

UNIVERSAL VALUES AND NEW GOVERNMENT IN BEIJING

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A public forum

Theatre of Federation of Medical Societies

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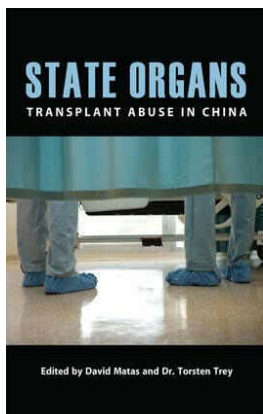
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It is good to be back in one of world's greatest cities. The rest of us, including investors with consciences, are watching Hong Kong carefully for many reasons, but perhaps most especially to decide whether your well known adherence to universal values can be maintained under the 'One country, two systems' model.

This is, for example, why many residents of your city and elsewhere are urging members of your Legislative Council to join the growing world consensus that maximum pressure must be applied now on the new government in Beijing to end the pillaging of Falun Gong vital organs for commercial trafficking purposes. I spoke on this new crime against humanity in these offices yesterday, explaining, for instance, how David Matas and I concluded that 41, 500 organs from Falun Gong prisoners of conscience were trafficked in the years between 2001 and 2005 alone. The appalling commerce continues today.

Matas and I visited about a dozen countries to interview Falun Gong, who managed to leave both the camps and the country. They told us of working in appalling conditions for up to sixteen hours daily with no pay and little food, crowded sleeping conditions and torture. Inmates made a range of export products as subcontractors to multinational companies. This constitutes both corporate irresponsibility and a violation of WTO rules and calls for an effective response by all trading partners of China. Our governments should ban forced labour exports by enacting legislation which places an onus on importers in each country to prove their goods are not made in effect by slaves.

In the 2012 book *State Organs*, writer/researcher Ethan Gutmann estimates that 65,000 Falun Gong were killed for their organs during the years 2000-2008, selected from about 1.2 million of them interned in China's forced labour system. As with the camps created by Hitler's Germany and Stalin's Russia, on which the ones across China were adapted by Mao in the 1950s, a police signature alone remains sufficient to commit anyone to one of them for up to three years. Mark Mackinnon of Canada's *Globe and Mail* put it well, "No charges, no lawyers, no appeals". In 2007, a U.S. government report estimated that at least half of the inmates in 340 such camps were Falun Gong. Leninist governance and 'anything is permitted' economics encourage organ trafficking to continue across China.



I should note here that my respect and affection for the Chinese people in general is longstanding. It grew during several visits to the country and in meetings with both nationals and members of the vast Chinese Diaspora. It is no accident that more than one million Canadians of origin in the Middle Kingdom are our most-educated cultural community. It was an honour to represent some of them in our Parliament for almost twenty seven years.

Let me also stress here something that diplomats, sinologists, journalists and business executives sometimes forget: China is its peoples, cultures and history far more than its unelected government. The criticisms many of us within and beyond China have are of the governance practices, but we also acknowledge that the economic policies of paramount leader Deng lifted hundreds of millions of Chinese families out of grinding poverty.

The world's democrats, including our national governments, civil society institutions and businesses, should, of course, remain engaged with the new government in Beijing and the broadest possible range of citizens across China despite the difficulties created by autocratic governance. Democracy with very Chinese features is probably closer than many think. How many 'experts' anticipated the fall of European totalitarianism in 1989 or the Arab Spring more recently?

No-one on the democratic side should forget in this engagement that the values we represent are universal ones, including human dignity, the rule of law, multi-party democracy, corporate social responsibility and the need for people everywhere to have access to good jobs.

Mao Influence Today

Any discussion of governance in Beijing today must start with Mao Zedong because the PRC founder remains the overarching icon of its party-state. Jung Chang and Jon Holliday end their comprehensive biography, *Mao, The Unknown Story*, by saying, "Today (2005), 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." Virtually all independent historians today 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.

Suppression of Dissent

One of the most alarming attributes of the party-state is that it uses overwhelming force to suppress voices that advocate dignity for all and the rule of law in China. One is Gao Zhisheng, a twice Nobel Peace Prize-nominated lawyer in the tradition of Nelson Mandela and Mahatma Gandhi. A decade ago, he was named one of China's top ten lawyers by its Ministry of Justice. Party agents released its full wrath, however, when Gao, a Christian, decided to defend Falun Gong practitioners. The suppression began with the removal of his permit to practise law, followed by an attempt on his life, a police attack on his wife and two children, and denying the family any income. It intensified when Gao responded in the

nonviolent tradition of Gandhi by launching nationwide hunger strikes calling for equal dignity for all Chinese nationals. In one of his articles, he described more than 50 days of torture in prison. In January 2009, his wife, Geng He, their 16 year old daughter and 6 year old son escaped China and reached the United States, seeking asylum. He remains in prison.

Non-Existant Rule of Law.

It is difficult for many outside China to understand that trials there are mere theatres. The deciding 'judges' usually don't even hear evidence given in 'courts'. Canadian lawyer Clive Ansley practised law in Shanghai for 13 years, handling about 300 cases in their courts before returning to British Columbia. He explains the reality of what happened to Liu Xiaobo and so many others by observing: "There is a current saying amongst Chinese lawyers and judges who truly believe in the Rule of Law and this saying, familiar throughout all legal circles in China, vividly illustrates the futility of attempting to 'assist China in improving its legal system' by training judges. The saying 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'."

The new seven-member Standing Committee has a majority of Jiang faction members, but the two key ones, president-designate Xi Jinping and premier-designate Li Keqiang, appear at least to date to offer some hope on the corruption front. In reality, corruption is the system. One recently leaked speech by Xi suggested hostility to political reform by him. The respected Beijing writer Gao Yu reports that Xi discussed the Soviet Union collapse, stressing the need to maintain Party control over the military in China.

The international community should remain engaged with Beijing despite the constant difficulties created by its governance model. The Chinese people should know that Canadians stand with them, not with their government, just as we did in central Europe during the cold war, and with South Africans, particularly during the late '80s and in the lead-up to the election of Nelson Mandela.

International affairs columnist Jonathan Manthorpe concluded in the Vancouver Sun a couple of years ago that one observes in China variations of 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)... And, this being China...the 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".

In the Financial Times not long after Manthorpe wrote this was a story about how in one coastal city luxury apartments were 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.

Recently, *He Qinglian, a Chinese author and economist, wrote that* in China today. “Over 100 million farmers do not have land. Tens of millions of city dwellers are unemployed...there are four basic requirements for a society to sustain itself: the ecological system...; the moral system...; basic living rights...; (and) a political system that maintains the normal operations of a society. Currently, the...only thing left is the political dictatorship. “

Manufacturing remains the lifeblood of most successful economies. Canadians have watched numerous manufacturing jobs at home - including thousands of garment industry ones in Montreal after quotas were lifted in 2000 - disappear because irresponsible investors felt they could make bigger profits in China. A report on state capitalism in the January 21, 2012, issue of the Economist made two key points:

- State capitalism (fuses) the power of government with capitalism through such mechanisms as listing government-owned companies on international stock markets. The Chinese party-state is the largest shareholder in the country's 150 largest companies and directs thousands of others. The heads of the 50 or so leading companies have a “red machine” on their desks, providing a link to the Party's high command. It also has cells in most of the companies in the private sector.
- Transparency International ranks China 75th on its perceived corruption index for 2011. The Economist quotes a central bank of China estimate that between the mid-1990s and 2008 some 16,000-18,000 Chinese officials and executives of state-owned companies “made off with a total of \$123 billion (about six million each).” It concludes, “By turning companies into organs of the government, state capitalism simultaneously concentrates power and corrupts it.”

Former Premier Wen Jiabao noted about a year ago, “The reform in China has come to a critical stage. Without the success of political structural reform, it is impossible for us to fully institute economic structural reform. The gains we have made... may be lost, new problems that have cropped up in China's society cannot be fundamentally resolved and such a historical tragedy as the Cultural Revolution may happen again.”

Governments, investors and business at home and abroad should examine why they are supporting the violation of so many universal values in order to increase trade and investment with China. For years this has resulted mostly in national jobs being outsourced to China and a continuous increases in our bi-lateral trade deficits. Are the rest of us so focused on access to inexpensive consumer goods that we ignore the human, social and natural environment costs paid by many Chinese nationals to produce them?

In mid-January, 2013, Wal-Mart pledged to hire more than 100,000 American veterans and boost its sourcing from domestic suppliers. The retailer announced a three-part plan to help jump-start the American economy, which includes spending \$50 billion to buy more American-made goods over the next ten years and helping its part-time workers move into full-time positions. How about Canadian and Hong Kong companies again recognizing that Canadians with good manufacturing and other jobs are their best consumers?

Peter Navarro, a professor at the University of California with a Harvard PH.D. in economics, argues convincingly that consumer markets worldwide have been "conquered" by China largely through cheating. Navarro has proposals to ensure that trade becomes fair.



Peter Navarro

Specifically, he says all nations should:

- define currency manipulation as an illegal export subsidy and add it to other subsidies when calculating anti-dumping and countervail penalties;
- respect intellectual property; adopt and enforce health, safety and environmental regulations consistent with international norms;
- 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 bilateral and multilateral trade agreements in order to reverse the 'race to the environmental bottom' in China and elsewhere.

The Nobel laureate economist Paul Krugman has predicted that Beijing's ongoing refusal to let its currency float will cause retaliation in a world struggling with overcapacity. He adds that by displacing the output and jobs of other nations with its own low-wage goods, China is arguably the prime culprit in holding back a robust recovery in global economies.

Conclusion

The Chinese people want the same things as the rest of us, respect for all, education, safety and security, good jobs, the rule of law, democratic and accountable governance and a sustainable natural environment. If the party-state ends its systematic and gross violations of human rights at home, especially in respect of Falun Gong practitioners, and abroad and begins to treat its trade partners in a transparent and equitable way, the new century can bring harmony and coherence for China and the world. The first step in a better direction is to end organ pillaging now.

Thank you.