

the capacity to innovate. Yet the reader may think that the opposite scenario is currently unfolding, with a strengthening of the state sector, the creation of global state-owned champions and a Party that aspires to gain absolute control over business, state and civil society as a whole. However, one thing is sure: regional and industry variations in business–government relations are likely to persist and continue being an important research topic.

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**Jonathan Fenby**, *Will China Dominate the 21st Century?* Cambridge: Polity, 2017. 154 pp., ISBN 1509510974.

In the shadows of a looming trade war between China and the USA, this second edition of Jonathan Fenby's 2014 book *Will China Dominate the 21<sup>st</sup> Century?* has never been more relevant. With only 154 pages it is an easy read that provides a realistic take on China's ability to dominate this coming century. It is an enlightening and engaging book for anyone with an interest in China and its current grip on the political and economic situation that feeds into the global arena. For the more seasoned China scholar the main points may already be well known and the book can safely be placed on the shelf as another realist interpretation of why China will not succeed in having any meaningful impact on dominating the global agenda in the twenty-first century.

Looking into China's political setting, Fenby describes Xi Jinping as an uncommon man, standing out in a world where strong leadership of big economically powerful countries has become a rarity. Xi is portrayed as China's new emperor standing at the centre of a personality cult, and as 'a leader of a nation that sees itself existing on a plane of its own, with little or no need of a global order shared with other nations' (p. 18). The return to rule by a single dominant figure has increased the risks inherent in Chinese society, as its leadership style has become increasingly totalitarian. The denial of a political role for the people provides a negative foundation for its government, bringing with it systemic weaknesses which grow in scope as China develops. The Communist Party and Xi Jinping have no rivals for power, and while Xi has eliminated any form of opposition, Fenby describes this trend as a general fetish by Chinese rulers (p. 19). Throughout the Party's history

any form of competition or opposition has been stamped out, be it from non-governmental organizations, human rights lawyers, websites or Nobel Peace Prize winners such as Liu Xiaobo, now in jail for 11 years for advocating democracy.

In relation to the economy, Wen Jibao's four 'uns' – unsustainable, uncoordinated, unbalanced and unstable – have been used to describe the China's economic condition and its dire needs for reform (p. 63). The reluctance of central and local authorities to take the risks that come with reform has, however, exacerbated the very problem. A policy to raise consumption by increasing wages was seen as one way of rebalancing towards consumption, as stated in the Five-Year Plan for 2011–2015. Meanwhile, wage rises increase costs, and the higher price of capital is eating away at the Deng-era combination of cheap labour and cheap savings, with China's financial system coming increasingly under strain. Upgrading the economy to move further up the value chain could create even fewer jobs, replacing workers with machines. If that continues, Fenby predicts that two core objectives of government and Party policy – to give China a more advanced industrial machine and to preserve jobs – will come into conflict (p. 87). The shift to innovation is an even more difficult challenge in an authoritarian regime: China's growing number of patents are proof of this, in their inarguable display of poor quality. The government's strong shift to supply side reform is also evidence of strong rhetoric rather than hard actions as, in the winter of 2015 for example, it clashed with local needs for regime stability by keeping empty jobs afloat. Local political considerations therefore 'stand in the way of economic efficiency in a system in which the Communist Party and its cadres at all levels outgun government officials and corporate managers' (p. 91). As these cases indicate, Li Keqiang's call for reforms to combat Wen's four 'uns' cannot rely only on the government to steer the economy. China's political and economic situation is, according to Fenby, caught in a standoff between its quest for stability and its need for economic reform.

In the meanwhile, money-making has moved to the very centre of the way China operates, which in turn has started to breed a new sense of individualism, moving China and its people away from an era of communist collectivism. China's middle class simply wants more. They thirst for clean air, pure water and a clean environment in which to raise their kids. Priorities are shifting fast and discontent has been building up steadily. Similar problems have been present in now-developed nations, but Fenby thinks that they take on a more acute character in

China, precisely because of its global ambitions. Rising internal tensions have manifested themselves alongside 150,000 to 180,000 popular demonstrations each year, and social media is increasingly used as a vent for people's frustrations: 'The system will not implode or explode any more than it will collapse economically', Fenby predicts (p. 116). And the real danger lies in the way in which the Party has penetrated every particle of society so that if one element is disturbed it may send treacherous ripples throughout the entire system.

While China's willingness to provide international aid without strings has won it plenty of friends from afar, so its desire to establish itself as a geopolitical stakeholder stays incommensurate with its current degree of economic prowess. Furthermore, Fenby contends that a regime that cannot admit to the uncomfortable facts of its own history and refuses to engage in debate on its assumed truths is hardly in a position to gain wide international intellectual support (p. 125). China remains captured in a paradox where it needs to reform in order to rule more effectively but reform brings with it the threat of weakening the very system it seeks to protect. The conservation of control lies at the heart of China's Communist Party while that very control now seems to run contrary to an increased liberalization of its economy and society (p. 128). And this is exactly the reason why China will not dominate the global system, which it so desperately longs to shape, Fenby concludes.

In his book Fenby has accurately captured China's pending dilemma, but his focus on internal political change along with its incommensurability with a liberalized economic system perhaps suffers from a stroke of denial, painting too gloomy a picture on the balance between power and continued reform. Fenby notes that while the USA has left a legacy of a liberalist world order, so China is now pondering about how best to leave its own footprint on a new order in which it seeks to have an increased say. In the meanwhile, and as Fenby rightly notes, China's internal tensions do seem to be a stick in the wheel of the all-powerful Party, slowing its ambitions of dominating the twenty-first century.

In the words of Guy de Jonquières, 'China has shown that it can shake the established world order. It has yet to show that it can help shape a future one'.

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