

BENEVOLENT GOVERNANCE

*From Millennia of Governing Tradition to China's Poverty Alleviation
Miracle*

Xu Ping

GFI Flow Intelligence · gfiintel.com

Benevolent Governance · From Millennia of Governing Tradition to China's Poverty

Alleviation Miracle

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About the Author

Xu Ping is the founder of GFI Flow Intelligence. Born in Taiwan, she moved to the United States as an adult and lived and worked there for many years. During her time in the U.S., she witnessed firsthand the reality of how national policy is deeply manipulated by capital and landed interests beneath the veneer of a highly developed capitalist society—land value appreciation captured by a few, electoral politics hijacked by vast sums of money, and social welfare reduced to a tool for “managing the poor” rather than a pathway for “eliminating poverty.” It is this direct observation and reflection that led her to expand her research horizon to comparative social governance across different systems.

In February 2016, Xu Ping visited The Venus Project in Florida and met with its founder, Jacque Fresco. The Venus Project advocates a “Resource-Based Economy”—a social design philosophy that ultimately seeks to transcend the monetary system entirely and manage global resources through scientific methods. At the time, this vision was largely dismissed by mainstream American society as overly futuristic and impractical. While Xu Ping shares the Venus Project’s diagnosis that the monetary system is unsustainable, she advocates for **Unconditional Basic Income (UBI)** as a “soft landing” mechanism to ease the transition and prevent social disorder during the systemic collapse.

Based on this 理念, she authored ***The Last Poverty Solution: A Global Commons Funding System for Universal Essential Access***. The book proposes a dual-track architecture centered on the **Global Commons Contribution Mechanism (GCCM)** and the **Humanitarian Consumption Quota (HCQ)**—a rules-based, usage-linked contribution system that generates predictable structural resources from activities affecting the global commons or transboundary systems, converting them into traceable, accountable humanitarian consumption entitlements. The system is designed to provide the UN with predictable, sovereignty-safe, legally grounded 21st-century financing.

“Very impressive work, it seems to be original.”

— Peter T. Knight

Former Lead Economist for the Brazil Department, World Bank · Ph.D. in Economics, Stanford University · 20+ years at the World Bank

Based on her long-term comparative research in international social policy and governance models, **in September 2025, Xu Ping was invited by the United Nations** as a candidate for **Senior Economic Affairs Officer (P5)**.

Xu Ping's life trajectory—born in Taiwan, working in the U.S., visiting The Venus Project, founding GFI Flow Intelligence, and receiving a UN candidacy—forms a complete arc from local to global, from observer to participant. This cross-cultural experience gives this book a unique comparative perspective: neither assimilated by Western discourse nor abandoning critical thinking out of national sentiment.

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Preface

This book is titled *Benevolent Governance*.

The term “benevolent governance” (*renzheng*) originates from China’s oldest political tradition. More than two thousand years ago, Mencius said to King Hui of Liang: “If the king practices benevolent governance for the people, reducing punishments and fines, lowering taxes and levies, and allowing deep plowing and timely weeding.” He told the ruler that true governance is not exploitation nor control—it is enabling the people to live good lives.

Four thousand years later, this ancient ideal has become reality on Chinese soil—98.99 million rural poor have been lifted out of poverty, and more than 800 million people have escaped poverty overall. This is the largest-scale, fastest, and most effective poverty reduction campaign in human history.

This is not a “miracle.” A miracle is something that descends from the heavens, inexplicable and unrepeatable. But every step of China’s poverty reduction is clear and traceable—with institutions, methods, people who executed, and results that can be verified.

This is “benevolent governance.” Benevolent governance is not charity—it is a fundamental duty. Not alms—it is responsibility. Not a miracle—it is institutional inevitability.

At the same time, those Western countries that style themselves as “beacons of democracy” are experiencing profound institutional crises. They cannot build subways, repair roads, house their people, or feed their children—yet they still have the audacity to force upon China a system in which they themselves do not believe.

This book has two purposes:

First, to explain clearly what China has done right. From the people-centered philosophy of a millennia-old governing tradition to the systematic practice of contemporary poverty alleviation, China has forged a path completely different from the West. This path is rooted in its own civilization, serves its own people, and proves its legitimacy through tangible “delivery.”

Second, to expose the lies the West tries to force upon China. Elections are not the entirety of democracy, freedom is not the monopoly of capital, and governance is not a stage for performance. Western governments have long devolved into asset management firms for capitalists and landlords—they have no standing to teach others how to govern.

“Benevolent governance” is not just the title of a book. It is the foundation of Chinese governance, the collective name for the transformed destinies of 800 million people, and the right path for humanity.

So begins the preface.

Part I

Millennia of Governance — The People-Centered Tradition in Chinese Statecraft

A civilization uninterrupted for five thousand years necessarily accumulates its governing wisdom through long historical practice. Core concepts in China's governing tradition—such as “people-centered,” “selecting the virtuous and capable,” and “great unity”—did not arise from abstract theoretical construction but were gradually distilled from concrete governing practices: Yu the Great taming the floods, the Dujiangyan Irrigation System, the Grand Canal, the imperial examination system, and famine relief.

“The people are the foundation of the state; when the foundation is firm, the state is at peace.” This statement from the *Book of Documents* can be regarded as the earliest theoretical formulation in China's political tradition concerning the relationship between state and people. It proposes a core proposition: **the legitimacy of the state rests on the well-being of the people, not on the will of the sovereign, elites, or any particular group.**

This part proceeds from this proposition to trace the historical evolution and contemporary continuity of three core concepts in China's governing tradition.

Chapter 1

From “The People Are the Foundation of the State” to “People-Centered”

“The people are the foundation of the state; when the foundation is firm, the state is at peace.”

— *Book of Documents*, “Songs of the Five Sons”

(I) The Classical Formulation of People-Centered Thought

One of the earliest core concepts in Chinese governing thought is “people-centered.”

The *Book of Documents* records: “The people are the foundation of the state; when the foundation is firm, the state is at peace.” This formulation establishes “the people” as the foundation of the state—only when this foundation is firm can the state be secure. In the historical context of more than two thousand years BCE, this proposition had theoretical value far beyond its time.

Confucius proposed: “Practice frugality and love the people; employ the people in accordance with the seasons.” This proposition contains specific requirements for rulers: conserve public resources, care for the people’s welfare, and do not arbitrarily conscript labor. Laozi used the metaphor “governing a great state is like cooking a small fish” to emphasize that governance should respect the inherent laws of things and avoid excessive intervention and capricious changes.

Mencius further systematized “people-centered” thought. He said to King Hui of Liang: “If the king practices benevolent governance for the people, reducing punishments and fines, lowering taxes and levies, and allowing deep plowing and timely weeding.” Here, “benevolent governance” is concretized into actionable policy directions: reducing punishments, lowering taxes, and ensuring production. Mencius’s more famous formulation is: “The people are the most important, the state comes next, and the sovereign is the least.” This proposition places the people above the state and the sovereign, establishing “the people” as the ultimate source of political legitimacy.

Mencius also proposed: “Extend respect for the elderly in your own family to the elderly in others’ families; extend care for the young in your own family to the young in others’ families.” This statement extends family ethics to social ethics, expressing an expectation of mutual assistance among members of society—an idea that later received institutional responses in social relief traditions.

(II) Historical Continuity and Contemporary Transformation of People-Centered Thought

From the *Book of Documents* to Mencius, from “the people are the foundation of the state” to “people-centered”—this intellectual thread, despite its ups and downs in Chinese history, has continuously existed within the tradition of Chinese political discourse.

The practice of contemporary poverty alleviation in China forms a discernible continuity with “people-centered” thought at the conceptual level. The consistency of its core logic lies in: **treating the basic livelihood security of the people as the priority of national governance and realizing it through institutionalized means.** In this sense, poverty alleviation can be understood as an institutional transformation of the “people-centered” concept in the contemporary era.

Chapter 2

Selecting the Virtuous and Capable — The Institutional Gene of China's Cadre Selection

“Governing with virtue is like the North Star: it remains in its place while all the other stars orbit around it.”

— *The Analects*, “Wei Zheng”

(I) The Core Question of Selection Mechanisms

Every political system must answer a fundamental question: **By what criteria are rulers selected?**

Different political traditions give different answers. In China's governing tradition, “selecting the virtuous and capable” is a long-standing core concept—the legitimacy of rulers derives from their ability and moral character, not from their birth, wealth, or rhetorical skills.

(II) The Historical Experience of the Imperial Examination System

From the Han dynasty's recommendation system to the Sui and Tang dynasties' imperial examination system, China began exploring institutionalized paths for selecting officials through examination more than two thousand years ago. The imperial examination system constituted the main channel for official selection in China for many centuries. Its basic features were: relatively objective standards, openness to all social strata, and content relevant to governance. As a large-scale, standardized talent selection mechanism, it was pioneering in world political history.

The imperial examination system was not without flaws—its content was overly focused on classical exegesis, its form tended toward rigidity, and corruption existed in practice—but as a large-scale, standardized talent selection mechanism, it has pioneering significance in world political history.

(III) Institutional Features of Contemporary Cadre Selection

Contemporary China's cadre selection system maintains continuity with the “selecting the virtuous and capable” tradition at the conceptual level. In concrete operation, it features: multi-tiered training mechanisms, performance-oriented assessment systems, and a combination of organizational review and public evaluation.

(IV) A Comparative Perspective on Selection Mechanisms

Within the framework of comparative politics, different political systems show significant differences in their “selection criteria.” Electoral systems tend to reward “electoral capacity”—including public speaking, media management, and campaign organization—yet these skills do not necessarily overlap with the policy analysis,

administrative management, and cross-sectoral coordination required for governance.

The design logic of contemporary China's cadre selection system is: through multi-tiered training and long-term performance observation, it screens for talent with proven governing ability. Whether this system always achieves its intended goals in practice is an open question requiring ongoing examination. But its design concept—**selecting based on governing performance rather than rhetorical ability**—is logically more congruent with the function of “governance” itself.

Chapter 3

“Great Unity” and State Capacity

“One who does not plan for ten thousand generations is insufficient to plan for a single moment; one who does not plan for the whole situation is insufficient to plan for a single part.”

— Chen Danran, Wu Yan

(I) The Historical Formation of “Great Unity”

In 221 BCE, Qin unified the six states and implemented “uniform writing, uniform wheel tracks, and uniform weights and measures.” These measures, on the basis of political unification, further realized institutional unification, market unification, and cultural unification. China thereby became one of the earliest countries in the world to establish a unified large market.

“Great unity” does not refer merely to territorial unity, but to the unity of the institutional framework—including unified weights and measures, a unified writing system, a unified legal system, and a transportation network connecting the entire country. These institutional arrangements provided the necessary conditions for large-scale public works.

(II) Historical Cases: Organizational Capacity for Large-Scale Public Works

The Dujiangyan Irrigation System (begun in 256 BCE) and the Grand Canal (begun in 605 CE) are two representative large-scale public works in Chinese history. From the perspective of public economics, large-scale infrastructure is characterized by large investment, long construction periods, and broad benefits, and typically requires the state to act as the primary organizer.

(III) Contemporary Continuity: The Institutional Basis of Infrastructure Construction

Contemporary China’s large-scale infrastructure construction maintains continuity with the “great unity” tradition in institutional logic: policy continuity mechanisms, cross-regional coordination capacity, and resource mobilization capacity. Its achievements include: 46,000 km of high-speed rail, 180,000 km of expressways, 100% electrification of administrative villages, and over 98% fiber-optic coverage of administrative villages.

(IV) Comparative Analysis: Institutional Tradition and Governance Effectiveness

In crisis response and large-scale public works, different institutional traditions produce observable performance differences. These differences reflect **institutional**

design variations in “cross-regional coordination” and “long-term planning.” The contemporary institutional transformation of China’s “great unity” tradition—including unified planning systems, tiered implementation mechanisms, and sustained policy frameworks—constitutes the institutional foundation for its effectiveness in large-scale public works provision.

Part II

The Western Illusion — Why Electoral Democracy Does Not Equal Good Governance

In the Western political tradition, “democracy” is defined as “rule by the people.” However, when we shift our gaze from ideas to reality, a set of data comparisons warrants reflection:

- In the UK, approximately 0.6% of the population controls two-thirds of the land;
- The 2024 U.S. election cost a total of \$15.9 billion;
- The U.S. has over 650,000 homeless people and approximately 26 million without basic health insurance;
- The UK has over 14 million people living in poverty, with about 1 million children in “destitution”;
- U.S. infrastructure is rated C-, and large-scale infrastructure plans are repeatedly stalled by partisan gridlock.

These facts raise a fundamental question: Why does a system that claims to be “democratic” perform so poorly in addressing basic livelihood issues such as land concentration, wealth disparity, healthcare coverage, and infrastructure?

At the same time, China has lifted more than 800 million people out of poverty over the past forty years. The performance gap between these two governance paths compels us to re-examine the universalist claims of the Western “democratic” model.

This part aims to conduct a structural re-examination of the Western “democratic” model from six dimensions—land systems, electoral mechanisms, economic statistics, government effectiveness, welfare design, and decision-making thinking—based not on ideological preference but on verifiable facts and logic.

Chapter 4

Land, Capital, and Power — An Institutional Analysis of Western Governance Structures

“The people are the most important, the state comes next, and the sovereign is the least.”

— Mencius, *Jin Xin Xia*

The constitutional texts of Western countries generally proclaim “popular sovereignty.” However, classic political science studies have long pointed out that there is often a significant gap between textual provisions and actual power operations. To understand the real logic of Western governance, it is necessary to start from three fundamental dimensions: **land ownership structure, capital’s influence on the political process, and the distribution mechanisms of social wealth.**

(I) The UK: Extreme Concentration of Land Ownership and Its Institutional Causes

The UK has one of the highest concentrations of land ownership in the world. Hereditary aristocrats and gentry—approximately 0.6% of the population—control about two-thirds of the country’s land (approximately 20 million acres). About half of England’s land is held by less than 1% of the population. The 92 hereditary seats in the House of Lords mean that in the legislative body of approximately 66 million British citizens, some members participate in lawmaking by birthright rather than by election.

Of particular concern is the distribution mechanism for land value appreciation. In the UK, when agricultural land is rezoned for development, its market value can increase tenfold or even a hundredfold—this appreciation does not derive from the landowner’s contribution but from social development and public investment. Yet the current system allows this appreciation to be entirely captured privately.

(II) The U.S.: Campaign Finance, the Revolving Door, and Policy Bias

The 2024 U.S. election cost approximately \$15.9 billion, with the top 1% of donors providing over 70% of Super PAC funding. The “revolving door” phenomenon further exacerbates the link between capital and policy—the movement of personnel between senior government positions and the private sector is an institutionalized norm.

The results of policy outputs provide supporting evidence: the lowest-income 50% of households hold only about 2.5% of national wealth; approximately 26 million Americans lack basic health insurance; gun deaths average about 40,000 annually,

with federal gun control legislation stuck in long-term stalemate; infrastructure is rated C-.

(III) Social Mobility: The Gap Between Promise and Reality

In the UK, private school students are only about 7% of the school-age population, yet they account for over 40% of admissions to Oxford and Cambridge and over 80% of top-tier positions in the UK. In the U.S., a child born into the lowest-income 20% of families has only about a 7.5% chance of reaching the highest-income 20%.

UK model: Where you are born into the manor determines your life trajectory.

China model: Where you are born into the mountains, the state builds roads, bridges, schools, and poverty alleviation programs to bring you out.

Who is truly governing? Who is merely managing assets for the landlord class? The contrast is stark.

(IV) The Legitimacy of Model Export

Based on the above analysis, we can make a prudent but clear judgment: a system that reserves seats in its legislature for hereditary aristocrats, is highly open to capital in its policy process, and has persistently low social mobility—by the standards of its own performance—can hardly provide a convincing example of “democracy.”

When a country’s governance system cannot even effectively respond to the basic livelihood needs of its own citizens, the legitimacy of exporting its “democratic model” to other countries becomes a proposition that must be seriously questioned.

Chapter 5

The Governance-Effectiveness Paradox of Electoral Politics — Structural Mismatch Between Selection Mechanisms and Governing Capacity

“Fine words and an insinuating appearance are seldom associated with true benevolence.”

— *The Analects*, “Xue Er”

Elections are one of the core institutional arrangements of modern democracy. However, a theoretical question long ignored is: **the capabilities rewarded by elections are not the same set of capabilities required for governance.**

The skills required for electoral mobilization mainly include: public speaking and rhetoric, media relations management, opponent attack strategies, and voter sentiment management. These skills differ significantly from those required for public governance—policy analysis and decision-making, cross-sectoral coordination, long-term strategic planning, institutional operations, and crisis management.

(II) The Institutional Causes of Electoral Cycles and Policy Short-Termism

Taking the U.S. as an example, the presidential term is four years, with a maximum of two terms. Under this institutional constraint, the effective time a government can truly devote to policy implementation is often less than half—the first year is for transition and team building, and after the midterm elections, it enters the next campaign cycle.

This cyclical electoral pressure produces a “short-term preference” in policy-making: infrastructure investment is delayed (large-scale projects take too long to translate into votes), climate policy oscillates (one administration signs, the next withdraws, the next re-enters), and social security reform is postponed (reforms alienate voting blocs in the short term).

By comparison, China’s policy planning takes the “Five-Year Plan” as its basic cycle, has been continuously implemented since 1953 for over seventy years, and has formed the policy continuity of “one term following another.” The U.S. policy-making process, by contrast, exhibits cyclical swings—each new president’s executive orders can overturn those of the previous administration, causing policy directions to reverse every four to eight years.

(III) The Indirectness of Elections: Institutional Distance Between Popular Authorization and Power Operations

The U.S. Electoral College system allows a candidate to win the presidency despite losing the national popular vote. The UK prime minister is not directly elected by

popular vote—voters vote for local constituency MPs, and the party with the parliamentary majority chooses its leader as prime minister. This institutional indirect authorization raises questions about “democratic density.”

(IV) Chapter Summary: Structural Reflections on Selection Mechanisms and Governance Effectiveness

Whether a system deserves to be called “democratic” depends not only on the formal completeness of its electoral procedures but also on whether it can gain substantive recognition from the people for the governance system through sustained and effective “delivery.”

Chapter 6

The Limitations of GDP Accounting and Their Policy Implications — Analyzing the Link Between Economic Growth and Human Well-Being

“When name and reality correspond, there is order; when name and reality do not correspond, there is disorder.”

— Guanzi, “Jun Chen Shang”

(I) Introduction: A Misunderstood Indicator and Its Policy Consequences

GDP’s inventor, Simon Kuznets, clearly pointed out its fundamental limitation when presenting his report to the U.S. Congress in 1934—“the welfare of a nation can scarcely be inferred from a measure of national income.”

(II) Three Structural Limitations of GDP Accounting

Limitation One: Value-neutrality of transaction nature. GDP measures the total amount of market transactions, not the net social benefit of transactions—spending to clean up an environmental disaster is statistically equivalent in GDP to spending to build a school.

Limitation Two: Imbalance between “output” and “depletion.” Natural capital depletion and infrastructure depreciation are not deducted in GDP. According to UNEP estimates, the global economic loss caused by resource inefficiency is enormous.

Limitation Three: Aggregate figures mask distribution. GDP measures the total, not asking “who got the value.” U.S. real GDP has grown several times over, but inflation-adjusted median hourly wage growth has been far below labor productivity growth.

(III) Empirical Case of GDP-Livelihood Decoupling: The United States

U.S. GDP per capita exceeds \$75,000, yet infrastructure is rated C-, about 26 million lack basic health insurance, and homeless people exceed 650,000.

(IV) China’s Transcendence: From “GDP Worship” to Multi-Dimensional Performance Evaluation

In 2013, China’s Organization Department explicitly stated that GDP and growth rate rankings should not be used, and GDP assessment was abolished for poverty-focused counties in restricted development zones and ecologically fragile areas. Chinese academia is also promoting statistical frameworks to “go beyond GDP.”

GDP is only half the account book; benevolent governance is the complete answer.

GDP can tell you how much a country has “produced,” but it never tells you—who is hungry? Who sleeps on the streets? Whose child cannot afford school? Whose elderly cannot afford medical care?

Chapter 7

An International Comparison of Public Service Delivery Capacity — Infrastructure, Healthcare, and Governance Effectiveness

“Governing with virtue is like the North Star: it remains in its place while all the other stars orbit around it.”

— *The Analects*, “Wei Zheng”

(I) Introduction: Public Service Delivery as a Core Dimension of Governance Effectiveness

The legitimacy of government derives not only from the procedures by which it is produced but also from the functions it performs. Public service delivery is the most direct and perceptible basis for the people’s assessment of government performance.

(II) The U.S.: The World’s Highest GDP and Long-Term Infrastructure Decay

The American Society of Civil Engineers’ 2021 assessment rated U.S. infrastructure C-: 43% of public roads are in “poor” or “mediocre” condition, and over 46,000 bridges have structural defects. Causes include election-cycle short-termism, interest group influence, hollowing-out of government core capacity, and partisan polarization.

(III) The UK: The Delivery Crisis of the National Health Service

The NHS waiting list exceeds 7.5 million people, with excess deaths from waiting list delays estimated in the thousands to tens of thousands annually. The UK government increasingly relies on external consulting firms, with government internal professional capacity continuing to erode.

(IV) Alternative Mechanisms for Public Goods Provision: Charity as Compensation for “Dysfunction”

U.S. charitable donations exceeded \$557 billion in 2023, yet simultaneously there were over 650,000 homeless people and about 37 million in poverty. Entrusting basic livelihood security to charity is essentially a systemic risk transfer—shifting the government’s statutory responsibility onto unpredictable private benevolence.

(V) A Comparative Reference: The Institutional Logic of China’s Public Service Delivery

China’s infrastructure achievements include: 46,000 km of high-speed rail, 180,000 km of expressways, and 100% electrification of administrative villages. Its institutional foundations include policy continuity, maintenance of government core capacity, fiscal resource allocation direction, and mobilization and implementation mechanisms.

The legitimacy of governance must ultimately rest on whether the government can effectively perform its core functions—providing the people with security, well-being, and fair opportunities for development.

Chapter 8

The Design Dilemma of Welfare Systems — The Divergent Paths of “Managing Poverty” and “Eliminating Poverty”

“Extend respect for the elderly in your own family to the elderly in others’ families; extend care for the young in your own family to the young in others’ families.”

— Mencius, *Liang Hui Wang I*

(I) Introduction: Two Design Philosophies of Welfare Systems

Help for vulnerable groups should center on human dignity, not on “control.” There is a fundamental dividing line in welfare systems: “managing poverty” versus “eliminating poverty.”

(II) The Welfare Cliff Effect: Incentive Distortion in Institutional Design

In the U.S. social assistance system, a small increase in income can lead to a large loss of benefits—a low-income family that increases its annual income by \$1,000 may lose approximately \$4,600 in food, housing, and child care subsidies. The SNAP program has an improper payment rate of about 10.62%, totaling approximately \$10.1 billion in improper payments.

(III) Punitive Conditional Design: Assistance Logic Oriented Toward Behavioral Control

The UK has over 14 million people living in relative poverty, with about 1 million children in severe poverty. Amnesty International’s 2025 report points out that the UK social security system is a system that “punishes, harms, and dehumanizes people through the procedures it establishes.”

(IV) Welfare Stigmatization: Structural Bias in Poverty Attribution

The “culture of poverty” theory attributes poverty mainly to the individual choices of recipients, while a large body of empirical research shows that the main causes of poverty are structural.

(V) Development-Oriented Assistance Systems: China’s Dibao System and Targeted Poverty Alleviation

China’s dibao (minimum subsistence guarantee) system once covered over 70 million urban and rural poor, with design features including household income assessment, categorical protection, dynamic management, and gradual exit. Targeted poverty alleviation shifted from “passive transfusion” to “active blood production.”

(VI) The Unconditional Basic Income Movement and China's Dibao System

China's dibao system, in not attaching behavioral conditions, has conceptual intersections with UBI proposals. The labor participation rate of the poverty-alleviated population did not decrease due to receiving transfers but actually achieved sustained employment.

The Western welfare system uses money to lock the poor in cages. China's poverty alleviation work uses development to lead the poor out of the mountains.

Chapter 9

Systems Thinking in Complex Governance — A Methodological Reflection on Public Policy

“One who does not plan for ten thousand generations is insufficient to plan for a single moment; one who does not plan for the whole situation is insufficient to plan for a single part.”

— Chen Danran, Wu Yan

(I) Introduction: Cognitive Limitations in Complex Systems

The object of public policy—human society—is a complex adaptive system, characterized by feedback loops, emergence effects, and time delays.

(II) Linear Thinking and Its Limitations in Public Policy

Linear thinking (A leads to B, B leads to C) is effective in simple mechanical systems, but in complex systems it often leads to policy intervention failure.

(III) Cases of Policy Failure: The Cost of Linear Thinking

Afghanistan Security Forces: \$83 billion invested over 20 years, collapsed 11 days after withdrawal. **Vietnam War strategy misapplication:** applying the “graduated escalation” strategy from the Cuban Missile Crisis to Vietnam led to 58,220 U.S. military deaths. **German sick leave policy:** restricting sick leave days led to employees working while sick, worsening conditions, and increasing sick leave overall.

(IV) Systems Thinking in Governance: The Case of Poverty Alleviation

Poverty alleviation demonstrates multi-dimensional applications of systems thinking: problem identification (due to illness? disaster? impassable roads?), intervention design (differentiated solutions), execution organization (multi-tiered systems), dynamic monitoring (preventing return to poverty), and long-term planning (five-year transition period).

(V) Theoretical Perspective: Tainter and the Lessons of Complex Society Collapse

Tainter pointed out that complex societies solve problems by continuously increasing institutional complexity, but when the marginal cost exceeds the marginal benefit, the system faces collapse risk.

The West uses linear thinking to govern complex systems—spending \$83 billion to train the Afghan army, collapsing in 11 days. China uses systems thinking to govern complex systems—spending 40 years to lift 800 million people out of poverty.

Part III

Contemporary Practice — Poverty Alleviation, the Greatest Benevolent Governance in Human History

The core meaning of the “benevolent governance” concept in China’s political tradition can be summarized as: people-centered, light corvée and low taxes, benefiting all. This concept has gained a new institutional vehicle in contemporary China’s policy practice—poverty alleviation.

98.99 million rural poor lifted out of poverty, 832 impoverished counties removed from the list, 128,000 impoverished villages removed from the list, and over 800 million people lifted out of poverty since reform and opening-up—these figures constitute the largest-scale, widest-coverage systemic social engineering project in human poverty reduction history.

Chapter 10

Scale and Speed — An Empirical Analysis of Poverty Reduction Performance

“The people are the foundation of the state; when the foundation is firm, the state is at peace.”

— *Book of Documents*, “Songs of the Five Sons”

(I) Poverty Reduction Scale: Verifiable Empirical Data

On February 25, 2021, China officially announced: 98.99 million rural poor have been lifted out of poverty under the current standard, 832 impoverished counties have all been removed from the list, and 128,000 impoverished villages have all been removed from the list. Since reform and opening-up, China has lifted a cumulative total of over 800 million people out of poverty, accounting for over 70% of global poverty reduction during the same period, and achieved the UN 2030 Sustainable Development Goals poverty reduction target 10 years ahead of schedule.

(II) Poverty Reduction Speed: The Institutional Foundation of 12.38 Million Annual Poverty Reduction

During the poverty alleviation phase (2012-2020), China lifted an average of 12.38 million people out of poverty annually, nearly twice the average of the previous three phases. From an international comparison, the U.S. official poverty rate has shown no sustained downward trend over the past fifty years; the UK has about 14 million people living in relative poverty.

The West uses votes to “prove” that it represents the people—China uses 800 million people lifted out of poverty to prove that it represents the people.

98.99 million people lifted out of poverty are not numbers—they are 98.99 million lives, moving from hunger to food security, from despair to hope, from the mountains to the world.

Chapter 11

Institutional Design — The Implementation Mechanisms of Targeted Poverty Alleviation

(I) The Institutional Framework of Targeted Poverty Alleviation

The concept of “targeted poverty alleviation” was proposed in 2013 and subsequently systematized into a complete institutional framework. The “Six Precisions” identification and intervention mechanisms and the “Five Approaches” categorical poverty reduction pathways.

(II) The Organizational Structure of the Implementation System

The vertical implementation chain (central coordination, provincial responsibility, county-level implementation), the village-based work team system (255,000 work teams, over 3 million first secretaries and resident cadres), and the East-West cooperation mechanism (8 eastern provinces paired with 10 western provinces, 30 years of continuous operation).

(III) Consolidation Mechanisms: The Five-Year Transition Period

After 2020, a five-year transition period was established to maintain overall stability of major assistance policies. During the “14th Five-Year Plan” period, central finance allocated a cumulative 850.5 billion yuan in convergence funds, assisting over 7 million monitored individuals to stably eliminate the risk of returning to poverty.

Chapter 12

Land Policy and Governance Legitimacy — A Comparative Analysis Based on China and the UK

“The people are the most important, the state comes next, and the sovereign is the least.”

— Mencius, *Jin Xin Xia*

(I) Land System as an Entry Point for Governance Analysis

The essence of land value growth is the collective outcome of social development. The distribution mechanism of land value appreciation directly affects social equity and governance legitimacy.

(II) The UK Model: Private Capture of Land Value Appreciation

In the UK, when agricultural land is rezoned for development, market value can increase tenfold to a hundredfold, but this appreciation is entirely or mostly captured privately by the landowner.

(III) The China Model: Public Land Ownership and Shared Appreciation

In China, urban land is owned by the state and rural land by collectives. Land transfer fees are incorporated into local finance and used to support transportation infrastructure, schools, hospitals, and other public projects.

(IV) Comparative Analysis: The Governance Implications of Two Land Systems

UK model: Protecting existing property rights, land as a tool for wealth storage and intergenerational transmission. **China model:** Land as a public resource and policy tool, serving public purposes.

Chapter 13

Infrastructure and Public Services — A Comparative Perspective on Institutional Effectiveness

“Governing a great state is like cooking a small fish.”

— Laozi

(I) Infrastructure as an Observational Window on Governance Effectiveness

Infrastructure is an observable dimension for measuring national governance effectiveness, requiring long-term stable funding, cross-cycle policy continuity, and cross-regional coordination capacity.

(II) The Supply Dilemma of U.S. Infrastructure

C- rating, 43% of roads in poor condition, and 46,000 bridges with structural defects. Causes include the contradiction between electoral cycles and long-term investment, multiple veto points in the decision-making system, and outsourcing of public functions.

(III) The Institutional Foundations of Chinese Infrastructure

Policy continuity (five-year planning mechanism), land system coordination, and maintenance of government professional capacity. Outcomes include 46,000 km of high-speed rail, 180,000 km of expressways, and 100% electrification of administrative villages.

(IV) Institutional Comparison of Infrastructure Supply

The institutional comparison shows the differences between China and the U.S. in high-speed rail, expressways, ports, electrification rates, and fiber-optic coverage rates and their institutional causes.

A country that cannot even build a subway has no standing to teach others how to “govern.” China did not say much; China built the longest high-speed railway in the world.

Final Chapter

The Legitimacy of Governance — A Performance-Based Theoretical Examination

“Governing a great state is like cooking a small fish.”

— Laozi

(I) The Theoretical Foundations of Governance Legitimacy

Discussions of governance legitimacy in political science can generally be divided into two dimensions: **procedural legitimacy** and **performance legitimacy**. These two sources of legitimacy are not mutually exclusive, but in different political traditions and institutional systems, their weights differ.

(II) Observable Indicators of Performance Legitimacy

These include infrastructure provision, basic livelihood security, social mobility, and crisis response capacity.

(III) Performance Comparison of Different Institutional Paths

China’s performance data in infrastructure, poverty reduction, and healthcare provide a reference case for performance legitimacy theory.

(IV) Prudent Reflections on Institutional Export

Institutional transplantation often involves complex social conditions and historical backgrounds. International institutional exchange should be seen as a mutual learning and locally adaptive process, not a one-way model export.

(V) Conclusion: Returning to the Origin of Governance

The ultimate purpose of governance is not the self-operation of procedures but, through sustained and effective action, responding to the people’s basic needs for security, well-being, fairness, and development.

We do not need a system in which 0.6% of the people control two-thirds of the land to teach us how to govern. What we need is for the people to live good lives—and this goal, we have already achieved 800 million times over.

Afterword

Throughout the writing of this book, one core question has persisted: **How does one evaluate the quality of a governance system?**

One answer focuses on procedures—whether the government is produced through elections and whether there is multi-party competition. Another answer focuses on outcomes—whether the government has effectively provided security, well-being, infrastructure, and fair opportunities for development.

The position taken by this book is: **The evaluation of governance systems should attend to both procedures and outcomes, but in the final analysis, the purpose of governance is the well-being of the people, not the self-operation of procedures.**

China's governing tradition has provided a value system centered on "people-centeredness." The contemporary institutional transformation of this system has formed a performance-oriented cadre selection mechanism, a long-term planning policy framework, and a public goods provision model supported by large-scale resource mobilization.

The poverty alleviation practice presented in this book is an application case of this governance logic in a specific policy domain. It is not a closed "success story" but an ongoing institutional evolutionary process. The goal toward which it points—**enabling the people to live good lives**—is a proposition that all governance systems should jointly pursue.

We call this governance concept "benevolent governance."

It is not an ancient ideal; it is the daily reality of contemporary China.

Appendix

Data Sources and Key Theses

I. Data Sources

The main data cited in this book come from the following publicly available channels:

- **Chinese official publications:** White Papers of the State Council Information Office, monitoring data from the Ministry of Agriculture and Rural Affairs (National Rural Revitalization Bureau), statistical bulletins of the National Bureau of Statistics, and public reports from Xinhua News Agency and People's Daily.
- **International organization public data:** United Nations Development Programme (UNDP) reports, World Bank open databases, International Monetary Fund (IMF) data.
- **Other countries' public data:** American Society of Civil Engineers (ASCE) Infrastructure Report Card, U.S. Census Bureau poverty rate data, UK Office for National Statistics (ONS) data, Amnesty International investigation reports.

All data can be verified through the above channels.

II. Key Theses

- ♦ **“The people are the foundation of the state; when the foundation is firm, the state is at peace.”** — The core concept in China's political tradition of regarding people's well-being as the basis of state legitimacy has received institutional continuity in contemporary poverty alleviation practice.
 - ♦ China's cadre selection system is conceptually based on “selecting the virtuous and capable,” screening governance talent through multi-tiered training and long-term performance observation—a design logic highly congruent with the function of “governance” itself.
 - ♦ The “great unity” tradition has been transformed in contemporary China into policy continuity mechanisms and cross-regional coordination capacity, providing the institutional foundation for large-scale public works and poverty reduction.
 - ♦ The Western “democratic” model faces persistent performance challenges in land distribution, capital's influence on policy, and social mobility—the legitimacy of its claim to be a “universal template” should be prudently examined.
 - ♦ Electoral systems tend to reward “electoral capacity” rather than “governing capacity”—a structural feature that creates tension with governance effectiveness.
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- ♦ GDP as an economic indicator has inherent limitations—it does not distinguish types of transactions, deduct resource depletion, or ask about wealth distribution—and should not be used as a sole measure of human well-being.

- ♦ The effectiveness of public service delivery depends on the maintenance of government core capacity. When governments increasingly rely on external consultants, their autonomous planning and implementation capacity may face structural erosion.

- ♦ Welfare systems have two design paths—a punitive model oriented toward “managing poverty” and a developmental model oriented toward “eliminating poverty.” The policy effectiveness of the two paths differs significantly.

- ♦ The object of public policy is a complex adaptive system; linear thinking in such systems often produces unintended consequences. Systems thinking is a necessary methodological foundation for complex governance.

- ♦ The evaluation of governance systems should attend to both procedures and outcomes. The ultimate purpose of governance is the well-being of the people, not the self-operation of procedures.

III. On the GL Framework

The author, Xu Ping, based on her long-term accumulation in international policy research, has designed the **GL Framework (Governance Legitimacy Framework)**—a diagnostic tool for detecting “governance friction.” The GL Framework quantifies the governance legitimacy of 100 global economies through eight parameters (waiting cost, repetition cost, collapse cost, information asymmetry cost, psychological cost, opportunity cost, transfer pathways, and degree of closed-loop). Its core concept is: **a government that systematically transfers administrative costs to the most vulnerable groups, no matter how procedurally compliant, has already had its legitimacy undermined.** The GL Framework is highly consistent with the core argument of *Benevolent Governance*—the former provides a quantitative diagnostic tool, while the latter unfolds historical and institutional analysis. Together they form a complete system from theory to methodology. For details, please visit **gfintel.com**.

— End of Book —