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BOOK REVIEW:

## **China, the exception that proves the growthist rule? Richard Smith on China's contribution to climate emergency**

Smith, R. (2020) *China's Engine of Environmental Collapse*. London: Pluto Press, 286pp. (ppk)  
ISBN-13: 978-0-7453-4157-6. \$24.

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### **Introduction**

From “woke” to “green”, capitalism’s easy route is to consume its critics – fund and flatter, sponsor and soothe. In the lowest common denominator of corporate heartfelt concern, marketing readily makes exploitable opportunity out of dissenting voices. It is always good business to suggest you care about more than power and profit and this is an easy route to acquiring more of both. Real change is harder than rhetoric. It brings substance to semiotics, it is systemic or structural. Nowhere is this clearer than in the case of the relationship between economies and the planet that sustains them. As ecological economists, Earth system scientists and numerous NGOs and activist groups have argued for decades, one cannot expand economies without limit in a finite world. If a handful of corporations and countries had worked as hard to avert the obvious as they have to dissimulate, deflect and delay change, then we would not be in a period of climate emergency and ecological breakdown.<sup>2</sup> And yet here we are, unable now to evade the cumulative consequences delivered with each news cycle: record temperature variations, forest fires, droughts, floods, wild winds and melting ice sheets.

As any Earth system scientist will tell you, reducing carbon emissions is insufficient to tackle the multi-faceted problems of biophysical or ecological breakdown – we have transgressed or are in imminent danger of transgressing the “safe operating space” of 6 of 9 key components of the Earth system.<sup>3</sup> Resource use for throughput or metabolic flow far exceeds the regenerative capacity of the Earth across numerous parameters. Extraction and waste creation continue to poison the planet. Nonetheless rapid reduction in anthropogenic greenhouse gas (“carbon”) emissions is essential to stabilisation of climate systems. The UNFCCC “Paris agreement” negotiated at COP21 2015 provides the institutional platform for the global response to this global challenge and the IPCC *Global warming of 1.5°C* special report of 2018 provides the context in which targets have been augmented – a reduction of emissions by 45%

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<sup>2</sup> See, for example, Oreskes and Conway (2010) and Lamb et al. (2020); for the contributing role of economics see Keen (2020) and the interview Keen and Morgan (2021), O'Neill (2007), Gills and Morgan (2020a, 2020b, 2020c).

<sup>3</sup> See, for example, Lenton et al. (2019), Steffen et al. (2015, 2018), and the interview Steffen and Morgan (2021).

on 2017 levels by 2030 with a longer term goal of achieving “net zero” by mid-century (against the underlying goal of limiting temperature rises over the century to less than 2°C and ideally 1.5°C). The recent IPCC report from Working Group 1 as part of its sixth cycle only serves to underscore we have entered a period of “climate emergency”.<sup>4</sup> As readers are likely aware China is now the largest carbon emitter and thus its response will play a pivotal role in any solution.

For those unaware of the details of the history, politics and political economy of China over the last forty years, China’s main role is probably framed by globalization, its gradual transition to controlled exploitation of its massive low cost labour force under Deng Xiaoping and his successors and subsequent entry into the World Trade Organization (WTO) in 2001.<sup>5</sup> From this point of view China’s rise or “economic miracle” has been built round access to markets in the wealthy world, joint ventures, offshoring, technology transfer (legal and clandestine), special economic zones and a cumulative drive to become the world’s major manufacturer, workshop, and assembly point for export. As such, the part it has played in inducing climate emergency is significant yet secondary – the place to which the US, EU and the rest of the world have transferred some of their production of emissions, emissions which still mainly belong to those other countries based on consumption based accounting (real “carbon footprints”) – albeit this is a story modified by a turn to domestic infrastructure investment in the wake of the Global Financial Crisis (a massive stimulus policy) and increasingly by the rise of an urban middle class in China leading to a growing cohort of domestic consumers. Richard Smith’s *China’s Engine of Environmental Collapse* is a timely reminder that there is more to this story.

Smith’s central thesis is simple, while it may well be industrial-consumer capitalism – whatever its benefits and technological marvels – that has delivered us into this new world of post-Holocene crisis, unadulterated capitalism is not the *only* reason. It is, rather, important to understand the full range of drivers of “growthism” in order to realistically develop alternatives. Clearly, there are “varieties of capitalism” and communism (or historic repressive totalitarian regimes, if one prefers to dispute the difference between ideology and actuality) has had its own ecological horror stories (from Chernobyl to the Aral sea). But Smith’s point is that China has its own domestic “hypergrowth” drivers built around a “state-bureaucratic mode of production” and the “maximand” or imperative to maintain the security, wealth and power of the Communist Party. It is only by understanding the motives, processes and tensions that have emerged around this maximand that one can make sense of the scope the current leadership has and is likely to exercise in regard of climate change (and the many other ecological harms). In what follows I briefly provide a flavour of this important book but would recommend anyone with an interest in the future of the planet read the original – and that of course is everyone.<sup>6</sup>

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<sup>4</sup> See IPCC (2018, 2021), Ripple et al. (2021a, 2021b).

<sup>5</sup> The People’s Republic was accepted as the sole legitimate representative of China by the UN in 1971 and then became a permanent security council member. China joined the IMF and World Bank in 1980, and gained GATT observer status in 1984, beginning the formal process of application in 1986. China also joined the Asian Development Bank in 1986 and APEC in 1991. There was considerable resistance to China’s membership of the WTO and it joined with an exception which categorised it as a “non-market economy” for the following 15 years – this has affected disputes over “dumping” and pricing.

<sup>6</sup>For other reviews see, for example, <https://lausan.hk/2020/grabbing-the-emergency-brake/>

## A story of relentless statistics

In eight chapters, augmented by an introduction, preface and short statistical appendix Smith makes the case that China's current central leadership (the Politburo Standing Committee and its significant figures etc.) is less in control than one might think is the case for an authoritarian regime – at least insofar as one imagines its leadership have scope to radically alter its current system dynamics. While the popular foreign press may convey the impression China's leadership wield awesome power to direct the economy and shape society at a moment's notice (a characteristic that has led to debates regarding the "death of democracy" and whether such regimes are in some sense more efficient or effective, as well as inviting envy from demagogues of Trump's ilk) in reality its leadership is highly constrained by the interest groups which have emerged over the last thirty years. Its leadership is powerful according to momentum and the system is fragile because of the brittle characteristics of that system and its consequences – a matter we will return to.

However, before addressing in detail the "drivers" of China's political economy, Smith first creates context with a focus on the environmental collateral damage created by China's development.<sup>7</sup> Over the preface, introduction and Chapters 1-4 Smith sets out the scale of China's carbon emissions and diversity and extent of the ecological and human health damage done. Smith marshals a vast array of sources, facts and figures in order to impress upon his readers just how significant the situation of pollution and resource depletion is (and the endnotes of the book amount to 75 pages of detail and further supporting reading and references). For most readers the core concern is likely to be China's contribution to carbon emissions since this has the most obvious global consequence. This is nicely summarised early on:

"For more than a century the US was the world's largest CO<sub>2</sub> emitter by far. But its emissions declined from their peak of 7,370 million Mt CO<sub>2e</sub> (metric tons of CO<sub>2</sub> equivalent) in 2007 to 6,457 million Mt CO<sub>2e</sub> in 2017, reflecting the ongoing replacement of coal-fired power plants with solar, wind and lower-emissions natural gas energy sources. The emissions of the European Union countries have also trended downward over the past three decades, from 5,654 million Mt CO<sub>2e</sub> in 1990 to 4,206 million Mt CO<sub>2e</sub> in 2017. To be sure, these declines are far from sufficient to reverse global warming – they aren't even enough to meet their commitments to the 2015 Paris Agreement on climate change – but at least they were declines. By contrast, China's carbon emissions have relentlessly grown, quadrupling from 3,265 million Mt CO<sub>2e</sub> in 1990 to 13,442 Mt CO<sub>2e</sub> in 2018... [Though China is the world's biggest investor in and producer of renewable technologies across economic sectors it continues to build coal power production facilities and capacity] China isn't replacing fossil fuels with renewables so much as building more capacity of *both*" (Smith 2020: xiv).

In 2018 China's emissions were almost the same as the next five largest emitters combined (if one decomposes the EU this is: US, India, Russia, Japan and Germany). Moreover, China's emissions have grown faster than its proportion of the global economy, China's emissions overtook the US in 2005 then:

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<sup>7</sup> Note: Smith does set out the theory parts of his case in these sections but goes on in Chapters 5-8 to explore the politics in more detail in order to flesh out his basic theoretical argument.

“in just twelve years from 2005 to 2017 China’s CO<sub>2</sub> emissions nearly double again to more than twice those of the US. Yet China’s GDP was only 63% as large as the US GDP in 2017... [While] Per capita CO<sub>2</sub> emissions surged past those of the EU six years ago and are now half those of the US (7.45 Mt CO<sub>2e</sub> vs. 15.56 Mt CO<sub>2e</sub> in 2018). Yet China’s per capita GDP was just 15 percent of that of the US in 2018 (\$9,627 vs. \$62,904) [and its population was just 68% of the five other top emitters]” (Smith 2020: xiii & vii).

So. China is not only now the major contributor to emissions in the world, its share of emissions is disproportionate (based on the size of its population, its GDP and GDP per capita) and its emissions continue to grow (a situation that has continued after Smith finished the book and both in accordance with and despite China’s new commitments in the context of the UN Climate Ambition Alliance and “race to net-zero” campaigns).<sup>8</sup> In a time of “climate emergency” this matters. The planet does not care whether countries have historic emissions that are greater than China’s and it will not matter who is most responsible in production versus consumption accounting for emissions *if* emissions do not fall drastically everywhere soon (and especially in places with the highest emissions). Clearly, climate justice matters and just transitions and related issues are of central importance insofar as any kind of reasonable future is to be expected for our species in total. But this is not Smith’s subject in the first part of the book – though he is clearly arguing towards the point that much of the form of China’s growth is ill-advised, unnecessary and counterproductive.<sup>9</sup> His first aim is, as noted, to create context – to highlight the scale of the problem and its direction of travel. In any case, Smith’s argument is that China’s “drivers” are not reducible only to feeding global consumption demand – though clearly this is a major issue. Moreover, in addition to carbon emissions China’s growth has had other impacts that are no less important and are manifestly not to the long term benefit of China’s population (raising deep question marks against the nature of “development”), despite progress on extreme poverty and some other MDG and SDG criteria in the country.

For example, in Chapter Two, titled “Blind Growth”, Smith notes how China is contributing to resource use and depletion (many of which such as cement and steel production are major causes of global carbon emissions while others reduce the capacity of the Earth to absorb emissions):

“[China became] the world’s largest oil importer by 2013... With 18.5% of the world population, China is by far the largest consumer of primary raw materials (cement, metal ores, industrial minerals, fossil fuels, and biomass). As of 2008 China was consuming 32% of global output of these resources, nearly four times as much as the US, the second largest consumer. China consumes just over half of global coal output and one-third of oil output each year” (Smith 2020: 19).

Coal is a continual problem. China has large coal reserves near its Northern industrial centres, and mining is a major employer. Moreover, the local nature of power production has encouraged provinces to develop numerous small inefficient coal-powered electricity generation facilities and there is a lock-in problem between employment, dependable power

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<sup>8</sup> For Smith’s other work over the years that develops his themes see, for example, Smith (1993, 1997, 2016, 2011, 2015, 2016a, 2016b, 2017, 2019, 2020). For a bibliography go to: <https://www.richardanthonymsmith.org/articles-1>

<sup>9</sup> On just transitions see Newell and Simms (2020) and energy transitions, see Newell (2021).

sources, local government and coal use. Moreover, China's industrial sector, its status as furniture maker to the world and its building program have meant, China is:<sup>10</sup>

“the leading producer and consumer of steel (45.7 percent of global output), China now depends on imports for 77 percent of its iron ore... China has become the world's largest consumer of lumber and forest products... By 2006 it was importing half of all tropical trees globally... China poured more cement (5.5 GT) in just the three years between 2009 and 2011 than builders in the United States poured during the entire twentieth century (about 4.65 Gt) [and China's carbon emissions from cement production exceeded those of the next 19 largest producing countries combined in 2018]” (Smith 2020: 19 & 22).

Furthermore, while China's impact on global poverty statistics may be impressive in some ways (subject to issues like inequality and real versus relative changes etc.),<sup>11</sup> from a planetary point of view simply increasing consumption is a road to nowhere:

“In 2011 the Earth Policy Institute at Columbia University calculated that if the Chinese economy were to keep growing by around 8 percent a year, average per capita consumption would reach US current levels by around 2035. But to provide the natural resources for China's 1.4 billion people to consume on a per capita basis like 330 million Americans consume today, the Chinese – currently 18.5% of the world's population – would consume as much oil as the entire world consumes today. It would also consume more than 60 percent of other critical resources” (Smith 2020: 47).

While these statistics are from 2011, the trend has, if anything, accelerated since – implying that any minor offsetting effect from technology and efficiency gains is countered by the spread of consumption (and thus by more people using those technologies that did not do so before – see “automobilization” below) and intensification of consumption.

One of Smith's main points then, across the first four chapters is to highlight that, from a resource use point of view, there is a conjoint problem of industrialisation and consumption. This has a rationale within global economic development – the network of supply chains and locations which provide the world with products – but is built around China's political economy (historically beginning with the role of the army in creating the grounds for mass migration and organized cheap labour) and Smith refers to China's labour system in Chapter One where he discusses “The China Price”.<sup>12</sup>

To illustrate his point, Smith draws on well-known examples like China's role in the production of hi-tech goods such as the i-phone (and the role of Foxconn) and the chemicals industry (with its notorious problems of reckless dumping of toxic wastes into landfill, local fields and rivers) to explore the combination of labour practices and environmental harm. This leads to exploration of China's role in sustaining consumerism (bearing in mind that consumerism is not the act of consumption – mere use of goods and services – it is the system which promotes

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<sup>10</sup> Smith makes much of the way China has strategically pursued access to resources around the world through the “Belt and Road” initiative (resource access is something, of course, various states have engaged in over the centuries).

<sup>11</sup> See Hickel (2017), Hickel et al. (2021).

<sup>12</sup> For informed discussion of China's labour issues see the work of Andreas Bieler and colleagues. For example, Bieler and Lee (2017a, 2017b).

continual consumption) around the world – cheap products designed to be unrepairable, or rapidly obsolete, or replaced according to trends. He notes, for example, how seasonal clothes shopping has given way to continuous consumption and “fast fashion”:

“Take clothing. In 1960 the average American household spent over 10 percent of its income on clothing and shoes – the equivalent of roughly \$4,000 today – but the average person purchased fewer than 25 garments per year. Today the average American household spends less than 3.5 percent of its budget on clothing and shoes – under \$1,800 – yet it buys nearly three times as many garments, an average of 70 per person per year, more than one per week” (Smith 2020: 11).

The consequences of this are significant yet mainly invisible to the consumer:

“Between pesticides, chemical dyes, synthetic fibres and water consumption, garments consume enormous quantities of natural and industrial resources. Apparel is one of the world’s most polluting industries. The \$2.5trillion global clothing and footwear industry is also said to be responsible for 8 percent of global greenhouse gas emissions, nearly as much as the EU... The cotton needed to produce one shirt requires 2,700 litres of water – what one person drinks in two and a half years... The US cotton crop requires the application of 22 billion pounds of toxic pesticides every year... [while synthetic material such as a] polyester shirt is responsible for more than twice the carbon emissions of a cotton shirt” (Smith 2020: 12).

China is not the only location for fast fashion, nor is it directly responsible for cotton production in the US, rather Smith is intent on placing China as part of processes – highlighting its links around the world but also its internal dynamics. China, of course, now has its own consumers and its own system of consumerism (to get a sense of this Google Ali Baba’s “singles day”). This is not just a system of markets and preferences that has emerged spontaneously, growing consumption is a state strategy (a subtly different idea than giving people what they want – more along the lines of “bread and circuses” for a “performance regime”, though Smith doesn’t quite put it like this). One of Smith’s more affecting examples of environmental profligacy in this regard is the transition to private car ownership (“automobilization”, Smith 2020: 25-27). As Smith notes, China had a functioning transport system built around rail, buses and bicycles – a system that many advanced capitalist countries are now (with due technological modification) attempting to emulate, even as they try to manage the profound emissions problems created by societies built around the car (and this extends to the embodied emissions intrinsic to transition to electric cars if this is mere substitution and to the problem of emissions from powering millions of such vehicles).<sup>13</sup> China, however, had the opportunity to simply avoid all of the problems of creating a car owning society: congestion, air pollution, resource use, dense road building networks that need continual maintenance due to heavy use, the huge use of resources to mine materials for parts, to manufacture the vehicles and to produce power to run them (repeated endlessly as the latest model is replaced).

Yet despite these issues, China chose to build a car manufacturing sector (one of its “pillar industries”) and to transition to car ownership (even as it also ramped up public transport investment). This makes no sense environmentally, but has clear attractions of other kinds

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<sup>13</sup> See also Mattioli et al. (2020), Haas (2021) and Morgan (2020a).

(even if it does now take far longer to get around Beijing). The car industry is a major employer and cars, of course, are aspirational goods, a source of status and identity and have been a key aspect of consumer societies.

The examples provided above convey something of the flavour of Smith's argument and as the subtitle suggests the marshalling of statistics is relentless, and the substance at times shocking or harrowing (the wanton, often callous, sometimes ruthless, poisoning and destruction of land and people – and only reading the book can adequately convey this – landgrabs, cancers, poisonings etc. – see especially Chapter Three, “The Damage Done”). The various threads do, however, combine to an overall argument. Underlying Smith's case is a familiar theme of ecological economics – growthism.<sup>14</sup>

“Xi [Jinping] can radically suppress China's emissions, or he can build a rich and powerful Chinese superpower for another decade or more until collapse. He can't do both” (Smith 2020: 165)

As I suggested in the introduction, Smith's central thesis is that while industrial-consumer capitalism may be a primary reason for our situation of climate emergency and ecological breakdown, it is not the *only* reason. A growth imperative can have a variety of sources. According to Smith:

“the marriage of capitalism and Stalinist-Maoist bureaucratic collectivism has created a ruinous hybrid economic system that is ravaging China's environment, destroying the health of its people, driving the country to ecological collapse, and threatening the whole planet” (Smith 2020: 17).

### **China's underlying “maximand” and drivers**

At various points in the book Smith emphasizes that the Chinese government (some combination of Party and State at national, provincial and local level) has officially recognized and oriented policy on matters of climate and ecological concern. For example, the 12<sup>th</sup> 5-Year Plan (2010-2015) included various directives to develop green technologies, as part of an overall industrial strategy to gain leadership in 21<sup>st</sup> century technologies (notably 1,5 and 7 including: energy efficient technologies, solar, wind and energy systems, and electric vehicles, Smith 2020: 24), while in 2017 Xi Jinping announced China would pursue “ecological civilization”, committing the government to controlling pollution and improving quality of life (Smith 2020: 87), and:

“To give force to his policy initiatives, Xi elevated the State Environmental Protection Agency (SEPA) to ministerial rank, becoming the Ministry of Environmental Protection (MEP), with powers equal in theory to the big industrial ministries. He further pledged that his government would ‘complete work on drawing redlines for protecting the ecosystems, designating permanent basic cropland and delineating boundaries for urban development... promote afforestation, take comprehensive steps to control

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<sup>14</sup> It should also be noted that Smith takes issue with Herman Daly over whether growthism is intrinsic to capitalism – though Daly suggests Smith has misunderstood his claim about the steady-state economy i.e. whether in fact it would be capitalist as we understand or know it. See Smith (2010a, 2010b), Blauwhof (2012), and Daly (2015); for Daly on his own work see the interview Daly and Morgan (2019).



desertification... soil erosion, strengthen wetland conservation and restoration... improve the system for protecting natural forests... [and] rigorously protect farmland” (Smith 2020: 88).

Of these policies and others, such as carbon emissions commitments Smith states:

“Given the scale and depth of the problems, we’ve surveyed, it’s obvious these efforts are too little, too late, and don’t really address the causes and sources of toxic pollution, waste and soaring CO<sub>2</sub> emissions” (Smith 2020: 89).

Smith does not spend much time in the book discussing the degree of sincerity involved (a complex issue when discussing a secretive regime whose hermeneutics are opaque) in regard of pronouncements and commitments, rather he explores the motives, conflicts of interest and short term foci that subvert or undermine policy. He suggests:

“One need not doubt Xi’s sincerity... regardless of his intentions, he can’t lead the fight against global warming and suppress pollution beyond narrow limits because he runs a politico-economic system characterized by systemic growth drivers, which are, if anything, more powerful and more ecotoxic than those of ‘normal’ capitalism in the West, but which he is powerless to alter. These drivers are responsible for China’s blind ‘investment’, ‘blind growth’, out-of-control resource consumption, and wanton pollution – what Xi himself describes as ‘meaningless development at the cost of the environment’” (Smith 2020: 89).

Within the overall maximand of “Maintaining the security, power, and wealth of the Party bureaucracy” or “ruling class reproduction” (Smith 2020: 91), Smith identifies three main “hyper-growth” drivers, each with sub-category processes (Smith 2020: 92):

Driver 1: Maximizing economic growth and self-sufficient industrialization.

Driver 2: Maximizing employment generation.

Driver 3: Maximizing consumption and consumerism.

The implicit link between these drivers and the overall maximand is implicitly population appeasement, though clearly this has not led to a system absent of oppression or harm (quite the opposite). Smith elaborates on these three drivers in Chapter Five and then develops some of the themes and issues in Chapters Six and Seven. He explores the state’s “top-down” development, strategy pronouncements directives and plans, all of which mobilise massive resources and focus on maintaining economic growth with a whole slew of associated target metrics and with an in-built tendency to encourage large high visibility projects (bridges, dams, highway networks, high-speed rail systems, whole industries and cities) and accelerated timelines for achievement (enabling, for example, favourable comparison with what other countries have previously done). This is matched by “local drivers” as provincial, city and county officials compete to outperform targets, since this is an important aspect of security of position, patronage and promotion within the Party-State apparatus (leading to “GDP tournaments”, corner cutting, localism as a form of control over resources and thus also duplication and inefficiencies as well as competition to create status infrastructure projects irrespective of need, producing a system of central command without “control” – at the extreme leading to “Blingfracture” and “gigantism”). Since, a great deal of activity is still structured around State

Owned Enterprises this leads to whole set of associated interest formulations and inertias that maintain the position of SOEs that control key resource output (irrespective of harms created) or in the case of state banking, serves to finance that activity (and continually bailout otherwise bankrupt SOEs). And, of course, since any bureaucratic system is built around control of resources and permissions, the scope for opportunistic corruption is great and this has spread across the system and through the generations creating a division of labour as families straddle the public and quasi-private sector (leading to huge hidden fortunes and creating “graft-driven growth” that is reckless of rights and standards).

Chapters Five through Seven then, build on arguments made and evidence provided in the first part of the book, accumulating to a litany of shocking statistics and cases: dams in earthquake zones, highways and rail networks to nowhere, huge airports, stations and cities for no one – over-production and over-consumption on an unprecedented scale in one of the largest countries on Earth and with around a fifth of its population. The book is full of sharp insight regarding fundamental tensions and problems. For example, the constraints created by the Party’s informal networks and ruthless system of patronage which creates numerous opportunities but also struggle for political survival (a *Guanxi* “game of thrones”, in which high profile crackdowns are more about some combination of factional struggle and symbolic outcomes for public purposes than really combatting corruption):

“In the absence of rule of law, with no security of person or private property, without elections to choose government representatives, without constitutional procedures to regularize succession to office, and without an independent judiciary, attorneys general, and police, arbitrary state power and generalized insecurity condition every aspect of life in China – *especially* within the Party itself. Life in the Party is not so different from life in the mafia. There is no lasting security. At the highest levels, life is a constant, treacherous and highly dangerous war between crime families over top offices and treasure, while the claim of the paramount leader *du jour* to the red throne in Zhongnanhai is never completely secure. All the way down, ministerial, provincial, municipal and local officials find themselves locked in perpetual competition over central appropriations, subsidies, and profits, often in the context of broader familial and factional conflict” (Smith 2020: 127).

This division of labour, moreover, has a transnational dynamic that feeds into financialisation processes insofar as relatives of key Party personnel are useful to networks who want to do business in China and are also useful conduits for siphoning wealth out of China. And as for values:

“The third generation, growing up in the conspicuously capitalist China of the 1980s and 1990s, are even further removed from the ‘revolutionary values’ of their grandparents. Most of these, now in their 30s and 40s, were sent abroad to fancy boarding schools and then to elite colleges in Europe and the US... The princelings often took jobs with Wall Street banks before returning to China. ‘Their lifestyle’, *Bloomberg* notes, ‘tracks that of the global affluent class – people who were their classmates in Swiss, British and US boarding schools.’ After such upbringings, it’s hardly surprising that these descendants share the same values as the Wall Street bankers that so many of them worked with” (Smith 2020: 144).

In any case, informality writ large is one of the key features that distinguishes what we think of as basic features of a capitalist system from China's hybrid of capitalism and Stalinist-Maoist bureaucratic collectivism:

“In capitalist economies like the US, the distribution of wealth and the security of property is completely formalized and regularized: Private property, in the form of land, means of production, housing, cash, stocks and bonds and so on, are all secured by the rule of law, with independent courts, judiciary, and police to back it up. Contracts can be enforced in courts.... This is all so normal, accepted, and unquestioned as to be unremarkable. China has none of this” (Smith 2020: 129).

Smith's point is not that greed and corruption are not issues in the US and elsewhere or that other systems are fair or just, rather it is that China is different. Much is effectively owned by the state, supposedly on behalf of the people and the rest is never secure insofar as nothing is really bound by convention or law (even if control of institutions that control these can bring great wealth). One might also note this has curious consequences for how one thinks about surplus and distribution (from a classical political economy or Marxist point of view) – where does it belong and how is it apportioned when strictly speaking Party-State officials cannot own or display the majority of what they accrue?

Moreover, from a climate and ecological point of view there is also another difference. No government in what we think of as capitalist countries has found an effective way to address the general direction of travel (continual climate and ecological harms) because:

“no one has yet found a way to suppress emissions without suppressing economic growth. Yet in capitalism there is one built-in, if temporary, limit to growth – profits. If companies can't make a profit they will cease production and lay-off workers” (Smith 2020: 90).

While capitalist economies have public goods and state owned industries (of one kind or another) and many corporations (not least oil) benefit from subsidies, this is different than the systemic pervasiveness of profit insulation in China's state-bureaucratic hybrid. China is in what Minxin Pei terms “trapped transition” and is neither capitalist nor command economy and faces even fewer constraints on “hyper-growth” and all of its momentum (its maximand and drivers) speak to continual growth despite the obvious ultimate consequences. As Chapter Seven makes clear, Xi or any other paramount leader in the system as is, does not seem to have the power to “grab the emergency brake” (and all policies so far indicate this). For example:

“He can't be too hard on his state-owned companies [that continually ignore or flout climate and ecological directives] because this will slow economic growth, increase unemployment, dash his hopes for a domestic consumer driven economy, and undermine his drive to build up industrial self-sufficiency” (Smith 2020: 158).

And given China is committed to maintaining economic growth at 6.5% or more:<sup>15</sup>

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<sup>15</sup> See also Hickel and Kallis (2020), Parrique et al. (2019).

“There is no way to magically dematerialize production such that we can grow our economies forever without growing resource consumption and pollution. There’s no way to green them beyond narrow limits. The only way to suppress their pollution is to suppress those industries” (Smith 2020: 163).

Hence, *China’s Engine of Environmental Collapse*. The book then, has an important theory argument at its heart regarding an idiosyncratic or exceptional mode of production (a totalising system built around maximands and drivers) and this is easy to miss if one focuses only on the relentless statistics and deployment of evidence.

### **Conclusion: Braking systems that break the world?**

Though somewhat different in tone and focus, Smith’s *China’s Engine* is an important contribution to the degrowth, postgrowth and social ecological economics literature.<sup>16</sup> Based on decades of research, it provides clear insight into what might be expected in China. For Smith, its argument leads clearly to a set of claims regarding the most reasonable way forward:

“The only way we can make the sort of deep emissions cuts that are needed is for the governments of industrialized nations to declare states of emergency and organize rationally planned, democratically managed industrial drawdowns, shutdowns and retrenchments” (Smith 2020: 172).

In China’s case he identifies key changes in energy generation, vehicle production and use, aviation, shipping and rail, chemicals, construction, urbanization and environmental remediation (Smith 2020: 172-175). For those unfamiliar with degrowth and related work this will seem like a utopic set of requirements that will catastrophically affect quality of life and deny development to the poor. This, however, would be a misunderstanding of the basic premises of degrowth etc. Moreover, it presupposes that the systems we live in are conducive to human flourishing and that it makes more sense to continue with some version of how things are (a technofix future without addressing fundamental issues) i.e. that we have choices we likely don’t really have.<sup>17</sup> And while the obvious conclusion is that little of what Smith suggests is likely in China without major change (and not just in China) Smith is, as one might expect from a founding member of “System Change Not Climate Change”, less downbeat than it might seem.<sup>18</sup> Chapter Eight makes a whole set of points regarding the fragility of the Chinese system and the appetite in China for something different.

As Smith notes, the idea that China “as is” will dominate the next century presupposes the robustness of its political economy – something which is highly debatable. Commentators that note Xi Jinping has consolidated his position at the top of the Party and dispensed with many rivals (while elevating himself and those who support him) miss the point that he has also made himself responsible for and a symbol of any profound structural failings – and there are many sources of these (and a surprising level of dissent across China, despite the potentially extreme

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<sup>16</sup> See, for example, Spash and Guisan (2021), Kallis et al. (2020), Kallis (2018a, 2018b), Hickel (2020), Liegey and Nelson (2020), the edited collection, Fullbrook and Morgan (2019) and the review, Morgan (2020b).

<sup>17</sup> Degrowth is an argument for redirection of human socio-economic activity according to a different system of provisioning that meets needs through (using Max-Neef’s distinction) different “satisfisers” (see Max-Neef, 2009 [1992]).

<sup>18</sup> Visit: <https://systemchangenotclimatechange.org>

consequences – there were 1,700 strikes in 2018 alone, Smith 2020: 179). In any case, the architects of confident, robust systems do not work to jump ship, illicitly transferring assets abroad while gradually moving as many of their relatives to other countries as they can (which according to Smith is a widespread tendency among the powerful and influential in China's Party-State system). Nor do they need to make examples of prominent members of society (from publishers to actors to tech entrepreneurs) and impose digital surveillance and social scoring or maintain a great firewall to ward off dangerous ideas. Nor do they tell other countries not to fear China's rise while giving them numerous reasons to do so (irrespective of what one thinks of the foreign policy and racialized approaches of other powerful countries). For Smith, apart from survival, the Party has no guiding ideology no ideas to offer its population that are not treated as simply self-serving or vacuous and simple nationalism has limited long term appeal if a system is corrupt, arbitrary and unjust. As such, for Smith, in the context of its hypergrowth drivers, "The CCP is locked in a death spiral... The Party leadership presents itself as all-powerful, unassailable, monolithic, confident and self-assured. It's anything but" (Smith 2020: 176). Smith sees parallel problems in both China and the US. Time will tell if he is correct, in the meantime read this book.

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