

## Engaging China: Some Ideas for Canadian Policy-Makers

Bruce Gilley  
Assistant Professor  
Department of Political Studies  
Queen's University

Presentation to the Library of Parliament Seminar Series, 30 March 2007, Ottawa

### Introduction

It is an exciting time to be talking about China in Canada. But for the first time the reason is less the dramatic changes occurring in China itself, which of course has been the case for the last 30 years, but rather the dramatic and fresh thinking about China going on here in Canada. We are in one of those periods in which old alignments and assumptions are being discarded and new ones are being put in their place. So it's a good time to contribute to this debate from my vantage point as a journalist and now academic who has spent the last 16 years living in, watching, and writing on China.

Part of this rethink requires understanding what exactly is going on in China itself. Another part requires rethinking the premises and assumptions of our own engagement with China up to now. So I want to concentrate on these two items – (1) what is going on in China and (2) how Canada has hitherto engaged with that country – in order to arrive at (3) some sensible suggestions for how we might change what we do at present.

### (1) What is Going on in China

#### Socio-Economic Development

China's economy has been experiencing a long-term expansion since about the 1920s. That expansion began almost as soon as the Qing dynasty was overthrown and has depended on both the delayed industrialization caused by feudal rule for the entire 19<sup>th</sup> century as well as the explicit modernizing aims of all of China's rulers – Marxist or otherwise – since then.

The growth that China is experiencing today is similar to the growth that Taiwan experienced in the 1950s and 1960s. China is now the world's 4<sup>th</sup> biggest economy after the U.S., Japan, and Germany. It will pass Japan and Germany by 2020 and US by 2050. 450 of the Fortune 500 companies have direct investments in China. In 2004, China's Human Development Index passed that of the Philippines for the first time and continued to outpace improvements in India. The rapidity of general welfare gains in China comes against a worsening distribution of those gains and the rights associated with them. But the overall picture in China remains one of rapid gains in the standard of living.

Economic growth has had predictable consequences for social development. Education rates and urbanization rates continue to rise steadily. The middle class – now conservatively estimated to be about 22% of the population in 2006 and growing by one percentage point a year – is growing rapidly. China is slowly shifting from being a poor rural country to a middle-income urban one. There were 142,000 registered NGOs at the end of 2003. Chinese society is awash with new conflicts, new claims, and new social movements – all of them struggling to define what the proper relationship should be between a communist

state that has never quite given up its claims to totalitarian control but has de facto given considerable scope for social space in the reform era.

This is all having profound implications for social value transformation. The World Values Survey has been conducted three times in China – in 1991, 1995 and 2001 – and this has shown a rapid shift in values away from traditional authority orientations towards more participatory and liberal authority orientations. At present, society expects the political system to be efficient, effective, rational, legal, internationally open and convergent, and meritocratic. A second transformation in values underway is shifting attention to issues of self-expression, political participation, social justice and fairness, and political equality.

### Governance

For its income level, China is a reasonably well-governed country. However, the quality of its governance in cross-national perspective has been declining, according to World Bank figures. To some extent this is a result of improvements in governance in the post communist and Third Wave democracies. But it also reflects a real, or absolute, loss of governing capacity in some spheres of governance in China, in particular the implementation of development policies and control of local level corruption.

Corruption appears to be steadily worsening, despite repeated campaigns, and high-level sackings such as the party secretary of Shanghai in 2006, whose downfall appears to have more to do with factional politics than with good government.

According to the 2006 Environmental Performance Index, which measures environmental outcomes, released by Yale and Columbia researchers, China ranked 94<sup>th</sup> out of 133 countries with a score of 56 out of 100 for environmental policy. China performed much worse than its income per capita would suggest. In air quality and water resources, its outcomes were roughly twice as bad (or half as good) as they should be given its income level. China is the world's second largest greenhouse gas emitter.

Much of the environmental challenge is related to industrialization and urbanization. These two areas present pressing challenges for the Chinese leadership, as they did to 19<sup>th</sup> century European countries. Karl Polanyi in his seminal 1944 book *The Great Transformation* describes how the pressures caused by the expansion of market capitalism in 19<sup>th</sup> century Europe led to a constant reaction in the form of market protection movements – new laws on everything from the regular cleaning of bakeries with hot water and soap to the inspection of ship's anchor cables. In Polanyi's view, this “double movement” was made possible by appeals to the social, not economic standing, of all citizens. It was not economic deprivation, but social injustice that spurred reforms.

China faces a major problem of a “one-sided movement” – that is an expansion of market forces that has not been accompanied by a countervailing expansion of regulatory governance. About 89,000 people died in road accidents in 2006 while coal and iron mine deaths were 5,500 in 2006. These figures are far higher than comparable countries with similar economic structures.

It is a good sign, then, that the leadership of Hu Jintao – which has another 5 years in office from November 2007 – has made social justice a priority. There has been a rhetorical shift in emphasis from “growth and raw capitalism at all costs” to “sustainability and social fairness.” Several policy changes have been introduced – such as the abolition of taxes on agricultural products and the planned establishment of a new independent anti-corruption agency. But the greater challenge for governance is to convince China's people that they should de-emphasize rapid growth and empathize with the plight of their fellow citizens. Without that social support, improved governance is difficult to achieve.

Hu's "harmonious society" unfortunately has not, as of yet, included a more tolerant approach to social and political dissent. China has about 4,000 people in jail for "endangering state security" (formerly called counter-revolution) and more labor activists and journalists in jail than any other country. It's annual executions – which are probably between 5,000 and 10,000 people *per year* (Amnesty usually verifies between 2,000 and 3,000 of these through official press reports and individual testimonies) -- account for more than 95% of the global total. As a non-elected state, China's people account for 62% of the world's population that lacks basic civil and political liberties. China's rights record has not evolved in the past three decades.

These rights concerns are wholly practical: harmony comes from tolerance and tolerance implies the assurance of basic rights. Without such rights, governance is made more difficult because it relies more on coercive or inducement-based compliance rather than on voluntary compliance. The reason why China's coal mines remain so deadly is that repeated new laws passed by Beijing lack social support. If Beijing opened up space for grassroots labor movements for the coal mine safety – if it allowed in other words the second part of the double movement that was made possible by parliamentary government and basic rights in 19<sup>th</sup> century England – then it could solve this problem. Marx's prophecy of worker rebellion is being seen in this nominally Marxist state: protests involving more than 100 people have risen steadily in the past 5 years and reached 87,000 in 2005 (versus 10,000 in 1994).

It is true that in cross-national perspective when we compare China with other countries in similar income categories that its governance is slightly above average. The problem with this argument from the standpoint of global politics is that none of the other countries in this income category are emerging superpowers with 1.3 billion people and the fourth biggest economies in the world. Governance shortcomings in China have global effects, which is why they are of greater concern. For instance, China's corruption rating has been steadily worsening in the last 10 years. We see the impact of this with greater amounts of corrupt officials absconding to Canada and other Western nations, often having sent large amounts of cash out in advance along with their children and spouses.

Bilateral tensions over individual human rights cases obscure the wider canvas on which human rights issues are played out in China. For the most part, we see only glimpses of what is at stake in China when a Canadian national such as Huseyin Celil is abducted and sent to China. For the most part, this obscures what is really at stake, which is rights struggles over daily bread issues such as property rights, compensation for state abuses of power, fair trials, media freedoms, and health rights. There is a direct connection between Beijing's thuggish treatment of Mr. Celil and its thuggish treatment of its own citizens.

### Foreign Relations and Global Politics

The challenges that China faces in its foreign relations and in the broader global political dimensions of its international interactions are very much a mirror of the domestic challenges. We do ourselves a favor by beginning with the domestic in order to understand the international because we then see that China is not an aggressive and strategic new power – this is not a rising Germany – but a confused and vulnerable new power whose actions usually betray uncertainties and confusions at home.

Plainly put, China does not have a coherent, long-term foreign policy agenda. Those seeking it behind an inscrutable Oriental veil are bound to be disappointed. China's foreign policy aims can be summarized by three Ps: Prosperity for the economic expansion, Power for the Party, and Peace for the country – in other words their foreign policy is purely

instrumental, or realist, and is not guided by an overarching normative conception of what the world should look like or what ideas China might have to contribute to that. This gives rise to a foreign policy that sends conflicting signals – Beijing acts as a responsible power to help bring peace to the Korean peninsula and stabilize the situation in Lebanon. But it simultaneously allows its state companies to support the genocidal regime in Sudan, to underwrite the deforestation of tropical forests in Southeast Asia, and to prop up failed post communist regimes in Central Asia.

On the issue of Taiwan, Beijing watches helplessly as a growing sense of autonomy and demands for democratic self-government drive the island in the direction of independence, now formally articulated as the stated goal of president Chen Shui-bian. Beijing could have long ago assuaged fears of annexation on Taiwan by removing its military forces from adjoining Fujian province and entering into talks without preconditions about the outcome. But there are no new ideas from Beijing, only threats and denunciations that have the collective effect of accelerating the very trend it seeks to arrest. A similar argument could be made about the rising political crises it faces in Hong Kong, Tibet, and now Xinjiang.

Trying to find a solution to China's foreign policy dilemma – rising power but no sense of how that power should be used – is constrained as it is at home. The limitations on free debate and social mobilization at home in response to governance problems is mirrored by the excessively narrow and instrumental terms that China's foreign policy is permitted to be debated among foreign policy thinkers in Beijing.

### The Political Response

None of what I have said will come as a surprise to a Chinese official. In fact, what is most remarkable about the Chinese Communist Party has been its ability to learn and adapt since the 1989 Tiananmen Massacre. The primary reason that the CCP remains in power 18 years after Tiananmen is that it has adapted enough in order to keep the tide of discontent at bay. Indeed, for the most part China's citizens are supportive of the state. Survey and behavioral data suggest quite consistently that despite major legitimation problems among some groups – the urban unemployed, for example, or inland peasants – the party-state's legitimacy remains quite robust.

The reason for this is that the party has transformed itself in the post-Tiananmen period from a socially-transformative party of the proletariat into a socially-responsive party of the people. When Khrushchev declared that the CPSU would become a “party of all the people” in 1961, it was stridently denounced by the CCP as revisionist, “a massive backward step” in the words of the official critique.<sup>1</sup> Forty years later, however, the CCP was forced to take the same path, articulated as the “Three Represents” theory of Jiang Zemin in which the party committed itself to representing “the fundamental interests of the overwhelming majority of the Chinese people”. And after initially denying the notion that it was following the CPSU path towards a non-communist populist party, theorists in China have begun to admit publicly in internal discussions that this is exactly where it is going.<sup>2</sup> The CCP is now deeply engaged with the question of how to track social interests, in other words what legitimacy requires of them at any given time. They are trying to, in other words, replicate the self-correction mechanisms of liberal democracies with various institutional fixes that will keep them in power.

---

<sup>1</sup> People's Daily 1964.

<sup>2</sup> He, Huang, and Wu 2006.

In many ways they have succeeded, and the political system has become much more liberalized as a result. A law passed in 2000 gave legislatures at all levels of government explicit powers for the first time in the initiation, scrutiny, and review of laws. Institutions of horizontal accountability such as courts, the National Auditor General's Office, an increasingly investigative media, and a planned National Anti-Corruption Commission have been unleashed. And, most interestingly, something like three dozen direct popular elections have been held in various parts of China since 1999 of the leaders of township governments, the lowest rung of the state that oversees the theoretically autonomous villages. While technically still illegal, such elections have been tolerated by Beijing in the interests of maintaining legitimacy in these areas. Other areas are experimenting with deliberative or consultative forums in which citizens get to decide on things like spending priorities or the price of public services.

For the most part, however, China's political system remains a closed one in which political power is concentrated at the top. For now, an era in which, as I mentioned, social demands tend to focus on the delivery of economic growth, social stability, and effective governance, they can survive on that model. But the limits of the "reform authoritarianism" model are being reached. Not only is the ability of this model to keep up with a rapidly changing society decreasing --- as seen by the worsening of corruption or the intensification of environmental problems -- but the values on which it is based are shifting. As China's society begins to put more emphasis on how things are done rather than what is done, and on social and civil goods rather than economic and material ones, evidence suggest that the CCP will find it hard to keep up.

It is no surprise, then, to find that the question of when and how to introduce democratic reforms has crept up the agenda of the CCP in its internal debates. Like virtually every authoritarian regime before it, the CCP rejects out of hand the idea that democratic reforms would require its removal from power. Even the recently released memoirs of deposed party general secretary Zhao Ziyang, in which he appeals for the initiation of direct elections of government leaders and a large-scale withdrawal of the party from everyday life and politics, assert the need for continued CCP leadership. Yet within that constraint, there is now a wide debate in the CCP on how to win the consent of China's people through democratic means.

This kind of debate has usually been the prelude to deep systemic change and eventually to democratization. There is no reason to suppose that China will be any different from any other country in this regard. There is a very heavy burden of proof placed on those who assert that China is not moving in the direction of democracy, not only because this is the empirically the most common direction that authoritarian regimes have taken but also because much evidence on the ground in China points to this same outcome in this particular case.

China, in other words, is on the brink of a dramatic return to the May Fourth 1919 spirit in which modernization and democratization are seen to go hand in hand -- drives that were thwarted by warlordism, Japanese invasion, civil war, the CCP's anti-rightist campaign of 1957, and, most recently, the 1989 massacre.

So where does Canada fit into this?

## (2) How We have Engaged With China

Canada is a country that likes to think of itself as having a foreign policy driven by the high ideals of liberal internationalism that served as the foundation of our post-World War II engagement with the world. I take liberal internationalism to be a foreign policy based on the advance of universally-recognized human rights and on the creation of effective and legitimate international institutions. In some spheres and at some times, we have fulfilled that promise. However, in the case of China, our relationship has more often failed those high ideals.

That failure goes back to the very origins of our official relationship with China. Virtually every scholarly work on the Canadian switch from non-recognition of China during the period of Maoist terror to recognition in 1970 has portrayed the former as an aberrant policy driven by some combination of Washington Cold War sentiments and hopelessly ignorant misunderstandings of China. The *bien pensants* of Canadian foreign policy history, and of our relationship with China until now, portray recognition and the subsequent policy towards China as emergence from darkness into lightness. Paul Evans, chairman of the Asia-Pacific Foundation of Canada, for example, has written that Canada's rejection of close relations with Maoist China between 1949 and 1970 was a "Cold War problem" that Canada need to "solve". While that policy was made in Canada, "policy advice came from officials who rarely had deep attachments to China". An exceptional voice was Chester Ronning, a Department of External Affairs official and then later special envoy in Asia, who constantly urged closer ties, even solidarity, with Maoist China – including supporting its disastrous initiation of and intervention in the Korean War and releasing a film based on his 1971 visit to the country at the invitation of premier Zhou Enlai, Mao's sycophantic henchman, praising the Cultural Revolution.<sup>3</sup> Unfortunately, according to Evans, Ronning's views were "rarely shared" by the DEA or government of Canada.<sup>4</sup> For Evans, and virtually all other Old China Hands in Canada, recognition and subsequent bilateral relations marked the fulfillment of Canada's liberal internationalism.

Let me suggest that quite the opposite is true. Canada's recognition of China is a sorry episode in our post-war foreign policy and marks the end of the golden era in which Canada could rightly claim to be pursuing a genuine liberal internationalism. It is not too much, I believe, to say that Canada's decline as a serious player in world affairs began with our recognition of China in 1970.

To understand why, it is important to see that recognition was not – as has usually been portrayed<sup>5</sup> – a strategic move by Ottawa to engage with Maoist China as a rogue state needing to be contained through direct diplomacy. This, I believe, better characterizes the American motivations. Realism, of course, lacks the high moral idealism of liberal internationalism. But in its prudential concerns for managing world stability it has a kind of basic morality attached to it. Canada, however, was driven by neither realism nor liberal internationalism. Instead, our recognition of China was driven by bald commercial ambitions relating to grain sales and to Pierre Trudeau's romantic and deeply illiberal admiration of Maoism.

Public opinion towards relations with China was warmed after the Canada Wheat Board sold a large lot of wheat and barley to China in 1960 worth C\$60 million (the

---

<sup>3</sup> Ronning 1974.

<sup>4</sup> Evans 1991, pp. 3,6, 10

<sup>5</sup> Head and Trudeau 1995. "A new realism towards China". Granatstein and Bothwell 1990., p. 179

equivalent of \$420 million today, or 8% of its total annual exports). Canadian officials had assessed that there were “acute” food shortages beginning in 1959, had made a sales pitch in 1960. Here is how Alvin Hamilton, then Minister of Agriculture, describes how this sale happened:

In late November 1960, I got this telephone call from the clerk at the Queen Elizabeth Hotel in Montreal saying that there were two Chinese gentlemen at the desk asking for me. Apparently they had flown Canadian Pacific Airlines which took them to Montreal. They got to this hotel and asked for me and he had enough sense, bless his heart, to call me directly...I said well if they are from China it must be in response to the wheat sales pitch. So I had those fellows on a plane as fast as I could to Winnipeg.<sup>6</sup>

The reason for this initial sale, the reason for the “acute” food needs in China, was of course that Mao had imposed upon China the largest famine in human history as a result of collectivization in the Great Leap Forward beginning in 1959. As Canadian Wheat Board officials gleefully crunched their numbers, Mao’s famine was in the process of killing between 30 and 40 million people. That unprecedented human disaster led to grain sales which helped public opinion in Canada to get over its Cold War “problem”.

Pierre Trudeau’s own motivations in opening links to Beijing were formed during a visit to China that same year, 1960. Like Michael Foucault – who praised Maoist China as having formed an “intimacy” between party and people and who later engaged in a bizarre flirtation with the Iranian Revolution<sup>7</sup> -- Trudeau harbored a bizarre and inexcusable admiration for Mao’s China. In *Deux Innocents en Chine Rouge*, later issued as *Two Innocents in Red China*<sup>8</sup>, Trudeau and his traveling companion described a fantasy-land where prisons were lined with “fine fragrant trees” and minority cultures were thriving. Through “the revolutionary state...The Chinese are recovering their human dignity”. Mao, seen at a banquet, has “a look of wisdom tinged with melancholy”. While a Chinese official asked about the “alleged” persecution of intellectuals during the Hundred Flowers/Anti-Rightist Movement of 1957 responds frankly that the “weeds” which appeared in the campaign were “torn up for compost”, Trudeau and his companion conclude that the notion of there being massive gulags “is a hypothesis that for obvious reasons we can neither confirm nor deny”.<sup>9</sup>

And what about the greatest famine in human history that was reaching its awful height just as Trudeau and company traveled around China, and which would lead two months after their trip to the grain deal in Winnipeg? On tours to communes, Trudeau sees only tables groaning under corn cake and spinach and goes out of his way to reject reports of famine. There was only “controlled distribution of foodstuffs” in *some* places, all this nothing compared to the past famines under the KMT. Why should Westerners believe “the

---

<sup>6</sup> Kyba 1991 at p 169

<sup>7</sup> Afary, Anderson, and Foucault 2005. ;Foucault 1980

<sup>8</sup> Trudeau and Hebert 1968. ;Trudeau and Herbert 1961.

<sup>9</sup> 21-22, 33, 61, 71, 39, 42. Of course, “we would see only what the authorities would let us see” (3-4) and “often outrageous” (152) or always “disingenuous” (44) claims made by Chinese officials (152). “Yet we cannot compel ourselves to believe that it is simply a matter of lying” (44).

absurdities related by their newspapers”<sup>10</sup> In short, Trudeau’s view of Mao’s China was adulatory and romantic, and deadly wrong.

Let me suggest, then, at the risk of being excluded from polite company, that Canada’s rejection of close relations with Mao’s China was wholly in the spirit of liberal internationalism, with its twin concerns for the realization of international human rights and the strengthening of international institutions. Mao’s China was a bald threat to both of these. It rejected human rights as irrelevant to China and pursued an isolationist and destructive role in international institutions. Indeed, the cables from the Canadian consulate in Hong Kong noted that it might be awkward to establish relations if China’s diplomacy continued to be in the hands of Gang of Four hacks and foreign embassies in Beijing were being regularly assaulted by mobs.

By contrast, our embrace of closer relations with China was not a fulfillment of those ideals but an abandonment of them. As we saw, it began with a very sad chapter in which Canadian public opinion and officials warmed to the idea of China by making grain sales to their starving population and was then allied with a generation’s misplaced and criminally-credulous romance with Maoism.

In the post-1970 period, this abandonment of Canada’s liberal internationalism was all too plain in our China policy. The poisoned origins of our relationship with China continued to drive our China policy. Our ties to China have been driven primarily by economic interests – demonstrated so vividly by the Team Canada business delegations put together by governments in the 1990s and early 2000s – coupled with a vague cultural relativism about the limits of international human rights. Canada’s China policy has been mercantile, unprincipled, and ineffective. And the origins of that lie in our abandonment of the idealism of post-war Canadian foreign policy. We have much work to do in redefining a new relationship that represents Canadian core values and the fundamental interests of China’s long-suffering people.

### 3) Policy Suggestions

#### General/ Diplomatic

The recent ferment on China policy is of course directly related to a new government in Ottawa. But this is not a partisan issue: members of parliament from all parties have long been concerned with our China policy and have voiced those concerns. At the same time, all major parties have constituencies which have defended the status quo for different reasons. What is really happening I think is a democratization of our China policy. And in that sense, in terms of the quality of our own Canadian democracy, this change reflects and is part of a process that has as much to do with us as it does with them.

Let me make some general suggestions for how to reshape our China policy and follow this with more concrete proposals.

In general, within our relations, Canada needs to act with much greater confidence. China is not a fire-breathing dragon able to cut off our livelihoods but a fragile and confused poor country struggling with an internal governance crisis. We have been schooled to always give Beijing face, never upbraid them, and generally let them define the relationship. This is nonsense. China needs Canada for international respectability, and a moral agenda of liberal internationalism is wholly consistent with China’s needs. Beijing warned of “grave consequences” when HH the Dalai Lama came to Ottawa but nothing came of it. China’s

---

<sup>10</sup> Ibid, 122-23, 134.



threats against Prime Minister Harper – whether his plain talk about human rights or his support of the Falun Gong – have predictably led to no consequences. If anything, China is starting to take Canada seriously for a change. We cannot have a mature and productive relationship with Beijing unless we are willing to openly state our differences and criticisms of the regime.

A second general point. The Asia-Pacific Foundation has stated that Canada's problem in Asia as a whole, which is of course our problem in the world, is a lack of a clear identity, a lack of "branding". Their proposed solution is a return to the "strategic partnership" with China. Paul Evans told the Subcommittee on International Human Rights of the foreign affairs and international development in February that "it is essential to establish a positive political relationship at the most senior levels" with China in order to further Canada's aims. Yet the strategic partnership, announced during Hu Jintao's visit to Ottawa in 2005, has been empty in substance and ineffective in furthering Canadian aims. It has worsened, not resolved, Canada's lack of identity in the Asian region because it represents such a dreary lack of imagination, principles, or willpower on our part. My solution is that we reclaim our liberal internationalism and stand unambiguously on the side of Asia's democratic forces, even if this means we are excluded from all the pomp and ceremony of the region's constant summiting. Having gala state dinners for the party general secretary of the Communist Party of China is a mistake.

A final general point is that Canada's overall relations with China should be citizen-centered not regime-centered. We must talk to the regime as necessary, but we should feel free to talk past it to the people of China, who for the time being are the only true representatives of the Chinese citizenry. We should cultivate and favor discussions with reform-oriented figures in the party and the military, and focus our efforts on the ground in talking directly to the leading journalists, civil activists, lawyers, public intellectuals, independent scholars, interest group leaders, entrepreneurs, and ethnic minority leaders of that country. The domestic counterpart to this diversification of its partners in China should be the diversification of our agents on behalf of Canada. In particular, Members of Parliament should play a much more active role in our relationship with China through official delegations, hearings, and inclusion on government delegations.

I have some specific ideas for our relations with China in matters of security, trade, and human rights.

Canada has engaged with China on security matters at several levels: military exchanges, non-proliferation regimes, regional confidence-building in Asia, counter-terrorism, and diplomatic questions of armed intervention in violent conflicts around the world. These contacts should continue, not only because they further liberal international aims but because they offer us an opportunity to shape China's potentially disruptive international behavior. We need to be constructive but also realistic in our assessment of a rising China's impact on international security. Blind containment and blind acceptance are both wrong. We need to engage China carefully and thoughtfully. Canada should work to steer China in the direction of "peaceful rise", which means building links and trust to its in security matters while remaining strident in our criticism of its potential revisionist behavior, such as its 600-odd missiles pointed at Taiwan. Canada should push for more transparency in China's rapidly growing defence budget and establishment and for direct talks with Taiwan's leadership. Chinese military leaders often visit CFB Kingston, down the street from my place of employ: we should use such visits to offer transparency that we expect to be reciprocated. Again, this means taking ourselves more seriously as a major security player in the Asian region in particular.

On trade and economic matters, I think that we should take the advice of Paul Evans that our trade and investment relations with China will thrive even if there is a cooler political relationship with the regime. China's commercial decisions are purely pragmatic, and the only exceptions to this rule are in highly-regulated areas like financial services and major infrastructure projects. In those areas, Beijing has tended to play off Western powers against one another. However, there is a growing sense in the West of not being willing to play ball anymore and Canada should be at the forefront of this sea-change in attitudes. Recently, 1,000 residents of Shanghai petitioned German chancellor Angela Merkel to deny China the equipment from Siemens and ThyssenKrupp for the second stage of that city's high-speed train because the planned 37-km extension has been a classic example of non-consultative and abusive state development towards local residents. The mag-lev train in Shanghai – built for \$1.2 billion and often running empty -- symbolizes everything that is wrong with China's wasteful and rights-abusing developmental model. Merkel's decision will be a litmus test for how far Western countries are changing. Canada should be at the forefront of this change.

While reducing our political investments in goodwill with Beijing for economic reasons, we should increase our political investments in making sure our trade and investment relations with China fulfill the minimal requirements of liberal internationalism. There needs to be much closer monitoring of our high tech exports to China, especially those sold to the coercive apparatus, in particular the police – as Nortel does. We need to develop much stricter corporate accountability standards for Canadian companies operating in China, especially in resources industries. In particular, I think we should deeply scrutinize the activities of Canadian multinationals operating in Xinjiang such as Majestic Gold or Delta Resources. We need to pay more attention to similar involvements in Tibet -- Power Corporation, Nortel, and Bombardier for instance all supplied equipment to the new Beijing-Lhasa railway that was deeply opposed by His Holiness the Dalai Lama. We should encourage our pension funds and insurance companies to divest from companies like Petro-China, which is involved in stoking the violence in Darfur. I am proud that Queen's recently divested of its holdings in that company.

On this note, I do not think any Canadian projects should be funded in Tibet or Xinjiang without the open consent of Tibetan and Uighur groups representing those peoples outside of China. There can be no moral way to engage with the state in these areas without the express consent and approval of overseas groups. At present the IDRC funds a water management project in Xinjiang. I have called upon them to suspend that project until they have it assessed by Uighur groups and can show that it meets guidelines similar to those proposed for projects in Tibet by the Tibetan government in Dharmasala. They have so far refused. CIDA funds a Tibet Basic Human Needs Project for participatory planning in several rural communities in Tibet. Here there is more consultation with the Tibetan government.

As part of being more socially responsible in our economic relations with China, we should also engage in a massive effort to help China with its greenhouse gas emissions problem. We can do far more for global warming in this way than by reducing our own admissions, even to zero. Consider the political and human resources expended on the latter in Canada versus the potential impact of the same efforts devoted to China. We need to go well beyond the “sell Canadian technology” approach to greenhouse gas emissions in China and make it part of the political dialogues with them. Our concern should be global warming first and Canadian technology exports second. This is not about export sales but about environmental catastrophe.

It will come as no surprise in light of what I have said thus far that I believe Canada can and should be doing much more to promote democracy, human rights, and good governance in China. From a certain perspective, of course, this is hard-headed realism: democratic and rights-respecting states are better for world peace and better for stable and successful domestic development than are autocracies. But we need to be honest: democratizing states may be sources of global instability and sometimes the pursuit of rights will indeed harm Canadian business. Let's not fool ourselves that the pursuit of a more just and consensual state in China has no cost: it does. It is probably small, but it will be felt in high-profile projects. Instead, we should pursue these things because they are valuable unto themselves: countries that deny their peoples the basic liberties needed to participate in society and in politics deny them something far more serious than economic welfare: they deny them dignity and recognition as humans, which in the last analysis is the cruelest form of deprivation of all. If we cannot commit to these aims for their own sake, then it is not a commitment at all.

First, then, I agree with Razmik Panossian of Rights and Democracy in Montreal that human rights should be at the center of the Canada-China relationship.<sup>11</sup> But it is important to remember that our concern here is the human rights of China's people as a whole. When we allow the rights emphasis to be dominated by concerns of particular Canadian citizen trapped in China's abusive system – such as Huseyin Celil – then rights become merely another selfish national interest. The government should use cases such as Mr. Celil to launch broader diplomatic and programme initiatives on human rights in China.

This means abandoning the bilateral human rights dialogue that was begun in 1997 in place of our support of a motion condemning China's human rights record at the United Nations. Canada's bilateral with China became something of a laughing-stock in the international human rights community. In the nine sessions, there was no continuity, no evidence of any progress, and even the Chinese bureaucrats who were actually hoping to use it to improve their rights records found it useless talk, no action, according to the report submitted by Charles Burton of Brock University. In its place, we should create a Canada-centered plan of human rights advocacy and training for China. We should make use of the many excellent NGO groups such as Human Rights in China and Human Rights Watch to devote resources to improving human rights conditions in China – through technology, information gathering and publishing, advocacy, and – where the Chinese government will allow it – training of their officials. We should connect as much as possible to civil society in China, bypassing the state as much as possible. We need to appeal to Beijing's own focus on harmonious society and good governance to advance this agenda. Canada's rights community should be the one to help us formulate where and how to press China at the top level every time a Canadian minister meets his Chinese counterpart. Denmark is focused entirely on Tibet in their dialogue. Canada could also choose a focal point: lawyers who defend rights? the media? . We should also make sure we integrate this its China rights initiatives with our activities in the UN Human Rights Council, including Canadian initiatives to develop rights awareness programs in China.

CIDA is a crucial resource for the promotion of human rights and good governance in China. I think CIDA has done a good job with a limited annual budget for China of \$50 million in recent years shifting its emphasis from development to governance in its many facets. CIDA has important projects on migrant labor rights, agricultural producer groups, and women's rights, for instance. As I suggested to CIDA leaders in a meeting in February,

---

<sup>11</sup> House Standing Committee on FA and ID, Subcommittee on Intl HR, hearing 31 Oct 2006, pp2-3.

the challenge for them in China is to make sure that initiatives involve not just the accumulation of state power – training judges, helping develop regulatory capacity, or managing cities – but also its dispersion to a wider number of citizen groups. I fear that CIDA has too often not recognized that not all state power is good state power, especially in China. If judges are trained with Canadian funds, we should try to see whether, on return to China, their judgments and verdicts become more law-abiding and protective of basic constitutionally-guaranteed rights. I do not wish to impose a bunch of new accountability paperwork on CIDA. The problem there at present is way too much paperwork and too little groundwork, through no fault of their own. Rather, I would want the entire ethos and leadership of the agency to be deeply and publicly committed to citizen-empowering governance reforms and to be able to act entrepreneurially to this end. This shift can only come from a top-level and bipartisan commitment of the Canadian government to this sort of change in our relationship with China.

Finally, Canada can and should be at the forefront of initiatives to accelerate and improve the chances for a democratic transition in China. China will never be a modern nation until it is a democracy because democracy is the essential precondition for a flourishing social, economic, and cultural life. China's people's democratic orientations are strong and their tolerance for unaccountable single-party rule is in decline.

For instance, Professor Charles Burton of Brock University has noted that the current parliamentary exchange between our elected democratic parliament and China's appointed rubber-stamp parliament establishes a sort of "moral equivalence" between the two bodies.<sup>12</sup> We should instead create exchanges between our parliament and those in China who take the idea of a democratic parliament seriously. These would include those handful of delegates to the national, and more numerous delegates to provincial, county, and township congresses who take the bodies seriously. There are also many researchers and activists in official institutions who push for democratization of the congresses.<sup>13</sup>

At present, Canada does not have an agency that takes direct aim at democratic transitions around the world. Rights and Democracy has hitherto confined itself mainly to the first word in its title. My colleague at Queen's Tom Axworthy has proposed the establishment of a new agency called Democracy Canada that would take over democracy-promotion activities from other agencies. It would be independent of the bureaucracy and would answer directly to parliament. This body would have the independent necessary to support real change in China. It could channel funding to groups that the CCP does not choose to receive such support. It could join global efforts to encourage democratic change and political participation in China.

This is an area that Canada could really make its own. For example, the UN Democracy Fund established by Kofi Annan in its first full year of operations of 2006 doled out money for 125 projects amounting to \$36 million. Not one of them was concerned with China, which accounts for 60% of the people living in undemocratic regimes. How could 60% end up with 0%? The reasons of course are political: China stares down such initiatives within the UN. Canada can help overcome this political roadblock and show the world the way. If 1970 marked the abandonment of liberal internationalism in Canadian foreign policy, the establishment of Democracy Canada should mark its resumption.

---

<sup>12</sup> Testimony, 31 Oct 2006, 12.

<sup>13</sup> For instance the China Politics and Law University's Constitutionalism Research Institute's People's Congress and Legislatures Research Center ([www.e-cpcs.org](http://www.e-cpcs.org)).

Again, the idea that because China faces governance challenges we should lay off the democracy issue is illogical. It is precisely because of those challenges – which are driven to a large extent by China's democratic deficit – that we should press on political reform. There is of course a self-interest here: environmental problems, illegal immigration, criminal networks, and IPR violations are all a part of China's governance problems that affect Canada. We need to realize that democracy will provide resources for the solution to many of these problems and many others, from social instability to Tibet. We should have a pot of money ready as an incentive for a democratic China, and we should work actively to accelerate this transition.

### Conclusion

There is nothing so easy as going through the motions with China. Its entire diplomatic and foreign relations establishment is set up to make a serious relationship impossible. To turn military or parliamentary exchanges into substantive areas, to bypass the state and work directly with society, or to bear the heat of Beijing's denunciations over taking rights seriously requires effort and attention. Paradoxically, while the Old China Hands constantly advise investing greater time and resources in our relationship with China, the sort of relationship they advance is in fact the easiest and least resource-draining of all. What I propose here is a long and hard road, but one consistent with our international aspirations and with the interests of China's people.

When we look back on Canada-China relations with a microscope a generation from now, what will we conclude? As China emerges from centuries of autocratic rule and its society gains its liberties, what will they think of Canada's role in that process. I am reminded of a work on the issue of historical memory in the newly-democratic regimes in Eastern Europe and Latin America that found that the process always implicates Western countries and the price they paid for nurturing authoritarianism abroad. Twenty-seven years ago our country started off on the wrong foot in its relations with China. There is an opportunity to change that so that a generation from now we can look back with genuine pride on the role our country has played in China's transformation.

### References

- Afary, Janet, Kevin Anderson, and Michel Foucault. *Foucault and the Iranian Revolution : Gender and the Seductions of Islamism*. Chicago: University of Chicago Press, 2005.
- Evans, Paul. "Introduction: Solving Our Cold War China Problem." In *Reluctant Adversaries: Canada and the People's Republic of China, 1949-1970*, edited by Paul Evans and B. Michael Frolic, 3-14. Toronto: University of Toronto Press, 1991.
- Foucault, Michel. "On Popular Justice: A Discussion with the Maoists." In *Power/ Knowledge: Selected Interviews and Other Writings, 1972-1977*. New York: Pantheon Books, 1980.
- Granatstein, J.L., and Robert Bothwell. *Pirouette: Pierre Trudeau and Canadian Foreign Policy*. Toronto: University of Toronto Press, 1990.
- He, Yicheng, Aiyong Huang, and Chungeng Wu. "Keluxiaofu "Quanmindang" Sixiangde Pipan Yu Fansi (Reassessing Khrushchev's Theory of the Party of All the People)." *Hunan Chengshi Xueyuan Xuebao (Journal of Hunan City University)* 27, no. 20-23 (2006).
- Head, Ivan L., and Pierre Elliott Trudeau. *The Canadian Way: Shaping Canada's Foreign Policy, 1968-1984*. Toronto, Ont.: M&S, 1995.
- Kyba, Patrick. "Alvin Hamilton and Sino-Canadian Relations." In *Reluctant Adversaries: Canada and the People's Republic of China, 1949-1970*, edited by Paul Evans and B. Michael Frolic, 168-86. Toronto: University of Toronto Press, 1991.

- People's Daily. *Guanyu Keluxiaofude Jia Gongchan Zhuyi Yiji Qizai Shijie Lishishangde Jiaoxun (on the Fake Communism of Khrushchev and the Lessons from Its Impact on World History)*. Beijing: People's Publishing House, 1964.
- Ronning, Chester. *A Memoir of China in Revolution: From the Boxer Rebellion to the People's Republic*. New York; Pantheon Books, 1974.
- Trudeau, Pierre Elliott, and Jacques Hebert. *Two Innocents in Red China*. Toronto, New York: Oxford University Press, 1968.
- Trudeau, Pierre Elliott, and Jacques Herbert. *Deux Innocents En Chine Rouge*. Montréal; Editions de l'homme; distributeur exclusif: Agence de distribution populaire enr., 1961.