



## Neither Communist nor Capitalist — China's Distinctive Meritocratic Model

Western myths about China crumble. From "banned cartoons" to "total lockdowns," reality tells a different story: debate exists, minorities preserve their culture, and entrepreneurs thrive.

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Almost everything you read about China in Western media turns out to be false on closer inspection: No, there is no "social credit system". And no, the Chinese president is not afraid of Winnie the Pooh.



Left: Der Spiegel – "Winnie the Pooh is banned." Right: Reality in China – Winnie the Pooh in all sizes and colors, available freely at the push of a button. (Screenshots: Felix Abt)

### Facts Instead of Myths: The Pandemic in China

The usual narratives surrounding the pandemic are equally misleading. China did not impose a "total lockdown," nor were masks or vaccinations universally mandatory. Jerry Grey, who traversed thousands of kilometers and dozens of cities by bicycle during the Covid period, confirmed this in an interview.

### **Diversity and Cultural Freedom**

Another example is Xinjiang: The Uighurs and Kazakhs I recently met there preferred – and often spoke better – their native languages than Mandarin. Unlike millions of Russian-speaking Ukrainians, who are denied the free expression of their culture and language, minorities in Xinjiang are able to maintain and celebrate their identities openly. Uighur signage and language are visible everywhere, and local communities can freely practice their traditions and maintain their linguistic heritage.



In the Urumqi subway: I asked the Uighur women sitting opposite me for a photo — they immediately agreed. A small green sign in Uighur, Mandarin, and English marks the "Courtesy Seats" for the disabled, mothers with children, and the elderly. (Photo: Felix Abt)

### **Economic Freedom Instead of Party Dictatorship**

China's economy is not shackled by the Communist Party. On the contrary, Jensen Huang, founder and CEO of NVIDIA – the undisputed market leader in chips used for AI and deep learning – described China as "underregulated," meaning entrepreneurs enjoy more freedom there than in the United States, and far more than in Germany.

All of this is something you will rarely, if ever, encounter in Western media.

### Censorship in China? Truth in the West? Look Carefully!

"We can do it," promised Chancellor Angela Merkel. Yet over a million people arrived – persecuted individuals, alleged refugees, and economic migrants – many clearly drawn by the advantages of the German welfare state. The problem: Many showed little willingness to integrate. Merkel's promise proved empty: Germany failed.

China? Very different. No mass immigration, no coups, no death squads, no destabilization of neighboring countries. No bombings, no chaos. Instead: investments in regional development.

Western media are left flabbergasted. In their worldview, China's social media are strictly censored, and dissent is brutally suppressed – yet they cannot ignore the real uproar over Beijing's "K-visa" for foreign STEM graduates. The plan, intended

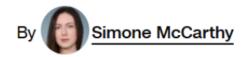
to attract elite talent without a prior job offer, triggered massive online debates, generating hundreds of millions of views. CNN admitted: "Discussion of the K-visa category has dominated social media in recent days, with top-trending hashtags related to the visa reaching roughly half a billion views in just two days." Citizens expressed clear and legitimate concerns about jobs, education, and fairness – facts Western media are reluctant to acknowledge.



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# China's jobless youth aren't happy with a plan to attract foreign professionals with a new 'K-visa'

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"China's jobless youth aren't happy with a plan to attract foreign professionals with a new 'K-visa.'" And how does CNN know this? From the allegedly "heavily censored" Chinese media...

CNN, BBC, and even the South China Morning Post report selectively, seeing only what they want: an "authoritarian China" where supposedly no one has a voice. They acknowledge the open debate – only to immediately claim it is tightly controlled. When the *People's Daily* responded to public concerns, demonstrating that the leadership listens, Western media reflexively dismissed it as propaganda.

What Western media won't admit: In China, debate and criticism are heard. In the West, dissent meets a wall of war propaganda. Question the endless conflicts, and "experts" lecture you on why fear, enemies, and perpetual war are necessary.



CNN explains the world's greatest challenges with the help of a former CIA director and general, who was involved in the unprovoked and illegal Iraq war. (Screenshot: CNN)

In short: In China, the powerful listen. In the West, people hear only what they are supposed to. Anyone noticing the contrast sees clearly who is truly informed – and who is consistently deceived.

### From Central Planning to Global Market Power

Fifty years ago, economic life in China and the Soviet Union was dictated by central planners. Today, China is the world's largest exporter and fully integrated into global market capitalism. But what exactly does "socialism with Chinese characteristics" mean?

### The Mayor-Driven Economy: Local Dynamism for National Strength

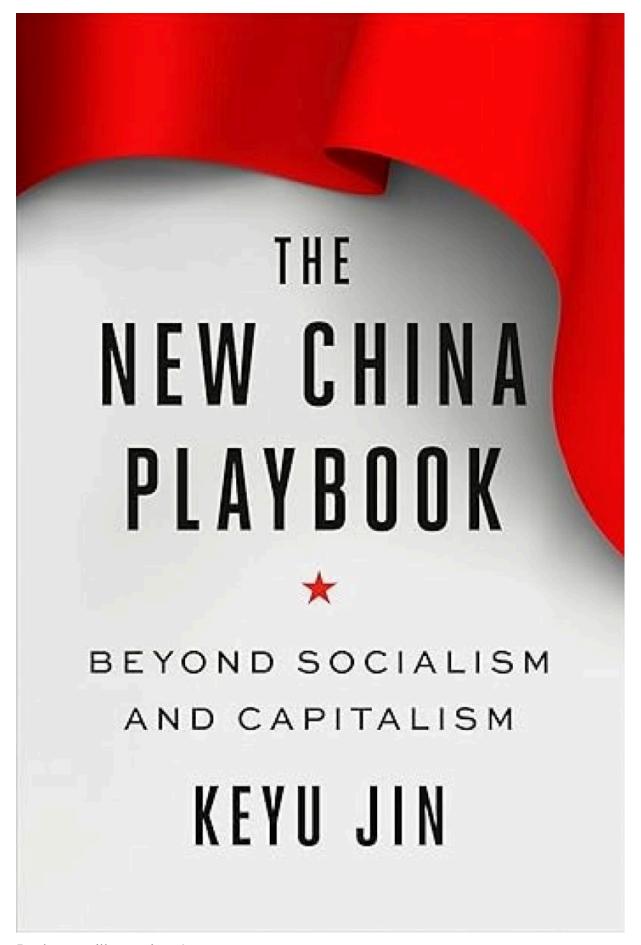
In *The New China Playbook: Beyond Socialism and Capitalism*, Harvard-trained Chinese professor Keju Jin describes a system she calls the "*mayor-driven economy*": Local officials compete to promote private companies aligned with Communist Party goals. They help companies secure land, production sites, bank loans, tax breaks, and other advantages. Each Five-Year Plan sets new priorities – from economic growth and environmental protection to the promotion of microchips and AI – and officials are rigorously evaluated on results. Exceptional success can lead to promotions.



Driverless truck in China (Photo: Felix Abt)

### **Meritocracy Instead of Oligarchy**

The Party sets broad strategic direction, but implementation depends on a dynamic interplay between private firms, state-owned enterprises, and local authorities – all competing to meet ambitious targets. Even state-owned enterprises operate under market rules. Twenty years ago, the CEO of a major state-owned company told me: "My job is to ensure sustainable profitability, continuous product innovation, and measurable customer satisfaction. If we fail, I lose my job."



Book cover illustration: Amazon

### Performance, Prosperity, and Stability for All

This system has made China one of the world's most dynamic economic arenas, driven by relentless innovation and technological breakthroughs. Simultaneously, the leadership aims to reduce wealth disparities and achieve "common prosperity" (共同富裕, gòngtóng fùyù).

Unlike Western plutocracies dominated by oligarchs, China presents itself as a meritocracy – a theme I explored in my article *When Imperial China Had a Vietnamese Prime Minister*.

John L. Thornton, former chairman of Goldman Sachs Asia, who regularly met top Chinese officials, said: "The CCP functions more like a meritocratic elite than a traditional party – comparable to the historical mandarinate. It is performance-oriented, similar to the U.S. military."

In China, only the most capable rise. Civil service candidates must pass the national exam (公务员考试, Gōngwùyuán Kǎoshì), which tests general knowledge, law, language, analytical abilities, and, depending on the position, specialized professional skills. Promotions are similarly merit-based—determined by performance rather than lineage or influence.

The Middle Kingdom demonstrates that economic dynamism, technological innovation, and political stability are not mutually exclusive. Local officials, private companies, and state-owned enterprises compete for measurable results, drive growth and innovation, and pursue prosperity for all. Minorities maintain their culture and language freely, whereas in the West, billionaires, media elites, and declining trust dominate politics.

Unlike China's steadily growing and prosperous middle class – the largest in the world – the Western middle class is shrinking, and democracy drifts toward oligarchy.

To understand China, look beyond the headlines. Learning from China is learning to win—a nod to the old Soviet slogan, yet China forged its own path, decisively and early. The question is simple: shouldn't we be at least a little inspired by a model that works?