



Print edition | China

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**T**HE ERA of populist politics in the rich world is hard work for China. Its leaders generally dislike change in foreign capitals, preferring to deal with old friends or devils they know. Young leaders, in particular, can be bumptious, and in need of training in how to avoid annoying China. On the upside, turmoil in Western capitals offers new ways to put foreigners in their place. A European envoy in Beijing describes how Chinese officials greet visitors who raise such issues as the rule of law or political freedoms. Rather often, he reports, Chinese hosts cite the financial crisis that gripped Europe and America in 2008 (but which largely spared China) and the rise of populist parties. “They say: ‘We have been using our system

for millennia, and your system doesn't work.”

Delightful though it is to gloat, on balance China is getting this populist moment wrong. Chinese leaders are too cynical about elections in the democratic West, and about the lessons that even messy campaigns can offer. They are not cynical enough about their own authoritarian system, refusing to see how it induces a sort of democracy-blindness. Even well-informed officials and scholars misread political dynamics around the world.

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The really perilous response involves disdain, and a serene confidence that voter anger is evidence of domestic failure in the West. Precious few Chinese voices question the political sustainability of a global economic order from which China has profited so copiously, claiming to be a developing country with the right to subsidise domestic firms and close markets to foreign rivals, while growing to become the second largest economy on Earth.

China is right that big, proud Western parties of government have had a rough few years. The invasion of Iraq is sometimes added to the list of self-inflicted wounds that China avoided. But too often China misreads the underlying causes of Western woes.

China got the American election of 2016 wrong several times over. Beforehand Chinese officials and diplomats barely concealed their horror at the thought of a President Hillary Clinton. They saw the former secretary of state as a scold on human rights and a hawk on national security. They mistook Donald Trump for a New York businessman without fixed beliefs, not realising that he has believed in one big thing for 40 years, namely the merits of a good trade war. After his election China decided Mr Trump was a blowhard who could be bought off by purchases of American goods. Now they ascribe his rise to American decline, and to the rage felt by a superpower as it is overtaken by a harder-working, more disciplined China. In September China's State Council turned this sore-loser theory of Trumpism into a 71-page white paper.

The white paper on US-China trade sets out to prove with numbers and graphs that unemployed Americans are wrong to believe China unfairly stole their jobs. It argues that China is being scapegoated for America's own domestic policy failures. It notes that America lacks re-training schemes for laid-off workers and is stingy

about redistributing wealth. It upbraids America for refusing to sell China pricey bits of sensitive high technology, which would close the trade deficit nicely. “No job lasts for ever,” the paper chides, adding that multinational firms, American investors and consumers gained handsomely overall from trade with China. As economic analysis, the white paper has strong and weak points. As a political response to Mr Trump, it is frighteningly obtuse.

Chinese officials have matching theories about political upheaval in Europe. They can sound somewhat admiring of European social democracy and its systems of redistribution. But when pondering European populism, they talk of a refusal to embrace the hard reforms with which China is grappling. Chinese officials are just as suspicious when they hear foreign political and business leaders assert that if China does not address such issues as overcapacity in its steel industry then it risks stoking populist anger abroad. Their hunch is that the West dislikes losing and will use any pretext to hold China back.

### **The upside of disaster**

Many Chinese critiques of Western populism are rooted in truth. But cynicism is leading China astray. For recent elections have not just been humiliating for mainstream Western politicians. They have also been painfully instructive in valuable ways. Elites—at least those capable of introspection—learned how little they are trusted by voters who did not prosper amid rapid globalisation. Thoughtful elites further learned that aggregate economic gains do not replace the human need to feel useful, respected and heeded, as individuals. In a lesson of especial relevance to China, big Western parties have learned that, during economic booms, it is easy to overestimate mass support for elite policies.

Some years ago Fritz Scharpf, a political scientist, made a useful distinction between two sources of political legitimacy. Adapting Abraham Lincoln, his theory describes polities that gain “input legitimacy” by electing citizen representatives and then holding them directly accountable, ie, that offer government of and by the people. Others claim “output legitimacy” by enacting successful policies; ie, they offer government for the people.

Chinese leaders inhabit a universe that revolves around output legitimacy. They justify one-party rule by pointing to such achievements as economic growth and social stability. Though concerned with public opinion and eager for discreetly gathered feedback, they are appalled by chaotic, fact-free elections in the democratic world. Yet Western elites were taught the opposite lesson by their defeats by populists—namely, if voters do not feel listened to, displays of technocratic expertise are not enough.

This is more than a trade dispute. Increasingly China and the West disagree on the legitimacy of each other’s complaints. China’s leaders do not have to respect Mr Trump and his ilk. They should respect the forces that he rode to victory, which were building for years. If not, this crisis will outlast him, and them.

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