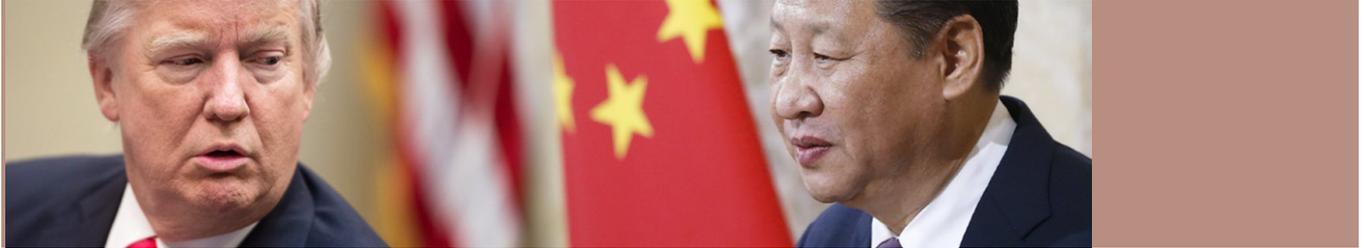


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China and the US are moving away from cooperation and towards more denunciations of capitalism and socialism

- Tom Plate says Beijing's tighter control and scepticism of Western ideas – like capitalism – have sadly coincided with a new US anti-socialism which seems opposed to government itself

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Tom Plate

Two guys walk into a bar. It's only 3pm and they're glowering at each other. The bartender asks, "What'll you have?" The Chinese guy says a Maotai, make it a double. The American says an Americano, light on the vermouth. "So early in the day?" quips the barman. The men respond that they're furious. "With what?" he asks.

The men point and jab at each other. “If you’re that angry”, he says, “why are you two drinking together?” Shrugging, they say, as one: “Because no one else wants to drink with us!”

We recycle the well-known comic trope of two guys walking into a bar to dramatise a [China-US relationship](#) that needs more than a few rounds to improve. Observers are worried. Collateral damage is an ever-present risk. Small animals in the jungle rightly fear the sudden movement of elephants: whether celebrating or clashing, the large animals have an impact.

It is more worrisome than ever when our political pachyderms are going through a neurotic development. As Free University of Berlin professor Klaus Muhlhahn puts it in his book *Making China Modern*: “All its attainment of wealth and power notwithstanding, China faces an increasingly uncertain future – and a future that all humanity will confront together”.

No country, whether in Latin America or East Asia, will be immune to collateral damage if China keels over from debt overweight or, alternatively, skips happily into the future without a care for anyone else.

It’s easy to imagine China and the [United States](#) tripping over each other. Among all the uncertainties is the question of the role of ideology. To flexible, responsive governance, rigid ideological government is a poisonous cement for societal immobility.

They may be alluring as a superficial antidote to uncertainty, but ideologies lead to political catatonia. Obviously hyper-patriotic leaders, from India’s Nehru to China’s Mao, succumbed to its lure and retarded their countries’ development, thus lowering history’s valuation of their reigns.

China will snatch defeat from the jaws of victory if it forgets how it got to where it is. Its recovery from economic nowhere came about precisely because of Deng Xiaoping’s gut scepticism about dogma.

Today, while no one quite understands what “socialism with Chinese characteristics” actually means, perhaps that is its great genius: the approving moniker can be pinned on nearly any innovation that produces results, as long as the one-party political system stays in the driver’s seat.

Respect might be paid to this slick touchstone phrase that gives public space to pragmatism. Yet now, in China, renewed calls for ideological discipline and caterwauling about the evils of Western capitalism abound.

Not so alarming, perhaps? After all, the winds of reform have always had to fight off feckless fronts of ideological hot air from China's grumpy conservatives, for whom reformism seemed akin to evil Westernisation.

President [Xi Jinping](#) himself canonises Karl Marx as “the greatest thinker in the history of mankind” (while in many Western minds that spot is held by Adam Smith). On display is a misguided attempt at either turning the clock back to some imagined past purity or preparing today's body politic for some impending economic mudslide by tightening up.

This is misconceived. If it had not internalised select aspects of capitalism, China would not find itself on the precipice of its next historic uptick.

It needs to keep going in the direction of considered innovation, as does the US, where ideological shibboleths of the opposite kind are now resurfacing, as either craven recalls of spirits past or as fantastical fears about the future.



President Donald Trump delivers the State of the Union address on February 5, where he promised that the US would never become socialist. Photo: AFP

In his State of the Union address, President [Donald Trump](#) actually said: “Tonight, we renew our resolve that America will never be a socialist country” – as if, say, Sweden were the worst country in the history of the world. But Trump denounced socialism as solemnly as some in China are denouncing capitalism. In a sense, I would argue, both ploys are different sorts of red scares.

From an economic perspective, in reality, the two economies are bobbing more less in tandem, competitively but also with overlaps that are unavoidable in a global technological culture and world economy of mutual dependencies. A more noteworthy difference between China and the US is not economic but political.

One government seems perhaps over-efficient, at least as an intervener in the economy and people's lives; the other seems unsteady and unreliable, not least when near-closed up, [as the US was](#) from December 22 until January 25, the longest of our shutdowns.

That it is near-impossible to imagine something like this happening in Xi's China should remind Americans that a two-party system is not inherently more viable than a one-party system. Before pointing fingers at China's imperfections, we should accept that, sometimes, our otherwise stirring stars and stripes also display tears and holes.

Precisely because the power equation between the two presidents is uneven, the time may be apt for bilateral deal-making. US domestic fragmentation is downsizing America's global hubris; China's economy is chugging uphill against debt.

Let's start by agreeing that the trade war needs to be closed down; that Washington needs to accept that the [South China Sea](#) is not the Caribbean; and that Beijing needs to abandon ideological religion and acknowledge that plain secular economics can deliver goods and provide jobs.

Forget spurious resurrections of ideological ghosts and focus on coping with new realities. Have another round of drinks, if you need them, stay for hours and close the bar if you want.

But when you wake up in the morning, hangover notwithstanding, start to clear your heads. Co-collateral damage on a global scale would prove devastating.

Professor and columnist Tom Plate, the author of *In the Middle of the Future*, has been writing about Asia since 1996