PROMOTING BETTER GOVERNANCE IN CHINA DURING LEADERSHIP TRANSITION

Hon. David Kilgour Rayburn House Building, Capitol Hill Washington 19 July 2012

China has given much to the world during five millennia. My own respect for its people grew during several visits to the country; it was an honour to represent some Canadians of origin in the Middle Kingdom for many years in Parliament.

Democratic governments and their peoples, legislators and civil societies should be as actively engaged as feasible during the current leadership transition. Democracy with Chinese features is probably closer than many think. We should never forget in this that the values we seek to encourage are universal ones, including dignity for all, the rule of law, multi-party democracy, corporate social responsibility and the need for good jobs for everyone, including Americans and Canadians. (A useful handbook on democracy development by the Council for a Community of Democracies can be accessed at <u>http://www.diplomatshandbook.org</u>.)

To illustrate the difficulties of such engagement with Beijing, take the case of Bo Xilai, whom many democratic governments and business people courted even after it was clear that he was on his way out of the Party. Canada's prime minister met with him in Chongqing city on Feb. 11, nine days after his former police chief, Wang Lijun, sought refuge in the U.S. consulate in Chengdu. Bo and Wang had earlier been among the most brutal persecutors of Falun Gong practitioners.

Premier Wen Jiabao was so troubled by Wang's conduct that his rhetorical question to Party members appears to have been leaked from a closed meeting on March 14, "Without anaesthetic, the live harvesting of human organs and selling them for money-is this something that a human could do?" Wen also used the many lawsuits launched against Bo in 13 countries for his role in organ pillaging to have him removed as Commerce Minister in 2007.

Bo, Wang and others were members of former president Jiang Zemin's faction in the Party, who rose because they supported Jiang's brutal persecution of Falun Gong ongoing from mid-1999 to the present day. Your State Department, for example, has known about the pillaging of organs from Falun Gong at least since 2006, but only in May, 2012 acknowledged the well-documented crime against humanity in its human rights country reports. Democratic governments should be supporting Wen and reform-minded party members on this and a host of governance issues.

Political Maoism Ending?

Jung Chang and Jon Holliday end their 2006 biography, *Mao, The Unknown Story*, by stating, "Today, Mao's portrait and corpse still dominate Tiananmen Square in the heart of the Chinese capital. The current Communist regime declares itself to be Mao's heir and fiercely perpetuates the myth of Mao." Many historians include him with Stalin and Hitler as the three worst mass murderers of the 20th century. Chang-Holliday note, "In all, well over 70 million Chinese perished under Mao's rule in peacetime."

The methods of Mao did not perish with him in 1976. In 2003, for example, the Party sought to hide the impact of the deadly SARS virus. Only when a doctor sent to foreign media the actual numbers of Beijing residents struck by SARS did the party-state launch quarantine measures. The same indifference to the public good recurred in 2008 over the Sanlu dairy tainted milk supply scandal, which caused sickness or death to some 300,000 Chinese babies. There is a myriad of other examples.

The Party still uses overwhelming force to suppress voices advocating the rule of law. One is Gao Zhisheng, a thrice Nobel Peace Prize-nominated lawyer. A decade ago, he was named one of China's top ten lawyers. Party wrath was released when he decided to defend Falun Gong. It began with the removal of his permit to practise law, an attempt on his life, a police attack on his family, and a cessation of his income. It intensified when Gao responded by launching nationwide hunger strikes calling for equal dignity for all. One of his communiques described more than 50 days of torture in prison.

Trials in China are theatres. The deciding 'judges' usually don't even hear evidence given in 'courts'. Canadian Clive Ansley, who practised law in Shanghai for 13 years, explains the fate of Gao and so many others by observing: "There is a ... saying amongst Chinese lawyers and judges who truly believe in the Rule of Law...(which) illustrates the futility of attempting to 'assist China in improving its legal system' by training judges. It is: 'Those who hear the case do not make the judgment; those who make the judgment have not heard the case'.... Nothing which has transpired in the 'courtroom' has any impact on the 'judgment'

Tibet and Dalai Lama

Another important instance of misgovernance is Tibet and the Dalai Lama. As the spiritual leader of Tibetans, an honourary Canadian citizen, and respected world leader, His Holiness is a new government in Beijing's best hope for a peaceful resolution of the Tibet issue. Advocating Tibetan autonomy under Chinese rule, he disavows violence, does not favour secession and has this year turned over the political role to democratically-elected men and women. When His Holiness

spoke to a large audience in Ottawa earlier this year, he indicated that he felt the Chinese people generally would accept a degree of autonomy for Tibet if aware that this is all that is being sought. He also mentioned the tragic loss of now almost 30 Tibetan lives to self-immolation.

Natural Environment

Three decades of 'anything goes' economics have done major harm to the Chinese people, the natural environment, neighbours and the world as a whole. Consider:

- Nearly half a billion Chinese citizens now lack access to safe drinking water; many factories continue to dump waste into surface water.
- A World Bank study done with China's environmental agency in 2007 found that pollution was causing 750,000 premature deaths a year.
- Coal now provides about two-thirds of China's energy and it already burns more of it than Europe, Japan and the U.S. combined. Emissions from Chinese coal plants are now reaching well beyond China's borders, yet the Party has failed to achieve anything substantive concerning the protection of water, air and soil. Many experts conclude appears that China cannot go green without political change.

Public Health/Safety Nets

The state of public health across China today is highly worrisome. There is no health system for rural people and those not on state payrolls. Under the new privatized model, doctors, hospitals and pharmacies were made 'profit centres' and expected to finance their activities through patient fees. Less than a fifth of Chinese workers have pensions; even less are covered by unemployment insurance. The party-state meanwhile sits on trillions of dollars in foreign exchange holdings.

'Ponzi Capitalism'

Jonathan Manthorpe, long a close observer of China, wrote last year in the Vancouver Sun,

What one is seeing in China is variations of what can only be called a Ponzi scheme. A local government, without a functioning system for raising tax revenue—and... riddled with corruption...sells development land to garner cash... (first getting) rid of (farmers) living on the land... The land will then be sold to a development company ... owned by the local government...(T)he municipality has the power to instruct banks to lend the development company the money for the sale. So the local government gets its cash, the municipally-owned company gets to build a speculative residential or industrial complex, and all seems well.

A related item on the housing bubble appeared in the Financial Times. In the coastal city of Wenzhou, luxury apartments are to be built for as much as 70,000 Yuan (\$11,000) a square metre, which is about twice the annual income of the average resident. To finance a 150 square metre apartment in the building would consume every penny of a typical resident's income for 350 years.

A Way Forward

There were 180,000 "mass incidents" in China in 2010, everything from strikes to riots and demonstrations, twice as many as in 2006. The regime continues to rely on repression and brutality to maintain itself in power. Universal values must be asserted continuously in dealings with Beijing.

There are lessons to be applied in China from the non-violent civic resistance which has occurred in many nations. Each was different in terms of boycotts, mass protests, strikes and civil disobedience. In all, authoritarian rulers were delegitimized and abandoned by their sources of support.

An interesting post- Taiwan election (Jan 2012) piece appeared in the New York Times. It noted that the Chinese party-state news agency, Xinhua, avoided the words "president" and "democracy", presenting the election as a merely local one. A businessman from China who had observed the election, however, noted, "This is an amazing idea, to be able to choose the people who represent you. I think democracy will come to China. It's only a matter of time."

A democratic China would not murder Falun Gong citizens in forced labour camps or engage in any of the other acts of gross misgovernance discussed above.

Conclusion

Democratic governments and their business communities should examine why they are supporting the violation of so many universal values in seeking to increase trade with China. For years, this has resulted mostly in our jobs being outsourced to China and continuous increases in our bi-lateral trade deficits. Do those in our business communities overinvested in China feel no responsibility to the employment needs of fellow citizens? Are the rest of us too focused on access to inexpensive consumer goods and essentially ignoring the human, social and natural environment costs paid by Chinese nationals to produce them?

Peter Navarro, a professor at the University of California, asserts that consumer markets worldwide have been "conquered" by China largely through cheating. Navarro has various proposals intended to ensure that trade becomes fair. Specifically, he says all trading nations should:

• define currency manipulation as an illegal export subsidy and add it to other subsidies when calculating anti-dumping and countervail penalties;

• ban the use of forced labour effectively-not merely on paper as now- and provide decent wages and working conditions for all;

• apply provisions for protection of the natural environment in all trade agreements in order to reverse the 'race to the environmental bottom' in China and elsewhere.

The party-state in Beijing is making major changes in its senior personnel. Those appointed should seek dignity for all Chinese if they wish to achieve sustainable prosperity at home. Its current roles in Syria, Iran, Nepal, North Korea, Sudan, Taiwan, Zimbabwe and elsewhere will also require significant reform if the new government's goal is to build international harmony with justice for all.

The people of China want the same things as the rest of us: respect, education, safety and security, good jobs, the rule of law, democratic governance and a sustainable natural environment. If the party-state ends its violations of human dignity at home and abroad and begins to treat all members of the human family in a justly, the new century can bring harmony for China and the world.

Thank you. (www.david-kilgour.com)