

## **China: How Should Canada (and the World) Deal With this State?**

In so many areas China is acting in an immoral, truculent and aggressive fashion against world norms. In the process it is devastating the international rules-based order.

What has triggered this critique on China I am now writing has been the false arrest and unjustified incarceration, so clearly a form of torture, being inflicted on two innocent Canadian men as political hostages of the government of China. It is so clearly a moral reference point for the world to consider in future dealings with this country.

But there is much more that is bothersome related to China and its current role in world affairs. The Communist Party of China sees itself re-emerging as the world's natural, irreplaceable superpower after two centuries of "humiliation" at the hands of Western countries and we in Canada have to find some new way of dealing with them.

To put what I am about to present in context it's useful to briefly go back into Chinese history and then cast forward to some quite recent Chinese activities, and strategies, under their current leadership.

### **First of all, some relevant history:**

- 1911, Oct 10: overthrow of the Qing Dynasty; Dr. Sun Yat-sen ("Father of the Nation") elected provisional leader of the Republic (after a series of failed uprisings); Emperor Puyi abdicates Feb 12, 1912, the last of thousands of years of imperial dynasties
- 1917: the birth of communism in Russia under Lenin's leadership; important as the same philosophy guided China shortly after
- 1921: founding of the Communist Party of China (CPC)
- 1931: Japanese invasion of Manchuria (northeast China). This was followed by the full invasion of China in 1937 (the Second Sino-Japanese War) and the infamous massacre of the Chinese Nationalist capital (the "Rape of Nanking"). While armies under Nationalist Party leader Chiang Kai-shek fought most of the major battles, Communist Party guerrillas under Mao Zedong forced Japan to divert soldiers and resources from battlefields elsewhere. The CPC continues to uphold the struggle against the Japanese as a source of their legitimacy to rule
- 1949: ejection from China of the Kuomintang (KMT)'s Nationalist Government, led by Chiang Kai-shek, from mainland China to Taiwan, leading to the establishment of the People's Republic of China (PRC) on the mainland. Its paramount leader was Mao Zedong (1949 nominated leader-1976 died)

- During the late 1950s and 1960s the CPC experienced a significant ideological separation from the Communist Party of the Soviet Union (the Sino-Soviet split). The CPC took a belligerent stance towards the West, and rejected the USSR's policy of peaceful coexistence
- 1958-1962: *The Great leap Forward*. This was the second five year plan of the PRC led by the CPC. Mao Zedong, Chairman of the CPC launched the campaign to reconstruct the country from an agrarian economy into a communist society through taking land from the peasants and the formation of people's communes. Private ownership was abolished. The policies caused economic disaster and led to the Great Chinese Famine where millions (estimates run from 20 to 55 million!) starved. This led to...
- 1966-1976: the *Cultural Revolution* which was launched by Mao (his political comeback). Its stated goal was to preserve Chinese Communism by purging remnants of capitalist and traditional elements from Chinese society and to re-impose Maoism as the dominant ideology in the CPC; millions were persecuted and killed
- 1971: one-child policy introduced; stopped in 2015
- 1978-1989: during this period Deng Xiaoping was the paramount leader of China; he led the country through a series of far-reaching market-economy reforms including being open to foreign trade (still mixed with socialist ideology - dubbed "socialism with Chinese characteristics" or "market socialism")
- 1984: the Sino-British Joint Declaration, which is a treaty between the United Kingdom and China on Hong Kong under Chinese sovereignty to detail the arrangements after the lease of the New Territories (which eventually became the whole of Hong Kong) expired in 1997
- 1997: Colonial Britain returned Hong Kong to China with Beijing promising to leave the region untouched by the Communist Party's state apparatus for 50 years. Hong Kong could retain its autonomy and institutions (common-law legal system independent of China's and an economy that was neoliberal to a fault), i.e. "one country, two systems"
- 2012: the Communist Party of China held its 18<sup>th</sup> National Congress at which Xi Jinping became General Secretary. Prior to this Congress, Chinese politics was trending towards collective leadership, where the paramount leader had to share power with his circle of senior leaders in the Politburo Standing Committee, particularly the Premier. This was to change when in...
- 2018: Xi abolished term limits allowing him to rule indefinitely and unrestrained; some consider him the de facto Emperor of China. He proceeds with his efforts to turn his country into an expansionist and fiercely totalitarian state

China has grown enormously in size and wealth. Some basic stats and economic observations:

- Population 1948: 540 million; 1976: 940 million; 2020: 1.44 billion (18% of the total world)
- Life expectancy: 1948: 36 years; 1976: 66 years; 2018: 77 years (vs the US at 79 and Canada at 82)
- Number of cars: in 1987 when I visited the southern province of Guangdong, there were hardly any cars on the road, mostly bicycles. That year China produced only 445,000 cars in total. In 2009 the number was 76,000,000; last year the total car production was 258,000,000!
- GDP growth has been huge; in US dollars in 1976 GDP was 154 billion; in 2009 it was 5,102 billion and in 2019 it was 14,363 billion. The average annual growth rate has been 9.9%. In the process it has driven the world's growth
- Even at this stage in the pandemic (and Trump's broad tariffs) China's export machine cannot be stopped. Why? Likely their low cost, skilled labour and efficient infrastructure plus also a state-controlled banking system that has been offering businesses extra loans to cope with the pandemic
- While the yuan (renminbi) has been one of the world's most stable currencies since 2016 (perhaps after China started announcing its exchange rate against a basket of currencies), there is also speculation that the Chinese government has used its tight control of the country's financial system to keep the yuan weak
- In a New York Times news service article it is suggested that "China's advantages go beyond a weak currency. China has built a 700-city bullet train network in a decade. It also has an abundance of labour, a culture of long working hours and tightly restricted unions. Manufacturers are not as encumbered by environmental laws."

Now I want to itemize certain **critical events** in China that I feel affects their relationship with the rest of the world and should be considered when developing a strategy regarding how they should be dealt with:

**Tiananmen Square massacre.** An important reference point is the 1989 massacre at Tiananmen Square. Over twenty years later, in 2010, I stood in the middle of this square, the world's largest public space, where Chinese Communist leader Mao Zedong had proclaimed the founding of the People's Republic of China in 1949, and listened to a white-washed CPC version (the guide said he "did not have any official information provided by the government") of the student uprising. In the background Mao's giant portrait surveyed the scene. At the height of the protests over a million people were in the square. The real numbers of deaths likely exceeded 2,000 while the official version (the one I was listening to) was only a few.

The suppression ended the political reforms, halting the policies of liberalization of the 1980s. Compared to the Eastern European Bloc protests during the Revolutions of 1989, it failed to spark major political reforms. Considered a watershed event, the protests set the limits on political expression in China up to the present day. It remains a sensitive and widely censored topic in China. For good reason, as its memory is associated with questioning the legitimacy of the Communist party rule.

**The Uyghur situation.** The world can't properly assess China without judging them on their policies and actions regarding this largely Muslim group that the Chinese authorities have accused harbouring extremist ideology. Since 2017 across Xinjiang, the northwestern region where most of the Uyghurs are living, perhaps more than a million Uyghurs have been taken from their homes and forcibly placed into centres for political indoctrination and "skills training".

In addition a recent report by the Associated Press exposed the Chinese government's systematic efforts to slash birth rates among the Uyghurs, including the subjection of women to pregnancy checks, forced intrauterine devices, sterilization and abortion.

This summer a video has emerged taken by a young man handcuffed to a bed in a dirty stained room with bars on the windows and loudspeakers outside playing propaganda - a technique, by the way, widely employed by Mao Zedong and now re-emerging under President Xi. (In a touch that seems especially absurd, and ironic, the video focuses outside on banners that proclaim "the uprightedness and purity of Party conduct" and call on people to "love China and strive to be in the vanguard".) It's a small part of the details emerging from that region describing what is really going on.

**The Hong Kong situation.** When colonial Hong Kong became part of China again in 1997 the Sino-British handover treaty promised that the people of that city would retain their autonomy, the rule of law and civil liberties for half a century. China is breaking its commitment on Hong Kong independence. First of all, in 2019, months of pro-democracy and anti-government protests rocked Hong Kong over a controversial – but since withdrawn – extradition bill that would allow suspects to be sent to mainland for trial. In November the pro-democracy block achieved a landslide victory in district council elections which might have resulted in gaining a majority in the Hong Kong SAR (or Special Administrative Region) legislature. But late July 2020 these legislative elections have been postponed by one year (ostensibly because of the Coronavirus situation).

Particularly concerning, however and dwarfing the proposed extradition law of 2019, is the new national security law promulgated on June 30. It has created four offences: collusion, secession, subversion of state power and terrorism with maximum sentence for serious offences being life in prison. The law criminalizes talk of independence and essentially outlaws criticism of the Chinese Communist Party.

Apparently the law is written in such vague terms that a large number of people could be caught up in it. A new institution has been created, the “Office for Safeguarding National Security”. Some trials for certain cases can be deemed by this office to be on the mainland, e.g. China, meaning China’s criminal procedure law would apply, without Hong Kong’s safeguards. Through legal leashes, China is gradually bringing Hong Kong to heel. “One country, two systems” is being exposed as an illusion.

**Taiwan, and the inevitability of reunification with mainland China as a constant PRC theme.** This is even more a tence issue since the 2016 election of President Tsai Ing-wen and the independence friendly Democratic Progressive Party of Taiwan. In the early 1990s both sides settled on there being “one China” but agreed to disagree on what that meant. But Tsai Ing-wen rejects the idea of “one China” and sees Taiwan as a de facto sovereign state. In 2019 Xi Jenpeng gave a “bellicose” speech warning that Taiwan reunification with the mainland is inevitable. He has ratcheted up military drills around Taiwan with, for example, military jets routinely flying into Taiwan’s defence zone.

Importantly, the United States is bound by Congress to provide Taiwan with arms to defend itself. Trump has (with bipartisan support) greenlit a number of deals for Taiwan, e.g. provision of 66 next generation F-16 fighters plus upgrades to their Patriot missile system.

**Territorial expansion in South and East China Seas.** In addition to its actions in Hong Kong and its ongoing restrictions and belligerence towards Taiwan are its expansionistic actions in the South China Sea. The disputed waters stretch from off northeastern China (Qingdao) to the Spratly Islands. These latter islands are closer to Malaysia, the Philippines and Vietnam than to China. China has occupied disputed but unoccupied shoals and reefs and then used construction to turn them into militarized artificial islands.

Recently China fired a barrage of medium-range missiles across considerable distances into the South China Sea to demonstrate its strategic dominance over the disputed waters. Chinese vessels rammed and sank a Vietnamese boat and stalked an oil-drilling ship working in Malaysia’s exclusive economic zone.

In the East China Sea, China has stepped up incursions into the Japanese-administered Senkaku Islands’ territorial waters and airspace, with the aim of weakening Japan’s controls and strengthening its own sovereignty claims. (Beijing misses no opportunity to fabricate warnings that, behind a facade of democratic pacifism, Japan remains a militaristic country.)

The US in July has added 24 state-owned Chinese enterprises, including subsidiaries of the China Communications Construction Company, to its commercial blacklist for their roles in constructing artificial islands through dredging operations and other activities that both cause major environmental damage and infringe on other countries’ claims.

**Territorial expansion along India-China border.** In May tensions flared along the China-India border high in the Himalayas. Apparently Chinese soldiers entered the Indian-controlled territory of Ladakh at three different points, erecting tents and guard posts and ignoring repeated verbal warnings to depart. These actions occurred just six months after President Xi declared on Indian soil that "China-India relations have entered a new phase of sound and stable development." Such irony.

India and China established diplomatic relations in 1950, but a border war between them set back ties for decades. In all, China claims some 90,000 sq. km. of territory in India's northeast.

**Territorial expansion into Bhutan.** A similar standoff occurred at Doklam, at the other end of their disputed border in 2017, when the Chinese were seen to expand its presence along the border with Bhutan. The occupation came soon after China ended a more than 10-week long troop face-off on the plateau with India, Bhutan's de facto security guarantor. This summer, President Xi's communist regime laid claim to another 11 percent of Bhutan territory, in an area that can be accessed only through India's Arunachal Pradesh state.

**Relations in Tibet reflect a controlling attitude by the CPC.** The expansionism described above takes off from where Mao Zedong left. As geostrategist Brahma Chellaney wrote in a Sept 1 Globe & Mail article, "Mao considered Tibet (which he annexed in 1951) to be China's right-hand palm, with five fingers – Bhutan, Nepal and the three Indian territories of Ladakh, Arunachal Pradesh and Sikkim. The five fingers were also to be 'liberated.' In fact Mao's 1962 war against India helped China to gain more territory in Ladakh, after it grabbed a Switzerland-sized chunk, the Aksai Chin plateau."

All of this has been particularly strained by India's hosting of the exiled Tibetan spiritual leader, the Dalai Lama, who fled his homeland in 1959 during an aborted uprising against Chinese rule. One other measure of resistance is that, since 2009, over 100 people have burned themselves to death in protest.

President Xi, at a recent symposium, called for efforts to build a "modern socialist Tibet" where Buddhism would be "guided in adapting the socialist context and developed in the Chinese context." The Tibetan government-in-exile responded: "For Tibetans Buddhism is more important than communism. To force them to treat communism as more important than their faith is not only a violation of international religious freedom but is also misguided."

While no direct confrontation has yet occurred, I have a nervousness related to Chinese interests in shipping across the top of Canada. They have built a number of icebreakers capable of transporting cargo through the northern climate. In addition to the Maritime Silk Road (see BRI) China plus Russia have agreed to jointly build an "Ice Silk Road" along the northern sea route in the Arctic. China COSCO Shipping Corp. has completed

several trial trips on Russian Arctic shipping routes, and Chinese and Russian companies are cooperating on oil and gas exploration in the area.

These all are bully territorial power plays; they certainly appear prepared to trample the interests of neighbouring countries.

**China is treating its Mongol minority poorly.** Most of China's five million Mongols are concentrated in three eastern districts of the Chinese province of Inner Mongolia. (Mongolia still remains an independent country.) Of that a million or so still pursue a modified version of the old "nomadic" culture. China has recently begun to force Mandarin on this population. Under new rules, history, politics, language and literature will not be taught in Mongolian.

This is a form of "deracination" that ironically we in Canada recognize as occurring with our own Indigenous peoples until recently. In the past, Chinese culture didn't see the minorities living within their borders as threats, but lately under Xi's Jinpinging, there is a growing sense of insecurity in the ruling elite that makes it important to stamp out differences from the norm.

**China is cracking down on other ethnic minorities and imposing a Han Chinese-wide identity.** Beyond issues mentioned above regarding Tibet and the Mongols, China has begun forcing its ethnic minorities to adopt the Chinese language, history and culture as their own.

Fifty-five ethnic minorities make up more than 100 million people - almost 10 percent of China's population. The other 90-plus percent belong to the Han ethnicity. Ethnic schools are being systematically closed. The Chinese language is now described as the national language. They must also give up their traditional religious beliefs. Non-ethnic Chinese must, in effect, become Chinese, through a Sinicizing process of reducing and, if possible, eliminating differences between minorities and the Han norms.

**The Huawei situation.** Huawei is a Chinese telecommunications firm whose equipment has been selling to governments throughout the West. There is apparently reasonable fear that Huawei (and its smaller Chinese rival ZTE) is a spy for the Chinese government. Canada's security allies, members of the Five Eyes security network, have warned that China can't be trusted and is a security threat, especially given that Chinese law says companies have a responsibility to act in the government's security interest. The US, Australia, New Zealand and finally Great Britain (other members of Five Eyes with Canada), have said no.

A serious incident occurred in August when an expert report commissioned by Australia's Department of Foreign Affairs found that Huawei deliberately installed encryption software in a new data centre for the government of Papua New Guinea, allowing Beijing to obtain secret government files at its leisure.

There is another good reason to ban them: encourage and provide incentive to the Western world to develop its own national and global 5G (and eventually 6G) tech champions. Currently it is estimated that the two Chinese companies control 38% of the global market for telecom equipment. At the same time the Chinese have largely excluded foreign telecom competition allowing Huawei and ZTE to dominate domestic Chinese sales. In addition they were provided generous tax incentives plus great export financing from Chinese banks.

**Evidence of Chinese intellectual property theft and surveillance beyond its borders including Canadian citizen intimidation.** As a corollary to the Huawei situation, Chinese tech companies have been hacking their way around the world for some time. Locally, the Globe & Mail reported that Nortel Networks had evidence of Chinese industrial espionage back in 2004. After the company went bankrupt in 2009 the Department of National Defence discovered listening devices in the Nortel building. In general there is evidence that China is a large funder and implementer of cyberattacks around the world.

Jonathan Manthorpe, author of *Claws of the Panda* (subtitled *Beijing's Campaign of Influence and Intimidation in Canada*), states in a May 30 Globe & Mail piece that “there’s been mounting evidence that Beijing has been using its political warfare agency, the United Front Work Department, to intimidate and suborn Canadians of Chinese, Tibetan and Uyghur heritage....The Canadian Security Intelligence Service (CSIS) has warned successive Ottawa governments about United Front operations for more than 20 years....CSIS has warned Canadian colleges and universities against contracting with Beijing for the establishment of Confucius Institutes in their schools...for they are little more than espionage outposts of PRC embassies and consulates.”

**Belt and Road Initiative (BRI).** This is China’s global infrastructure development strategy adopted in 2013 to invest in nearly 70 countries and international organizations. (“Belt” refers to road and rail transportation and “road” to the sea routes connecting China to Europe, Africa and other Asian countries. The initiative includes the entire geographical area of the historic trade route “Silk Road”, which has been continuously used since antiquity. Development of the yuan as a currency of international transactions and reducing dependency on the US are part of the strategy.)

BRI has been seen by some as a plan for Chinese world domination through a China-centred global trading network. In practice loans are negotiated bilaterally, and in secret. They are backed by collateral such as rights to a mine, a port or money. Critics use the term “debt trap diplomacy” to claim China intentionally extends excessive credit to a debtor country with the alleged intention of extracting economic or political concessions. (Indeed, some of the consequences are now emerging. That’s how the CPC got control of the strategic Sri Lankan port of Hambantota and 60 kilometres of land around it; similarly when Greece fell on hard times, Beijing stepped in but the upshot is that a Chinese state-owned company owns half of Athen’s port of Piraeus.)



BRI is now under extreme pressure as a result of COVID-19. Many of the loans are on the brink of technical default (Egypt, with the world's second-largest coal fired plant; Bangladesh cancelling a coal plant at Gazaria; Tanzania cancelling a port project that China would gain full control of with a 99-year lease, etc.) China claiming assets from defaulting countries would create a furore. Already China is shaping the BRI concept from say hard infrastructure to almost any activity abroad involving big Chinese firms. How about the "Health Silk Road" (medical support and food aid) or a "Digital Silk Road" (app-based approaches to tracking the coronavirus) or switching to expansion of solar and wind energy projects. As BRI is closely linked with Xi's prestige and is the centrepiece of his foreign policy, there is no turning back.

**China as one of the planet's worst polluters.** China's CO2 emissions by 2012 had surpassed the combined contribution of both the US and the EU. Everywhere I have travelled in the country large coal fired generating plants were operating or still being built. According to one environmental organization, 80 percent of the country's rivers and lakes are drying up, 60 percent of the water in seven major river systems is unsuitable for human contact, a third of the land is contaminated by acid rain and 40 percent of the arable land has been degraded by fertilizers and pesticides. Of the world's twenty most polluted cities, sixteen are in China.

Ecological concerns are problematic for many BRI opponents; examples include deforestation along the Pan Borneo Highway, coal-fired power stations in Turkey and a range of other possibilities.

Having said that, they are becoming a world leader in renewable energy. They now make over half the world's wind turbines, supply half of its hydroelectric projects, are driving development of energy-saving cars (electric motor bikes predominate on their roads), and are building more nuclear plants than anyone else. China is also building a substantial ultrahigh-voltage transmission grid plus doubling its railway network.

**Early COVID-19 warnings from China were misleading/mishandled.** Chinese officials sat on releasing the genetic map, or genome, of the virus for more than a week after a number of government labs had fully decoded it, and didn't share details key to designing tests, drugs and vaccines.. The Associated Press found that strict controls on information and competition within the Chinese public health system were to blame. At a time when the outbreak arguably might have been dramatically slowed, China stalled for at least two weeks more on giving the World Health Organization (WHO) the details it needed. (Interestingly, from the time the virus was first decoded on Jan. 2 to when the WHO declared a global emergency on Jan. 30, the outbreak grew by a factor of 100 to 200 times, according to retrospective Chinese Centre for Disease Control and Prevention data.)

Another aside: the Chinese foreign ministry spokesman Zhao Lijian alleged that COVID-19 was brought to Wuhan by US forces participating in the Military World Games last fall. There is no evidence of this.

Another COVID-19 related issue with China is their renegeing on a vaccine development partnership with the Canadian Centre for Vaccinology at Dalhousie University. Late August the Chinese government refused to allow samples of the vaccine to be shipped to Canada for testing. Probably another example of the Chinese ongoing campaign to punish Canada for detaining Meng Wanzhou.

**China has censorship rules and controls over the press, different business goals, and is a bully with respect to leveraging their size and economic might.** China determines one set of rules for their own and different ones for the rest of the world. For example, there is internet censorship in the country. (This has the nickname, the “Great Firewall of China”.) They block website content and monitor individuals’ internet access. Facebook is blocked in the country.

Many controversial events are censored from news coverage. Freedom of the press is severely restricted. Amnesty International notes that China has “the largest recorded number of imprisoned journalists and cyber-dissidents in the world. The CPC have become less tolerant of foreign journalists. In the first half of 2020 it forced seventeen foreign reporters to leave. Just recently two Australian journalists were arbitrarily harassed and subjected to an “exit ban”. These actions probably were in part response to America’s scaling back of the Chinese media presence in the US but it reflects a more disdainful attitude toward the Western media.

Examples of leveraging their might include the selected bans they have applied to Canadian canola seed and wood imports (at one point they were claiming it found pests in logs from Canada). There is no valid reason to bar these imports.

China has barred imports of Australian barley and beef, after Canberra called for an independent investigation of the coronavirus origins.

Chinese state-owned companies have deeper pockets, cheaper access to capital and longer time horizons than those operating in free enterprise climates. One Canadian example is the Zijin Mining Group Co. Ltd. targeting two Canadian gold mining companies whose assets were beaten down plus facing heavy capital expenditures.

**China dominates the market for rare earth metals and levers that dominance.** This group of seventeen elements are important for the manufacture of semiconductors, batteries, and defence systems. While China only possesses one-third of known global deposits, it dominates (80%) production. How? Through low prices and state-backed investments in infrastructure and technology. It invests in expertise in the extraction, separation and refinement. This has attracted foreign talent to China.

Environmental damage (for example radioactive sludge) is bad in the mining and post-processing stages. China ignores/plays this down.

In 2010 China cut off exports to Japan in the midst of a territorial dispute; this is a power they wield strategically. This is an important issue because of the increasing demand for tech products requiring rare earth usage.

**China has the world's second largest defence budget in world; they make a big deal of it.** The People's Liberation Army (PLA) is the armed forces of the PRC and the CPC. The PLA is one of the fastest modernizing militaries in the world and has been termed as a potential military superpower. Control is structured such that it is under the absolute control of the Communist Party.

While conscription is mandatory they have been able to fulfill their required numbers voluntarily.

The most significant armaments are advances in so-called hypersonic cruise missiles; they become part of a new "strategic triad" of weapons and skills when combined with stealthy drones and special forces (who will have advanced helicopters, high-speed small boats, etc.).

China is sending signals to trade negotiators that it has military cards to play in the unfolding great power competition.

**The "Social Credit System": growing, intrusive Chinese control over its citizens and businesses.** This is fairly recent and rather terrifying control system of trustworthiness that includes both citizens, businesses and all others the Communist Party wants to assess. It is connected to China's mass surveillance system (Skynet) which incorporates facial recognition and big data analysis technology. In addition to dishonest and fraudulent financial behaviour, a variety of other behaviours are listed as negative (like playing loud music, eating in rapid transits, violating traffic rules such as jaywalking and red-light violations, making reservations but not showing up, failing to sort personal waste, etc.) as well as positive behaviours (donating blood, donating to charity, volunteering for community services, etc.)

There are actually four social credit systems: judicial (people who default on court fines, etc.), municipal (citizens are penalized as "untrustworthy"), financial and commercial (good performers can get easier credit loan access, discounts for car/bike sharing services, free health check-ups, preferential treatment at hospitals, etc.).

As of 2019 (source: the *National Development and Reform Commission of China*), 27 million air tickets and 6 million rail tickets have been denied to people who were deemed "untrustworthy". It takes 2 to 5 years to get off the blacklist. This is an example of China's "top-level design" approach. It is coordinated by the *Central Leading Group for Comprehensively Deepening Reforms* (I'm not making this title up.)

China has already installed a building access system in the city of Tongren. There, all residents have their faces recorded by the local security agency along with personal information such as age, gender, family, etc. They are also classified as normal or abnormal.

If the state security system, which is networked to a central database on the other side of the country, flags that you have done something wrong, you can be denied entry to your own place. The system also monitors and records everyone visiting your apartment: friends, lovers or members of a faith group. It is expected this system will expand across the country.

On a personal level, my son Dylan, as part of his Ivy MBA program, in 2005 taught for over a month at a university in Beijing. Before he began he was required to fill out a very extensive questionnaire on a wide range of subjects, plus he was required to provide fingerprints of all five fingers on both hands!

As Clive Hamilton, author of *Hidden Hand: Exposing How the Chinese Communist Party is Reshaping the World*, said in a Sept 8 Globe & Mail opinion piece, “As Beijing works to surveil other parts of the world, President Xi Jinping is turning the country into a panopticon where every Chinese citizen’s every move is being watched”.

George Orwell in his *1984* would have had a wonderful time imagining the possibilities, except he knew nothing about the technological techniques that make these initiatives possible. China is truly a police state.

**Inequality in China is bad and getting worse.** As the Globe & Mail’s Asia correspondent Nathan Vanderklippe said on Sept 1, “Inequality has always been a delicate topic for the Chinese Communist Party - one that continues to espouse Marxist ideology – perhaps never more so than in 2020, the year in which Beijing has promised the eradication of extreme poverty”.

A new book on the subject, *Capital and Ideology* (now banned in China) by Thomas Piketty, co-director of the World Inequality Lab at the Paris School of Economics, has found that the country’s top 10 percent earned 41 percent of all income in 2015, compared with 27 percent in 1978, and have accumulated almost 70 percent of all private wealth. The bottom half dropped from 27 percent of all earnings to 15 percent.

Last year, Credit Suisse, calculated that China has more people in the top 10 percent of the world’s wealthy than any other country. Even Chinese figures say that some 600 million people in China continue to live on a monthly income of 1,000 yuan (\$190) or less. Perhaps the core issue is that Communist Party members are much richer than the people.

This is important stuff. The CPC’s political legitimacy comes from a massive internal repression tempered by efforts to provide a standard of living that discourages dissent.

**The Chinese law enforcement and judiciary system is opaque and corruption-ridden.** Chinese law is silent on the presumption of innocence and the burden of proof. (Indeed the concept itself is criticized as bourgeois). Also under Chinese law a suspect has no right to remain silent. Further, unlawfully obtained evidence is not excluded in court.

In the past two years China has sentenced four Canadian citizens to death on drug manufacturing charges. They appear to be other retaliatory examples after the arrest of Meng Wanzhou. Canada opposes the death penalty in all cases.

So finally I get back to what I opened up this analysis with - the unfairness of the Chinese system that deprives an individual of his liberty and human rights. This defines how China can't be trusted.

**China as a bully in the hostage holding situation with two Canadian citizens.** China kidnaps two Canadian citizens, Michael Kovrig and Michael Spavor, and holds them hostage to this day in retribution for Canada's upholding a legal extradition agreement with the US and taking Huawei executive Meng Wanzhou into custody.

The Chinese system allows them to be held in cells with the lights on permanently, fed little better than gruel and repeatedly been subjected to interrogations designed to get them to confess to crimes they did not commit. They have been charged with state secrecy offences, although Chinese authorities have not revealed any evidence against them.

Xi has falsely claimed that their arrest is neither arbitrary nor politically motivated while he is unable to provide anything that suggests different.

## **Summary**

China has a political philosophy that is different from Western values. China has emerged in the past 20 years as a country with, as Manthorpe says, "a centralized autocratic government headed by a dictatorial leader, severe economic and social regimentation, and forcible suppression of opposition... President Xi has made it clear that he has no regard for the values of democracy and human rights that have been at the heart of the international liberal order since the end of WWII. He is an evangelist among developing countries for China's model of economic advances achieved by a secure one-party state managing a close-knit family of oligarchs and state-owned enterprises."

They (always read "the Communist Party") have decided that they have so much power economically around the world, with their fingers in almost every part of the global supply chain, that they are now powerful enough to not keep its bargains.

In addition, there is this sub-theme of regaining what may be perceived as "loss of face", a very powerful Chinese theme. There is some sense of righting the balance going on in

the various actions they are now pursuing (against Western power, Japanese intrusions, colonialism, etc. etc.)

Chinese leadership is explicitly rejecting Western values and will continue campaigns to expunge foreign thinking. (One example of this is happening in their new policies regarding guidelines for foreign teachers. As reported in the *Globe & Mail* (July 25/20), in mid 2020 a draft policy has emerged for international teachers that “mandates ideological training session, prescribes a new tracking system to monitor conduct and threatens to punish those accused of damaging the country’s dignity”.)

As the *Globe and Mail* said in their August 1, 2020 editorial, “No Canadian, or anyone else, can remain blind to what China has become under Xi Jinping, the president for life of the People’s Republic of China. He has transformed his country into one whose only diplomatic tool is the closed fist. There is no compassion, sophistication or moderation in Beijing today”.

There is great irony to be observed in the Communist ruled China of today. It is plaintively captured in a July *Globe & Mail* op ed by Charles Burton, an associate professor of political science at Brock University, who back in the late 1970s was a student in the history of ancient Chinese thought program at Shanghai’s Fudan University. What they taught him was that China’s cultural greatness lies in the immutable principles clearly and simply expressed in the classical Chinese of the ancient sages of China’s Confucian tradition.

As he said, “I learned that honesty and integrity are the most important traits that Confucius repeatedly emphasizes throughout his *Analects*. In his discourse on honesty, Confucius stresses how being sincere gives individuals the integrity necessary to make progress along the Way.... But what we get out of the Chinese Communist Party today is dishonesty and insincerity.” He refers to many of the issues I have highlighted above and the Communist party’s alternative narrative as “unconscionable, perfidious bafflegab”.

While China continues in its current fashion, the US is behaving in inconsistent ways. America under Trump is no longer champion of the international liberal values that have characterized global discourse and institutions since WWII. However, Trump has taken aggressive stances against China in areas noted above (tariffs, Taiwan support, penalizing certain individuals for their roles in the South China Sea situation, etc.) It is my hope that the US returns to some resemblance of its historical role in the world once the outcome of the fall elections emerges. Fingers crossed.

## **Conclusions**

It is my opinion that countries around the world need to stand up and, very importantly, stand together, to this authoritarian regime.

It has become time to take a tougher and more self-assured attitude to curtail some of the risks that the Communist system poses. Examples of actions required should include:

- Philosophically, Canada should decidedly support the US, along with advanced Western democracies and Indo-Pacific partners, in efforts to neutralize Beijing's hostile power ambitions. (Hopefully the current "America First" unilateralism and dismissal of historical allies can be replaced by pragmatic, multilateralist leadership.) What the world doesn't need now is a false race for global primacy
- Place limitations on using Chinese technology. I would specifically restrict or outright ban Huawei from 5G networks (as the other members of the Five Eyes have done)
- Place restrictions on their acquisition of companies involved in national security areas such as sensitive technology or military related goods or service. In fact we should consider restrictions on the purchase of majority interest in a broad range of Canadian owned companies that have potential impact in the long term on our independence as a country. Specifically, we should immediately terminate the contract with Nucotech, a Chinese state-owned company, to install X-ray scanners in our embassies around the world.
- Canada should create alliances independent from China and there are plenty of them: Japan, South Korea, Taiwan, Indonesia, Australia, New Zealand. They are all natural allies; the PRC is not. Canada must stop seeing relations with the PRC as the axle around which this country's relationship with Asia and the Pacific Rim countries turns
- Canada needs to cement political, economic, social and security ties within NATO and the G7, along with other like-minded countries. It should support British efforts to build a new club of democracies, the D10 alliance, that can work together to provide alternatives to Chinese technology (particularly 5G)
- Impose selected tariffs on raw materials they require, including hydrocarbon based
- Support the alternative to BRI called the "Blue Dot Network" being promoted by the US, Japan and Australia. This funds the developing world infrastructure projects
- Canada needs to build separate supply chains and trade relationships. We need to somehow decouple part of our economy from China
- Apply the Magnitsky laws that impose asset freezes and travel bans against Chinese human rights abusers responsible for atrocities against the Muslim Uyghurs

- Deny entry to Chinese government officials and their families who want to live and study in Canada. This would include foreign students and professors engaged in sensitive research
- Support the US initiative to impose travel bans on a number of Chinese officials and business executives responsible for the militarization of the disputed South and East China Sea areas
- Ensure domestic production of rare earth metals. Examine some form of direct subsidy strategy. As well, improve domestic expertise at universities, national lab systems and the private sector
- Continue to grant asylum to Hong Kongers (and mainland Chinese) seeking to flee persecution (by extending visa rights, etc.)
- Continue to support Taiwan in their struggle for separation from mainland China. This could include supporting their membership in international bodies such as the World Health Organization and the International Civil Aviation Organization
- Regarding resolution of the Meng issue, I would strongly reject solutions that include a prisoner exchange, i.e. Meng to China; the two Michaels returned to Canada. (This was proposed back in June by some former Chretien-era political figures and described in an open letter to Trudeau by 19 prominent Canadians.) We have an independent judiciary and must allow the courts decide the case. Canada should be a country that is also dependable as a partner that honours treaties it has signed. Certainly any other action would embolden the Chinese and encourage hostage taking as a bartering tool

### **Postscript**

Yes, some of the above actions likely will cost Canada economically. But what is the cost of compromised principles? Some things are more important than greater trade, increased selection of consumer goods, etc. Canada (and the rest of the free world) has built a nation on the bedrock of fairness, rule of law and a range of essential freedoms (conscience, thought, beliefs, press, etc.)

With little change in China's recent behaviour, Western policies of appeasement have now been discredited. It's time for resolve, firmness, and collaboration with like-minded states.

In its present incarnation, China, as represented by the Chinese Communist Party, is ultimately not very Chinese. Perhaps in the long run, the Chinese people will ultimately find their own cultural imperatives. In the meantime, we must stick to ours.

Kenneth Powell, September 11, 2020