

WEBVTT

00:00:03.340 --> 00:00:10.160

<v SPEAKER_1>Hello again, and welcome to Global Exchange, part of the Canadian Global Affairs Institute's podcast network.

00:00:10.160 --> 00:00:12.160

<v SPEAKER_1>I'm your host, Colin Robertson.

00:00:12.160 --> 00:00:17.760

<v SPEAKER_1>On this episode recorded on September the 24th, we talk with Charles Parton about China.

00:00:17.760 --> 00:00:32.160

<v SPEAKER_1>Charlie is James Cook Associate Fellow in Indo-Pacific Geopolitics at the Council on Geostrategy, a Senior Associate Fellow at the Royal United Services Institute, and an Associate Fellow at Merix in Berlin.

00:00:32.160 --> 00:00:41.980

<v SPEAKER_1>Charlie spent 22 years of his 37-year diplomatic career working in or on China, Hong Kong and Taiwan.

00:00:41.980 --> 00:00:50.940

<v SPEAKER_1>A preeminent sonologist and prolific writer on China, Charlie and I served together while we were both posted at Hong Kong when it was still a British colony.

00:00:50.940 --> 00:00:52.900

<v SPEAKER_1>Charlie, welcome back.

00:00:52.900 --> 00:00:54.920

<v SPEAKER_2>Thank you for having me, Colin.

00:00:54.920 --> 00:01:04.620

<v SPEAKER_1>For listeners, Xi Jinping recently hosted the Shanghai Cooperation Organization that drew leaders from around the world, including Narendra Modi.

00:01:04.620 --> 00:01:12.480

<v SPEAKER_1>Xi then presided over a military parade in Beijing to mark the 80th anniversary of the victory over Japan and the end of World War II.

00:01:12.480 --> 00:01:16.420

<v SPEAKER_1>He did so in the company of both Putin and Kim Jong-un.

00:01:16.420 --> 00:01:19.900

<v SPEAKER_1>It was an impressive display of military might.

00:01:19.900 --> 00:01:29.340

<v SPEAKER_1>Asked what he saw was the greatest threat to Canada during our election leadership debate, now Prime Minister Mark Carney replied, China.

00:01:29.340 --> 00:01:34.220

<v SPEAKER_1>He's never elaborated on that one sentence, one word comment.

00:01:34.220 --> 00:01:43.160

<v SPEAKER_1>As for Canada and China, we are beginning to re-establish relations, frozen after the hostage-taking of the two Michaels and the Meng Wanzhou affair.

00:01:43.160 --> 00:01:54.780

<v SPEAKER_1>Prime Minister Carney spoke to Premier Lee and met him last week at the United Nations, where he announced more ministerial visits and miss meetings and discussions on trade and other issues.

00:01:54.780 --> 00:01:58.760

<v SPEAKER_1>So the relationship is beginning to chill out.

00:01:58.760 --> 00:02:00.120

<v SPEAKER_1>So let's begin.

00:02:00.120 --> 00:02:05.300

<v SPEAKER_1>Charlie, I want to go back to what I started with, and that's the Shanghai Cooperation Organization.

00:02:05.300 --> 00:02:07.400

<v SPEAKER_1>Give us a sense what that's all about.

00:02:07.400 --> 00:02:10.620

<v SPEAKER_1>Some Western commentators compare to NATO, but I think that's a bit much.

00:02:10.620 --> 00:02:13.240

<v SPEAKER_1>I'm interested in your assessment.

00:02:13.240 --> 00:02:15.720

<v SPEAKER_2>Yes, I don't really think it's like NATO at all.

00:02:15.720 --> 00:02:17.660

<v SPEAKER_2>I think that's a very strange comparison, really.

00:02:18.240 --> 00:02:26.920

<v SPEAKER_2>I mean, it started back in, roots back in 1996 with China, Russia and three countries from Central Asia, and has expanded from there.

00:02:26.920 --> 00:02:31.540

<v SPEAKER_2>It's now 10 countries and 16 observers.

00:02:31.540 --> 00:02:47.780

<v SPEAKER_2>But what I think it's sort of, in having moved away from its almost military roots, one or more counter-terrorism roots, it has sort of expanded its whole mission, if you like.

00:02:47.780 --> 00:02:53.060

<v SPEAKER_2>Not just, I mean, now they conduct military exercises in those countries.

00:02:53.060 --> 00:02:57.500

<v SPEAKER_2>There's a whole economic cooperation element to it.

00:02:57.520 --> 00:03:02.100

<v SPEAKER_2>She has now got his wish to set up an SCO bank.

00:03:02.700 --> 00:03:11.820

<v SPEAKER_2>And you will remember at the last meeting, there was this grand declaration of the Global Governance Initiative, the four of which I'm sure we'll come to.

00:03:11.820 --> 00:03:29.480

<v SPEAKER_2>So I think I link the Shanghai Cooperation Organization with things like the BRICS, with the Belt and Road Initiative, with the Asian Infrastructure Investment Bank, the New Development Bank.

00:03:29.520 --> 00:03:34.560

<v SPEAKER_2>You might even say the Lang Tsang, this is the community down on the Mekong.

00:03:34.560 --> 00:04:01.660

<v SPEAKER_2>This is all part of China's move to change the nature of global governance, still under the format of a UN, but very much more representing China's interests and moving away from a world which after the Second World War was set up, one might say very much in the interests of America and its allies.

00:04:01.660 --> 00:04:08.280

<v SPEAKER_2>So I think this new global governance initiative is symptomatic of that.

00:04:08.640 --> 00:04:18.580

<v SPEAKER_2>The SCO, BRICS and all those other organizations I've mentioned, China's aim is to grow those and give them more and more weight.

00:04:19.460 --> 00:04:31.260

<v SPEAKER_2>Clearly, it's intent on having a leadership position in

those, even though it just talks about equality between all nations, no matter what size they are.

00:04:31.260 --> 00:04:34.740

<v SPEAKER_2>So that, I think, is the broad aim of it.

00:04:36.120 --> 00:04:43.780

<v SPEAKER_1>Charlie, the UN General Assembly's meeting, as we speak, Premier Lee is there.

00:04:43.780 --> 00:04:49.820

<v SPEAKER_1>The global governance initiative that you've spoken of has implications for the United Nations as well.

00:04:49.820 --> 00:04:58.220

<v SPEAKER_1>One of the things observers have noted over the previous years is the number of Chinese that have managed to place themselves in important positions.

00:04:58.220 --> 00:05:19.540

<v SPEAKER_1>It's as if the Chinese are working diligently to, within the current system, to apply what would be a different set of standards and norms than the prevalent Western emphasis on rights, human rights in particular.

00:05:21.660 --> 00:05:23.840

<v SPEAKER_1>Is that what this is all about?

00:05:23.840 --> 00:05:37.260

<v SPEAKER_1>When you look, because you mentioned the Global Governance Initiative, which is, as you say, quite interesting, and with these other institutions that China now belongs to or has set up over the recent years.

00:05:37.260 --> 00:05:38.360

<v SPEAKER_2>Yeah, I think very much so.

00:05:38.520 --> 00:05:43.180

<v SPEAKER_2>I mean, China declares itself to be a great supporter of the United Nations.

00:05:43.180 --> 00:05:52.000

<v SPEAKER_2>But I think if they were being candid, they would say, well, yes, as long as it's in much more in our interests, in our image than what it is at the moment.

00:05:52.000 --> 00:06:00.380

<v SPEAKER_2>So it's rather like when you see in London, a facade of a building that is maintained, but they strip out what's behind it and build something new.

00:06:00.380 --> 00:06:02.520

<v SPEAKER_2>I think that is the Chinese aim.

00:06:02.520 --> 00:06:03.360

<v SPEAKER_2>And you're absolutely right.

00:06:03.360 --> 00:06:14.840

<v SPEAKER_2>I mean, they've put a lot of effort into trying to get their people elected into positions of power, or to change the way that certain things are talked about.

00:06:14.840 --> 00:06:20.780

<v SPEAKER_2>Human rights will be the obvious and earliest example of that.

00:06:20.780 --> 00:06:22.860

<v SPEAKER_2>So yeah, that is part of it.

00:06:22.860 --> 00:07:16.380

<v SPEAKER_2>And Xi Jinping's vision, the Communist Party's vision of how states should work together, that is what they're trying to implement, one might say impose, all under this very, in many ways, I want to say, is it right to say convincing sort of discourse of equality of nations, greater voice for the global south, and no more of this block mentality and bullying from superior powers, we're going to be very much more all about equality and this community of shared future for mankind, a phrase which they trot out endlessly, and one can debate whether it has much meaning at all, but it certainly sounds good.

00:07:16.380 --> 00:07:19.000

<v SPEAKER_2>So that's where they're coming from.

00:07:19.000 --> 00:07:23.280

<v SPEAKER_1>We might call multilateralism of Chinese characteristics.

00:07:23.720 --> 00:07:24.060

<v SPEAKER_2>Indeed.

00:07:24.060 --> 00:07:36.980

<v SPEAKER_2>I mean, certainly whatever they end up with, they wanted to have Chinese characteristics, even though those are not, as it were, so visible.

00:07:36.980 --> 00:07:50.300

<v SPEAKER_1>Now, the parade itself, which was quite extraordinary, what did you make of it and Xi's intention in holding it, because I think it was only the second one they've done so, and what the message he's trying to send to the world?

00:07:51.720 --> 00:08:09.580

<v SPEAKER_2>Yeah, I find it very interesting, actually, because I looked back at 2015, when I was in China for the parade, and I looked back about what they said the reason for the parade were then, and instantly they've been scrubbed from the internet, because in my view, they're just too honest.

00:08:09.580 --> 00:08:15.500

<v SPEAKER_2>And what they said was, and I'll read it out, is the point of this parade is to demonstrate China's military strength.

00:08:15.500 --> 00:08:23.340

<v SPEAKER_2>Currently great power competition has reached a critical juncture, and the room for compromise and manoeuvring between major powers is shrinking.

00:08:23.340 --> 00:08:34.340

<v SPEAKER_2>And only with this hard power can we instill fear in our opponents in international competition, secure cooperation from our partners, and steer the strategic landscape in our favor.

00:08:34.340 --> 00:08:35.360

<v SPEAKER_2>So that was one.

00:08:35.400 --> 00:08:48.740

<v SPEAKER_2>But then the number two was to deter Japan and deter what's happening in the East China Sea, over the Diaoyu Islands, the Senkakus.

00:08:49.900 --> 00:09:03.280

<v SPEAKER_2>Number three was to showcase the military appearance, spirit and weapons to the Chinese people, building confidence and increase the sense of pride, which is particularly crucial during China's period of deepening institutional form and economic restructuring.

00:09:04.080 --> 00:09:18.700

<v SPEAKER_2>And fourthly, to demonstrate, to corrupt elements, that in addition to the sword handles of the Discipline Inspection Committee and the political and legal system, the sword handle of the People's Liberation Army is firmly in the hands of the party and the people.

00:09:18.700 --> 00:09:20.560

<v SPEAKER_2>Well, actually, of course, the party.

00:09:20.560 --> 00:09:28.560

<v SPEAKER_2>And I think that's an incredibly honest, for the People's Daily, description of what the purpose is.

00:09:28.560 --> 00:09:31.460

<v SPEAKER_2>I mean, it's there to reinforce the legitimacy of the party.

00:09:31.900 --> 00:09:34.720

<v SPEAKER_2>Look, we've ended the century of humiliation.

00:09:35.520 --> 00:09:38.080

<v SPEAKER_2>It was all due to us.

00:09:38.080 --> 00:09:45.260

<v SPEAKER_2>They have a fair point, actually, that China played a very important role in the Second World War, and it probably hasn't been recognized as it should have been.

00:09:45.260 --> 00:09:53.660

<v SPEAKER_2>Although, actually, that was mainly the nationalists who took the brunt of the fighting, and the communists kept their pilot drive for the Civil War later.

00:09:53.660 --> 00:09:58.040

<v SPEAKER_2>But then that reinforces that whole civic pride.

00:09:58.040 --> 00:10:00.820

<v SPEAKER_2>I think it's there as a deterrent to other countries.

00:10:00.940 --> 00:10:02.060

<v SPEAKER_2>Look at these weapons.

00:10:02.060 --> 00:10:03.000

<v SPEAKER_2>They're all homegrown.

00:10:03.000 --> 00:10:05.200

<v SPEAKER_2>They're all in operation.

00:10:05.200 --> 00:10:09.960

<v SPEAKER_2>So whether it's regionally in the South China Sea or more broadly.

00:10:09.960 --> 00:10:12.680

<v SPEAKER_2>And it's also a message to Taiwan.

00:10:12.680 --> 00:10:14.540

<v SPEAKER_2>Resistance is futile.

00:10:14.540 --> 00:10:18.320

<v SPEAKER_2>Reunification, as they like to say, is inevitable.

00:10:18.320 --> 00:10:22.940

<v SPEAKER_2>So all dressed up in a sort of atmosphere.

00:10:22.940 --> 00:10:24.180

<v SPEAKER_2>This is all about peace.

00:10:24.180 --> 00:10:28.180

<v SPEAKER_2>China is a very peaceful, very peaceful country, etc.

00:10:29.160 --> 00:10:49.220

<v SPEAKER_2>A message which was kind of in many ways undermined when you see the three leaders, Xi Jinping, Putin, and Kim Jong-un, all striding together when Putin is conducting a war in Ukraine, when Kim Jong-un is far from peaceful.

00:10:49.220 --> 00:10:54.220

<v SPEAKER_2>And indeed, China and the South China Sea and elsewhere has been fairly, one might say, bullying.

00:10:54.220 --> 00:10:57.880

<v SPEAKER_2>So it seems a little bit jarring.

00:10:57.960 --> 00:11:07.240

<v SPEAKER_2>It's a bit, in my view, like someone who runs a sex toy shop saying, well, I'm all for virginity.

00:11:07.240 --> 00:11:10.380

<v SPEAKER_2>Yeah, it didn't hang together in that sense.

00:11:10.380 --> 00:11:10.880

<v SPEAKER_1>No, no.

00:11:10.880 --> 00:11:13.280

<v SPEAKER_1>And as you say, the three of them together.

00:11:13.280 --> 00:11:17.900

<v SPEAKER_1>And then, of course, we had earlier in the week with Narendra Modi there holding the hands.

00:11:17.900 --> 00:11:21.620

<v SPEAKER_1>And of course, then we've had Donald Trump plays into this.

00:11:21.620 --> 00:11:35.980

<v SPEAKER_1>So I'm interested in how you see these relationships with the, I guess we now see the arguably with the autocrats and Donald Trump who want to be autocrat.

00:11:35.980 --> 00:11:40.840

<v SPEAKER_1>I'm, you know, and Xi seems to play a kind of central role in all of this.

00:11:42.000 --> 00:11:57.640

<v SPEAKER_2>Well, certainly he wants to play a central role and in many ways is, I mean, I'd step back one and say that I still hold very strongly the view that the basis of all Chinese foreign policy is anti-Americanism.

00:11:57.640 --> 00:12:18.600

<v SPEAKER_2>I mean, when you look back over the last, well, however many years you want to look back, but particularly during Xi Jinping's reign, and it's all about American containment, American repression, you know, the second centennial goal by 2049 being the dominant power, in other words, locking America off its perch.

00:12:18.600 --> 00:12:22.640

<v SPEAKER_2>And that's why he's cozying up to Putin.

00:12:22.640 --> 00:12:24.120

<v SPEAKER_2>That's a major reason.

00:12:24.120 --> 00:12:31.080

<v SPEAKER_2>That's why he's in many ways getting together with any authoritarian like Kim.

00:12:31.320 --> 00:12:35.500

<v SPEAKER_2>These are people that oppose America.

00:12:35.500 --> 00:12:45.560

<v SPEAKER_2>And yes, there are other reasons for his loving with Putin, not least energy security, extremely important.

00:12:45.680 --> 00:12:53.860

<v SPEAKER_2>I can't remember who it was who said that whoever's going to win the next race to be the dominant power in the world is the one that wins the energy security race.

00:12:53.860 --> 00:12:56.560

<v SPEAKER_2>I think there's a lot of truth in there.

00:12:56.560 --> 00:13:10.320

<v SPEAKER_2>And I think the Kim Jong-un relationship is really quite interesting because it's a classic example to me anyway of where the interests of the Chinese Communist Party diverge quite substantially for the interests of the Chinese people.

00:13:11.080 --> 00:13:18.420

<v SPEAKER_2>Because in a sensible world, actually, reunification of the Korean Peninsula would be extremely good for China.

00:13:18.420 --> 00:13:37.380

<v SPEAKER_2>There would be a prosperous market on its doorstep, the threat of chaos, nuclear war, spilling over from Kim's fights, potential fights with South Korea, the collapse of the regime, which would cause terrible problems in Northeast China, which is already suffering.

00:13:38.600 --> 00:13:40.320

<v SPEAKER_2>All that makes sense.

00:13:40.560 --> 00:13:42.200

<v SPEAKER_2>Even the removal of American troops.

00:13:42.200 --> 00:13:47.460

<v SPEAKER_2>Why have American troops on the Korean Peninsula if it's reunified?

00:13:47.460 --> 00:13:57.480

<v SPEAKER_2>But there's the Chinese Communist Party saying, we must support our old ally, and it's the only ally they have, incidentally, North Korea.

00:13:57.880 --> 00:14:01.800

<v SPEAKER_2>It's one of the five remaining communist regimes.

00:14:01.800 --> 00:14:03.960

<v SPEAKER_2>If you'd like to use that word communist, they do.

00:14:05.480 --> 00:14:14.780

<v SPEAKER_2>And, you know, you can see why they keep talking about, well, we don't want Americans on our border.

00:14:14.780 --> 00:14:16.160

<v SPEAKER_2>Why don't they be there long?

00:14:16.160 --> 00:14:19.880

<v SPEAKER_2>So I think that's a very interesting relationship.

00:14:21.220 --> 00:14:23.940

<v SPEAKER_2>And again, you mentioned Modi.

00:14:23.940 --> 00:14:32.380

<v SPEAKER_2>I can see very clearly that the Chinese would like to ensure that India does not go onto the side of the Americans.

00:14:33.060 --> 00:14:38.560

<v SPEAKER_2>And India has traditionally pursued its own interests, why wouldn't it?

00:14:38.700 --> 00:14:47.520

<v SPEAKER_2>And I don't think we should exaggerate the closeness of

that relationship, even the sort of smiling of Modi and holding hands with Mr.

00:14:47.520 --> 00:14:48.940

<v SPEAKER_2>Putin.

00:14:48.940 --> 00:15:02.120

<v SPEAKER_2>That relationship with China, yes, it's less tense than it was after the border incidents, but it hasn't got a lot further than just trying to calm down what's going on on the border.

00:15:02.160 --> 00:15:31.200

<v SPEAKER_2>There are still plenty of reasons why the Indians and the Chinese are not particularly happy with each other, whether it's Chinese support for Pakistan, the dams that they're building in the Himalayas, which potentially threaten India, whether it's China preventing companies like Apple getting the expertise and supplies that they need so they can manufacture in India rather than in China.

00:15:31.980 --> 00:15:34.560

<v SPEAKER_2>And you've got the Dalai Lama problem looming as well.

00:15:34.560 --> 00:15:42.020

<v SPEAKER_2>So I wouldn't overrate that sort of what the television pictures put out.

00:15:42.020 --> 00:15:44.740

<v SPEAKER_1>What about the relationship with Trump and Xi?

00:15:48.760 --> 00:16:01.600

<v SPEAKER_2>Well, if one looks at it from the Chinese point of view, I don't think that they have changed in any way that basic anti-Americanism, which I described earlier.

00:16:01.600 --> 00:16:17.720

<v SPEAKER_2>And because President Trump is, one might say, inconsistent, why would you as the Chinese trust that what of a policy advances today will still be there tomorrow?

00:16:17.720 --> 00:16:37.300

<v SPEAKER_2>And in the longer term, in two or three years when he goes from power, they know, they see a very basic anti-China that's prevalent pretty much throughout the administration and the political classes in Washington.

00:16:37.300 --> 00:16:37.600

<v SPEAKER_2>Mr.

00:16:37.600 --> 00:16:40.980

<v SPEAKER_2>Trump is in many ways almost an exception on that.

00:16:40.980 --> 00:16:44.740

<v SPEAKER_2>But you never know whether he's not going to turn on a sixpence or a dime.

00:16:45.760 --> 00:16:50.580

<v SPEAKER_2>And so I think that it's inherently unstable relationship.

00:16:51.820 --> 00:16:56.300

<v SPEAKER_1>It probably describes his relationship with, but that is Trump's relationship with most people.

00:16:56.300 --> 00:17:03.360

<v SPEAKER_1>Now look, Xi, from what we're watching, appears to be sort of paramount and unassailable.

00:17:03.360 --> 00:17:11.040

<v SPEAKER_1>Really, you'd have to go back to almost Mao and Deng Xiaoping to see a leader, you know, into his third term and looks like he's going to keep going.

00:17:11.900 --> 00:17:13.020

<v SPEAKER_1>Is he unassailable?

00:17:13.020 --> 00:17:13.940

<v SPEAKER_1>Is that the reality?

00:17:15.640 --> 00:17:20.780

<v SPEAKER_2>Well, everyone always says, don't they, that China's politics is a black box.

00:17:20.780 --> 00:17:25.300

<v SPEAKER_2>I don't think that's true, actually, in terms of policy and potential future actions.

00:17:25.300 --> 00:17:28.440

<v SPEAKER_2>I think you can see that in many ways quite clearly.

00:17:28.440 --> 00:17:38.300

<v SPEAKER_2>But it is true when it comes to what's going on in the upper echelons and personal comings and goings and in-fighting, the political in-fighting.

00:17:38.300 --> 00:17:49.940

<v SPEAKER_2>But again, over the summer, there's been plenty of commentary on both sides of the Atlantic saying that Xi is in trouble.

00:17:49.940 --> 00:18:06.180

<v SPEAKER_2>I mean, here in the UK, The Spectator magazine, which

normally is hawkish on China, but not quite so bizarre, I would say, has been saying that there's been a coup and Xi will be edged out of the fourth plenum.

00:18:06.320 --> 00:18:10.460

<v SPEAKER_2>I don't think that he's a drinker, that his health is bad.

00:18:10.460 --> 00:18:11.500

<v SPEAKER_2>God knows what they've been saying.

00:18:11.840 --> 00:18:16.660

<v SPEAKER_2>And it really doesn't seem to gel with the facts on the ground.

00:18:16.660 --> 00:18:32.740

<v SPEAKER_2>I mean, even to the extent that when people say, well, he wasn't in the front pages of the People's Daily and other press as much, I think that also has been exploded by some good work by the China Media Project, which actually looked at the figures and they haven't changed.

00:18:32.740 --> 00:18:38.180

<v SPEAKER_2>And after the Beidaihe break, well, he's back with a bang, isn't he?

00:18:38.980 --> 00:18:39.480

<v SPEAKER_2>Yes.

00:18:39.480 --> 00:18:46.080

<v SPEAKER_2>Not just the parade and the SCO meeting, but everything else.

00:18:46.080 --> 00:19:02.240

<v SPEAKER_2>And we see in just about every document and report and whatever, the importance of the two establishments or the two establishes, which is basically Xi Jinping is king and don't forget it.

00:19:02.240 --> 00:19:10.820

<v SPEAKER_2>It's part of that jargon, but it's an extremely important element of the political canon.

00:19:10.820 --> 00:19:15.520

<v SPEAKER_2>So it's very difficult to see in any evidence.

00:19:15.660 --> 00:19:23.320

<v SPEAKER_2>And even people say, well, of course, I mean, again, one of the commentators have said that Zhang Youxiao has led a coup against him.

00:19:23.420 --> 00:19:34.320

<v SPEAKER_2>The idea of leading a coup against Xi Jinping, well, good luck, because he's an in-fighter and the moment you raise your head above the parapet, it'll get shot off.

00:19:34.320 --> 00:19:37.320

<v SPEAKER_2>So you better be damn sure of winning.

00:19:37.320 --> 00:19:49.840

<v SPEAKER_2>And coups or opposition in China just doesn't work in the sense that if it happened in June, as some people were saying, or June, July, here he is, still in power.

00:19:49.960 --> 00:19:53.920

<v SPEAKER_2>And they'd say, yes, but he's about to go in the fourth premium in October.

00:19:53.920 --> 00:19:56.140

<v SPEAKER_2>And you think, it's not the way it works.

00:19:56.140 --> 00:19:59.080

<v SPEAKER_2>If he goes, he goes, and he hasn't gone.

00:19:59.080 --> 00:20:12.500

<v SPEAKER_2>So I take all this purging in the military as a sign of strength, not a weakness, sign of corruption in the military, and his determination to get it working in the way that he wants it working.

00:20:12.500 --> 00:20:24.000

<v SPEAKER_1>And as you pointed out in your various articles, he's used the anti-corruption sword to really rid himself of any viable opposition and continues to do so.

00:20:24.000 --> 00:20:31.280

<v SPEAKER_2>Yeah, which, but also, as many others have said, there is a problem with the succession.

00:20:31.280 --> 00:20:32.120

<v SPEAKER_1>Yes.

00:20:32.120 --> 00:20:34.520

<v SPEAKER_2>And there always is in China.

00:20:36.320 --> 00:20:41.080

<v SPEAKER_2>That is not true of the last two transitions, but certainly earlier.

00:20:41.520 --> 00:20:52.720

<v SPEAKER_2>And if you cut away all potential successors, people who

disagree with you, not as strong as opposition, but you have a problem.

00:20:55.000 --> 00:20:58.420

<v SPEAKER_3>Hi, I'm Dave Ferri, the President and CEO of The Canadian Global Affairs Institute.

00:20:58.420 --> 00:21:03.020

<v SPEAKER_3>I hope you're enjoying The Global Exchange, Canada's leading podcast on foreign affairs and trade.

00:21:03.020 --> 00:21:11.880

<v SPEAKER_3>If you're listening and you'd like to help us keep bringing informed discussion of these issues to key government decision makers, thought leaders and the business community, then consider sponsoring the podcast.

00:21:11.880 --> 00:21:17.140

<v SPEAKER_3>Reach out to us at contact at cgai.ca for options and pricing.

00:21:19.480 --> 00:21:24.760

<v SPEAKER_1>Charlie, you've also written extensively about Taiwan, visited Taiwan.

00:21:24.760 --> 00:21:28.340

<v SPEAKER_1>What's your current threat assessment of what's going on there?

00:21:28.340 --> 00:21:39.900

<v SPEAKER_2>Yeah, I mean, vis-a-vis whether there'd be an invasion or whether blockade or how the mainland Communist Party is going to treat Taiwan.

00:21:39.900 --> 00:21:48.360

<v SPEAKER_2>I don't think I've changed, much has changed at all, though, in the last few months or even year.

00:21:48.520 --> 00:21:54.140

<v SPEAKER_2>I just don't see, I mean, many people have talked about a 2027 invasion.

00:21:54.140 --> 00:22:06.480

<v SPEAKER_2>Now, for sure, Xi Jinping has told the military that they need to be ready to be able to be capable of an invasion by 2027, the 100th anniversary of the founding of the People's Liberation Army.

00:22:06.480 --> 00:22:08.960

<v SPEAKER_2>I think it's highly, highly unlikely.

00:22:08.960 --> 00:22:22.020

<v SPEAKER_2>And the reasons are not just military reasons, that it's very difficult to invade across a sea that's quite rough for most of the year, with very few beaches to land on, a topography that makes it very difficult to fight your way in.

00:22:22.020 --> 00:22:25.420

<v SPEAKER_2>And once you've won, if you win, what happens?

00:22:25.420 --> 00:22:27.580

<v SPEAKER_2>And if you lose, then you're in real trouble.

00:22:27.680 --> 00:22:36.700

<v SPEAKER_2>I mean, militarily, it's extremely difficult, these sorts of seaborne and island capturing events.

00:22:37.700 --> 00:22:39.180

<v SPEAKER_2>But more important is the economy.

00:22:39.180 --> 00:22:49.140

<v SPEAKER_2>I mean, just think what happens if an invasion or indeed a serious blockade embargo is launched.

00:22:49.140 --> 00:22:52.280

<v SPEAKER_2>And trade investment dries up.

00:22:52.340 --> 00:22:55.500

<v SPEAKER_2>Shipping, where are we going to get insurance?

00:22:55.500 --> 00:22:57.320

<v SPEAKER_2>Who's going to shit through that?

00:22:58.600 --> 00:23:08.140

<v SPEAKER_2>There would be an economic catastrophe for Taiwan, for the mainland, for China, for the PLC, for the globe.

00:23:08.140 --> 00:23:11.160

<v SPEAKER_2>And there will be massive unemployment in China.

00:23:11.160 --> 00:23:15.100

<v SPEAKER_2>There already is, particularly amongst the youth.

00:23:15.100 --> 00:23:19.840

<v SPEAKER_2>And all good things come from the party, but the obvious that coin is all bad things come from the party.

00:23:20.680 --> 00:23:21.920

<v SPEAKER_2>And who are you going to blame there for?

00:23:21.920 --> 00:23:27.020

<v SPEAKER_2>For when you haven't got a job, when you're hungry, and when you're pretty angry?

00:23:27.020 --> 00:23:28.360

<v SPEAKER_2>Well, the party.

00:23:28.360 --> 00:23:33.260

<v SPEAKER_2>That's a big risk and I don't see them taking it.

00:23:33.260 --> 00:23:48.680

<v SPEAKER_2>But all that said, then there's plenty of stuff they could do with the next few years to tighten the screw on Taiwan, including the military menace and increasingly incursions and longer incursions.

00:23:49.760 --> 00:24:02.940

<v SPEAKER_2>And even life fire exercises that do for a period of days or maybe even a week or so, two weeks, stop trade going through the streets or whatever.

00:24:02.940 --> 00:24:16.520

<v SPEAKER_2>That's along with other measures, the cyber attacks, the internal subversion, the support of those on Taiwan who they hate will undermine the DPP, etc.

00:24:16.520 --> 00:24:17.440

<v SPEAKER_2>All that's going to go on.

00:24:18.460 --> 00:24:23.000

<v SPEAKER_2>And I could even concede that it might get worse than that.

00:24:23.000 --> 00:24:34.020

<v SPEAKER_2>I mean, why perhaps, you know, one can concede that Jinmen and Mazi, which are the islands very close to the mainland China.

00:24:34.020 --> 00:24:40.220

<v SPEAKER_2>Well, they might be persuaded that they really should voluntarily return to the motherland.

00:24:41.500 --> 00:24:46.220

<v SPEAKER_2>It would help if their water was cut off and their electricity and everything else, which wouldn't be difficult to do.

00:24:47.300 --> 00:24:50.000

<v SPEAKER_2>So you can see that that could happen.

00:24:50.000 --> 00:24:54.560

<v SPEAKER_2>And even Taiwan holds some islands in the South China

Sea.

00:24:54.560 --> 00:25:02.720

<v SPEAKER_2>So the Dongsha, the Patis Islands, sort of halfway between Hong Kong and Taiwan and Taiping Island.

00:25:02.720 --> 00:25:07.740

<v SPEAKER_2>These have small Taiwanese forces on, be very easy to take those.

00:25:07.740 --> 00:25:26.560

<v SPEAKER_2>Probably are not enough of a provocation to get the Americans involved or, you know, they might, I can see Xi Jinping taking a risk with that one and thinking, well, they're not going to stop, put on sanctions or do anything else just for the sake of those.

00:25:26.560 --> 00:25:30.900

<v SPEAKER_2>But in an attack on the mainland of Taiwan, the main island, that's a different matter.

00:25:32.480 --> 00:25:50.120

<v SPEAKER_1>So, more likely a kind of, as you suggest, a bit by bit but not the big gulp because of, and is the effort within Taiwan to sort of create a porcupine defence, buying arms from the United States and others, do you feel that's having some effect when that act is a deterrent to China?

00:25:51.780 --> 00:25:52.940

<v SPEAKER_2>I honestly don't know about that.

00:25:52.940 --> 00:25:56.200

<v SPEAKER_2>I mean, they talk about much more Taiwanese than they did before.

00:25:57.980 --> 00:26:04.580

<v SPEAKER_2>Ultimately, what really makes, would make a very great difference to that is the people.

00:26:04.580 --> 00:26:08.620

<v SPEAKER_2>Are they taking the threat very seriously?

00:26:08.620 --> 00:26:10.380

<v SPEAKER_2>Are they training up?

00:26:10.380 --> 00:26:14.840

<v SPEAKER_2>Would they resist if there was an invasion, etc.?

00:26:15.180 --> 00:26:16.600

<v SPEAKER_2>How would they behave?

00:26:16.600 --> 00:26:20.340

<v SPEAKER_2>That's impossible to gauge at this stage.

00:26:21.520 --> 00:26:23.760

<v SPEAKER_2>But I think it would be a very important factor.

00:26:25.760 --> 00:26:28.160

<v SPEAKER_1>Charlie, you spoke about unemployment in China.

00:26:28.160 --> 00:26:34.220

<v SPEAKER_1>One of the things we sometimes tend to do to portray China in the West is 10 feet tall with no problems.

00:26:34.220 --> 00:26:43.160

<v SPEAKER_1>But you've written extensively, you just mentioned about youth unemployment, but you've written about the property sector, its water problems, its demographic changes.

00:26:44.800 --> 00:27:04.180

<v SPEAKER_1>This is still a big headache, is it not, for the administration in China, for Xi, and how he manages the unity of and stability of the nation to ensure the stability and the continued rule of the Chinese Communist Party?

00:27:05.400 --> 00:27:07.960

<v SPEAKER_2>Yes, I think it is.

00:27:07.960 --> 00:27:12.840

<v SPEAKER_2>Of course, managing the economy is a problem for all governments everywhere.

00:27:12.840 --> 00:27:25.600

<v SPEAKER_2>But I suppose the difference is, say in Canada or the UK or whatever, if the people get pretty upset with the government, well, we can change it and vote another lot and see if they do better.

00:27:25.600 --> 00:27:28.440

<v SPEAKER_2>And that is quite a big safety valve.

00:27:29.640 --> 00:27:31.160

<v SPEAKER_2>I think China does have big problems.

00:27:31.160 --> 00:27:34.260

<v SPEAKER_2>It's had big problems for some time.

00:27:34.260 --> 00:27:41.500

<v SPEAKER_2>I talk not so much about peak China because peaks go up and down quite sharply, but plateau China.

00:27:41.500 --> 00:27:44.600

<v SPEAKER_2>I think China is not going to go away.

00:27:44.600 --> 00:27:47.980

<v SPEAKER_2>Its economy is extremely important.

00:27:47.980 --> 00:27:53.680

<v SPEAKER_2>But at the same time, I think the economic model has run its course.

00:27:54.360 --> 00:27:56.840

<v SPEAKER_2>And that's causing them a lot of problems.

00:27:56.840 --> 00:27:58.520

<v SPEAKER_2>And it's not just me that says that.

00:27:58.520 --> 00:28:25.960

<v SPEAKER_2>I mean, in many ways, you could say, well, the Chinese Communist Party said that back in 2013, when Xi Jinping actually reiterating what Wenjiao Bao had said in 2007, but in 2013, Xi Jinping said, well, we're putting all these 60 chapters of reforms, about 380 reforms on the table because the economic and social model is unbalanced, uncoordinated, and unsustainable.

00:28:26.980 --> 00:28:28.960

<v SPEAKER_2>In other words, we're getting down a cul-de-sac.

00:28:28.960 --> 00:28:31.100

<v SPEAKER_2>So here are all these reforms.

00:28:31.100 --> 00:28:38.060

<v SPEAKER_2>But in the 2012 years since then, most of those really crucial reforms have not been implemented.

00:28:38.060 --> 00:28:52.640

<v SPEAKER_2>So whether that's land ownership reforms, particularly on the taxation side, on what they call the H00C0, you're registered to a certain place and your health benefits, your education, your children, pension benefits, etc.

00:28:52.640 --> 00:29:00.360

<v SPEAKER_2>are all linked to where you come from, which is a great inhibitor of labor mobility, which of course modern economy needs.

00:29:01.120 --> 00:29:08.280

<v SPEAKER_2>And they've never sorted out the relationship between central and local government finances, where local governments are badly in debt.

00:29:08.760 --> 00:29:17.420

<v SPEAKER_2>They have responsibility for over 80 percent of the

services, but only get about 50 percent of the government income.

00:29:17.420 --> 00:29:21.920

<v SPEAKER_2>So all these things have really not been sorted out.

00:29:21.920 --> 00:29:35.000

<v SPEAKER_2>And it's quite difficult, I think, to see how they will make progress on that, because ultimately, it's not just economic reform, it's the whole system that's working that way.

00:29:35.000 --> 00:29:48.300

<v SPEAKER_2>And as a good Leninist, Xi Jinping knows that if you let go of the levers, you know, take your hands off the levers of economic control, when you put it in the hands of the people and private businesses.

00:29:48.300 --> 00:29:54.340

<v SPEAKER_2>And there's an expression down in the south, just a bit south of you, no taxation without representation.

00:29:55.820 --> 00:29:57.900

<v SPEAKER_2>People start demanding political power.

00:29:57.900 --> 00:30:06.300

<v SPEAKER_2>So it's also a matter of politics as well and political reform, and that generally is a no-no.

00:30:06.300 --> 00:30:22.920

<v SPEAKER_2>And you talked about, yeah, I think some of those we talked about in the past, you and I, the debt problem, the demographic problem, the water problem, the mismatch of skills problem, the lack of education, surprisingly, the vast majority of workers.

00:30:24.120 --> 00:30:42.100

<v SPEAKER_2>But also, for as long as I can remember since the economic reform started, the Chinese leaders have been going on about the need to break down barriers between provinces, between counties even, beneath the provinces.

00:30:42.100 --> 00:30:47.020

<v SPEAKER_2>And the big, big call at the moment is a united national market.

00:30:47.020 --> 00:30:51.200

<v SPEAKER_2>We must reform and impose and have a united national market.

00:30:52.580 --> 00:30:57.800

<v SPEAKER_2>It's all connected with the economic system, and it's all connected with this overcapacity.

00:30:58.160 --> 00:31:08.980

<v SPEAKER_2>Each province, each city, each county, it gets its revenue, let's say, from car manufacturing, and it wants its own car manufacturer there.

00:31:08.980 --> 00:31:17.880

<v SPEAKER_2>Well, the result is you have over 100 car manufacturers, when sensible consolidation would probably reduce that down to probably less than 10.

00:31:19.960 --> 00:31:26.480

<v SPEAKER_2>And Xi Jinping and Li Keqiang before Li Qiang, they've been railing against this.

00:31:26.480 --> 00:31:42.340

<v SPEAKER_2>Would you kindly obey the center and get rid of these barriers and these expenses and fines that you put on private business, et cetera, allow free and open competition?

00:31:42.340 --> 00:31:45.820

<v SPEAKER_2>It's a real uphill struggle, I think.

00:31:45.820 --> 00:31:47.700

<v SPEAKER_2>And I think we're going to see a lot of that.

00:31:47.700 --> 00:31:54.060

<v SPEAKER_2>We've already seen a lot of talk about this unified national market over the last couple of years.

00:31:54.060 --> 00:31:58.820

<v SPEAKER_2>We're going to see a lot of it at the upcoming plenum next month.

00:31:58.820 --> 00:32:21.000

<v SPEAKER_2>All of that said, I think quite clearly, he's hoping, he being Xi Jinping, that conquering the heights of science and technology, the new sciences, the new technologies, and industrializing those, will allow the, will sort of cut the Gordian knot and allow the economy to steam ahead.

00:32:22.740 --> 00:32:23.820

<v SPEAKER_2>Well, we'll see.

00:32:24.020 --> 00:32:27.400

<v SPEAKER_2>I think that's optimistic.

00:32:27.400 --> 00:32:31.700

<v SPEAKER_2>It still doesn't cure many of the problems I've just mentioned.

00:32:31.700 --> 00:32:55.580

<v SPEAKER_2>But it is really important, I think, from a broader perspective, not just China's internal economic perspective, but from the perspective of the competition with the Americans, and generally with the effect on other countries too, this emphasis on science and technology, it's vastly important.

00:32:55.580 --> 00:32:57.100

<v SPEAKER_1>Yes, as it is in the West as well.

00:32:57.100 --> 00:33:01.980

<v SPEAKER_1>That leads me to my last question, before I ask you what you're reading and streaming these days.

00:33:01.980 --> 00:33:08.040

<v SPEAKER_1>Your advice, we have a new government led by Mark Carney, who you're familiar with as Governor of the Bank of England.

00:33:08.040 --> 00:33:11.280

<v SPEAKER_1>And of course, he studied in England.

00:33:12.660 --> 00:33:22.000

<v SPEAKER_1>He has begun to reengage, as I pointed out at the outset, with China, met with Premier Li at the UN last week.

00:33:22.000 --> 00:33:24.800

<v SPEAKER_1>Any advice about how we should proceed?

00:33:26.320 --> 00:33:32.060

<v SPEAKER_1>Given that in the past, the West never moved completely in tandem.

00:33:33.400 --> 00:33:47.220

<v SPEAKER_1>Now, with the United States taking its rather unconventional, independent approach, there's not a united approach towards China amongst Western nations, although certainly Mr.

00:33:47.220 --> 00:33:52.520

<v SPEAKER_1>Carney would like to work with France, Britain, and the traditional allies.

00:33:52.520 --> 00:33:56.740

<v SPEAKER_1>Your advice to Canadian leadership as we go forward.

00:33:56.740 --> 00:34:10.780

<v SPEAKER_1>We want to have commercial ties, but we're reluctant to go too far, given our experience, particularly given the hostage experience of the two Michaels.

00:34:10.780 --> 00:34:23.080

<v SPEAKER_1>And public opinion in Canada, like public opinion in Britain, I think is confidence in Chinese leadership and Chinese intentions is really, well, parallel to that with the United States is plummeted.

00:34:24.440 --> 00:34:30.880

<v SPEAKER_2>Yeah, I mean, it's probably not for Brits to tell the Canadian government, how to how to react.

00:34:31.060 --> 00:34:40.220

<v SPEAKER_2>But I think actually the way that the Canadian government deals with China should not in any way differ from the way the British government should.

00:34:40.220 --> 00:34:43.480

<v SPEAKER_2>So in many ways, I'll just repeat what I would say to the British government.

00:34:43.480 --> 00:34:54.120

<v SPEAKER_2>I mean, first of all, you do need a deep understanding of the Chinese Communist Party and its methods, its use of propaganda, how it interferes, etc.

00:34:56.200 --> 00:35:03.220

<v SPEAKER_2>And that's not as prevalent in our levels of government as it should be.

00:35:03.220 --> 00:35:13.520

<v SPEAKER_2>So we need to accept that, for instance, the Chinese Communist Party actually aims to get global dominance.

00:35:14.880 --> 00:35:16.320

<v SPEAKER_2>It's actually decoupling.

00:35:16.320 --> 00:35:19.700

<v SPEAKER_2>It was China that started decoupling and is very serious about decoupling.

00:35:20.160 --> 00:35:34.460

<v SPEAKER_2>You only have to look at the Made in China 2025 project or its dual circulation, which I was characterized in a couple of sentences as, you know, domestic wherever we can, foreign only if we must.

00:35:34.640 --> 00:35:36.780

<v SPEAKER_2>So we need to recognize that.

00:35:36.780 --> 00:35:41.740

<v SPEAKER_2>But then, yes, of course we've got to deal with it, but

deal with it with our eyes open.

00:35:41.740 --> 00:35:46.300

<v SPEAKER_2>And I would say, I'm not a hawk, but I would say that I'm a drongo.

00:35:46.520 --> 00:35:53.520

<v SPEAKER_2>A drongo is a bird that protects its territory fiercely, and we should do that.

00:35:53.520 --> 00:35:56.080

<v SPEAKER_2>So we need to have our defences up.

00:35:56.080 --> 00:36:00.640

<v SPEAKER_2>I mean, in the UK, we have a National Security Investment Act.

00:36:00.640 --> 00:36:03.120

<v SPEAKER_2>We've revamped the National Security Act.

00:36:03.120 --> 00:36:06.140

<v SPEAKER_2>We have a Procurement Act that's just gone through.

00:36:07.200 --> 00:36:18.260

<v SPEAKER_2>The government has an advisory team that talks to universities about the dangers of Chinese filtering of our science and technology or whatever.

00:36:18.260 --> 00:36:29.540

<v SPEAKER_2>All these are sensible measures, but they need to be implemented with resources and vigor, and that's, I think, where we certainly fall down.

00:36:29.540 --> 00:36:39.320

<v SPEAKER_2>The other thing I would say is, for sure, but let's trade and invest and do what, and there are plenty of global goods that we have to work with on China.

00:36:39.320 --> 00:36:50.300

<v SPEAKER_2>But don't overestimate the fact that it's actually, its bite is really not as powerful as its bark.

00:36:50.300 --> 00:36:58.900

<v SPEAKER_2>If you look at trade, for instance, and companies will suffer if China decides to play nasty.

00:36:59.960 --> 00:37:03.580

<v SPEAKER_2>You look at Canadian canola, which suffered a few years ago.

00:37:04.100 --> 00:37:19.760

<v SPEAKER_2>But it's very temporary, only I think in Canada's case, it lasted a year, and every country, and I've written on this and looked at the figures, every country that's been in the doghouse with China has seen its trade grow during that period.

00:37:20.380 --> 00:37:26.400

<v SPEAKER_2>You take the UK, for instance, we were in the doghouse with the Dalai Lama, our trade grew during that period.

00:37:26.400 --> 00:37:32.880

<v SPEAKER_2>In fact, anytime it fell, I'm talking about exports rather than trade actually, because that's what really matters to us.

00:37:32.880 --> 00:37:36.980

<v SPEAKER_2>The only time UK exports to China fell was during the Golden Era.

00:37:36.980 --> 00:37:43.400

<v SPEAKER_2>And during 2022 and 2023, when we were in very bad over with the Chinese, they hit a record.

00:37:43.400 --> 00:37:46.040

<v SPEAKER_2>So that's the same with every country.

00:37:47.280 --> 00:37:49.960

<v SPEAKER_2>So I think we need to put that in our minds.

00:37:49.960 --> 00:37:55.460

<v SPEAKER_2>And we also need to put that into context, certainly in the UK's context.

00:37:55.460 --> 00:37:57.080

<v SPEAKER_2>Trade with China is quite small.

00:37:57.080 --> 00:38:01.740

<v SPEAKER_2>It's about 4 percent, I think, our exports to China, about 4 to 5 percent.

00:38:01.740 --> 00:38:08.440

<v SPEAKER_2>And as for investment, Chinese investment in the UK is 0.2 percent.

00:38:08.440 --> 00:38:15.080

<v SPEAKER_2>So, and it's targeted very much at things that benefit them.

00:38:15.080 --> 00:38:23.760

<v SPEAKER_2>Since 2016, they've been very careful to aim it at the sorts of sciences and technologies where we may not want them to be

investing.

00:38:23.760 --> 00:38:34.440

<v SPEAKER_2>And instantly, in the UK, jobs, as a result of China investment, jobs created and maintained over the highest period, worked out at about 3,000 jobs a year.

00:38:34.440 --> 00:38:35.780

<v SPEAKER_2>So it's not great.

00:38:35.780 --> 00:38:39.880

<v SPEAKER_2>Now, I don't know the comparable figures for Canada.

00:38:39.880 --> 00:38:45.020

<v SPEAKER_2>But I think my point is, you know, they love to shout and they love to bite bark.

00:38:45.020 --> 00:38:48.160

<v SPEAKER_2>But actually, the bite is not that important.

00:38:48.160 --> 00:38:56.840

<v SPEAKER_2>And I would say that finally, the probably the most important is where the Trojan Horse of Science and Technology.

00:38:57.460 --> 00:39:01.040

<v SPEAKER_2>This is where they acknowledge this.

00:39:01.040 --> 00:39:13.040

<v SPEAKER_2>I mean, when they talk about war with Americans, some of the senior people have specifically said, yes, there's a trade war, but it's not as important as the science and technology war.

00:39:13.040 --> 00:39:17.560

<v SPEAKER_2>Whoever wins the science and technology war will win the ultimate war.

00:39:18.900 --> 00:39:34.060

<v SPEAKER_2>I think we've got to be careful not just about what we export to China, but as China gets far better at technology, and it is, what we import into our countries and the dependencies we thereby create.

00:39:34.060 --> 00:39:39.180

<v SPEAKER_2>I've written a lot about IOT modules and we could have a whole session on that.

00:39:39.180 --> 00:39:43.760

<v SPEAKER_2>But the point is, this is rare earths 2.0 in terms of dependency.

00:39:43.800 --> 00:39:59.140

<v SPEAKER_2>They're everywhere and if we allow China to get a monopoly, Chinese companies to get a monopoly, which they are aiming for very deliberately in a very planned way, and we have no trusted suppliers, then we're thoroughly dependent upon them.

00:39:59.140 --> 00:40:02.680

<v SPEAKER_2>Our economy is dependent upon them, our way of life is dependent on them.

00:40:02.680 --> 00:40:09.760

<v SPEAKER_2>If they say, well, no more cellular modules, you're in real trouble, or even at a time of war, we'll turn you off.

00:40:10.120 --> 00:40:14.460

<v SPEAKER_2>I mean, why are the Americans so concerned about Chinese cranes?

00:40:14.460 --> 00:40:17.300

<v SPEAKER_2>Because through the cellular module, you could turn them off.

00:40:17.300 --> 00:40:22.300

<v SPEAKER_2>Or your trucks, or your vans, or your cars, or your pipelines.

00:40:22.300 --> 00:40:23.560

<v SPEAKER_2>They will use cellular modules.

00:40:23.560 --> 00:40:33.540

<v SPEAKER_2>So those two threats are enormous, leaving aside, of course, the threat of all the data that indeed goes through the cellular module.

00:40:33.740 --> 00:40:42.180

<v SPEAKER_2>And there's updates over the air into these cellular modules, which can contain malware and get at your data.

00:40:42.180 --> 00:40:53.480

<v SPEAKER_2>So that's just a very important example of where our countries have got to be far more careful on the science and technology front than they are at the moment.

00:40:53.480 --> 00:40:56.080

<v SPEAKER_1>Charlie, this is excellent advice.

00:40:56.080 --> 00:40:58.880

<v SPEAKER_2>One last thing, one last thing, Colin.

00:40:58.880 --> 00:41:00.500

<v SPEAKER_2>A piece of self-advertisement, of course.

00:41:00.500 --> 00:41:02.320

<v SPEAKER_2>I couldn't leave without it.

00:41:02.320 --> 00:41:13.260

<v SPEAKER_2>I've written a paper on negotiating with the Chinese based on my own experience, the experience of colleagues and indeed some of the many good books written about it.

00:41:13.260 --> 00:41:28.740

<v SPEAKER_2>It's not that long, but any Canadian government official dealing with China should read that or something equivalent because there are very set patterns and the idea that, oh, it's just like any negotiation, it's like negotiating with Americans or the Europeans.

00:41:28.740 --> 00:41:30.100

<v SPEAKER_2>No, it ain't.

00:41:30.100 --> 00:41:33.200

<v SPEAKER_2>So please understand how the Chinese negotiate.

00:41:33.800 --> 00:41:37.940

<v SPEAKER_2>It gives you a lot more understanding and power.

00:41:37.940 --> 00:41:45.500

<v SPEAKER_1>Charlie, I want you to send us the link to that paper and we'll put it directly in the program notes and into the summary.

00:41:45.500 --> 00:41:50.080

<v SPEAKER_1>I think that will be officials required reading.

00:41:50.080 --> 00:41:54.060

<v SPEAKER_1>But now I want to ask you what you're reading or streaming these days.

00:41:54.060 --> 00:42:01.120

<v SPEAKER_2>Well, I mean, the trouble about being a sort of China enthusiast is that you're either in Iraq.

00:42:01.240 --> 00:42:05.280

<v SPEAKER_2>So I spent a horrible amount of time reading The People's Daily.

00:42:05.280 --> 00:42:11.780

<v SPEAKER_2>What Simon Lees used to say was, chewing rhinoceros or very dry buckets of sawdust.

00:42:11.780 --> 00:42:13.000

<v SPEAKER_2>But you have to do that.

00:42:13.000 --> 00:42:22.740

<v SPEAKER_2>So I'm afraid a lot of my reading is reading The People's Daily or Chou Chou, or the excellent Sinism, which has lots of these Chinese articles on, etc.

00:42:22.740 --> 00:42:24.160

<v SPEAKER_2>But what have I been reading?

00:42:24.160 --> 00:42:27.100

<v SPEAKER_2>Actually, I have two streams.

00:42:27.180 --> 00:42:33.140

<v SPEAKER_2>One is another China stream, and the other is just something that I have to get away from China.

00:42:33.140 --> 00:42:39.440

<v SPEAKER_2>What I've been reread, actually, is an extremely fine book by Kenneth Wilcox.

00:42:39.440 --> 00:42:42.620

<v SPEAKER_2>It's called The China Business Conundrum.

00:42:44.280 --> 00:42:53.080

<v SPEAKER_2>He set up a joint venture bank, and his experiences in China, I think, are way beyond just the banking sector.

00:42:53.080 --> 00:43:00.480

<v SPEAKER_2>If you want to understand what it's like being a businessman and the pressures, and even wider than that, it's a very clear exposition of it.

00:43:00.480 --> 00:43:03.980

<v SPEAKER_2>So I highly recommend that book, which I've just reread.

00:43:03.980 --> 00:43:15.240

<v SPEAKER_2>And as it happens, because I'm in France, in Savoie and the mountains, last night I picked up and started reading the history of the resistance in Savoie during the Second World War.

00:43:15.240 --> 00:43:18.240

<v SPEAKER_2>Got lots of photographs, interesting historical stuff.

00:43:18.240 --> 00:43:21.920

<v SPEAKER_2>And so I'll be reading that when I'm not doing China stuff.

00:43:22.960 --> 00:43:23.840

<v SPEAKER_1>All right.

00:43:23.840 --> 00:43:26.980

<v SPEAKER_1>The China Conundrum, Kenneth Wilcox will link to that.

00:43:26.980 --> 00:43:38.820

<v SPEAKER_1>And anything on, as you said, the resistance during the Second World War, a very interesting period in French history, not one that the French are always happy to speak about.

00:43:38.820 --> 00:43:40.960

<v SPEAKER_1>Charlie, thank you for this.

00:43:40.960 --> 00:43:43.660

<v SPEAKER_1>This is exactly what I'd hoped you would do.

00:43:43.660 --> 00:43:46.340

<v SPEAKER_1>Thanks for listening to this episode of The Global Exchange.

00:43:46.340 --> 00:43:48.420

<v SPEAKER_1>We are joined today by Charlie Parton.

00:43:48.420 --> 00:43:52.180

<v SPEAKER_1>You can find The Canadian Global Affairs Institute on Facebook, Twitter, and LinkedIn.

00:43:52.180 --> 00:43:56.260

<v SPEAKER_1>The Global Exchange is brought to you by our team at The Canadian Global Affairs Institute.

00:43:56.260 --> 00:44:01.780

<v SPEAKER_1>As always, my thanks go out to our producer, Jordyn Carroll, and to Drew Phillips for providing our music.

00:44:01.780 --> 00:44:03.180

<v SPEAKER_1>I'm Colin Robertson.

00:44:03.180 --> 00:44:04.940

<v SPEAKER_1>Thanks for joining us today on The Global Exchange.