THE IN A HURRY SERIES

Modern China

in a Hurry

From Mao to superpower in a single lifetime

Max Brocklesby

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The Whole Thing in One Page

A Chinese child born in 1949 arrived in a country ruined by invasion and civil war, overwhelmingly rural, poor, lightly industrialised and governed by a new revolutionary party that had won power with an army. If that child lived into the 2020s, the same country would contain megacities joined by high-speed rail, the largest manufacturing base on Earth, a nuclear arsenal, a space programme, globally competitive technology firms and an economy whose decisions move prices and politics on every continent.

The tempting story has three acts: Mao made the state, Deng freed the economy, Xi restored control. It is neat enough to be wrong in the important places. Modern China was built through a series of bargains inside one political constant. The Communist Party never accepted organised competition for supreme power. Almost everything else could change: property rights, prices, foreign investment, local discretion, the treatment of entrepreneurs, the reach of private life and the weight given to growth or security.

Mao’s revolution created a state able to reach villages, mobilise labour, suppress rivals and move resources on a national scale. It expanded schooling, basic health and heavy industry, but it also exposed the danger of a system in which political signals could outrun evidence. The Great Leap Forward helped cause a famine measured in tens of millions of excess deaths. The Cultural Revolution damaged schools, careers, families and the Party’s own machinery.

After Mao, reform worked because leaders changed the incentive to experiment. Farmers regained control over production. Township firms and coastal zones tried arrangements that could spread if they worked. State planning and market exchange coexisted. Foreign capital, overseas Chinese business networks and later World Trade Organization membership connected Chinese labour and industrial clusters to global demand. This was no retreat of the state. It was a different use of the state.

The hidden machinery of the boom was physical and social. Hundreds of millions moved from countryside to town while the hukou registration system kept many migrants on unequal terms. Local governments converted land into revenue, financed infrastructure and helped create a property economy in which apartments became savings vehicles. A young labour force, high household saving, mass education and an extraordinary wave of globalisation amplified the gains.

By the time those conditions began to fade, China had reached superpower scale. Under Xi Jinping, the Party tightened political discipline, expanded its presence in firms and society, invested heavily in technological self-reliance and treated national security as a wider governing principle. The same period has brought stronger pressure on civil society, extensive repression in Xinjiang, the political remaking of Hong Kong, a severe property adjustment, ageing and falling population, and greater conflict with major trading partners.

China’s rise therefore has no single master key. It came from the interaction of a powerful Leninist organisation, a capacity for mass mobilisation, controlled experimentation, global markets, urbanisation and favourable demography. The next phase is harder because several of those forces now pull against one another. The Party wants innovation without losing political control, consumption without giving households a much larger claim on national income, local initiative without local indiscipline, global markets without strategic dependence, and security without strangling the information and risk-taking that adaptation requires.

That is the book.

Why You Should Care

In 2025, China made about 70 per cent of the world's electric cars and more than 80 per cent of its battery cells. It remained the largest merchandise exporter and the second-largest military spender. In the first half of 2026, its official economy was still growing at 4.7 per cent a year. Yet its population had been falling, its property model was under severe strain and its leaders were trying to persuade households to consume more while continuing to build industrial capacity at enormous scale.

Those facts belong in the same picture. China is powerful enough to alter the price of solar panels, batteries, steel, shipping and industrial machinery, but still faces development problems familiar to much poorer countries. It can build a high-speed railway quickly and struggle to persuade a young couple to have a second child. It can dominate parts of clean-technology manufacturing while remaining dependent on foreign suppliers for some advanced inputs. It can mobilise an entire bureaucracy around a target and still have difficulty hearing when the target itself is wrong.

The country also breaks a political story many people learned after the Cold War. Markets were supposed to create wealth, wealth a middle class, and a middle class pressure for liberal democracy. China accepted private firms, profit, consumer choice, foreign capital and deep participation in world trade while preserving one-party rule, censorship and the Party's control of organised force. The result has lasted too long to be dismissed as a temporary halfway house.

Understanding that system matters beyond China because it exposes a distinction often blurred in political argument: state capacity and political accountability are different things. A government can be capable and unaccountable, accountable and incapable, both or neither. China has shown the benefits of a state able to build infrastructure, coordinate industrial policy and pursue long projects. It has also shown how catastrophic error can become when officials fear contradicting the political line. The Great Leap famine is the extreme case. More recent examples are less deadly but reveal the same institutional question: how does a system correct itself when the leadership owns the definition of success?

Then there is the human scale. The economic rise was lived by families, not GDP charts. A rural teenager could leave a village for a factory in Guangdong, send money home, save towards an apartment and discover that the city in which she worked did not grant her the same access to schools or welfare as a locally registered resident. An urban worker who once expected a job, housing and health care from a state work unit could lose that guarantee in the 1990s and receive shares, severance or unemployment instead. Parents who had been told for decades to have one child were later urged to have two, then three.

The costs of political control are equally concrete. Mao-era campaigns killed, persecuted and displaced on an immense scale. The 1989 protests ended with troops killing civilians in Beijing. The Party has built one of the world's most extensive systems of censorship and surveillance. The UN human-rights office documented serious violations in Xinjiang and said the detention system may reach the threshold of crimes against humanity. Hong Kong's space for opposition, protest and independent political organisation has been sharply reduced under national security laws.

None of this makes China an easy morality play. A system can raise living standards and violate rights. A policy can create infrastructure and debt. A private company can be commercially dynamic while operating inside political boundaries set by the Party. A foreign government can depend on Chinese trade while treating Chinese power as a security problem. The useful question is rarely whether China is capitalist or communist, strong or weak, rising or failing. It is which parts of the system are doing the work, which bargains sustain them and where those bargains are starting to break.

One lifetime is enough to see the scale of the transformation. It is also short enough to remember that none of it was inevitable.

The Core Ideas

1. The Revolution Inherited a State-Building Emergency

Modern China starts before Mao, but the prehistory must earn its space. The Communist Party did not invent the fear that China might be weak, divided and penetrated by stronger powers. It inherited that fear from the final century of the Qing Empire and turned it into a governing doctrine.

In 1842, defeat by Britain forced the Qing to cede Hong Kong and open treaty ports. More defeats widened foreign privileges. The Taiping Rebellion tore through central and southern China and killed on a scale that remains hard to count. Japan defeated China in 1895, then took a leading role in the partition of influence. The 1911 Revolution ended imperial rule but did not produce a government able to monopolise force. Warlords, Nationalists, Communists and foreign armies competed for territory and legitimacy. Japan’s full invasion from 1937 brought mass killing, displacement and destruction.

The lesson later Communist leaders drew was not subtle: national weakness had consequences measured in lost territory and dead civilians. A state unable to command armies, tax, administer, transport and discipline itself could not protect sovereignty. That helps explain why unity and order carry such moral weight in official Chinese politics. They are presented less as administrative preferences than as the conditions of national survival.

The Communist victory in 1949 therefore promised more than socialism. It promised that the era in which outsiders and rival armies could carve China apart was over. Mao’s famous claim that the Chinese people had “stood up” captured the nationalist meaning attached to revolution. The Party fused two sources of legitimacy: social transformation and national restoration.

This history can be abused. Governments often use memories of humiliation to justify present coercion. The existence of past invasion does not settle current arguments over civil liberties, ethnic policy or territorial claims. Yet ignoring the memory produces bad analysis. Taiwan, Tibet, Xinjiang, Hong Kong and the South China Sea are treated by Beijing through a political language in which sovereignty, territorial integrity and regime security overlap.

The first Core Idea is therefore a pressure rather than a personality. The Party's deepest claim is that divided authority once failed China. Every later reform, including market reform, operated inside a system unwilling to risk that condition again.

That helps explain another continuity between regimes that otherwise hated one another. Nationalists under Chiang Kai-shek and Communists under Mao both tried to build disciplined parties, modern armies, national schools and a stronger centre. They fought over who would rule and what social order the state would create, but neither imagined that China's answer to fragmentation was a permanently weak central government. The Communist victory radicalised a state-building project already several decades old.

2. The Party Is the Organising Institution

A visitor can see ministries, courts, provincial governments, parliaments and companies and assume China is governed through institutions broadly equivalent to those elsewhere. The missing layer is the Communist Party. The Party is neither another ministry nor a campaign organisation that becomes relevant only at election time. It is the institution that sits across the formal state and decides who holds the commanding posts.

At the top, the general secretary leads the Party. The Central Military Commission commands the armed forces. Senior appointments across the Party-state are managed through a personnel system often described by the Russian term nomenklatura. Party committees exist in ministries, universities, state firms and many private businesses. The National People's Congress passes laws and appoints state officials, but the decisive political bargains are made inside Party structures before they reach the formal state.

This architecture explains why foreign descriptions that focus only on the presidency mislead. Xi Jinping's power does not come mainly from being president. As of August 2026 he is also general secretary of the Communist Party and chairman of the Central Military Commission, the positions that link political organisation and coercive power.

The system reaches downward through provinces, prefectures, counties, townships and neighbourhood organisations. Local officials implement central priorities, but they are not robots. China is too large for Beijing to decide every detail. Local governments interpret targets, bargain for resources, compete for investment and sometimes conceal problems. The centre can issue a national direction while implementation differs sharply by place.

That tension between hierarchy and decentralised execution has been one of the system's great strengths. It allows the centre to set broad goals while local cadres adapt. It also creates characteristic failures. Officials may chase what can be measured, hide bad news, borrow outside formal budgets or enforce a campaign more harshly than intended because career risk lies in appearing insufficiently committed.

Political control also extends beyond administration. Independent national opposition parties are not allowed to compete for power. Major media operate under censorship. Organised civil society is permitted selectively and constrained when it threatens autonomous mobilisation. Courts can handle vast numbers of ordinary disputes but do not function as an independent constitutional check on the Party.

Calling this a dictatorship captures the absence of electoral competition and legal limits on the ruling party, but it can obscure how much work is done through bureaucracy, rules, bargaining and performance management rather than personal command. Calling it a meritocracy is equally incomplete because advancement reflects political reliability, networks and changing leadership priorities alongside competence.

The more useful model is organisational. China is ruled by a party that seeks to be present wherever independent power might otherwise form. That presence made the system unusually capable of mobilisation. It also means that when the Party changes direction, an enormous range of institutions change with it.

Ordinary membership matters too. The Party has tens of millions of members spread through workplaces, government offices, universities, villages and neighbourhoods. Membership can bring career advantages, but it also creates a chain through which political campaigns, study requirements and discipline reach people who are not professional politicians. This is one reason the system survives changes of leader and policy. Its power is institutionalised through a huge organisation, even when personal leadership becomes unusually strong.

3. Mao Built Capacity and Destroyed Correction

Mao's era resists clean accounting because opposite truths sit on top of each other. The new government unified most of the mainland under one authority, stabilised inflation, redistributed land, expanded basic administration, promoted literacy and schooling, improved public health and built an industrial base. It also produced campaigns, purges and policy disasters that caused mass suffering.

The mechanism connecting those achievements and failures was mobilisation. The Party could turn political priorities into local action quickly. Cadres entered villages. Work units organised urban life. Campaign meetings classified enemies, collected grain, recruited labour and spread new social rules. The same machinery could vaccinate children, suppress landlords or demand impossible steel output.

The Great Leap Forward shows the danger in its purest form. Beginning in 1958, rural households were absorbed into giant communes, labour was diverted to water projects and backyard furnaces, and officials competed to announce record harvests. Grain procurement was based partly on inflated reports. Private food markets had been closed, movement was restricted and local cadres faced political danger if they admitted failure. Hunger therefore travelled upwards as a lie while grain travelled out of villages as a target.

There is no single uncontested death total. Scholarly estimates of excess deaths range from roughly 15 million to more than 40 million, with around 30 million a defensible central figure. The uncertainty over the number does not change the institutional finding. Radical targets, collectivisation, excessive procurement, restricted movement, punishment of criticism and distorted information converted bad harvests and bad policy into one of the worst famines of the twentieth century.

Mao's response to criticism made the feedback problem worse. At the 1959 Lushan meeting, Defence Minister Peng Dehuai raised objections to the Leap. Mao treated the challenge as political disloyalty and purged him. Officials who had learned to exaggerate success received another reason not to report failure.

The Cultural Revolution from 1966 arose from a different fear. Mao believed officials and experts were turning the revolution into a bureaucracy and China towards a Soviet-style restoration of class privilege. He appealed over the Party apparatus to students and radicals. Red Guards attacked officials, teachers and one another. Schools closed. Families were denounced. Factional fighting spread until the army and reconstructed authorities suppressed it. Millions of young people were later sent to the countryside.

The period did not erase every social gain. Life expectancy rose across the Mao era, literacy improved and industrial capacity expanded. Nor was every policy personally designed by Mao. Yet the central political fact is unavoidable: the system had no institution able to compel the supreme leader to reverse course when he refused correction.

That left post-Mao leaders with a difficult inheritance. They did not want to abandon Party rule. They wanted to prevent one man, one campaign or one ideological frenzy from wrecking the machinery again. Reform therefore began as political repair before it became an economic miracle.

The repair included retirement norms, more regular meetings, rebuilt ministries, restored universities and a renewed respect for technical expertise. None created liberal checks on the Party, but together they reduced the role of permanent mass mobilisation. The post-Mao order tried to make politics more predictable inside one-party rule. Xi's later concentration of authority matters partly because it alters that settlement, rather than because China had ever become institutionally liberal.

4. Reform Worked by Changing Incentives Before Changing Labels

Deng Xiaoping did not announce capitalism, abolish state ownership or write a complete market constitution. The early reform period worked because leaders loosened constraints in places where production could respond, allowed successful deviations to spread and delayed an ideological verdict on what the new arrangements were called.

The countryside moved first. Under collective farming, households had weak control over what they produced and how they used extra effort. In Anhui and elsewhere, local experiments contracted land back to families while collective ownership formally remained. Households delivered agreed quotas and kept or sold more of the surplus. Agricultural output rose sharply. The household responsibility system then spread nationally.

The sequence mattered. Reform did not require leaders to solve every property-right question before changing behaviour. It changed the marginal reward. A family that could keep more from an extra hour of work now had a reason to produce more. A village that could retain profits had a reason to start a workshop. A county that benefited from new firms had a reason to clear obstacles.

Township and village enterprises grew inside that grey institutional space. Some were collectively owned, some privately controlled behind collective labels and many changed form later. Their importance was practical: they absorbed rural labour, widened competition and industrialised places that had no large state factories.

Coastal opening added another layer. Special economic zones, beginning with Shenzhen and several other cities, offered foreign investors different tax and regulatory treatment. Hong Kong, Taiwan and overseas Chinese business networks supplied capital, customers and knowledge. If an experiment failed, it could remain local. If it worked, another city copied it.

Economists often describe the 1980s as a dual-track transition because the plan remained in force for required output while additional transactions moved at market prices. A state enterprise might still deliver a required quantity at an official price and sell extra output at a market price. The arrangement created arbitrage and corruption, but it reduced the political threat reform posed to groups that depended on the plan. Reform could create new winners before fully exposing old insiders to loss.

This was controlled experimentation, not spontaneous laissez-faire. Central leaders chose the boundaries and could reverse them. Local initiative mattered because Beijing permitted variation, rewarded growth and often judged officials partly by economic results. Yuen Yuen Ang and Sebastian Heilmann have shown why this distinction matters: decentralised search can exist inside an authoritarian hierarchy when leaders tolerate methods they have not fully specified.

The limits appeared in 1989. Economic reform had created inflation, corruption, new inequalities and a more intellectually open urban public. Students and workers demanded political change alongside cleaner government. The movement centred on Tiananmen Square but spread nationally. After internal disagreement, the leadership chose military force. Civilians were killed in Beijing, though no authoritative public casualty list exists.

The political boundary was then clear. The Party would permit wide experimentation in economic life. It would not permit independent organisation to compete for political authority. Deng’s 1992 southern tour pushed growth forward again inside that boundary.

Reform also changed inequality. Under Mao, much urban consumption had been compressed by rationing, controlled wages and limited private wealth.

Markets widened the range of outcomes. Some farmers, traders, factory owners and coastal workers advanced rapidly while laid-off state workers and interior regions could fall behind. The Party accepted a degree of inequality as the price of faster development, then later tried to contain the social and political consequences without reversing the market economy.

5. Globalisation Multiplied What Domestic Reform Started

China's rise is often narrated as though reform happened inside a sealed national laboratory. That leaves out one of the largest causal forces in the story. China's domestic experiments became world-changing because they met an unusual period of global integration.

The timing was favourable. Rich-country firms were reorganising production across borders. Container shipping, falling communication costs and trade liberalisation made it easier to split supply chains among countries. Hong Kong and Taiwan already contained firms that understood export manufacturing and could transfer production into the mainland. Japan, South Korea, Europe and the United States supplied machinery, components, management methods, investment and final demand.

China offered more than low wages. It had a large, increasingly literate workforce, improving transport, political stability after 1989 and local governments competing to host industry. Once clusters formed, they generated their own advantage. A factory in the Pearl River Delta could find mould-makers, electronics suppliers, packaging firms, freight forwarders and technicians nearby. Scale reduced delivery times and made it easier to redesign products quickly.

World Trade Organization membership in 2001 accelerated the process. China accepted extensive commitments on tariffs, trading rights, services and legal treatment in return for more predictable access to world markets. Foreign firms gained a vast production base and a hoped-for consumer market. Chinese firms gained orders, technology, competition and a pathway into global supply chains.

The human cost of this export machine was easy to hide in national growth rates. Factory work could mean long hours, weak bargaining power and dangerous conditions. Rural migrants often lived in dormitories or crowded rental housing while remaining tied by hukou registration to home localities for important social rights. Environmental regulation lagged behind industrial expansion. Coal supplied much of the electricity behind supposedly weightless global trade.

Yet the gains were immense. The World Bank and Chinese institutions estimate that nearly 800 million people rose above the Bank's former international extreme-poverty threshold over four decades. That result cannot be assigned to one reform. Agricultural productivity, education, industrial jobs, migration, infrastructure, foreign demand and later targeted anti-poverty programmes all contributed.

Global integration also changed the Party's political economy. Entrepreneurs became important enough to be absorbed rather than eliminated. Jiang Zemin's "Three Represents" opened the Party more explicitly to private business people. The state closed or restructured many smaller state enterprises while preserving large groups in energy, finance, telecommunications and other strategic fields. Markets deepened, but the Party retained leverage over credit, land, licences and appointments.

By the 2010s, the relationship had reversed in scale. China was no longer merely joining supply chains designed elsewhere. Chinese firms were building them. In 2025, the International Energy Agency estimated that China accounted for 70 per cent of global electric-car production and over 80 per cent of battery-cell production. Globalisation had helped make China rich enough to become one of the forces reshaping globalisation itself.

The change also altered foreign perceptions. For years, trading partners expected that deeper integration would make Chinese economic institutions converge towards their own. Instead, China became more capable while preserving distinctive state ownership, subsidies, capital controls and Party authority. Disputes over market access, technology transfer and industrial support therefore grew as China moved from supplying cheap goods to competing in advanced sectors. The international system that accelerated China's rise became more contested partly because the rise succeeded.

6. Urban China Was Financed Through Land, Migration and the Future

The skyline is the easiest part of China's rise to photograph and one of the easiest to misunderstand. Urbanisation was more than millions of people choosing to live in cities. It was a governing and financial system that connected land, local government, banks, developers, infrastructure and household saving.

The 1994 tax reforms strengthened the central government's share of revenue while local governments retained large responsibilities for public services and development. Local officials therefore needed money. One route was land. Rural land could be converted for urban use, leased to developers and used to support borrowing. Local-government financing vehicles borrowed for roads, metro systems, industrial parks and other projects, often outside ordinary budget channels.

Housing reform created another engine. Urban work units had once allocated housing at low rents. As housing became commercial, households could buy apartments and accumulate private wealth. With capital controls, limited social protection and few trusted investment alternatives, property became a favoured store of savings. Developers sold homes before completion and recycled cash into more land and construction. Rising prices validated the model until they did not.

Migration supplied the labour. China's rural migrant workforce reached 301.15 million in 2025 according to the National Bureau of Statistics. The hukou system had been designed under Mao to restrict permanent movement and ration urban welfare. Reform loosened movement faster than it equalised membership. Migrants could work in a city for years while facing different access to schools, subsidised housing, health care or pensions from locally registered residents. Reforms have reduced some gaps and differ by city, but the structure has not disappeared.

This arrangement allowed cities to expand without granting every new resident an immediate full fiscal claim. It also shifted costs onto families. Grandparents in villages cared for children whose parents worked elsewhere. Migrants saved against insecurity. Local governments preferred land sales and construction because both created revenue and visible growth. Households bought extra apartments partly because property seemed safer than uncertain welfare or financial markets.

Demography interacted with the same system. Birth restrictions varied greatly by time and place, but the one-child policy enforced from around 1980 contributed to smaller families and sometimes coercive practices. Development, urban living costs, education pressure, later marriage and women's changing opportunities also pushed fertility down. China ended the one-child framework, moved to two children in 2016 and later three, but births continued to fall. At the end of 2025, the official population stood at about 1.405 billion after a fourth consecutive annual decline.

The old growth machine therefore runs into arithmetic. Fewer young workers, more retirees and expensive urban family formation make it harder to repeat the demographic dividend of the 1990s and 2000s. The property downturn weakens household confidence and local revenue. High local debt limits another round of construction-led rescue. Reforming hukou and social protection could support consumption, but it requires shifting resources towards households rather than projects and protected institutions.

The skyline was real wealth. It was also a claim on future land prices, future taxpayers and future growth.

There was a social bargain behind the concrete. Families bore much of the cost of education, housing and elder care and therefore saved heavily. Local governments preferred investment because a new road or industrial park could be measured quickly and could raise land values. Household services were less visible and harder to finance through the old model. That imbalance helps explain why current leaders can call for more consumption while finding it difficult to produce: the institutions that enriched China were built to channel resources into investment.

7. Superpower China Is Rebalancing Power Before It Has Rebalanced the Economy

Xi Jinping became general secretary in 2012 at a moment when the old development model was already changing. Wages were rising, the workforce was ageing, the easy gains from moving labour out of low-productivity agriculture were smaller and the 2008 stimulus had left more debt and property dependence. Corruption, pollution and local-government improvisation had also become political problems.

Xi's answer has been broader than economic reform. He has strengthened Party discipline, centralised important decision-making, expanded national-security institutions, tightened ideological controls and pushed technological self-reliance. The anti-corruption campaign punished enormous numbers of officials and also removed powerful rivals and networks. Party organisations have become more visible in private firms. Civil society, universities, media and the internet operate under tighter political boundaries than during parts of the 1990s and 2000s.

The security turn is visible in the hardest cases. In Xinjiang, mass detention, surveillance and coercive policies targeted Uyghurs and other predominantly Muslim groups. China describes its approach through counter-terrorism, de-radicalisation and development; the UN human-rights office found serious violations and said the extent of arbitrary and discriminatory detention may constitute crimes against humanity. In Hong Kong, the 2020 national security law and 2024 security legislation transformed the political environment, sharply narrowing opposition and dissent.

The economic side is more mixed than a story of state takeover suggests. Private firms still produce much employment, innovation and competition. China has world-leading companies in electric vehicles, batteries, e-commerce, drones and other sectors. At the same time, political permission is conditional. Regulatory campaigns beginning around 2020 showed that education companies, internet platforms and property developers could have their business models rewritten quickly when leadership priorities changed.

Industrial policy has become more ambitious as external pressure has grown. Export controls and restrictions on advanced semiconductors reinforced Beijing’s drive for self-reliance in chips, artificial intelligence, aerospace and other strategic technologies. The Belt and Road Initiative financed infrastructure and deepened commercial links abroad. Military spending rose for decades, and China built a larger navy, a more sophisticated missile force and a growing nuclear arsenal. A state once preoccupied with keeping foreign powers out now possesses enough economic and military weight to shape the choices of other states.

That is what “superpower” means here. It does not mean China has surpassed the United States on every measure. It remains much poorer per person than the richest economies and has fewer formal allies. Its financial system is less internationally dominant. It still depends on foreign technology in some critical areas. Superpower status means that China’s choices are now too large for other major powers to ignore and that it can project influence across economic, technological, diplomatic and military domains.

The difficulty is that the political and economic rebalancing point in different directions. A consumption-led economy needs households to receive and spend more income. An innovative economy needs firms and researchers to take risks. A less debt-dependent system needs local governments to stop treating construction as the default solution. Yet stronger political control can make officials and firms more cautious, while security priorities can divert resources towards resilience even when they reduce efficiency.

This does not create a countdown to collapse. China retains formidable advantages: scale, infrastructure, educated workers, industrial ecosystems, high saving, research capacity and a state able to concentrate resources. Nor does it guarantee continued convergence with the richest countries. The next era will depend on how well China can replace the conditions that powered its first rise.

Core Idea 1 began with a country whose leaders feared that weak authority invited national disaster. Core Idea 7 ends with the opposite risk. China has solved weakness so thoroughly that the central political problem is how to preserve the advantages of concentrated authority while making room for correction, initiative and social claims that do not originate at the centre. The old fear has not disappeared. It has changed the shape of the new one.

The external dimension tightens the trade-off. Beijing sees dependence on foreign chips, energy routes, finance and export markets as vulnerabilities that other powers can exploit. The United States and several partners see Chinese industrial policy, military modernisation and pressure around Taiwan as reasons to reduce dependence on China. Each side's attempt to become safer can make the other feel less safe. China's next development model will therefore be built under strategic rivalry, not under the unusually permissive global environment that surrounded its WTO-era take-off.

How It Actually Works

From collapse to Communist victory, 1911 to 1949

The Qing dynasty fell in 1911, but the revolution did not deliver a stable republic. Yuan Shikai first dominated the new state, then tried to restore monarchy. After his death, regional military leaders competed for territory and revenue. The central problem was obvious to every political movement: China possessed a flag and diplomatic identity without a government that reliably controlled the country.

The Nationalist Party under Sun Yat-sen and later Chiang Kai-shek tried to reunify it. The Chinese Communist Party, founded in 1921, initially worked with the Nationalists before Chiang turned violently against Communists in 1927. Mao Zedong's movement survived by moving into the countryside, building rural bases and eventually retreating on the Long March of 1934 and 1935.

Japan's invasion changed the contest. The Nationalist government bore the main burden of conventional war after 1937, losing territory, revenue and lives while operating from Chongqing. The Communists expanded in rural areas, refined methods of mobilisation and presented themselves as both social revolutionaries and national resisters. When Japan surrendered in 1945, civil war resumed. Hyperinflation, corruption, coercive conscription and military defeats weakened Nationalist legitimacy. Communist forces won the mainland. On 1 October 1949 Mao proclaimed the People's Republic of China. Chiang Kai-shek's government retreated to Taiwan, where the Republic of China continued.

The rest of this book starts there because the subtitle does. The century of weakness explains the new regime's priorities; it is not the main story.

Mao's state, 1949 to 1957

The first years were a race to make revolutionary victory into daily government. Land reform confiscated landlords' property and redistributed it to peasants. The process destroyed a rural elite through public accusation, imprisonment and executions as well as economic change. Campaigns against counter-revolutionaries widened repression. Political categories entered family histories and could shape lives for decades.

The Korean War began in 1950. Chinese forces entered after US-led United Nations troops approached the Yalu River. Fighting the United States to a stalemate at enormous cost strengthened the new regime's nationalist prestige and hardened the Cold War division of East Asia.

Beijing also extended control across frontier regions. Communist forces entered Xinjiang in 1949. The People's Liberation Army defeated Tibetan forces in 1950, followed by the 1951 Seventeen Point Agreement and, after rebellion and repression, the Dalai Lama's flight in 1959. The Chinese state describes these processes as liberation and unification. Many Tibetans experienced them as conquest and the destruction of political autonomy. The difference remains politically live because sovereignty and historical memory are inseparable in modern China.

Economically, the new state moved towards the Soviet model. The First Five-Year Plan channelled investment into heavy industry. State ownership expanded. Soviet engineers, loans and factory designs helped build plants in machinery, steel and defence. Urban workers were organised through danwei work units that could provide jobs, housing and welfare while monitoring political life. Hukou registration divided rural and urban entitlement and restricted movement.

Social policy changed everyday life. The 1950 Marriage Law attacked arranged marriage, concubinage and unequal divorce. Schools expanded and mass public-health campaigns targeted infectious disease. Yet political tolerance narrowed quickly. The Hundred Flowers campaign invited criticism in 1956 and 1957; the Anti-Rightist campaign that followed punished hundreds of thousands when criticism exceeded what leaders would accept.

The pattern was already visible: the Party could mobilise change with unusual speed, then punish the feedback generated by the change.

Daily life became more collective as well as more regulated. Urban households depended on work units for grain coupons, housing and access to services. Rural families dealt with village cadres who could mediate everything from production to political classification. Campaign language entered school textbooks, workplace meetings and marriage choices. The new state did not hover above society. It organised much of the practical structure through which people obtained food, jobs and status.

Leap, famine and Cultural Revolution, 1958 to 1976

The Great Leap Forward tried to compress decades of industrial development into a few years. Rural people were organised into communes. Labour moved from farming into irrigation projects and backyard steel furnaces. Targets rose because each level of government wanted to appear more revolutionary than the level below. Harvest claims became detached from harvests.

Food procurement did not fall fast enough when production collapsed. Communal canteens and the suppression of private trade reduced household buffers. Restrictions on movement trapped many rural people in badly affected areas. Political punishment made it dangerous to report the scale of hunger. Famine followed.

By 1961, more pragmatic leaders reduced procurement, restored household plots and rebuilt production. Mao saw the retreat as evidence that bureaucrats could reverse socialism from within. The Cultural Revolution was his attempt to prevent that outcome through renewed mass politics.

Students were encouraged to attack “capitalist roaders” and old authority. Red Guard factions humiliated teachers, officials and families. Cultural sites were damaged. Schools and universities closed or barely functioned. Factional violence spread into factories and local governments. The army eventually restored order in many places, often through force. Mao then sent millions of urban young people to the countryside, partly to disperse the movement he had unleashed.

Foreign policy moved differently. China split with the Soviet Union, tested a nuclear weapon in 1964 and fought Soviet troops along the border in 1969. In 1972, Richard Nixon visited Beijing, beginning a strategic opening to the United States against the Soviet Union. A poor country with damaged domestic institutions had become a nuclear power capable of altering the Cold War balance.

Mao died in September 1976. The Gang of Four was arrested weeks later. Senior leaders chose restoration of institutions over permanent revolution. The Party survived by repudiating major parts of the politics through which its founder had ruled.

The demographic and educational consequences of the period were mixed but important for what followed. Despite the disruptions of the Cultural Revolution, basic literacy and primary education had spread far more widely than in 1949, and mortality had fallen substantially. Reform therefore did not begin with a population untouched by state investment. It began with a healthier and more literate society than the one the revolution inherited, alongside deep institutional damage and enormous foregone output.

Reform without surrender, 1978 to 1989

The Third Plenum of December 1978 is remembered as the starting gun of reform, though change did not move by one decree. Deng Xiaoping became the dominant political figure through revolutionary standing, alliances and control over major decisions rather than one supreme office.

In the countryside, household contracting spread. Agricultural production rose. Rural industry expanded. In the south, special economic zones created controlled openings to foreign capital. Shenzhen, a small border town beside Hong Kong, became the emblem because it transformed into a vast industrial city within a generation.

Urban reform moved more cautiously. State enterprises still employed millions under the “iron rice bowl” of secure work and welfare. Dual prices let market transactions grow around the plan. Entrepreneurs occupied legal grey zones before official ideology caught up with economic reality.

The decade reopened universities and intellectual life after the Cultural Revolution. Students read foreign political theory, debated democracy and watched corruption grow alongside opportunity. Inflation in the late 1980s added anger. When former Party leader Hu Yaobang died in April 1989, mourning became protest. Students occupied Tiananmen Square. Workers formed their own organisations. Demonstrations spread to other cities.

The leadership split over compromise. Martial law prevailed. On the night of 3 to 4 June, troops moved into central Beijing and killed civilians. Soldiers also died. No authoritative public death count has been established. The political lesson was clearer than the casualty total: economic reform could continue, but the Party would use force rather than surrender its monopoly.

The crackdown also reshaped elite incentives. Leaders feared that inflation, corruption and ideological looseness could combine with independent organisation to threaten the regime. Political liberalisation stopped. Economic reform later resumed, but with a stronger emphasis on growth as a source of legitimacy and on organisational control as the condition under which growth could proceed. That post-1989 combination became one of the defining features of the next two decades.

Market acceleration and social rupture, 1992 to 2001

After 1989, reform slowed. Deng's 1992 southern tour pushed it forward again. He visited Shenzhen and other southern centres and attacked ideological hesitation. Growth accelerated while the political settlement remained intact.

The 1990s transformed urban life. Many smaller state enterprises were sold, merged or closed. Tens of millions of workers lost jobs or benefits tied to their work units. Larger state groups were consolidated in sectors the leadership considered strategic. Private business expanded rapidly.

Housing reform changed wealth. Apartments once allocated through work units became private assets. Banks grew. Stock exchanges in Shanghai and Shenzhen created new financial channels. Consumer markets widened from scarce goods to televisions, refrigerators, cars and later mobile phones.

The 1994 tax reform recentralised revenue but left local governments with heavy expenditure obligations. Local officials increasingly relied on land conversion, fees and later borrowing to finance development. That fiscal architecture would help build modern China and later help create its property problem.

Politics adapted to the new class structure. Jiang Zemin's leadership eventually allowed private entrepreneurs into the Party. The move looked ideologically strange only if one assumed Marxist class categories still governed economic policy. Organisational loyalty mattered more. The Party preferred to incorporate rising business elites rather than allow wealth to become an independent political centre.

The decade also dismantled parts of the old welfare settlement. State-enterprise workers who had expected lifetime employment faced layoffs; medical and pension provision became more fragmented; education and housing costs rose. Market reform therefore created private choice and insecurity together. High household saving was partly a rational response to a world in which families could buy more but also had to insure themselves against expenses once carried by collective institutions.

The workshop of the world, 2001 to 2008

China joined the World Trade Organization on 11 December 2001. The consequences reached factory floors across the world. Foreign companies shifted more production into China. Export-processing zones grew. Ports expanded. Coastal provinces pulled in migrants from the interior.

A phone, toy or appliance labelled “Made in China” was rarely made by one Chinese company from start to finish. Components moved through supplier networks that crossed East Asia and beyond. China’s advantage became the ability to coordinate large volumes, fast iteration and dense industrial ecosystems.

The state poured money into roads, ports, power generation and universities. Local governments competed for factories and offered land, infrastructure and administrative support. A generation of engineers and skilled technicians entered industry. Household saving supplied banks with deposits that could be channelled into investment.

The same model produced social stress. Migrant workers lacked equal urban status. Pollution became severe. Land seizures provoked protests. Labour disputes multiplied. Inequality widened. Internet use grew while the state developed technical and legal systems to censor it.

A new middle class also emerged with experiences that Maoist categories could barely describe: mortgages, private cars, foreign holidays, university competition and online shopping. Cultural life widened even under censorship. Television, pop music, commercial publishing and later social media created a society far more plural in taste and aspiration than the political system was in organisation. Modern China became socially marketised faster than it became politically open.

By the 2008 Beijing Olympics, China wanted the world to see modernity, discipline and scale. The opening ceremony was propaganda in the broadest sense: a claim about what the country had become. Weeks later, the global financial crisis showed how much that success depended on foreign demand.

Stimulus, property and the search for a new model, 2008 to 2012

Beijing answered the financial crisis with enormous credit and investment. Banks lent. Local governments created financing vehicles. Infrastructure and property construction surged. Growth recovered quickly and helped stabilise the world economy.

The rescue also reinforced imbalances that had been accumulating. Investment took a huge share of national income. Local governments became more dependent on land and borrowing. Developers relied on continuing sales. Households treated property as a store of value. The system could build faster than household consumption grew.

At the same time, labour conditions were changing. The working-age population was nearing its peak. Coastal wages rose. Chinese firms started moving from low-cost assembly into automation, branding, research and more sophisticated manufacturing. The country needed a new model before the old one had finished paying its bills.

The stimulus years also strengthened state-linked firms and banks because they could receive and deploy credit quickly. That mattered later. The post-2008 economy was not a straightforward continuation of 1990s liberalisation. It contained a larger property sector, heavier local debt and renewed weight for state investment, even while private internet and consumer companies were becoming some of the most innovative firms in the country.

Xi's China, 2012 to the present

Xi Jinping entered office promising to restore discipline. The anti-corruption campaign investigated officials from low levels to the highest ranks. It answered real public anger over corruption, improved central control and shattered political networks that might resist Xi. Those functions can all be true at once.

Decision-making became more centralised through Party commissions and leading groups. In 2018, constitutional term limits on the state presidency were removed, ending one visible part of the post-Mao effort to regularise succession. The deeper change was political: Xi accumulated authority across Party, military and state institutions and made loyalty to the central leadership a stronger organising principle.

Security became a larger category. Internet controls tightened. Lawyers, journalists, academics and civil-society organisations faced narrower room for independent activity. Xinjiang was subjected to a programme of mass detention, coercive assimilation and surveillance. Hong Kong's protest movement was followed by a national security law in 2020 and a broader local security law in 2024.

Economic policy became more ambitious and more interventionist. "Made in China 2025" and later strategies sought leadership in advanced manufacturing. The Belt and Road Initiative financed ports, railways, power plants and other infrastructure abroad. Chinese firms became global leaders in solar equipment, batteries, electric vehicles, drones and parts of telecommunications.

The regulatory campaigns of the early 2020s showed the political limits of private power. The planned Ant Group listing was halted. Online education was largely converted from a profit-making industry into a tightly restricted sector. Platform companies faced new rules. Property developers, already heavily indebted, encountered restrictions designed to curb leverage.

Then came Covid-19. Early controls reduced transmission and bought time when vaccines and treatments were absent. Later zero-Covid policy relied on lockdowns, mass testing and digital health codes against increasingly transmissible variants. Costs rose. Public frustration became visible in late 2022. The policy was then abandoned rapidly, followed by a large infection wave.

Property moved from engine to drag. Developers defaulted, home sales weakened and unfinished projects undermined trust in pre-sale financing. The state avoided a simple national bailout and tried to manage adjustment while protecting enough construction and local finance to prevent disorder.

China continued to grow. Official GDP rose 5.0 per cent in 2025 and 4.7 per cent year on year in the first half of 2026. Industrial strength remained formidable. Yet the IMF and World Bank continued to identify weak domestic demand, property adjustment, high debt and ageing as major structural problems.

Externally, China had become too important to treat as a developing-country participant alone. It was the leading merchandise exporter, the second-largest military spender and a central actor in global climate technology. Its navy, missiles, nuclear forces and pressure around Taiwan shaped military planning across the Indo-Pacific. US and allied restrictions on advanced chips turned technology policy into security policy on both sides.

The transformation promised by the subtitle is therefore complete in one sense and unfinished in another. China reached superpower scale. It has not yet settled the economic and political model that can sustain that scale under slower growth.

Taiwan concentrates that uncertainty. Beijing treats unification as unfinished national sovereignty and has never renounced the use of force. Taiwan has developed its own democratic political system and most of its population lives under institutions separate from the PRC. US support for Taiwan and the island’s central role in advanced semiconductor production turn the dispute into a global security risk. A war is not inevitable, but no account of China as a superpower can ignore the issue around which military power, nationalism and international rivalry meet most dangerously.

How we know

Modern China leaves an enormous record, but access and incentives matter. Official statistics, Party documents, laws, speeches and newspapers reveal what the state measures and wants to communicate. They are indispensable for national totals and institutional design, but local officials have incentives to shape reports, politically sensitive archives are restricted and some data series can be altered or withdrawn.

The Mao era is reconstructed from official records, local archives opened unevenly after Mao, demographic work, memoirs and later scholarship. Great Leap famine estimates therefore vary, though the causal role of policy and coercion is well established. The 1989 death toll remains uncertain because no authoritative public list exists.

For the current period, this book cross-checks Chinese official data with the IMF, World Bank, WTO, IEA, SIPRI and United Nations sources. Claims about Xinjiang rely on the UN human-rights assessment and converging documentary evidence while noting the Chinese government's rejection of that assessment. Where evidence changes the model, the uncertainty is stated. Where it does not, the book keeps moving.

What People Get Wrong

"China became modern when Mao took power in 1949"

1949 was a decisive change of regime, not the first appearance of modern China. The late Qing had already built arsenals, modern schools and new armies. Republican governments experimented with constitutions, banks, universities, industry and mass politics. Nationalists and Communists both learned from Soviet party organisation and modern propaganda. Japan's invasion transformed state capacity, mobilisation and political legitimacy.

Why does the 1949 story persist? The People's Republic presents itself as the end of a century of humiliation, while many Western histories use the Communist victory as a convenient starting line. The correction matters because the Party inherited the central problem it claims to have solved: how to build a state strong enough to survive foreign pressure and internal fragmentation. It also changes how Mao appears. He was not creating politics on empty ground. He inherited armies, ministries, industrial experiments, universities, nationalism and a population already mobilised by decades of war. Communist China remade those institutions far more radically than the Nationalists had, but it did not create modern state-building from nothing.

“Mao either made modern China or ruined it”

Both versions select real evidence and then ask it to do too much. Mao’s government built national institutions, heavy industry, schools and public-health systems while consolidating sovereignty. It also created famine, political terror and the Cultural Revolution. Later growth benefited from literacy, basic health and industrial capacity inherited from the Mao period, but it also depended on reversing Maoist collectivisation, reopening markets and restoring expertise.

A cleaner counterfactual is impossible because history did not supply a second China to compare. The useful conclusion is narrower. Maoism built capacities that mattered later and damaged incentives and correction mechanisms so badly that post-1978 reform had to dismantle central parts of the Maoist model. The distinction is useful because moral accounting and causal accounting are different tasks. A later benefit can be causally downstream of an earlier regime without justifying the regime’s methods. Literacy can matter for later industrialisation while famine remains a policy catastrophe. Holding both facts at once is harder than choosing a verdict, which is why the verdicts persist.

“Deng Xiaoping turned China capitalist”

Deng changed what the system rewarded, tolerated and allowed to be owned. He did not transfer supreme political authority to markets or private property. Collective land ownership remained. State banks and strategic state firms survived. The Party retained control over appointments, organised force and the legal boundaries of business.

China became far more market-based, and private enterprise became indispensable. Whether to label the result capitalist depends on which feature the label is meant to capture. The practical mistake is to assume that market exchange implies a politically autonomous business class. Another practical mistake is to read today’s large state sector as proof that reform barely happened. State firms lost their monopoly over many parts of production, employment and consumption. The issue is not whether markets became real. They did. The issue is that market actors operate inside a political order whose highest authority remains outside market competition. Chinese entrepreneurs can become extremely rich and still remain subject to a Party that controls licences, finance, regulation and political organisation. The boundary is clearest when business becomes politically salient. A founder may build a global company through competition and private investment, yet the state can still reshape the industry through regulation, Party committees, credit or security rules. Market success does not convert automatically into independent political power.

“Cheap labour explains the Chinese miracle”

Cheap labour was abundant across many poor countries. It does not explain why China became the workshop of the world. The stronger explanation combines labour with infrastructure, education, dense supplier networks, ports, local-government competition, high saving, foreign investment, overseas Chinese business links and a favourable period of global trade integration.

Once clusters formed, they created advantages beyond wages. A manufacturer could change a design and source a new component nearby. Engineers, toolmakers, logistics firms and subcontractors concentrated in the same regions. China later remained competitive in many sectors even as wages rose sharply. The correction matters because it explains why manufacturing ecosystems are hard to recreate by moving one factory to a cheaper country. It also changes how to think about deindustrialisation elsewhere. A supply chain can migrate gradually for years and then become difficult to rebuild because skills, tooling firms and procurement routines have moved with it. China accumulated an ecosystem, not a collection of isolated low-wage plants. It also explains why current industrial policy is contentious. China is competing from a base built over decades of supplier density, infrastructure and scale. Subsidies matter, but they act on top of accumulated capabilities. Rivals therefore face a coordination problem, not a wage comparison.

“Beijing plans the economy and local officials obey”

Beijing sets major political boundaries and can intervene forcefully, but much of China’s development came from local variation. Provinces, cities and counties competed for investment, tested rules and improvised around central policy. Rural contracting, local industry and special zones all depended on space for experimentation.

The same decentralisation produced problems. Local governments borrowed heavily, converted land aggressively and sometimes distorted environmental or economic data. A campaign from the centre can also create over-compliance because officials fear being accused of insufficient zeal. China is therefore neither a perfectly planned machine nor a loose federation. It is a hierarchy whose lower levels have room to act until the centre decides they have too much. This is why apparently contradictory accounts can both contain truth. One researcher can observe striking local autonomy; another can document ruthless central intervention. The variable is political tolerance. Local freedom is delegated, uneven and reversible. It is an operating method, not a constitutional right.

“Chinese people traded political freedom for prosperity”

No national contract was signed, and the population has never been one political mind. Some citizens value stability, national strength and improved living standards strongly. Others have protested corruption, land seizures, labour conditions, censorship, lockdowns and political restrictions. Many hold several of these views together.

The phrase also makes repression sound like a consumer choice. National elections that could remove the Communist Party are not offered. Independent opposition organisation is prohibited. Censorship shapes what can be debated publicly. The more accurate claim is that the Party built legitimacy partly through growth, order and nationalism while preventing political competition that could test that legitimacy on equal terms. Public opinion still matters because the regime monitors complaints, surveys, online sentiment and protest and often responds to practical grievances. That responsiveness should not be confused with electoral accountability. A government can listen selectively while keeping control over who is allowed to organise.

“China has either already won or is heading for collapse”

Both predictions compress a complicated balance sheet into a trend line. China has reached superpower scale in manufacturing, trade, infrastructure, technology and military power. It also faces falling population, ageing, property stress, high local debt, weak household consumption, external technology restrictions and growing geopolitical resistance.

Large states can remain powerful while growing more slowly. Japan did not disappear when its asset bubble burst. The Soviet collapse does not prove every one-party system has a hidden expiry date. Nor does past Chinese growth prove future convergence is automatic. The correction is to replace prophecy with mechanisms: productivity, household income, innovation, debt adjustment, demographics, external access and the political system’s ability to correct mistakes. Different mechanisms can move in opposite directions at the same time. A country can slow economically while becoming stronger in selected technologies or militarily. It can lose population while raising productivity. “Rise” and “decline” are too blunt until the dimension and time horizon are specified.

Use It

Ask which institution has the veto

Formal titles can mislead in any political system. In China, start by asking which Party body, state agency, local government, bank or regulator can stop the decision. The answer often reveals more than an organisational chart. A private company may look independent until a licence, loan or security rule becomes decisive. A local government may appear powerful until a national campaign changes its incentives.

The wider lesson is to map vetoes rather than labels. The same method works on regulation: ask who writes the rule, who interprets it locally, who can waive it and who bears career risk if enforcement goes wrong. Ownership tells you who receives profits. Control tells you who can change the rules. In China, those can sit in different hands. A privately owned firm may face public banks, Party committees and licensing authorities. A state-owned firm may compete fiercely in a market. The useful map follows permissions, capital and personnel rather than assuming the ownership label settles behaviour.

Separate capacity from correction

A government’s ability to do something quickly is not the same as its ability to learn whether it should keep doing it. China makes this distinction unusually visible. The Great Leap combined immense mobilisation with terrible feedback. Infrastructure building shows high execution capacity. Zero-Covid showed both rapid mobilisation and the difficulty of reversing a politically defended line.

When judging any institution, ask two questions: how fast can it act, and how easily can bad news force a change? Strong systems need both capacities. They rarely maximise both at the same time. The same question can be applied to companies, militaries and bureaucracies. A culture that punishes dissent may execute agreed plans cleanly while learning slowly. A culture that tolerates argument may detect error quickly and still fail to coordinate action. Institutional quality depends on the balance. Watch what happens to messengers. If people who report failure are promoted, correction becomes part of capacity. If they are punished, the organisation may become impressive at doing the wrong thing for longer.

Follow the household share

National output can grow while households feel insecure. China's investment-heavy model makes this especially important. High saving, limited welfare, housing costs and unequal access to services can restrain consumption even when factories and infrastructure look strong.

If Chinese leaders say they want a more consumption-led economy, watch whether resources shift towards households through wages, pensions, health care, education, hukou reform and fiscal transfers. Consumption is not a switch households can be ordered to flip. It reflects what they earn, what they fear and what public systems make unnecessary to save for privately. That makes social policy part of macroeconomics. Better pensions, health coverage and migrant access to services can change spending behaviour because they alter the risks families must self-insure against.

Treat property as a political economy, not a housing market

An apartment in China can be a home, a savings vehicle, collateral, a source of local-government land revenue and a developer's pre-sale financing all at once. That is why a property downturn travels further than construction.

The same lens works elsewhere. When an asset becomes entangled with household wealth, public revenue and banking, a fall in its price becomes institutional. Housing policy is never only about buildings once the financial system has learned to depend on them. That is why a slow property adjustment can be politically attractive even when it prolongs weakness. A rapid liquidation might clear prices faster but damage household wealth, local revenue, developers and lenders together. The speed of repair becomes a distributional choice. China’s property problem is therefore easier to understand by asking who would absorb losses under each solution: households, developers, banks, local governments or the central state. Every rescue plan is also a decision about that allocation.

Look for the global multiplier

Domestic reforms often look more powerful than they were because they coincide with favourable external conditions. China’s opening met an era of trade liberalisation, containerisation, foreign investment and rich-country demand. WTO accession amplified domestic reform. Overseas Chinese networks helped connect factories to capital and markets.

This lens prevents two errors: crediting national policy for every gain and assuming the same policy will reproduce the same result in a different world. Timing is a causal variable. The same country-level reform can have a different result when world demand, technology or geopolitics change. China’s 1990s and 2000s opening met a world eager to integrate production. Its current strategy faces tariffs, export controls and security screening. That does not end globalisation, but it changes the return to the old playbook. A strategy built around export access and imported technology now has to coexist with efforts to localise critical supply chains and cultivate demand at home. The new constraints are part of the development model, not scenery around it.

Read security as an economic variable

In Xi's China, security reaches into technology, data, education, finance, supply chains and private business. The effect is not always lower growth. Security policy can build redundancy, protect strategic industries and accelerate investment in domestic capabilities. It can also duplicate capacity, reduce competition and make firms more cautious.

The useful question is not whether security and growth are opposites. It is what price a state is willing to pay for resilience and who bears that price. Redundant supply chains can look inefficient until a crisis arrives. Self-reliance can protect strategic capacity while raising costs. The economic effect depends on the threat being insured against and whether the insurance becomes an excuse for permanent protection.

The limits

This book compresses a country of more than 1.4 billion people into an hour. "China" cannot mean one experience. A migrant in Shenzhen, a retiree in Harbin, a Tibetan farmer, a Shanghai entrepreneur and a county official inhabit different institutions and political memories.

Economic statistics also have limits. Official national data are necessary, but measurement occurs inside a political system. Local incentives, revisions and restricted series complicate interpretation. Outside estimates carry their own assumptions.

Causation is the larger limit. No honest account can assign China's rise by percentage to Deng, the Party, foreign capital, demography, education, infrastructure or global trade. These forces interacted. A policy that worked in one decade may fail in another because prices, people and external conditions changed.

Finally, the book cannot settle moral judgement by arithmetic. Rising life expectancy does not cancel political persecution. Industrial success does not excuse abuses in Xinjiang. National insecurity does not make every territorial claim correct. Description becomes useless when it launders coercion, but it also becomes useless when moral condemnation replaces explanation.

The one thing to keep

Keep the bargains.

Modern China did not move from communism to capitalism along a straight road. It repeatedly changed the bargain between centre and locality, state and market, city and countryside, household and government, China and the world. Each bargain solved a problem and created another.

Mao's bargain traded autonomy for mobilisation and state-building. Reform traded ideological uniformity for experimentation while preserving political monopoly. Globalisation traded some insulation for export-led growth and technology transfer. Urbanisation traded land, migration and future property values for infrastructure and wealth. Xi's era trades some of the openness and decentralised risk-taking of earlier reform for discipline, security and strategic resilience.

That framework is more durable than any prediction about whether China will rise or fall. When the next dramatic headline arrives, ask which bargain it changes, who gains, who pays and what feedback becomes easier or harder to hear.

A country can transform almost beyond recognition in one lifetime while keeping one institution in power. That is the central fact of modern China. The second is that continuity at the top did not prevent radical change underneath. It organised it.

Terms

Chinese Communist Party (CCP). The ruling political organisation of the People's Republic of China, founded in 1921. It controls senior political appointments, the armed forces and the boundaries within which state and market institutions operate. Party membership and committees connect this authority to workplaces and local administration.

People's Republic of China (PRC). The state proclaimed by Mao Zedong on 1 October 1949 and governing mainland China. It claims Taiwan, which is governed separately by the Republic of China.

Kuomintang (KMT). The Chinese Nationalist Party associated with Sun Yat-sen and Chiang Kai-shek. It ruled much of China before Communist victory and retreated to Taiwan in 1949.

Long March. The Communist retreat of 1934 to 1935 from Nationalist encirclement. Militarily disastrous, it became a founding myth of Party endurance and helped Mao consolidate leadership.

People's Liberation Army (PLA). China's armed forces. Institutionally it is the armed wing of the Communist Party and answers to the Party-led Central Military Commission rather than to an independent civilian defence ministry.

Central Committee. A large senior Party body elected by a Party congress. In practice, its plenary sessions ratify major political decisions and personnel arrangements prepared within the leadership.

Politburo. A smaller senior Party leadership body drawn from the Central Committee. Its Standing Committee forms the apex of day-to-day national political authority.

General secretary. The top position in the Communist Party. In contemporary China it is more important for supreme political power than the state presidency alone.

Central Military Commission. The Party body that commands the armed forces. Its chairmanship links the top political leader directly to coercive power.

Nomenklatura. A borrowed term used by scholars for the Party's system of controlling appointments to key posts. It helps explain how organisational power runs through the state and economy.

Danwei. The urban work unit that once provided employment, housing and welfare while organising political life. Market reform greatly weakened the system.

Hukou. Household registration linking a person to a locality and historically to rural or urban status. It shaped migration and access to public services and remains important despite extensive reform.

Great Leap Forward. Mao’s 1958 campaign to accelerate industrial and agricultural production through communes, mass mobilisation and radical targets. It contributed directly to catastrophic famine.

People’s commune. The giant rural collective created during the Great Leap. It combined economic production, local administration and social organisation while sharply reducing household autonomy.

Cultural Revolution. The upheaval launched by Mao in 1966 against supposed capitalist and bureaucratic enemies. It produced persecution, factional violence, institutional damage and mass disruption until Mao’s death in 1976.

Household responsibility system. The post-Mao rural arrangement that restored household control over production while land formally remained collectively owned. It was central to the first surge of reform-era growth.

Township and village enterprise (TVE). A rural or small-town business that flourished during early reform, often under ambiguous collective or private ownership. TVEs absorbed labour and widened industrial competition.

Special economic zone (SEZ). An area granted different economic rules to attract investment and test reform. Shenzhen became the best-known example.

Dual track. A transition arrangement that kept compulsory planned deliveries while permitting extra output to be sold through markets. It reduced immediate losses for incumbents but created opportunities for arbitrage.

Reform and opening. The broad post-1978 programme associated with market reform, foreign investment and reduced emphasis on Maoist class struggle. It never meant political pluralism.

Tiananmen 1989. The protest movement centred on Beijing's Tiananmen Square and spread across China. Military force ended the Beijing demonstrations in June, killing civilians and establishing the political limits of reform.

State-owned enterprise (SOE). A firm owned by the state. China restructured and closed many SOEs while preserving large groups in sectors considered strategic.

World Trade Organization (WTO). The global trade body China joined in 2001. Membership increased predictability for exporters and investors and helped integrate China into global supply chains.

Local-government financing vehicle (LGFV). A company or financing platform used by local governments to borrow for infrastructure and other projects, often beyond ordinary budget channels.

Land finance. Local-government reliance on revenue from converting and leasing land for development. It connected urban expansion, property prices and public finance.

One-child policy. A broad label for birth-control policies enforced from around 1980 with major regional and social variation. The policy contributed to smaller families and ageing but was not the sole cause of low fertility.

Belt and Road Initiative (BRI). A programme announced under Xi Jinping that supports infrastructure, trade and investment links across many countries. Projects vary widely in finance, ownership and strategic significance.

National rejuvenation. A central political idea under Xi linking Party rule to the restoration of China's wealth, strength and international status after the era of foreign domination.

Common prosperity. A Xi-era policy theme stressing broader distribution, social balance and limits on disorderly accumulation. Its practical meaning changes across tax, welfare, business regulation and regional policy.

Party-state capitalism. A useful analytical label for an economy in which markets and private firms operate extensively while the ruling Party retains decisive leverage through state ownership, finance, regulation, land and political authority. The label describes a hybrid structure rather than a settled ideological category.

Go Deeper

Rana Mitter, Modern China: A Very Short Introduction

Start here for a compact narrative by a historian who gives the Republican and wartime periods enough weight to explain why 1949 was a beginning built on earlier crises. It is short, clear and especially good on nationalism and China's twentieth-century encounters with war. The second edition appeared from Oxford University Press in 2016, so use newer sources for current policy and economic data. Its chief value is proportion: it prevents the People's Republic from floating free of the wars, nationalism and institutional experiments that preceded it. It is the most inviting of the four books here for a reader who wants one more hour before committing to a larger history.

Ezra F. Vogel, Deng Xiaoping and the Transformation of China

Read this for the politics of reform from the inside of elite decision-making. Vogel shows Deng as a coalition-builder and political operator rather than a magician who announced markets and watched them work. The book is long and admiring in places, which makes it worth pairing with work that gives local experimentation and social costs more independent weight. Read it for how reform coalitions were built, how Deng used personnel and sequence, and why apparently technical economic choices were always political decisions.

Yang Jisheng, Tombstone: The Great Chinese Famine, 1958-1962

This is the hardest recommendation and the most important corrective to any celebratory account of state capacity. Yang, a Chinese journalist and Party member, spent years reconstructing the Great Leap famine from archives and interviews. The English edition is abridged from the Chinese original but still enormous. Read selectively if needed; the local detail explains what national numbers cannot. The book is also a warning about information systems: it shows how hunger, procurement and political fear interacted at county and village level, where abstract policy became bodily consequence.

Yuen Yuen Ang, How China Escaped the Poverty Trap

Use Ang for the mechanism of reform. Her argument focuses on how higher levels set broad goals while local officials improvised, creating a system of directed variation rather than a single master plan. It sharpens the distinction between decentralised experimentation and political liberalisation and is one of the best routes beyond the false choice between “the state did it” and “markets did it”. Her account is interpretive rather than a complete national history, which is useful here: it isolates a mechanism the broader narratives can make hard to see.

Notes and Sources

Scope, dates and names

The queue assigns this title to China from late Qing crisis through Mao, reform, party-state capitalism, urbanisation, technology, demography and global power, with emphasis on how the Communist Party governs and adapts. *Ancient China in a Hurry* owns the premodern dynastic story. The subtitle makes the period from 1949 to the present the centre of gravity; late Qing and Republican history appear only to explain the state-building problem inherited by the People's Republic.

Chinese personal names follow the standard family-name-first order. Pinyin is used except for established forms such as Chiang Kai-shek and Sun Yat-sen.

Late Qing, Republic and war

The outline of the Opium War, treaty-port system, Taiping Rebellion, 1895 defeat by Japan, 1911 Revolution, warlord period, Nationalist state, Communist formation and Japanese invasion follows Jonathan Spence and Rana Mitter. The Nationalist contribution to resistance against Japan is emphasised to avoid the older Communist narrative that treated Nationalist rule mainly as a prelude to defeat.

Party and state

The distinction between Party and state follows the Communist Party constitution, the PRC constitution and standard scholarship on the nomenklatura and Party committees. The presidency should not be treated as the sole source of supreme power. As of 10 August 2026, official Chinese government reporting confirms that Xi Jinping is president, general secretary of the Communist Party and chairman of the Central Military Commission.

Mao-era construction and coercion

The discussion of early PRC state-building, land reform, collectivisation, work units, hukou, the Soviet model and political campaigns draws on Andrew Walder, Jonathan Spence and the Party's 1981 historical resolution. The book treats the Party's later official repudiation of the Cultural Revolution as evidence about institutional memory, not as an independent measure of casualties or responsibility.

Great Leap famine

There is no uncontested national death figure. Published estimates of excess deaths range from roughly 15 million to more than 40 million. Around 30 million is used only as a central orientation, not a precise count. The stronger claim concerns mechanism: radical production targets, collectivisation, excessive grain procurement, closure of private food channels, restrictions on mobility, false reporting and political punishment all materially worsened the famine. Yang Jisheng and later demographic and archival scholarship support that causal account.

Cultural Revolution

National casualty totals vary too widely to support a single confident number in a one-hour book. The account therefore focuses on better-established mechanisms: elite conflict, Red Guard mobilisation, attacks on alleged class enemies, factional violence, military suppression, school closure and the later "sent-down youth" movement. MacFarquhar and Schoenhals remain a major narrative reference.

Reform and experimentation

The household responsibility system, township and village enterprises, special zones and local variation are supported by Barry Naughton, Yuen Yuen Ang and Sebastian Heilmann. The dual-track discussion follows Lau, Qian and Roland while noting that corruption and arbitrage were real costs. The book rejects two extremes: reform as a fully designed master plan and reform as the state merely withdrawing from spontaneous markets.

Tiananmen 1989

The movement involved students, workers and demonstrations beyond Beijing. Troops killed civilians during the suppression in Beijing and soldiers also died. No authoritative public casualty list exists, so the manuscript does not use a precise national death total. The political consequence is stated more confidently than the number: organised opposition to Party rule remained outside the permitted reform bargain.

Globalisation and WTO accession

China joined the WTO on 11 December 2001. The account of supply chains, foreign investment, export manufacturing and industrial clusters draws on WTO material, Barry Naughton and broader scholarship on East Asian production networks. The manuscript treats globalisation as a multiplier of domestic reform rather than a substitute explanation for it.

Poverty and living standards

The World Bank and Chinese partner institutions estimate that nearly 800 million people moved above the World Bank's former international extreme-poverty line over roughly four decades. This is a threshold-specific claim and does not mean poverty, insecurity or inequality disappeared. Agricultural productivity, industrialisation, migration, education, infrastructure, external demand and later targeted programmes all contributed.

Urbanisation, hukou and property

The account of land finance, local fiscal incentives, housing reform and urbanisation draws on *Urban China*, Barry Naughton and IMF and World Bank analysis of property and local debt. The National Bureau of Statistics reported 301.15 million rural migrant workers in 2025. Hukou reform differs greatly by locality, especially between smaller cities and the largest metropolitan areas, so the manuscript avoids implying one national rule applies unchanged everywhere.

Demography

The one-child policy was never one identical rule imposed on every family. Enforcement varied by province, rural or urban status, ethnicity, time and family circumstance, and coercive enforcement occurred. The policy contributed to ageing and low fertility but did not cause them alone. Development, urban housing and education costs, later marriage and changing preferences matter. The National Bureau of Statistics reported a year-end population of 1.40489 billion in 2025, down 3.39 million from 2024.

Xi-era politics and security

The account of recentralisation rests on changes to Party organisation, anti-corruption, the 2018 constitutional amendment removing presidential term limits and the expansion of Party leadership across policy domains. Anti-corruption is treated as simultaneously discipline, legitimacy repair, organisational strengthening and political consolidation. No single motive is required to explain its effects.

Xinjiang and Hong Kong

The UN Office of the High Commissioner for Human Rights assessed in 2022 that serious human-rights violations had occurred in Xinjiang and that the extent of arbitrary and discriminatory detention may constitute crimes against humanity. The Chinese government rejects that assessment and describes its policies as counter-terrorism, de-radicalisation, vocational training and development. The manuscript follows the UN finding and converging evidence on detention and surveillance while recording the official Chinese position in these notes.

Hong Kong’s 2020 national security law and 2024 local security legislation expanded national-security offences and enforcement powers. Chinese and Hong Kong authorities describe the changes as necessary to restore order and protect security. The institutional result, including a sharp narrowing of opposition politics and protest, is well documented.

Current economy, industry and superpower scale

The National Bureau of Statistics reported 2025 GDP of 140.1879 trillion yuan and real growth of 5.0 per cent. On 15 July 2026 it reported first-half 2026 GDP of 69.5704 trillion yuan, up 4.7 per cent year on year. The IMF's July 2026 update projected 4.6 per cent growth for 2026 and continued to identify structural headwinds. The World Bank and IMF emphasise weak domestic demand, property adjustment, high debt, slowing productivity and ageing.

The International Energy Agency's *Global EV Outlook 2026* estimates that China produced 70 per cent of the world's electric cars and more than 80 per cent of battery cells in 2025. WTO statistics identify China as the leading merchandise exporter. SIPRI estimates Chinese military expenditure at $336 billion in 2025, second only to the United States. These indicators establish scale, not inevitable strategic dominance.

Current data limits

Official Chinese data are produced by a large professional statistical system and are indispensable for national totals. They are also generated inside a political structure that can affect local reporting incentives, access, revisions and publication choices. Current economic interpretation was therefore cross-checked against the IMF, World Bank, WTO, IEA and SIPRI. All changeable claims in this manuscript were rechecked on 10 August 2026.

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