Creates Efficient Market

Regarding the explanation of the Chinese path, Professor Lin Yifu proposed the parallel concepts of "Facilitating Government" and "Efficient Market" — government is responsible for infrastructure construction and industrial guidance, while the market is responsible for resource allocation; the combination of the two leads to success. This is a remarkable observation, but combined with historical practice, we can dig out a deeper causal chain.

For latecomer countries, an "Efficient Market" does not fall from the sky, nor does it grow automatically just by hanging up a "Market Economy" sign, engaging in privatization and price liberalization. Russia's "Shock Therapy" was a bloody lesson. The basis of an "Efficient Market" is extremely low market risk, and its root lies in abundant and stable food and energy supplies, which depend on arduous infrastructure construction.

Therefore, the deep explanation of the Chinese path is: "Facilitating Government" *created* "Efficient Market."

Also Lin Yifu's view is that the first thirty years were a "detour": under conditions of extreme poverty ("poor and blank"), prioritizing the development of "money-burning" heavy industry led to light industry lagging behind and a long-term shortage of daily necessities for the people. This is viewed as a historical lesson of "violating comparative advantage."

But if we jump out of the simple "industrial efficiency" perspective and re-examine from the dimension of "survival risk," we will discover another significance of the first thirty years.

We must ask: Why did China have to "violate comparative advantage" to develop heavy industry at that time? Besides national defense needs, a reason often ignored by economists is: **The so-called "labor comparative advantage" was actually a locked "pseudo-proposition" at that time.**

In the high-risk era of grain shortage and instability, the massive labor force was locked on the land to survive and could not be transformed into an industrial army at all. To unlock this massive labor force, agriculture had to achieve stable and high yields; and for agriculture to achieve stable and high yields, heavy industry products had to be used to "transform" the physical world:

Without the steel and cement industry, tens of thousands of reservoirs and supporting irrigation

channels could not be built;
Without the machinery manufacturing industry, high-pressure equipment required for synthetic ammonia could not be produced, and the fertilizer industry would be out of the question;
Without the chemical industry, pesticides could not be popularized;
Without the electric power industry and motor manufacturing, the electric irrigation and drainage network covering rural areas could not be built. It was this network that guarded the bottom line of grain against drought and flood disasters.

The heavy industry strategy of the first thirty years, which seemed to "violate comparative advantage," was actually an inevitable choice based on economic laws: it injected the hard-core power of industrialization into traditional agriculture, solved the food crisis by transforming the physical environment, thereby stabilizing the price system. Only when this step was achieved could the "Efficient Market" form, labor be released from the land, and comparative advantage truly become a reality.

This is the root of the Chinese path: Not a **dual governance** of "Facilitating Government" and "Efficient Market," but "Facilitating Government" **creating** "Efficient Market"—first by using state power to invest heavily in transforming the physical world and systematically reducing market risk, and then allowing the market mechanism to enter and operate effectively.

X. The Origin of Species in State Governance: Engineer Mindset vs. Lawyer Mindset

The difference between Chinese and American governance models is often summarized as the distinction between "Engineer Governance" and "Lawyer Governance," but this is not just a difference in government behavioral style, but a projection of two survival logics on the governance level: one side is reform, the other is conservatism.

1. Two Political Ethics: Process First vs. Result Delivery

Western governance logic directly stems from the English experience. In the "Greenhouse Garden" that won the natural lottery, grain production was stable, internal order was peaceful, and there was no external invasion. The government needed neither to fight the rage of nature nor to battle powerful external enemies. For them, maintaining existing rights boundaries was the safest way to live.

Therefore, the West developed the political ethic of "Procedural Justice." Its core is

"Conservatism": Unless absolutely necessary ("eyebrows are burning"), between "doing nothing" and "breaking rules," it always favors the former.

Based on this ethic, the governance model is like what the British themselves tease—"muddle through." It is a low-cost muddling-along plan because "all is well," and society can run on inertia even if government efficiency is low. The Anglo-American common law system, which is as messy as a junk heap yet highly touted, is a typical representative of this low-efficiency governance.

The United States, as the representative of the West today, has pushed this model to the extreme. Like Britain, the US also won the 'natural lottery': it enjoyed early and monumental industrialization; its geopolitical environment is secure, with no strong threats on its periphery, and two vast oceans separating it from the strife of the Old Continent. the long-term existence in a comfort zone has ossified its governance model. It increasingly falls into the idle spinning of "procedure only, no results," evolving into an overly litigious "Lawyer Governance": elites are obsessed with debate and gaming, the government is captured by interest groups, partial, mediocre, and muddling along, losing the ability to mobilize human and material resources to solve fundamental problems.

The social root behind this is that the US, as a "Free Country," is essentially an unintegrated "Mosaic Empire" patched together by interest groups with distinct boundaries. Without survival pressure, this "Mosaic" structure has its vitality, but once faced with severe challenges, the lack of a unified will—"Tribalism"—is exposed. To maintain coexistence amidst tearing, "procedure" became the final consensus, while "results" were sacrificed by endless infighting. This trend pushed to the extreme is the so-called "Vetocracy," which is essentially the paralysis of action capability by procedural justice. This is the chronic illness of current American governance, but also the privilege of greenhouse flowers "dying in ease."

In contrast, China faces a "Survival Trial." Amidst alternating floods and droughts, and with internal chaos and invasion shadowing it in a high-risk environment, no matter how flowery the government's rhetoric or how sacred its halo, if floods and droughts cannot be controlled and people are displaced, governance has failed, and "Legitimacy" vanishes. It must be like Yu the Great taming the flood, responsible for the final result, and hand over a concrete report card of survival and development to have "Legitimacy."

Therefore, "Result Delivery" is an inevitable political ethic in China. This ethic forces the government not to be satisfied with being a passive whistle-blowing arbiter, but to become a hands-on builder: here, there is nothing to conserve; reform is mandatory for survival. The Engineer Mindset of solving problems must take precedence over the Lawyer Mindset of defining rights.

This difference in governance thinking eventually materialized as a difference in governance talent. Today, there are many officials with engineering backgrounds in the Chinese leadership, while American political elites mostly come from law schools. This is no coincidence. The legend of Yu the Great taming the flood is the symbolic starting point of the Chinese governance model:

this ancient sage king himself was a diligent hydraulic engineer who passed his door three times without entering; for thousands of years since, from Dujiangyan and the Zhengbuguo Canal to the Grand Canal and Yellow River management, until New China's water conservancy construction, railway grid, and energy development, this vein has never been broken.

As Mr. Lu Xun said: "Since ancient times, we have had people who work hard in silence, people who work hard with their lives... this is the backbone of China." This Engineer Mindset is essentially the continuation of this spirit of "working hard in silence" and "working hard with one's life." It does not believe in verbal disputes, only in seeking truth from facts.

2. Tempered into Steel: Unlimited Responsibility Government

Different political ethics shaped different government forms.

Some say the Chinese government is a "Neutral Government" (not captured by interest groups), some say "Meritocracy" (selecting capable people), and others say "Facilitating Government" (actively participating in construction and development).

All these ultimately point to the same essential characteristic — "Unlimited Responsibility Government."

This is completely different from the "Limited Responsibility Government" in the West acting as a "Passive Arbiter." Western governments only need to be responsible for legal procedures; as long as the procedure is compliant, the result is often not their responsibility. But the Chinese government must be responsible for the final survival result: regardless of the process, if survival and development cannot be guaranteed, it is a dereliction of duty, and legitimacy is lost.

This "Unlimited Responsibility" does not stem from greed for power, but from immense survival pressure.
Latecomer countries represented by China generally face severe "Survival Trials" — unstable agriculture, high market risks, and easy social disorder. This pressure is not an abstract concept but concrete threats: famine, turmoil, collapse. In such a trial, if the government cannot grow into an "Engineer" skilled in planning and pursuing efficiency to actively improve production capacity and reshape social order, its continued existence is in question.

This huge survival pressure becomes an invisible "Discipline" constraining government behavior. If the government is captured by interest groups, resource allocation will be unbalanced, and social conflicts will intensify; if personnel are improper or officials incompetent, policies will fail, and governance will be chaotic; if it does not act actively or invest in long-term capacity building, society cannot cope with future crises and challenges. The consequences range from shaking the foundation of rule to the collapse of the regime.

Therefore, to survive, the government must possess multiple characteristics:

Must be "Neutral": Maintain independence, not swayed by any special interest group;
Must be "Capable": Only those who have passed layers of trials and proven their ability can be selected;
Must be "Active": Cannot sit and wait for conditions to mature, must actively create conditions;
Must be "Far-sighted": Investment decisions cannot just look at immediate returns but must concern future basic capabilities.

This is not a moral choice or cultural preference, but an inevitable evolution under survival pressure.

"Born in sorrow." The value of the trial lies here: It did not destroy this ancient civilization but forced it to complete the "Tempering into Steel" of its governance model under extreme pressure.

The powerful organizational, mobilization, and coordination capabilities evolved to fight floods and famines did not lose value when the survival red line was lifted; instead, when China turned from "seeking survival" to "seeking development," this set of "internal strength" practiced under extreme pressure immediately transformed into strategic advantages in modern competition that other civilizations cannot replicate.

"What does not kill me makes me stronger." The Chinese government's "Unlimited Responsibility" began with the helplessness of survival but will eventually fulfill the freedom of development; it is a solid shield against crises and a powerful engine for catching up.

3. The Tragedy of the Soviet Union: Strong Government Losing Its Focus

The case of the Soviet Union provides a mirror, allowing us to understand the uniqueness of the Chinese model more deeply.

As the former "Big Brother," the Soviet Union's political structure was very similar to China's, possessing the same strong organizational mobilization capability and attempting to transform nature through a planned system. But the result was lamentable: the Soviet Union failed to solve its agricultural troubles until its dissolution.

The Soviet Union is located at high latitudes, with about two-thirds of its land being permafrost or seasonal frozen ground. Arable land is scarce, the growing season is short, and precipitation is unstable. This rigid climatic constraint made Soviet grain production like a roller coaster—in the 1980s, grain output fluctuated violently between 150 million and 210 million tons, with multiple serious crop failures.

The result was that although the planned system enabled the Soviet Union to achieve

world-renowned achievements in military industry and aerospace, launching satellites and building torrents of tanks, agriculture, the "economic base," was always shaky. The Soviet Union launched several large-scale land reclamation campaigns attempting to break through the agricultural bottleneck through physical transformation, but constrained by the harsh climate of high latitudes, these efforts often yielded half the result with twice the effort and were ineffective.

Even more fatally, unlike China, which spared no expense in building farmland water conservancy and introducing large-scale fertilizer plants, the Soviet Union had long-term debts in agricultural construction. Extensive use of fertilizers, scarce farmland water conservancy, and especially backward storage and transportation systems led to annual post-harvest grain loss rates as high as 20%. Tens of millions of tons of grain were not unplanted, but rotted in the fields or on the road.

Unable to provide stable and abundant grain as a "Currency Anchor," the Soviet Union remained trapped in the "Small Market" of the planned system, never creating a "Big Market" like China, leading to a lack of stamina for economic development.

With long-term shortages of agricultural products and uncompetitive industrial products, the Soviet Union, unwilling to continue "tightening its belt," embarked on a path of high-risk external dependence: exporting oil for foreign exchange, then using foreign exchange to import grain. Imports climbed year by year from the 1970s, reaching an average of 30-40 million tons per year in the 1980s.

However, oil and grain prices in the international market were very unstable. "Oil for Grain" became the Achilles' heel of Soviet finance: in 1985-1986, international oil prices plunged from $30 to below $10 per barrel and hovered at low levels for years. Foreign exchange income plummeted, but the rigid demand for grain imports remained. Coupled with the continuous spending on the arms race and the war in Afghanistan, the fiscal deficit ballooned, and foreign debt piled up. This long-term fiscal blood loss eventually triggered the total collapse of the Soviet Union.

The tragedy of the Soviet Union shows: "Facilitating Government" is a necessary condition for creating miracles, but not a sufficient one.

The premise of "Man Conquering Nature" is respecting scientific laws and physical limits, not acting recklessly, and having superb strategic determination to endure and wait for favorable opportunities. The failure of the Soviet Union lay not only in encountering huge natural challenges but also in that when agricultural breakthroughs were blocked, it abandoned the effort to solve shortcomings through arduous reform, and lacked the perseverance to "tighten its belt" in adversity. Instead, it indulged in the illusion of a great power, squandering unsustainable oil dividends to maintain welfare construction and arms races disconnected from national strength. This reckless "gambling with national destiny" paid the heaviest price: the dissolution of the union, the fall of the red flag overnight, and the near-total loss of wealth accumulated by

generations.

China's luck lies in that although it faces severe monsoon challenges, its agricultural areas have a warm climate; more importantly, China showed the strategic determination that the Soviet Union lacked: always adhering to the foundation of "Self-Reliance and Hard Struggle," refusing to fall into external dependence; always maintaining a sober mind for peaceful development, refusing to fall into an arms race. Even in the most difficult times, China did not give up long-term investment in water conservancy and the fertilizer industry, and built a rigorous grain transportation and reserve system from field to table, solving the food problem by itself. This survival wisdom of "neither being controlled by others nor overdrawing the future" is the key for China to walk out of the trial and come from behind.

Through an arduous agricultural revolution, the problem of stable and high grain yield was finally solved on this "bountiful but dangerous" land of China. The Soviet Union, constrained by natural limits and strategic shortsightedness, ultimately failed to solve the agricultural dilemma and cross the threshold of the "Efficient Market." Today's Russia, with the help of climate warming and technological progress, has greatly improved its agricultural situation, but for the Soviet Union, it all came too late.

XI. Breaking the Myth: Civilizations Need Not Clash

The significance of China's rise lies not only in setting an example for Global South countries but also in reshaping the world structure.

After the Cold War, without the opponent of the Soviet Union, Western scholar Samuel Huntington proposed the "Clash of Civilizations," pessimistically predicting: post-Cold War world conflicts would not be due to different ideologies, but different cultures. Cultural differences would lead to irreconcilable confrontations between civilizations.

However, China's rise changed everything. As Singapore's former Prime Minister Lee Kuan Yew said in 1994: "China is the biggest player in the history of man." Before this huge variable, the once-popular "Clash of Civilizations" theory is outdated.

The biggest blind spot of this theory is: It tries to explain the world with cultural differences but forgets the true driving force of human history: the eternal pursuit of survival and development.

1. Farewell to Survival Anxiety: The Foundation of Peace for Modern Nations

Looking through history, you will find that neither ideology nor cultural identity has ever been the goal of human survival, but tools. Ancient civilization conflicts, whether the Crusades or the Mongol conquests, were rooted in fighting for rice bowls—fighting for land, water, and trade routes. Precisely because the rice bowl was not secure, "those without constant property have no constant perseverance," people were keen to rob others to supplement themselves.

But the situation today has fundamentally changed.

After World War II, the combination of industrialization and modern agricultural technology brought a qualitative leap in grain output and stability in the world's major civilization regions. Fertilizers, pesticides, improved seeds, irrigation—this combination of punches brought the food crisis that had plagued humanity for thousands of years to an end. From Europe to East Asia, everyone basically achieved "food freedom" and established a peaceful order based on food security.

Today, the major players on the world stage are essentially homogenized modern states. Although cultures differ, as long as modernization is completed, the foundation of social order is no longer religious dogma or clan kinship, but stable grain production and developed industrial systems. Huntington's drawing of circles by civilization actually masks the similarity of countries in essence—they are all modern states built on a peaceful order.

Of course, this does not mean peace prevails everywhere now. West Asia and Sub-Saharan Africa are still in turmoil, but this is not due to any "Clash of Civilizations," but due to unbalanced development: their food crisis is not solved, and social transition is not completed.

In addition, energy price fluctuations also make resource-based countries unstable and countries lacking resources hindered in development. But energy risk and grain risk are fundamentally different. Not enough food is life-threatening, a survival crisis; not enough energy affects making money, a development crisis. As major powers no longer face the death threat of mass famine, even if differences between them today are great, they are far from the degree of fighting to the death like in the two World Wars.

Therefore, there is no reason for China and other major powers to fight. If one must look for a reference in history, it is neither the life-and-death duel between Athens and Sparta, nor the saber-rattling between Britain and Germany before WWI, but the peaceful transfer of power between the US and Britain—that was the first competition in world history between two truly "modern" countries.

2. Farewell to Colonial Plunder: The Uniqueness of China's Rise

Furthermore, China's rise is different from other major powers: China has no impulse for colonial plunder. This is not moral preaching, but an inevitability determined by historical genes and realistic interests.

Historically, China understood a ledger very early on. Since the Qin and Han dynasties, the core agricultural area was set. Ruling the grasslands to the north, the highlands to the west, or the jungles to the south was a money-losing business: the revenue was not enough to pay for the cost of garrison and governance. For the Chinese civilization that depended on the weather back then, the core task was always "looking inward"—managing floods and droughts brought by the monsoon and maintaining peace in the vast land was far more important than external expansion.

Therefore, China invented the "Tributary System." This set of international relations arrangements is often stigmatized, but it was actually the most cost-effective solution for maintaining East Asian order: China gave generous gifts to tributary states and granted trade privileges in exchange for their recognition of China's status. Everyone took what they needed and shared peace. This is two different things from the Western colonial system. The logic of the colonial system is military conquest and economic plunder. The logic of the tributary system is peaceful interaction and mutual benefit in trade. Zheng He's voyages to the West brought goods and friendship, not colonial outposts. This is by no means accidental, but the inherent philosophy of Chinese civilization.

Returning to reality, for China, colonial plunder is not only a moral stain but also extremely short-sighted. It only pushes Global South countries to the opposite side. More importantly, China has the ability to choose another more moral and beneficial path: making the cake bigger. By helping Global South countries build infrastructure and develop trade relations, turning them from "poor friends" into prosperous markets, China as a builder and trade partner can naturally obtain higher and safer returns than simple plunder.

Historical genes coupled with realistic interests determine the unique attributes of the relationship between China and Global South countries. The "Belt and Road" initiative is a sample of this new relationship. It is like the Marshall Plan of the past, but not exactly the same. The "Belt and Road" is not for establishing an exclusive sphere of influence but for building roads and bridges to promote connectivity. When China helps Africa build railways, Southeast Asia build factories, and Central Asia develop energy, it is not doing charity and throwing money away, but investing in the future. These investments not only help the locals cross the development threshold but also open up broader markets for China's own capacity and technology. This is not charity where only one side benefits, but a rational choice of mutual benefit.

XII. The Way of Leadership: An Alliance of Builders Escaping Fate

Thinking back to the development stories of the East and West, we can finally answer that core question: In a world full of uncertainty, who is qualified to be the true leader?

The true leader cannot only know how to grow flowers in a calm greenhouse but must also know how to survive in the desperate trials of violent storms.

1. The True Plight of the Global South

We must say a fair word: most Global South countries are underdeveloped not because they are lazy, nor because life is easy. On the contrary, the difficulties they face are often greater than China's, even exceeding the limits of their capabilities.

West Asia and North Africa: Typical "land without water." Although sunlight is sufficient, rainfall is scarce and evaporation is intense, naturally limiting agriculture. In the modern era of population explosion, this is no longer a problem that can be solved by building a few reservoirs, but an absolute scarcity of total water resources.

Sub-Saharan Africa: Facing multiple geographical curses. Tropical diseases severely weaken labor, rainforest and grassland climates make the threshold for agricultural development very high, plus the lack of natural good harbors makes inland transportation costs astoundingly high.

India: As a typical example of the Global South, India's agricultural conditions are actually far inferior to China's. Its rainfall relies heavily on the South Asian monsoon, and the onset time, rainfall intensity, and duration of the monsoon are all highly uncertain, with drastic inter-annual variations. Coupled with pests caused by high temperatures and humidity, India's grain output is not only low but also extremely unstable.

2. The Predicament of India: A Survival Trial Hard to Cross

India faces not only harsher natural challenges than China but also a deeper dilemma of state capacity.

Harsh agricultural conditions fundamentally constrained India's state capacity. Frequent agricultural disasters and volatile yields meant that the tax revenue collected by the state was unstable and insufficient. Insufficient tax revenue meant insufficient bureaucrats and troops,

making it impossible to establish a truly stable unification on the subcontinent. This led to India's history of thousands of years where unification was a brief accident and division was the long norm.

Therefore, India historically lacked the tradition of a "Facilitating Government," and in reality, failed to reshape its grassroots structure through a thorough social revolution.

Of course, this did not completely block India's development. Relying on limited agricultural improvements, it is still moving forward slowly. But this progress always carries heavy shackles:

India lacks strong state capacity to provide infrastructure and public services, and the transplanted "Western-style election" has also turned sour on this soil lacking social integration — democracy has not brought efficient governance but turned into short-sighted political infighting, exacerbating the tearing of castes and religions, further damaging India's state capacity.

It has not "stagnated," but can only climb uphill arduously amidst constant compromise.

3. The Arrogance of the West and the Empathy of China

Western countries, accustomed to the luck of "harvesting upon sowing," take it for granted that as long as Western institutions (Constitutional Democracy) and markets (Free Trade) are copied, prosperity will arrive automatically.

For Global South countries deep in "Survival Trials," the West finds it hard to understand, let alone sympathize. They only blame Global South countries for not being democratic enough, government managing too much, markets not being open enough, and even hit them when they are down in times of crisis, plundering them. This is not only ignorance but also hypocrisy.

China can win the widespread trust of Global South countries because China, reborn from ashes, understands empathy. China knows well: under harsh natural conditions, if one does not organize construction and transform the environment through a "Facilitating Government," one can only resign to fate. China proved with its own rebirth: building changes destiny.

Therefore, China's relationship with Global South countries presents a quality that the West cannot replicate—respect and mutual aid based on deep understanding:

* **No Hypocritical Lectures:** No imposing ideology, no attached political conditions.
* **Equality and Respect:** "Do not do unto others what you do not want done to yourself." China knows the difficulty of moving from the periphery to the center, so it is willing to treat every Global South country with an equal heart.
* **Providing Real Help:** As economist Jeffrey Sachs has pointed out, for Global South countries deep in 'Survival Trials,' empty talk of a market economy is useless; what they urgently need are

infrastructure and agricultural inputs. China's 'Belt and Road' initiative is a practitioner of this kind of 'Clinical Economics': it not only exports construction capabilities but also covers agricultural and new energy technology assistance. From hybrid rice solving food crises to PV and wind power solving energy shortages, China is dedicated to helping the Global South consolidate its survival foundation.

This is a rational mutual benefit. China helps Global South countries not to establish a dependency system, but because China clearly sees: Only by letting more countries walk out of survival trials, create efficient markets, can the world market truly expand, and human civilization truly walk out of the mud of scarcity.

This is not just business, but an "Alliance of Builders escaping fate."

XIII. The Great Game: The Dissolution of Hegemony and the Rebirth of Order

Examining the current US-China game, we must jump out of the simple "Thucydides Trap"—that is just an old story of two countries fighting for a chair in the old system. The power China represents is not to replace the US as the new hegemon in this old system, but to fundamentally dissolve this hegemonic order based on violence and hierarchy.

1. Farewell to the Law of the Jungle: Walking Out of the Cage of Fear

For a long time, the struggle for hegemony was seen as an inevitable phenomenon within the international system.

In a world with relatively scarce resources, severely unbalanced development, and fluctuating power balances, countries are bound to be suspicious of each other and lack a sense of security. If one does not become a hegemon, one may be bullied at any time, as US Secretary of State Blinken said: "If you're not at the table, you're on the menu." Under such jungle law, a rational national strategy must be to fight for hegemony. As offensive realist Mearsheimer asserted: "The mighty behave as they will."

However, China's rise is breaking this cage.

First, because of the fundamental reversal of the power balance. Unlike the historically fragmented Europe or Middle East, China is a super-large single political entity with a tradition of

unification for two thousand years, highly integrated internally, with no geopolitical cracks for offshore manipulation; externally, there is no neighbor in Asia with enough strength to act as a "pawn" for the US to balance China.

This situation of "no internal cracks, no external strong enemies" imposes a severe **strategic passivity** on the US—it is forced from the ease of "four ounces moving a thousand pounds" into the predicament of "moving four ounces with a thousand pounds." When a giant stands on one end of the scale, and the other end cannot find enough weights, the offshore balancing act completely fails.

This means China possesses sufficient strategic space and does not need to be forced into the zero-sum game of hegemonic struggle.

More importantly, the progress of industrial and technological power, especially the breakthrough of the new energy revolution, is dismantling the foundation of hegemonic systems from the physical bottom layer.

Nuclear energy, PV, wind power, energy storage, electric vehicles — China has occupied a dominant position in these key fields determining the future. This marks a fundamental shift in energy acquisition logic: from the "Extraction Mode" relying on geographical endowment (having mines at home), to the "Manufacturing Mode" relying on industrial ability (technological innovation).

Whether it is the manufacturing of PV and wind power equipment, or the breakthrough of advanced nuclear technology—increasing uranium resource utilization rate by dozens of times and "turning waste into treasure," or utilizing more abundant thorium resources, or even future nuclear fusion viewing seawater as fuel—essentially, they all turn energy issues into technical issues. As long as these technologies are mastered, every inch of wasteland or even seawater can become an energy source.

This transformation has a subversive impact on geopolitics:

Historically, fossil energy distribution was uneven and relied on long sea transport, making control of "choke points" (like Malacca, Hormuz) a lethal weapon of hegemony to strangle opponents. However, when energy transforms from a contested "geographic resource" to a ubiquitous "manufacturing technology," maritime hegemony aimed at blockading sealanes and production areas will lose the significance of its existence.

This not only provides a definitive solution for China to break the energy security straitjacket but also brings a dawn to human society—eradicating the soil of wars caused by energy contention from the root.

When energy is no longer a target of zero-sum games, but a technology available to all, international relations possess the material basis to shift from a "Jungle Law" based on fear to a

"Reciprocal Order" based on cooperation.

2. Building a New World, Dissolving the Old World

Based on this dramatic change in physical logic, China does not need to fight for hegemony with the United States.

Facing containment and anxiety from the hegemon, China's mindset is like the fable in *Zhuangzi*: When the owl guarding a "dead rat" (hegemonic interest) screeches at the phoenix flying high (the builder aiming for renewal), it simply cannot understand that the other's ambition is no longer in this rotten thing.

Fighting for hegemony means grabbing that "dead rat," admitting the rationality of the old order, and continuing to kill in the jungle; China disdains this and aims to dissolve hegemony: by building a new world of reciprocal order, letting the soil on which hegemony relies disintegrate on its own. This is not only a moral choice but also a rational calculation based on national interests.

Actually, the cost of hegemony is extremely high. It is precisely because of the absence of peace and prosperity that hegemony becomes possible. As a hegemon, to maintain this strictly hierarchical order, one must maintain a huge garrison and intervention system and intervene in endless regional conflicts. To make up for these high hegemonic expenses, the hegemon must oppress and plunder those countries that lack peace and prosperity. This "protection racket" model, although profitable for a time, brings long-term strategic damage and indelible moral stains. This cycle of drinking poison to quench thirst is the root of hegemony's self-destruction.

Accepting hegemony means carrying the heavy burden of the old world; in contrast, dissolving hegemony is the strategy for maximizing returns, meaning traveling light, exchanging the smallest strategic cost for the greatest development space. With rapidly growing economic, technological, and military power, China has the ability to make this new choice.

Supporting the Global South is "removing the firewood from under the cauldron" of hegemony. China helps Global South countries achieve industrialization by exporting construction capabilities. An economically prosperous and powerful Global South will automatically break away from the control of the hegemonic system, fundamentally dissolving the hierarchical order.

Engaging Developed Nations is "disintegrating" hegemony. China's huge market and manufacturing capabilities constitute an irresistible attraction. Meanwhile, the hegemon's indiscriminate harvesting to save itself is forcing allies to drift away. The combined force of this "attraction of interest" and "fear of harvest" is disintegrating the hegemon's alliance system from within.

Facing Hegemony Itself, China practices "Strategy above Combat." Starting from a position of

strength, China chooses to have "both fish and bear's paw": using military force to deter hegemony and protect free trade; using mutual benefit to dissolve confrontation and refusing military oppression. "The best warrior leaves no glorious record," this is not only a smooth path for China to gain dignity but also a path of redemption for the old hegemon to return to being a normal country.

Building a peaceful and prosperous new world will automatically dissolve a hegemonic hierarchical old world. This is the ultimate logic of the Mandate of Heaven.

XIV. Conclusion: Its Mandate is Renewal

When the dust of the game settles, we will find that this is not just a transfer of power, but a rebirth of civilization.

Once, the "End of History" arrogantly proclaimed that Western institutions were the final form of humanity. However, the Chinese path shattered this myth. It proved to the world: there is not only one path to modernization, the Western model is not the universal end, and history has not ended but opened a new chapter in the East.

"Although Zhou is an old state, its mandate is renewal." This ancient verse from the *Book of Songs* glows with new meaning today: it heralds a fundamental turn of human history from the "Law of the Jungle" to "All Under Heaven for the Public Good."

China's Renewal

China's modernization is not finding its place within the framework of "American Theology," but a builder's path based on the civilization gene of "Yu the Great Taming the Flood" and the spirit of "defying fate."

The essence of this path is the denial of geographical fatalism. It proves: **Poverty is not destiny.** China did not go to war to plunder external resources but dug inward, creating possibilities for development under unfavorable conditions through arduous infrastructure construction and industrial upgrading.

This is a story about how humanity organizes itself to conquer the physical world and master its own destiny. This is the victory of "Transformative Logic" over "Conservative Logic."

The World's Renewal

Looking at the world, human civilization has also arrived at a moment of "renewal."

For thousands of years, civilization has been locked in the double fate of the "Malthusian Trap"

and "Thucydides Trap." Because survival resources were limited and unstable, civilization interaction was trapped in zero-sum games; because of the lack of security, hegemony and plunder became the underlying logic of international relations. This fate was once seen as eternal, just as the historian sighed: *"The similarity between the future and the past is like two drops of water."*

The emergence of the Chinese path is breaking this shackle.

The modern agricultural revolution is solving the food crisis, the new energy revolution is solving the energy crisis, and the construction capabilities led by China are spreading globally. When the foundation of survival is consolidated, when the right to development is inclusive, human civilization has the first chance to walk out of the "eternal war caused by resource scarcity" and move towards a new era of "replacing plunder with building." The baton is being passed from "Talkers" to "Builders." The future world order will no longer be "Ruling People" based on hegemonic hierarchy, but "Taming Water" based on common development.

The True Meaning of Renewal

The ancient species of humanity, in the process of overcoming survival anxiety, is walking out of the destiny of divergence and moving towards a future of convergence. This is also not a simple "return," but "renewal"—not returning to some imagined golden age, but creating a brand new era.

There is a passage in *Genesis*: *"Your name will no longer be Jacob, but Israel, because you have struggled with God and with humans and have overcome."*

China struggles against adversity and wins, humanity struggles against fate and wins—this is the true meaning of "Its Mandate is Renewal."

China's return brings not the shackles of hegemony, but the keys to development. New China promoted the agricultural revolution through arduous industrial construction, successfully creating an efficient market in the trial of turbulence; today, this experience verified by blood and sweat is helping the Global South break its fate. By promoting the industrialization of the Global South, we will rebuild the world market and reshape the world order.

This is the ultimate metaphor of "China's Return": Just as five thousand years ago, Yu the Great calmed the chaos of the flood through building and established the order of the Nine Provinces; today's China will also calm the chaos of hegemony and scarcity through building, reshaping the global order.

Yu the Great returns, and the world is at peace. All rivers flow to the sea, and all nations live in harmony.

We all have a bright future.