

China Changes the Course of World History

by William Jones

“I have said and I still say: we send Missionaries to the Indies in order to preach revealed religion. This is good, but it seems we need the Chinese to send us Missionaries in turn, for us to learn the natural religion that we have almost lost.”

—Gottfried Leibniz

Sept. 8—The G-20 (Group of Twenty) Summit on September 4th and 5th, which took place in Hangzhou, China, has changed the course of human history. For the very first time a comprehensive policy for global

economic development was agreed to by all of the leading nations of the world. Simultaneously, agreements were reached on long-term planning, economic cooperation, scientific and technological innovation, and in-depth discussion took place on the issue of developing a new financial architecture to supersede the bankrupt trans-Atlantic financial system.

Also, for the first time in the history of the G-20, many poorer or “less developed” nations officially participated in the G-20 discussions, setting a precedent that all of the discussions were conducted, and all of the



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The heads of state attending the Sept. 4-5 G-20 summit in Hangzhou, China. President Xi Jinping expanded the number of participants by inviting several developing sector heads of state.

agreements were decided, on behalf of all of mankind, not simply a limited group of nations.

The great credit for this accomplishment must be given to Chinese President Xi Jinping and to his advocacy, over the course of the past four years, of a “Win-Win” approach to resolving international conflicts and problems. The policies which were broadly accepted by the twenty most developed nations gathered at Hangzhou, and by the great majority of countries in the world, are policies which have been put forth, and fought for, by the Chinese leadership. Far from the realm of wishful thinking, these policies had been formulated largely by China, based on her own experience over the last four decades of rapid economic development. Since the 1970s, China has pulled over 700 million of her own people out of poverty, a feat unequalled in the history of mankind.

Beginning with the “Reform and Opening Up” policy initiated by Chinese leader Deng Xiaoping in 1978, China has progressed to a point where it is now one of the most important economic powers in the world. This economic revolution, unprecedented in the history of the human race, has centered on the development of science and technology as the drivers of economic growth as rapidly as possible. Typifying the accomplishments of this effort was the 1990s construction of the first major trans-Eurasian rail line to be built since the trans-Siberian Railroad more than 100 years ago—the so-called Eurasian Land-bridge, which runs from Rotterdam, Holland to Lianyungang on the Chinese coast, close to the eastern end of the Great Wall—a route which totals more than 10,900 kilometers in length and passes through 30 countries.

A second Eurasian route was opened by Chinese President Xi Jinping in 2013, stretching from Chongqing, China to Duisburg, Germany, a distance of 11,179 kilometers. The Eurasian Land-bridge concept is, in fact, a policy created by Helga and Lyndon LaRouche. It had been adopted by China in 1996 at an international conference in Beijing at which Mrs. LaRouche presented a speech titled “[Building the Silk Road Land-Bridge: The Basis for the Mutual Security Interests of](#)



Xinhua

The number of China-to-Europe cargo trains has been rapidly increasing. After China adopted a new brand, China Railway Express, and systematized and uniformly organized its containers, China scheduled a June 8, 2016 departure of trains from eight Chinese cities (Chongqing, Chengdu, Zhengzhou, Wuhan, Changsha, Suzhou, Dongguan, and Yiwu) all on that same day, bound for European cities. President Xi Jinping and Polish President Andrzej Duda were on hand in Warsaw when one of the trains arrived in Warsaw on June 20. Previously, 1,700 trains had made the trans-continental voyage from China to Europe. There are presently more than 39 routes operating between all of China and all of Europe. Above, the China Railway Express which left the Chongqing station June 8.

[Asia and Europe.](#)” What was accomplished at the Hangzhou G-20 Summit and the world directionality this now portends, is precisely coherent with the intent of the policy initiatives launched by the LaRouches in the 1990s, and which have been most recently addressed in the EIR Special Report [The New Silk Road Becomes the World Land-Bridge](#), an in-depth report initiated by Helga Zepp-LaRouche and published in November, 2014. As Mrs. LaRouche points out in that Report, it is now time to extend Xi Jinping’s “New Silk Road” initiatives to every corner of the globe, as the necessary basis for ending the perpetual warfare of the past decades with “peace through development.” This is precisely the goal which was taken up at Hangzhou.

The Significance of Hangzhou

Why did China choose this particular city as the site of the first G-20 Summit it hosted? The first reason is its great beauty, situated as it is on the beautiful West Lake, an idyllic lake surrounded by mountains. Prior to his taking the office of President in China, Xi Jinping had been the provincial governor of Zhejiang Province, of which Hangzhou is the capital, for six years. The city’s history dates back thousands of years.



Timothy Rush

Willows framing a West Lake bridge in Hangzhou.

President Xi told his guests at the banquet dinner for the G-20 leaders, that Hangzhou has hosted many foreign visitors through the centuries who were captivated by its beauty. He mentioned the Jesuit missionary Father Matteo Ricci, who visited Hangzhou during his long stay in China 400 years ago, where he eventually died in the midst of his missionary work. Xi noted that Ricci had come across the Chinese saying: “Above there is Paradise, and down below there is Suzhou and Hangzhou,” and had written this in his diary.

“This is perhaps the first time a Westerner had made this Chinese saying known to a non-Chinese audience,” Xi said. Xi also noted that the great Indian poet Rabindranath Tagore had also enjoyed his stay in Hangzhou and used it as the setting to some of his most beautiful poems.

Building Bridges

The choice of Hangzhou was also a political metaphor. President Xi told his G-20 dinner guests:

As you view the beautiful West Lake, you can see many bridges. Each of the top ten scenic spots of the West Lake has its own unique charm, whether viewed up close or from a distance. Connecting them are the age-old and elegant bridges. The bridges are the very inspiration for the emblem of the summit. The G-20 is like a bridge that brings us together from different parts of the world. It is a bridge of friendship. From here we sail on the sea of friendship across the world, to enhance mutual trust and amity, and bring each other ever closer. It is a bridge of cooperation. Here we discuss plans, strengthen coordination, and deepen cooperation for win-win outcomes. It is also a bridge leading to the future. From here we will forge ahead like passengers in the same boat, and embrace an even brighter future.

The wonderful gala performance opening the Summit, choreographed by Zhang Yimou, China’s best-known film director (who had also choreographed the opening of the Beijing Olympics), built on this theme presented by Xi, featuring Western and Chinese music, concluding with the final choral movement of Beethoven’s Ninth Symphony to the words of Friedrich Schiller’s “Ode to Joy,” followed by a rendition of “Auld Lang Syne,” composed to a text by the great Scottish poet Robert Burns, and sung by a Chinese children’s chorus. This was accompanied by a brilliant water and light-show in the West Lake, with a display of Chinese fireworks lighting up the city.

The Background to the Summit

After the completion of the Rotterdam-Lianyungang rail link in 1992, China’s vision for further Eurasian economic development was not fully followed through, due to the onset of the world financial crisis of 1997-98, a crisis sparked by western speculation against Asian currencies. But the idea never died, and within one year of his assumption of office as General Secretary of the Communist Party of China in November 2012, Xi Jinping announced his dual policy of a “New Silk Road Economic Belt” and a “21st Century Maritime Silk Road,” which he calls the “Belt and Road Initiative.”

The Belt and Road Initiative can be understood on a number of levels. The centerpiece of the initiative con-

sists of major investment in the infrastructure of the neighboring countries in Central Asia and Southeast Asia, that is, roads, railroads, ports and the like. It is, on the one hand, a focussed “good neighbor policy” on the part of China.

Second, it allowed China to utilize what had become, with the collapse of the Western and other export markets, “excess industrial capacity” which could then be tapped to meet the needs of the neighboring countries, including even the transfer of physical industrial assets to the other countries for their own development.

Third, it would allow increased rapid transit of goods and people from the production centers in China to the European market, and vice versa. Xi’s proposal quickly won broad support from many countries in the world.

To facilitate these projects China took the lead in creating new financial institutions: the Asian Infrastructure Investment Bank (AIIB) and the BRICS Development Bank (now known as the New Development Bank). These institutions, unlike the U.S.-dominated World Bank and the U.S.- and Japanese-controlled Asian Development Bank, would be focussed solely on infrastructural (i.e., real physical economic) investment, without political *conditionalities*. For the first time since the 2008 financial crisis, the world was given a way out of the economic and banking morass.

The countries of the developing sector, focused especially around the alliance of the BRICS nations, suddenly saw a brighter future for themselves. Barack Obama and his London and Wall Street sponsors, who view themselves as the *Lords* of the global financial *Manor*; have tried to sabotage these new institutions by pressuring countries to remain outside them, but this effort has increasingly fallen on deaf ears. Even the British decided to join the AIIB, and now Canada, at the Hangzhou Summit, became the first North American country to join it. The United States is now the odd-man-out, along with Japan,— which is having second thoughts. Xi Jinping has insisted that the AIIB is not exclusive, and encouraged the United States and Japan to join.

While the new economic role that China has been



Heads of delegations, representing the 57 prospective AIIB founding members, participating in the special ministerial meeting at the establishment of the AIIB in Beijing on June 29, 2015.

aiib.org

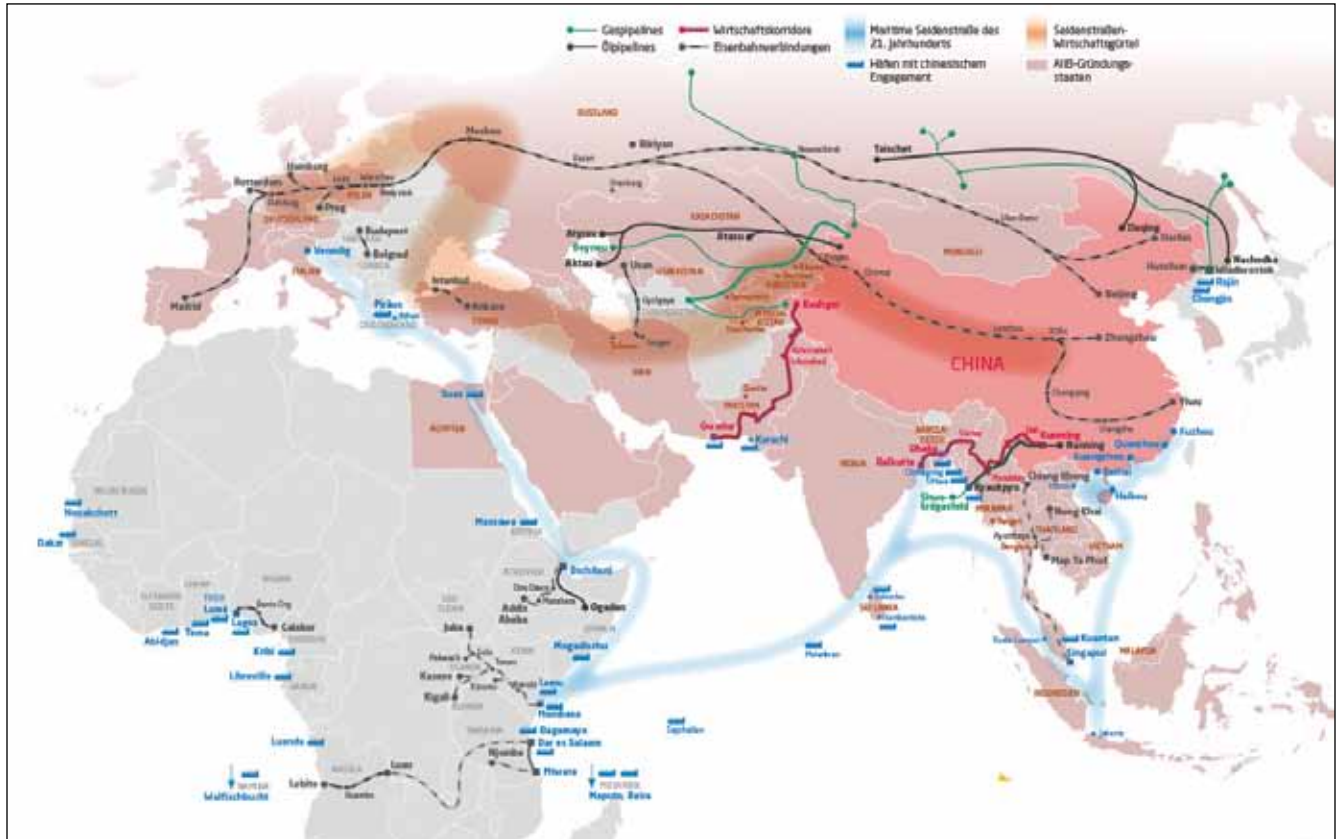
playing for the last decade has been obvious to all except the most obtuse, the reality that emerged starkly from the G-20 Summit is the *political* leadership that China is now exerting. The program presented by the Chinese government for this year’s G-20 has been signed on to by *all* the G-20 nations, including the United States. President Xi has named this the “Hangzhou Consensus.”

Breaking a New Path to Growth

Innovation and development were the underlying themes of the Hangzhou gathering, the first time that these themes had been placed center-stage at a G-20 summit. This is part of China’s broader effort to transform the G-20 from a crisis-response mechanism to a platform for long-term economic planning and coordination, to shift it from what President Xi characterized as a “talk shop” to an “action team.” In his comments to business leaders at the Sept. 3 B-20 meeting, which preceded the G-20 Summit, Xi underlined the predominant issue: “As a Chinese saying goes, people with petty shrewdness attend to trivial matters, while those with greater wisdom attend to governance of institutions.” Much of the content of the Hangzhou Summit was an attempt to raise the level of these world leaders from the level of geopolitical petty shrewdness closer to the level of wisdom.

Xi continued:

President Xi's 'One Belt, One Road'



We need to seize the historic opportunity presented by innovation, the new scientific and technological revolution, industrial transformation, and the digital economy, to increase the medium and long-term growth potential of the world economy. This will be the first time that the G-20 takes action on innovation. . . . In light of the pronounced issue of lackluster global economic growth, we need to innovate our macroeconomic policies and effectively combine fiscal and monetary policies with structural reform policies.

Speaking at the concluding press conference on Sept. 5, Xi again returned to this theme, identifying the need for creative thinking in all areas of human practice.

Facing the current challenges, we can't rely on fiscal and monetary policies. We must envision an all-dimensional, multi-tiered and wide-ranging approach to innovation which is driven by innovation in science and technology, but goes

beyond it to cover development philosophy, institutional mechanisms, and business models, so that innovation will be shared by all.

The Role of the Developing Countries

The second breakthrough that China introduced to the Hangzhou G-20 Summit was to invite non-G-20 countries to attend as observers—in particular from the developing-sector countries. There were heads of state or top leaders from Egypt, Thailand, Singapore, Senegal, Laos, Kazakstan and Saudi Arabia, as well as the G-20 leaders and leaders of international organizations representing the vast majority of the world's nations. This was in line with Xi's idea that the G-20 must not only represent their own countries, but must take responsibility for the entire world. Again at China's recommendation, the G-20 this year also placed, for the first time, the issue of the industrialization of Africa and the least developed countries (LDCs) as one of its priority items.

This was reflected in the importance that the Chinese organizers placed on the notion of interconnected-

ness and inclusiveness, two of the themes of the G-20, along with Innovation and In-vigoration. Speaking to the B20 business leaders, President Xi said:

In an age of economic globalization, countries are closely linked in their development, and they all rise and fall together. No country could seek development on its own, and the one sure path is through coordination and cooperation. We need to realize interconnected development, by promoting the common development of the world economy.

This was also expressed in the importance Xi placed on the meeting between the BRICS leaders (Brazil, Russia, India, China and South Africa), who held an informal meeting just prior to the G-20 plenary, in preparation for the upcoming BRICS Summit in India next month. “The rise of the developing countries is one of the most remarkable changes during the last decades,” Xi told the BRICS.

The Group of 77, representing 134 less-developed nations, was represented by its current chairman, Thai Prime Minister Prayut Chan-Ocha, who called in his speech to the G-20 for cooperation between the two organizations, emphasizing that the proper agenda is precisely that put forth by Xi Jinping at the G-20—innovation, development, and inclusiveness.

Dealing with the Banking/Financial Crisis

A major focus for many of the G-20 members was the question of creating a new financial architecture that is truly beneficial to economic growth. President Xi said in his opening comments to the G-20:

The world is facing multiple risks. There is the risk of excessive leverage and bubbles continuing to build up . . . The G-20 should continue to improve the international monetary and financial systems and the governance structure of international financial institutions, and strengthen the global financial safety net to boost the resilience of the world economy against risks.

Most important, at the G-20 meeting there was a



Informal meeting of BRICS leaders on the sidelines of the 2016 G-20 Summit in Hangzhou, China.

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renewed emphasis placed on infrastructural investment. The model of the Belt and Road has pointed the way, but it is clear that China would like a broader emphasis on infrastructure from other international institutions, as they see this as the only road to development for the less-developed countries. Xi also noted that the G-20 Finance Ministers in their meeting in March, had concurred with the recommendation of China for a “Global Infrastructure Connectivity Alliance Initiative,” an important step towards creating what Helga Zepp-LaRouche calls the World Land-bridge.

Obama’s Isolation

The momentum for a global shift toward a world development policy has been effected thanks to the effort of China and Russia and the BRICS countries. They have been adamant in changing the underlying assumptions governing economics, by putting at the center of economics the people’s livelihood. As President Xi told the business leaders:

The people are the foundation of a country, and only when the people lead a good life can the country thrive. We need to be people-oriented, a principle that we should follow in everything we do in advancing economic and social development.

An individual committed to a cynical world-view might question whether the governments of the twenty nations gathered at Hangzhou will continue to remain true to the commitments which they have made there, and it is certainly true that the enemies of progress will do their best to stop this momentum.

Nevertheless, one telling signal of what is to come, was the complete failure of President Barack Obama to block any of the Chinese proposals, or to effect any measures whatsoever to derail the momentum set into motion by China at the G-20. This attests to the solidity of the support that China has received for its initiatives. Even the Philippines, which had been playing along in Obama's geopolitical games against China, has now, under its newly elected President Rodrigo Duterte, refused to let the Philippines remain an obedient tool for their former colonial ruler. They see China's offer of infrastructure development and cooperation in the South China Sea, as preferable to Obama's austerity policies and a military buildup for war with China.

There was also a bilateral meeting between Xi Jinping and Japanese Prime Minister Shinzo Abe, the first in over a year. While China is most concerned about Abe's moves to remilitarize Japan's foreign policy, Xi told Abe that the two should work to bring relations onto a "normal track," while Abe said that Japan wants to work with China to promote global growth by "promoting win-win cooperation"—a term associated with Xi Jinping's global vision.

This is in keeping with the rapidly strengthening ties between Japan and Russia, centered on the new frontier represented by the Russian Far East. Abe recognizes that Japan's future critically depends on cooperation with Russia, as well as China, in the development of Asia as a whole in the world context. Just prior to the G-20 meeting, there was an important conference in Vladivostok which focused on the development of the Russian Far East, in which Abe played a central role, signing numerous deals with Russia in energy, transportation, and more.

With or Without America: the Momentum Will Not Stop

Speaking to reporters after the G-20, Russian President Vladimir Putin explained how the historic "Hangzhou Consensus" will work.

You know, of course, there are no decisions here

that would be obligatory for the member countries. The G-20 does not take legally binding decisions. Many such formats do not take such decisions—in fact none of them do. However, the value of such discussions and such documents lies elsewhere. Their value is that they set a trend ... If somebody moves in a different direction, he acts contrary to the wish of the global community and violates, as it were, generally accepted norms, even if they are not obligatory. These trends are very important. So there is a certain value in this and it is quite significant.

And the momentum will not stop. The day after the G-20 Summit, Chinese Premier Li Keqiang headed off to Laos for the ASEAN (Association of Southeast Asian Nations) Summit, as well as the ASEAN + 1 (ASEAN and China) and ASEAN + 3 (ASEAN-China-South Korea-Japan) meetings. 2016 is also the Twenty-Fifth anniversary of the ASEAN-China relationship, which was a subject of great celebration this year. The conclusions of the various summits in Laos were also fully in keeping with the new paradigm which emerged in Hangzhou—cooperation on infrastructure and development, with the Silk Road concept at the center.

As for the South China Sea, instead of allowing it to fester as a matter of contention, the final communique of the ASEAN Summit called for a negotiated settlement to all boundary disputes to be concluded between the nations in the region, without outside interference,— and other agreements were made at that summit for dealing with emergencies at sea, along with a commitment to conclude a code of conduct in the coming months.

The issue remains as to when the United States will come out of its "splendid isolation" and rejoin the rest of the world. The anger of the American electorate over the recent wars and financial crises ought to send a clear signal that they will no longer tolerate "business as usual."

So why not move in the direction opened up by China? China wouldn't need to send "Missionaries" to teach us the value of "innovation-led growth" if we were simply to return to the values we once held dear at the time we sent a man to the Moon, and if we indicate a willingness to work with China as an equal political partner—to begin to eliminate the poverty and misery that still hold the large bulk of mankind in their ugly grip.