In Conversation with Rana Mitter

Tuesday 16 February 2021

Moderated by Tom Tugendhat, Chair of the China Research Group

Tom Tugendhat:
Good morning. Welcome to this morning session of the China Research Group. We are extremely lucky today to have Professor Rana Mitter, who has been a good friend of some of us for a long time, in his writings, and it's now a privilege to meet him well, virtually anyway. So it is an enormous privilege to welcome him because what Dr. Mitter has been doing over recent years is looking very hard at the relationship with China, not just from a UK perspective, but actually also from a Chinese perspective, China's relationship with the UK, which I hope very much he'll talk about this morning. And indeed, China's relationship with a few other countries; now I hope that we will also come on to China's relationship with India, and perhaps other countries in the region. I'm struck slightly by the news coming out of Myanmar, and I wonder whether maybe we'll get onto that as well.

But, as usual, if you want advance warning, if you want updates on anything we're doing, you're very welcome to log in to chinaresearchgroup.org. Sign up for our newsletter, follow us on Twitter, you know the drill. So please do join us, do follow. Everything we do is public, everything we do is available on the internet afterwards. So if you miss a session, you can always go back to it. On that, Rana Mitter, professor of history and politics of modern China at Oxford. It's a very, very great pleasure to welcome you. And over to you.

Rana Mitter:
Thanks very much indeed, Tom. And I hope by the way with the audience as well as to be very much a first name session. You know, let's not be formal on any of this. I wanted to say thank you very much to the CRG for inviting me. I'm aware that the origins of this group lie in the Conservative Party, although it stretches wider than that. I should just make clear that I'm speaking here on an entirely nonpartisan basis, as I think this meeting is. And I should also add that although I worked for Oxford University, and I'm very proud to do so, I'm speaking here on my own initiative, not in any sense representing the institution. And on a day when we know that the government is helping to encourage academic freedom, I know that you'll encourage me in that particular endeavour.

Could I start with a couple of minutes of comments that in a sense is a little unfashionable, because I'm going to start with some good news. And in this day and age, that's something that I think is perhaps rarer than it might be. And that has to do with some very useful statistics to start us off with, in terms of understanding how the UK is perceived in China. I think that's one of

the things that actually, at the moment is a very useful addition to the matrix of the debate about China in the UK, because I think that a lot of it has been taking place without a necessarily huge amount of awareness of how the Chinese perceive what's going on.

And, as I say, I think one of the really good pieces of news and when I saw the figures, actually they surprised and delighted me, were brought up by the British Council just a couple of weeks ago. They're available online, they were done by Ipsos Mori, an extremely respectable polling organization. And they show that in soft power terms, the UK now stands as number two In Chinese perceptions, it is the second most warmly regarded or perceived country in the world in this particular listing with an 81% favorability rate. I don't know, Tom, in your position, whether I dare give you perhaps the slightly worse news, which is that number one is the French. But in that particular competition, I'm sure that we'll be happy to swap positions number one and two.

I should say that it doesn't work the other way round, in that in the perceptions of China in the UK, China is very much down the list at number 26. So there's quite an imbalance there, as well. And it must be said that culture and education are amongst the factors, amongst the reasons, that the wider Chinese population, and particularly the youth contingent in China, really do have a lot of regard for the UK. That is the second statistic. And I think that's something really important in terms of what I hope we talk about today, and I know that Tom wants to address, which is how we can have a conversation, dialogue, and sometimes even more confrontational discussion with China, which holds entirely fast to our values, but also tries to understand how we can make a difference rather than simply shouting into the void.

And that's the fact that we have a 67% trust rating amongst this wider Chinese population. Mostly middle class city dwellers, I should say, but that's a very high level, in terms of the general feeling of trust that the Chinese surveyed have about the UK. Let me just take a minute or two to outline some of the areas, some of the sources, that I think provide this level of, perhaps to some of you, surprisingly high regard for the UK, in the Chinese public sphere. And I'm gonna use that word “public sphere” again, because I think one thing that's really important is to remember that when we're talking to China, we shouldn't just be thinking about top leaders who've spent their entire lives in the the political machinations, but actually the kind of ordinary middle class urban dwellers living in an increasingly recognizable lifestyle, who mostly don't think about politics, but think about things like how they're gonna be able to pay their mortgage, or they are going to have their savings disappear in a kind of financial scandal, all the things that occupy day to day feelings in in amongst the Chinese middle class.

And so to give a couple of quick examples of areas where I think you might be surprised, and pleased to know that the UK scores highly. I don't know how many people here are familiar with Middlesborough, but quite a few young Chinese involved in the media in China are. One of the reasons is that Teesside University's Film and Television Production course is extremely highly regarded, and there are quite a few alumni of it in the Chinese media environment. Now, whether you approve of what the Chinese media do in terms of what they broadcast, and we speak in the week when CGTN has no longer been allowed to broadcast on air in the UK as another matter. But in terms of the high regard that the Chinese media professionals have, for

this perhaps somewhat under regarded institution in British terms, I think it's really salutary and worth knowing.

And of course, it's part of that wider diaspora of 100,000 Chinese students who are part of what I personally consider to be a great liberal project. In other words, bringing the brightest and best of the second biggest economy in the world to our country for 2, 3, 4 years, and inculcating them with all the values of academic freedom, open debate, and an openness of mind that I think absolutely associated very much with Britain's reputation, not least in its higher education sector, and I speak as someone who has supervised a range of undergraduate and graduate students in very sensitive fields like history, where I'll very openly say, I am able to teach them things that they are not really able to talk about in the home country. One day, Chinese will be able to discuss their own history in a free and open way. But at the moment, actually, the wider world, including the UK plays a tremendously important role in enabling that very important part of the history to be to be talked about. So let me sort of finish off, if I may, my initial comments by talking about a way in which our current conversation about China in the UK might be usefully directed.

One thing I want to make very clear, and Tom and I have talked about this before, I think we'll talk about it again, is that there's absolutely no question that as a great liberal country, the United Kingdom must stand up for freedom and for values which it considers, which we consider, to be universal. And that is individual human rights, civil liberties, freedom of travel, academic freedom. Whether it's lawyers and academics being arrested or constraints of freedoms in Hong Kong or accounts of Xinjiang, these are all things that we cannot in any way ever be constrained from talking about. But we do need to think in that context about where we want the direction of travel to go. Too much of our discussion about China in the public sphere, from politicians, media, business tends to be very one shot: "If we say this, China will stop us doing business on X" or "If we don't say this, then we are falling down on our responsibility to this particular set of liberal values". We need to spend more time working out what's going to happen one step after, two steps after, three steps after we take a particular decision.

To take one specific example, because I know we want to get on to the discussion, but right now there's a lot of excitement about the fact that the UK may join the CPTPP, the Comprehensive and Progressive Trans Pacific Partnership. And actually, as an Asia specialist I'm delighted to think that the UK is getting serious about Asia, it's a wonderful thing. But, does our values proposition, the idea that we should be standing up for human rights, mean that if in the near future, it seems likely, the US does not join CPTPP, but China applies to do so, are we saying to our fellow potential members, the Malaysias of this world, that actually we, as the UK, would veto a Chinese entry into CPTPP? It's the cut, the answer might be yes, the answer might be no, it's a good question to ask. And there's no one right or wrong answer. But these sorts of questions about if you choose one path, what's the next step, and the step after it, needs to be thought about in a much more granular, much more detailed, sort of a way.

So I will put my thoughts to a pause there and say that whether you're a hawk, dove, or whatever particular type of description you want to give about your position on China, please be informed, please make sure you know about the country.

And my last piece of advice is that for anyone who wants to get a wider view, I would ask you, if you understand America, one of the ways that you find out about it is by tuning in no doubt to Netflix and television series that tell you something about the way the culture that you're engaging with. If you've never watched a Chinese television program, many of which are available for free on YouTube with subtitles, why not do that as part of that wider exercise of finding out about this country which, whatever we think about it, is going to be of tremendous importance to the world, and indeed to us, for a very long time to come. So, I'll lay those thoughts down there, if I may, Tom, so that we can be in conversation.

TT:
Look, Rana, you're demonstrating exactly why we were so keen and have been trying to get you on to China Research Group events for so long, because you lay out what I think is the most important question, which is the challenge. And many of us are extremely conscious of many aspects of Chinese policy in recent years. And you mentioned quite rightly Xinjiang, that you've touched on Tiananmen in your history section, I presume that's what you were referring to. And, of course, one can talk about Tibet, Mongolia, and Hong Kong. But one also has to talk about the challenge of economic cooperation, not just directly, but also through surrogates, whether they're in Sub Saharan Africa, South America, or indeed, Southeast Asia, and how we cooperate with those two. So perhaps I could ask you to talk a little bit about how China sees the Belt and Road initiative and what it's actually trying to do. Is this simply, as some people put it, a form of neocolonialism? Is this reflection of the growth strategies that worked within China being rolled abroad? Is this, well, I'll leave it there. What is it?

RM:
Absolutely. And, Tom, it's a really good question, because the Belt and Road initiative is probably the single most visible aspect of Chinese foreign policy that the rest of the world has noticed. And the direct answer to your question “Is it a form of neocolonialism?” is I don't think it is. And the reason actually is not because not because of China's own self-declared reasons that it's trying to create a community of common destiny and, and all of this, which is what the Chinese would call a biāotí or possibly a kǒu hào, a kind of slogan. It's because actually, in a sense, there's much less to the BRI, the Belt and Road Initiative, than meets the eye. It's not one huge top-down organised system of control from Beijing and, to be fair, nor was the British Empire back in the day, and a great deal was bottom-up as well. But it's also, and I think this is important, a response to a whole variety of pressures and demands in the global south in particular, that we in the West, I think, need to pay more attention to.

If you go to a lot of countries in Sub Saharan Africa, there is a crying desire there for huge amounts of infrastructure spending. And at the moment, countries in the western Western hemisphere are not doing a huge amount, I think, to try and respond to that. So essentially, a large part of what China is doing with the BRI is pushing forward commercial ventures that

actually were pretty much in plan already, and putting a sort of brand name, a kind of wrapper around them in that sense. Now, that's not to say that there isn't a geostrategic intent as part of it, and I don't know if you've ever heard of a company called Huawei, Tom, that may have once or twice come across your consciousness.

One of the things that, of course, is potentially very valuable to China is the idea that you can have a sort of past dependency. If you are going to the global south, and I'm not just talking Sub-Saharan Africa but also Latin America where this is huge issue at the moment, and Southeast Asia, then basically getting a Chinese system from Huawei, ZTE, whatever on the ground for 5G is a starting point for then continued dependency as we found from our own laws, which are now going to have to rip out Huawei equipment from the UK.

So I think the great way to see it from the Chinese point of view is this is a highly commercial initiative, which has geostrategic advantages. But I think that the wrong way to see it is as a kind of imperial plan. And the reason for that is that it hasn't by any means been a fully smooth rollout. In the last year or so actually, Belt Road Initiative investment has actually plummeted in various ways. And it's sort of been rebranded. One of the ways it's been quite successfully rebranded is the term "Health Silk Road", which you may have seen which has to do with the rollout particularly of Sinopharm, Sinovac and other Chinese vaccines, particularly in places in the Middle East and elsewhere in that region. So, you could argue the Belt and Road initiative is a sort of term that keeps on changing, it's very protean, it's very changeable, but it's really a sort of wrapper for a wider sense of giant Chinese geostrategic intent, rather than being a very carefully worked through plan.

TT
Well, you know that my former opposite number in the Parliament in Delhi, Shashi Tharoor, would have said roughly the same thing about William Dalrymple's great works on the Empire there. So it is interesting that the economic driver is absolutely the key to this, as you put it, but it does raise very serious geostrategic challenges. And, in that light, how do you think other people are seeing this? Because when we look at, obviously, when we look at the world, I see it from the UK perspective, that's hardly surprising. How do you think countries like Japan or South Korea, or indeed India are seeing this? How do you see China's perception towards them and their response?

RM
I mean, it's an excellent question. And it's one of the ones that the UK, I mean, we are going to have to spend a lot more time thinking about now we've decided that the Indo-Pacific space is one where we want to have a serious role, and in redefining a post EU Britain as Global Britain. So this is going to be a very, very live conversation. I think the short answer to an important but quite complex question is that the closer you are geographically and physically to China, the more you find you have to make accommodations to it.

One of the things that I think the sense is almost kind of ironic about the fervour of the China conversation we've had in the UK in the last year to year and a half, is that actually at the

moment, China makes up a very small proportion of our total trade, for instance, and what I've mentioned, you know, something that I think overall is a very good thing, which is encouraging Chinese students to visit and to study in the UK. It's not as if China is necessarily a kind of huge part of the overall economic picture of Britain. That's not, of course, true for any country in the Asia Pacific region.

So, South Korea is a really good example of a country that has a dilemma with which we need to become much more familiar and empathetic, which is an unashamedly liberal democracy - well, I don't know why you should be ashamed of liberal democracy - it's a proud liberal democracy won very hard 30, 40 years ago, and I think now, you know, regarded as a very important part of the country's development. A formal US ally with troops very much on its territory. And yet, of course, China is its primary trading partner. And it is, of course, also a mainstay of CPTPP. It's a mainstay of RCEP, which is the other regional trade organization in which China is absolutely a key actor.

And having to balance those particular issues, the fact that the China market, whether we like it or not, is the second biggest economy in the world and a huge source, both of supplies, I mean, again, if you are a South Korean high quality manufacturer, or if you're a Samsung, if you're a LG, you do need to have those factories at the moment in southern China, not just because they're cheap, to be honest, they're not cheap anymore. They're not cheap in the way that Vietnam is cheap, or Cambodia is cheaper. Actually, these days, the Horn of Africa is cheap, because of the cross Indian Ocean trading that's going on there. They're also very skilled. People have built up skills in South China in a whole variety of mid-level areas, technological development, that actually is very valuable to those regional economies.

So I would say that all of those countries, I mean, Japan is another very good example. Japan, of course, has politically extremely problematic relations with China, although a little common now, oddly enough, because actually Prime Minister Abe and President Xi Jinping found themselves rather simpatico in various ways. But nonetheless, something like 40% of Japan's trade is with China. And we have to be aware that if we are going to form alliances of like-minded values, democracies, whatever you want to call them, then we are going to have to also be aware of the fact that that these are not countries that either can, or will, or are able to disengage or decouple from China in that sense.

A quick word about India, if I may, because I think that's a really, really interesting and important one for us in Britain, partly because, you know, we have had, for obvious reasons, a very long standing relationship in Britain with India. But there's a wider question here, you know. India has also been looking at a whole variety of Yes or No type questions. Its trade relationship with China is not huge, and it's about $90 billion a year. And most of that's actually in China's favor, as so often the case in these areas. But in a wider sense, it's also because of the Chinese confrontation over Galwan in the Himalayas, and also the increasing sense that the development of Pakistan as a country, which of course has a very strong security relationship with China.

And if I could do, by the way, a very quick plug here, that tonight at 10 o'clock on Radio Three, one of the world's finest radio stations, I'll be in conversation with various Pakistani geopolitical thinkers about what China means there. So if you've got time to tune into that, or look later on online on *Free Thinking*. But all of this is fuelling a really powerful conversation in India right now. I have never had so many invitations to Zoom in, in Delhi, and basically say, “Which way should China, which way should India be going on this?”, because, of course, the trade imperatives, particularly linking India's fantastic service economy, with China's capacity to basically provide really high quality tech, along with a huge set of security implications. This is the dilemma of so many countries around the world, but writ to the size of 1.2 billion people. And it's not entirely clear which direction India is going to go on that.

TT:
Can I press you a little bit on the Japan relationship? Because we have a very interesting session in the China Research Group a number of months ago, with Minister Taro, who at the time was the Japanese defence minister and now, as you know, the cabinet minister. He was very clear that he was keen to see Britain joining the CPTPP, and also declared that he wanted to see Japanese F35s flying off the British carriers. And so really pushing for a strong defense relationship, and pushed as well the line, or the observation, that intervention in Japanese airspace have risen to some sort of 600 incidents a year, which is a huge amount of probing by the Chinese Air Force.

At the same time, Panasonic has furthered its investment, it was one of the first, as you know, under the campaign to invest in China. And even Toyota now is doing a lot of joint engine work in China, having tried to catch up - having sort of missed the boat in the 1990s. It's really catching up with hydrogen production and so on. So we're seeing a very mixed relationship. And all of this comes down to, as you rightly put it, the contrast between the economic imperative and the security dilemma. When you see the Senkaku Islands and things like that, how do you see the tensions in the South China Sea? How do you see the tensions over Taiwan playing out? And therefore, this sort of Japanese, South Korean and indeed, to a certain extent, Indian approach of riding two horses playing out?

RM:
Really good question, on the Japan thing, could I add one other element? Because you said the economic versus security, but to you of all people Tom, I'd say don't forget leg three, which is values. And on that, I, you know, love Japan dearly, it's a place I visit often and hope to go to when the pandemic is over again. And you know, it is one of the longest standing liberal democracies since 1945 in Asia, and we should be very proud of our alliance with it.

It is nonetheless, I think, the case that if we are saying to our Japanese friends, you know, “Will you stand with us in support of liberal and democratic values in China?” They will, I'm sure say absolutely, “Yes”. If you say, “Would you like to reduce, you know, if the price of that is reducing your 40% trade with China across the seas? Are you prepared to do that?” That is something that I think might get a dustier answer. And it also expresses the difficulty that we have, because

we're a country which has a relatively small trade balance with our own relationship with China, we're in a position to some extent to choose how we play those particular cards.

But we need to be aware that other countries may have a vested interest in us being the values outrider, while they take some of the economic and security benefits from it. Nothing wrong with that, that's geopolitics, but we need to do it with our eyes open. I mean, in terms of clashes in the South China Sea and East China Sea, I think the East China Sea at the moment, despite what the minister said, is much less tense than it was 10 years ago from about 2010 to about 2014.

Oddly enough, I think that the arrival of a pretty hard line Prime Minister in the shape of Shinzo Abe, in the middle of that decade, led to a sort of reset of the relationship in quite a meaningful way between the Chinese and Japanese. And while we do absolutely have this continuing buzzing of Chinese Coast Guard vessels just outside the maritime zone of the Diaoyu islands, or Senkaku, if you want to go the other way round, I don't at the moment see that as being an area where there's likely to be a major sort of of confrontation. Not least, because of course, and I mean, I think this is something that's worth saying, Japan may not officially have an army, or a Navy, but it has a self defense force. And it is an extraordinarily well equipped, and technologically advanced one.

And most of those, I think, who look in terms of the comparison of the military capacity right now of the United States, Japan, and its allies in that part of the world, and China, will say that China is making huge strides. But on the other hand, there is no guarantee at the moment that anything that led to a confrontation would lead to the Chinese coming out on top. And I think most sensible Chinese policymakers in private will will say this quite clearly.

The South China Sea, I think, is a different and perhaps more dangerous environment, because there are so many more players involved in that stage and because the US interest is not quite so clear. There is a US-Japan Security Alliance and if Japan is attacked then actually there's an absolute treaty obligation for the two to come together.

With the other two questions you mentioned, Taiwan and South China Sea, it's not nearly as clear. And therefore the ability, in a sense, of China to use a whole variety of factors, including, of course, trade, to try and change the facts in the sea and the facts on the ground can be a lot more powerful on that front.

In answer to your question about whether I'd see a confrontation, I think I'd go with one of the most astute analysts in Beijing of the region. And that's Professor Yan Xuetong of Tsinghua University and his relatively new book, *Leadership and the Rise of Great Powers* from Princeton University Press. And I would highly recommend reading it for those who want to get a feeling for what a really interesting and well connected geopolitical thinker in Beijing thinks about these issues. But summarizing 400 pages in a sentence or two, I would say that his take is that there's going to be a very, very cold peace between the various sides for a decade, I think it's probably

about what he would say on that. But there is enough vested interest on all sides for this not to become a confrontation.

Remember what the price of confrontation would be for China. China's leadership, China's Communist Party, China's party state really has one absolutely central goal, which is to make sure that it stays stable and prosperous and in control. And one of the things about confrontations outside your own borders is that they have a really, really bad way of getting out of control. I know that you have had Distinguished Service, you know, in British uniform in recent years Tom, so I don't need to say this to you. One of the things I do know is that the PLA colleges spend a very, very great deal of time looking at the way in which the Middle East was essentially mishandled, I have to say, by the major liberal Western powers. And, you know, I won't name names here, but a former student, who I think wrote both the definitive Chinese monographs, both on tank warfare and on Colin Powell. So there's a Chinese language PLA book on him, too.

And I think that there is actually along with the belligerent language, which is huge, and along with the huge amount of military spending, which is one of the things that we should be very aware of and concerned about. Also, a great deal of caution in terms of working out where and when it's actually practical to put forward. I must say, there's also a tendency sometimes to see that when China, like many other countries talks really, really loudly about some particular issue, it may be that the rhetoric is a distraction from the fact that actually, this is not where the real confrontation is going to go to happen in that sense. So I think we have to be aware of mistaking very loud and often very confrontational language for an actual intent for policy.

TT:
Well, that's certainly not something that's unique to China and as the world's greatest film put it, “Never get involved in a land war in Asia”. It's something that I learned over 10 years in Afghanistan. But there we go, I wasn’t the first to learn this. Of course, the underpinning of all of the relationships that we're talking about is economic. And if I may come back to another comparison with Japan, although it's not certainly not a direct comparison, a lot of people in the 1980s and 90s were predicting Japanese economic dominance, and then saw a period of stagnation.

Is there a possibility that actually what we're looking at in China is something similar? Are we seeing the demographics going against the Communist Party? Are we seeing, and I don't just mean the age demographics, but also the urbanisation and industrialisation demographics going against it? We're seeing unrest, I wouldn't overstate it. But we're seeing some unrest in China mostly connected to environmental policies in terms of pollution. Are we seeing a new form of political engagement, even if it's at a remote level, in a country that has 90 million members of a political party out of 1.4 billion people? Are we actually seeing Peak China, I suppose, in the question of economic terms, and therefore, are many of these questions going to become nugatory in a short time?

RM:

I think that there is no doubt that the 2020s, the decade that we are now in, is going to be one in which China perceives itself as having huge amounts of capacity to act before the constraints that you're talking about. We should remember that I think, in the year 2029, I know that we have Charlie Parton on the call who actually has all the statistics as fingertip, but Charlie I'm going to try and get one off the top of my head, and you can correct me later. But I think from the 2029, we're going to have 5 million fewer Chinese because the one child policy and the constriction of the population size is basically kicking in at that, at that stage.

And really, I think one of the things that the Chinese party state is looking to do is to make sure that in terms of technological innovation, in terms of education standards, in terms of urbanisation, it's got by the end of the decade to a stage in which that's a steady, sustainable state. In other words, to become essentially a lower-end high income country rather than a middle income country. Something a bit more about South Korea, but writ on a massive scale. And without, of course, the political freedoms that South Korea has here is what and linked to that as a whole variety of other issues. Again, I wouldn't be forgiven by Charlie, not least if I didn't mention water, environmental issues and droughts, actually. I mean, Beijing is on the Gobi Desert, and the new mega city that's being built on the edges of that is going to be very, very taxing in terms of the water requirements, that that sort of society has, has got to have to sustain that size of population.

But you know, having said all that, I think that it's certainly the case that the China that actually, in a sense, does what the core proposition is, which is not get into fights with its neighbours, not decide that it wants to have a huge number of disputes with its own people on its borderlands, but actually gets on with poverty alleviation, gets on with urbanization, and gets on with middle income, a little bit like essentially, the China or perhaps 10 to 15 years ago, which was by no means a liberal democracy of any sort. But which allowed a certain amount of investigative reporting. Newspapers like the Nanfang Zhoumo, the Southern Weekly did amazing reporting into kind of local level corruption, train crashes, all these sorts of things.

That China I think is a lot more sustainable in the literal as well as metaphorical sense, in terms of being able to manage the disputes and you mentioned the environment as being an absolutely key one, I think that's right. Chinese middle class don't tend to go on the streets asking for the vote, they have been going on the streets in the not so distant past, talking about air pollution and the way in which there's going to have to be a huge green shift. And to be fair, the party has been talking a lot more about the fact that growth can't just be numbers, it has to be green growth as well. We will see how much the rhetoric matches the action. There is a lot of exporting of the BRI that we mentioned before, and things like coal powered plants, power plants to Pakistan, which is not, I think, a particularly green contribution.

But it also would be unfair not to mention that there is huge innovation in terms of green energy technology within China itself. A final note on this section, which I think there's a subject that you've spent a lot of time thinking about Tom, which is the question of what the role of the Communist Party is. And the complexity of this outfit of 90 million people I think, is best summed up by my saying this: the Communist Party is absolutely the organization that has written a

national security law that is basically, overnight in June last year, clamped down on a whole variety of freedoms, in terms of ability to speak on politics that had previously existed in Hong Kong.

It is also the organisation that puts together little old ladies who sit at the end of the apartment blocks, and the elderly gentlemen who basically go around checking that, you know, children and elders getting on with each other and have, you know, their local welfare allowances and so forth in every small Shì qū, city district and small town, in the aftermath of the the breakup of the old kind of collective unit system in China. And until one sees the Chinese Communist Party, not as a political party, like the Conservative or Labour or Republican parties, but actually as a sort of huge, honeycombed organization that sits through absolutely everything in China, it's more like a combination of a bureaucracy and a religion put put together within the kind of confines of China as a whole. I think understanding it in those terms is one of the ways in which we have to come to terms with the fact that, whether we like it or not, and clearly, there are many things to do with individual rights that we absolutely don't like, that the Chinese Communist Party is not a sort of political party to be of the sort that gets voted in and out of office, but rather, is a much more all-encompassing, body that stretches across society.

TT:
Thank you very much for that. Look, we it won't surprise you to hear that, despite being incredibly greedy. There's plenty of other questions that have come in. And I'm going to turn first of all to Claire Coutinho, who's certainly a great friend, but has already made a mark in many of these questions. Claire, over to you.

Claire Coutinho:
Thank you so much for a really exceptional talk this morning. And my question is about, I think it's really interesting to hear you talk about the relationships with China and the use of a more strategic and nuanced way of working with them. My question is that we seem to be sort of leaning to quite a confrontational, antagonistic approach to China. Where do you think the other levers are that we aren't using as much as we should be?

Rana Mitter:
Thanks very much indeed, Claire, and I'm aware of your record in Parliament. As Tom has been saying, you've certainly been making a mark, we hope we'll see much more of you. I think that the short answer to the question is that there are some confrontations that are going to be inevitable. And if I may, I'm going to steal from the words of Ambassador Liu Xiaoming of the People's Republic of China, he's just departed the UK after 11 years here. And in his farewell talk, you know, as he left the UK, he said, in the midst of a variety of the comments, of course of two ancient cultures, like China and Britain, we will not always see eye to eye. Which I think is probably as close to a diplomat, particularly Chinese diplomat can get to saying, “Look, there are going to be some things, we do know that where the two sides are not going to be able to get to each other”. So I think that in building on that to suggest something practical Claire is to think back to the stats I gave you at the beginning for the British Council (and thanks again to the British Council, putting them together).

Britain as a whole British society, British culture, who we are as a people is known and recognized in China amongst the middle classes. They have an idea about us in the way that actually I think we still don't about the Chinese middle class in Britain, and it was one reason I suggested watching TV programmes on YouTube. But I think that there's high trust levels. So there are high levels of feeling that really the UK is a country that basically is worth engaging with, and is a starting point for us to have a conversation. Not necessarily that's more nuanced, because I think that suggests a hunkering down on some of the issues we really think are very important, like Hong Kong, but putting it in context and saying, I mean, it seems to me that the following sentence should be a plausible one.

Saying to China, and we say China we're talking I hope about Chinese friends. And by the way, if you don't have Chinese friends, I would say that you should make some because you're going to be thinking about China and talking about China, finding out what Chinese people think about their own country as well as ours, both those who are more favorable to the regime, and those who are not, is a really important part of that conversation. So when talking to those friends, it just seems to be perfectly possible to say, there are so many things about China over the last, let's say 40 years, which are extraordinary.

To go from poverty to the second biggest economy in the world is not an easy thing to do. And China has done it. Poverty alleviation, bringing China from where it is to a country, which has $10,000 per head, average GDP, middle income country, again, that is not a trivial thing to do. Tech innovation: even 10 years ago, the idea that China would be one of the two or three, four, maybe countries in the world along with Britain, but also Israel and a few others, where actually tech innovation of a really, really important kind takes place. Yes, some of it is intellectual property theft, let's be honest, but a huge amount of it is R&D spending at a very, very impressive rate (British government, take note). But also providing the education that enables people to innovate in that context, and to use that.

And also, of course, you know, the BRI, the good side of the BRI, which is investment in a whole variety of global South countries, which needs to build their infrastructure. And then to say, at the same time, there are areas where we simply cannot agree we are not going to agree about Xinjiang, we're not going to agree about Hong Kong, we're not going to agree that lawyers who speak out against the government can be picked up and arrested and held. And these things are the basis for our conversation. And we in Britain would like it to be a conversation, not a tantrum, not a shouting match. And if you're willing to talk to us in this very calm and measured tone, we will also talk in a calm and measured tone. But that does not mean we will stop talking about things that are important to us, whether it's security, economics or values.

TT:
On that very basis, I'm going to come straight on to Charlie Parton, who you already referred to. And he's no doubt got some rather better questions than me, Charlie over to you.

Charlie Parton:

Unlikely, Tom, but I just wanted to take you back Rana in this really interesting talk to what you started with. And that is the view of China, of the UK. And you talk very eloquently about what the people think but it's really what the party thinks that's probably more important in terms of our relations between the UK and China. And if those take a downturn, and we get them to the level of Australia, which is perfectly possible. And what, first of all, do you think that that's going to do to change the view of the Chinese people towards us? But secondly, it brings out the question of, to what degree the UK is important to China, and whether if it feels that we are going against its interests vis-a-vis us it is able then to say, well, we're not going to lose very much we can afford to be quite nasty. And how do you do that?

RM:
I think it goes the other way round. Actually, Charlie, and thanks very much. If those who don't know Charlie Parto, he's one of the most informed commentators on China working in the UK, and his report from King's College London on how the UK should engage with China is a must read and, and it's free to download - as so many of the best things in life are.

Okay, first of all, I don't think the UK is going to be in the position of Australia for quite some time, if ever, because actually, as you know, one of the major points of leverage was that 30% of Australia's trade is with China. And you know, it's more like 3 or 4% for us. So for us, the question is, as Global Britain starts to define itself, and this is a really, it's a really interesting and important question. I'm going to phrase it this way too: Do we decide that actually, we would rather take actions that do not allow us to engage fully with the world's second biggest economy, which is a perfectly possible choice, because we haven't gotten that situation yet? But we have to make it with our eyes open. Or are we going to be in a position where we actually have to think about how to expand that market while being realistic about what kind of relationship we can have with a China that doesn't want to be told that it's going to have sanctions placed against it, or the the kind of more robust geopolitical measures that can be taken against a country like Russia, which is far less central to the global economy than is China.

It's not, I think, an ethically easy dilemma. But it is a real one, it's one that people have to start talking about, in a more open way. In terms of what we can do what, and I'm biased, because I work in the higher education sector Charlie. But I would say that, if there's one thing that could really cause riots in the streets in China, you heard it here first if so, I don't think sadly, it's to do with many of the values and rights issues that we are talking about.

It's if the Chinese government was in a position to start saying, you know what, we're not going to let your kids go for undergraduate masters or graduate courses, in any of the Five Eyes, countries, you know, they can't go to Australia, they can't go to the US, they can't go to the New Zealand, they can't go to Canada, they can't go to the UK. Because Anglophone higher education is one of the things that is beginning to define the cosmopolitan internationalised middle class in China. You know, the famous case of General Secretary Xi Jinping, whose daughter went to Harvard, you know, she could have gone anywhere, she went to Harvard, and I suspect it was probably a very valuable, important experience. And one of the reasons why I

am a huge advocate of saying, we should be encouraging, you know, within reason, but you know, as many Chinese as possible to be studying in the UK. It's one of the great liberal things that we can do.

Of course, this doesn't mean that we can simply have an entire conversation in which our own geopolitical position is entirely equivalent to China's because we're a very large economy, you know, and we sometimes forget that. But we have particular areas of strength, we also have flexibility and nimbleness. And I think the decision as to where we're actually going to engage with China is one that needs a lot more detailed discussion. So I look forward to that being part of the public sphere in the near future.

TT:
And I thank you enormously, Rana, and can I just ask you to keep your questions slightly briefer, because you're such a mine of knowledge that we're going to struggle to get people in. The question by the way of Chinese students, and the leverage that we therefore have over China's attempts to influence universities is a separate one and one that we address in our 2019 report, on autocracies and democracies, which you'll remember.

I'm going to bring in Katherine Fletcher, who's another wonderful colleague of mine, and then, just so he knows he's coming on, Armando Armas, my Venezuelan opposite number and a good friend, who will no doubt bring a very different perspective. Katherine, over to you.

Katherine Fletcher:
Tom, Rana, thank you so much. This has been fascinating and I'm particularly warmed by your entreaty to seek to understand better. And I think that's the way questions are framed, I have a huge respect for the thinking that goes on within the Chinese Communist Party. And I don't understand why they have engaged the policy with the Uyghurs. It's an Indo-European language, and a brief examination of it would have understood that this was not going to stay hidden. And it just seems daft for their global ambitions, and they're not daft. So it means I don't understand something. Similarly, engaging in confrontation on the Himalayan border and attacking Indian soldiers with makeshift weapons, that feels daft. They're not daft. So almost what am I missing?

RM:
I gotta work to get this very short, because this could be a very long answer, but I'm going to make sure it's not. The very short answer, I think and by the way, I think we should however, short the answer say that, I think all of us are horrified by what we hear coming out of Xinjiang. And, the sooner that changes the policy, the better.

Okay. I think a large part of it stems from the fact that China has a political culture that's very much steeped in a history of feeling defensive about the outside world. Repeated invasions and occupations that have essentially turned it into a country that feels that if any of its borders become vulnerable, then they will be violated. If you think about the history of why Hong Kong, to give a good example that exists as an issue in the first place. It dates back to the Opium

Wars of the 1830s and 1840s, obviously, past history for us in the UK, very much current affairs for the Chinese.

And if you multiply that sense of besiegement, along with a political culture. If you think about the Chinese Communist Party, and who some of the most important and influential thinkers are, who have shaped it.

One who I mentioned in a recent article in Prospect magazine, who is often underestimated is the German legal theorist Carl Schmidt, who basically regarded law as being a sort of bourgeois indulgence that was really there to serve the exercise of power. You know, this was not a Chinese idea that they came up with, it's a European importation, but from the side of European history that perhaps we sometimes fail to remember when we praise ourselves as being wonderful, great liberals and democrats the whole time. So you know, part of the answer is, I think that there is this rather, frankly in some ways old fashioned view that the only way in which Chinese national identity can be defined is very top down, unified, monolithic. And my end answer, the last line to that is a line I use often, but I'll use it again, because I think it's true. China, China's leaders, and all of us should remember, China is a plural noun, and it's at its best when it is at its most plural.

TT:
Thank you very much, we're certainly seeing what looks like Han Chinese nationalism spreading into some parts, which does raise many causes of concern. Now, Armando is a great friend and chairs the Foreign Affairs Committee of the Venezuelan parliament. And so my opposite number, and you're very, very welcome. Please, over to you.

AA:
Um, thank you very much. Actually, since the beginning of the year, I'm not anymore, your counterpart. There's an extraordinary colleague, and very good friend Olivia. But I'm still doing the work with her team. So my question was basically, about your perception on this religion, bureaucracy type of party culture that you mentioned, but the Communist Party, and within that, don't you think it could permeate in the way transnational state owned enterprises, which amounts up to 1,000 in China - it's the largest country with the with a transnational owned, enterprises followed, by the way by Russia, Germany and France, which have ties with with China. So how could this permeate into culture when they're doing businesses with fragile democracies, especially like in Latin America also emergent, aiming to democratic countries in Africa or other places, everywhere? Rather than this challenge of dependency path through technology, how can technology be a driver for ideology in the future to come and how does this poses a challenge for fragile democracies? Especially nowadays, when you've mentioned that due to COVID, they tried to reshape this Belt and Road initiative to giving them more health care, but it's always attached to technology. So I wanted your observation, thank you.

RM:
I think thanks very much. Great question, in Venezuela I suspect you're very much on the sharp end of some of these questions. I think the short answer I would give is that what China seeks in

areas where it has overseas influence, in terms of economies is stability, above all. I don't think that China is looking to, unlike the old Soviet Union, it's not looking to transmit a particular form of ideological government. And that means that if a country is democratic, but essentially does what's favorable to China, China does not seek I think, to overthrow the government there. What I've written, and actually an essay that just in this month's edition of Foreign Affairs, is that China does not seek to maintain Liberal government, out of principle.

So what's happened in Myanmar is a really good example. I have no idea, but I don't think there's any Chinese involvement in the overthrow of the democratically elected government there. And it was, you know, very much an internal issue. But clearly, China is most interested in keeping its investments, you know, safe. And if the government that does that is the military government, then I don't think China is going to object. If it's a democratic government, I don't think China will object either. In that sense, I think what we have to think of China doing is not being a country that's spreading its ideology as such, but rather one that has no particular interest in maintaining liberal values, if it can maintain its own economic order. Just a slightly different take on what they're seeking to do.

TT:
Fantastic. Thank you very much. Indeed, I was going to come to one question. One last question. This is from David McKinley. Will there be a weakening of Hong Kong in terms of people immigrating to the UK, and the financial companies thinking more of Singapore, as their staff are indirectly threatened to stay quiet? And how will this affect how China relates to the UK?

RM:
I think that the economic and social makeup of Hong Kong is likely to change quite significantly in the next few years. But I don't think that I mean, this is partly an optimistic hope, but I hope that what I say next will turn out to be true. I think that in terms of some of the things that continue to make Hong Kong valuable, including being a common law site of arbitration for Belt and Road Initiative contracts for companies that frankly do not want to be arbitrated under domestic Chinese law, that it will be important to maintain that element. And I think that if it is seen that Hong Kong is purely a sort of satrapy of Beijing's legal environment, with really no room to manoeuvre at all, that actually that will scare off a lot of those investors.

However, I think it's also worth noting where an awful lot of growth is coming from. Shenzhen, just across the border is one of really three huge areas of tech innovation in China along with the Hangzhou area where Alibaba of course is headquartered, and Haidian, up in north west of Beijing. And the combination of Hong Kong's huge pool of financial capital, and its ability, literally just across the border, to put that into one of the most innovative technological, as zones, ecologies in the world, is really, I think the story that China wants to tell on the mainland, about Hong Kong in the 2020s, because it's a story about tech, innovation and growth.

Now, whether that story has that much to do with the UK? I don't know. There are, of course, questions about whether or not London might become nonetheless another site of financing and

a major pool of capital that gets involved in that. But I think in the end, it's an interesting and important question. But it is separate from the immensely important question of immigration and of freedoms and values, it's important to understand them as both being part of that Hong Kong story.

TT:
Well look, on the story of Hong Kong, and as you know, many of us have been very, very strong advocates for the changing of the visa requirement for Hong Kong, the BNOs to come to the UK. So I'm very, very grateful to the Home Secretary for recognizing that. A former member of the Foreign Affairs Committee, there you go, you see our influence continues beyond our borders. The this has been a fantastic session, Rana, and I'm really grateful to you for taking the time to help inform us in what is quite clearly one of the most challenging questions we face, but also to hear how we are seen because it was only by understanding how we are perceived, can we hope to influence others. I hope very much that we'll be able to invite you back on in a different guise perhaps at some point, and I hope that you'll stay in touch with what we're doing and keep us on the straight and narrow. You've been a very good friend and helpful advisor in the past already.

So on that basis, I am going to simply say thank you very much indeed, to remind everybody that on the 11th March, we will have a session on China's economic rise and on the 18th, something to do with the Belt and Road Initiative, which will have to be updated in the light of Rana's comments, no doubt. But I'm looking forward to those very, very much. Please don't forget to sign up to our newsletter on chinaresearchgroup.org. And please, of course tonight at 10 o'clock on Radio 3, Rana will be talking to several Pakistani gentlemen about investment in that country. And if you want to see some phenomenal infrastructure, go look at Port Gwadar, which is just extraordinary, and changed from when I first visited 20 years ago, and it was literally a fishing port with about three boats in it to what it now is, is remarkable. So thank you very much indeed. I look forward to hosting everybody again very soon. Have a good day.

RM:
Thank you, Tom. Thank you, everybody. Bye bye for now.

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