

Bulls in China all over the shop

AMID the extravaganza of bullish predictions about China's future that have been made lately, Paul Monk sounds a word of caution.

Monk, a former intelligence analyst and author of *Rethinking China*, maintains many predictions about China's growth are closer to hyperbolic guesses than attempts to accurately assess what may happen.

He believes a more realistic strategy for both business and government would be to consider several possible futures for China. And he has outlined four scenarios: mutation, maturation, militarisation and metastasis.

Each scenario is distinct from the current standard analysis of China, which he calls the Linear Ascent Model or LAM. "Far too many commentators, I think, are, as it were, on the LAM, which is to say, fleeing from the hard thinking tasks that the possible futures of China present us with," says Monk, who will speak at the Future Summit.

In Monk's analysis, mutation entails fundamental reshaping of the politics and economy in China so that the nation that

emerges down the track will be fundamentally different from the current People's Republic.

Maturation entails a levelling out of China's rapid growth, leaving the country better off in some respects, but still confronted by huge social, demographic, environmental and economic challenges.

Militarisation entails a lurch into national chauvinism, most likely brought about by tensions over China's borders, involving either Taiwan or Tibet.

The most alarming of Monk's scenarios is metastasis, which entails things coming seriously unglued, in part because the Communist Party fails to address the institutional problems it created during the first half century of its rule.

"The uncertainties in how things will play out and the very different consequences of one scenario compared with another are what should be driving analysis of and rethinking China here in Australia," he says.

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