

THURSDAY 12 MARCH 2009

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Present

Anderson of Swansea, L  
Chidgey, L  
Crickhowell, L  
Hamilton of Epsom, L  
Inge, L  
Jay of Ewelme, L  
Jones, L  
Selkirk of Douglas, L  
Swinfen, L  
Symons of Vernham Dean, B  
Teverson, L (Chairman)

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Witnesses: **Professor William A Callahan**, University of Manchester; and **Professor Rana Mitter**, University of Oxford, examined.

**Q145 Chairman:** Professor Callahan and Professor Mitter, may I welcome you very much to Sub-Committee C. If I could just perhaps go through one or two things. First of all, this is an evidence session which is live and is webcast. We also take a record of proceedings and you will be sent a copy of that so that it can be corrected as and when, or if, it is incorrect. What we have done is to ask individual members of the Committee to pose particular questions to you and, as I think I mentioned to you outside, if whoever wants to take the question or lead on it, please work that out between yourselves, and if the other wants to come in, then that will be fine as well, and no doubt there will be a number of supplementaries. We normally give witnesses an opportunity to make an opening statement. I do not know whether you feel that is necessary or shall we just move into the questions?

**Professor Callahan:** Straight into the questions is fine.

**Professor Mitter:** That is fine by me.

**Q146 Chairman:** What we are trying to do particularly in this session is to understand what China wants, specifically from the EU. That is the overall context of what we are trying to achieve today, to understand what China as a nation wants, particularly from the EU. To start that off, China was once regarded as having a ‘world view’ that was different from that held by other societies or states. Does China still think in world view terms; and what is distinctive about its own perspective?

**Professor Callahan:** Thank you, Chairman, I am very happy to be here. In China there are lots of views of the world right now. There is lots of debate going on. In the West we usually hear about the liberal world order and about how China is engaging in the world and being more multilateral than before, but there is also a lot of interest right now amongst academics, and some policy-makers, about reviving imperial Chinese concepts of the world that generally placed China at the centre of the world. Rather than being multilateral and egalitarian, this world order is very hierarchical, and it is usually seen in terms of China as the centre of civilisation and other places as barbarians of various degrees, depending on how close they are to China. What is interesting is that among academics there is a growing consensus that China’s ancient world order, which is often very romanticised, was a moral world order that is seen as superior to the current world order, the failing world order of equal nation states in the international system, because a lot of Chinese academics look at the world and they see that this is a problem of the West, it is a violent and selfish world order of competing nation states and that China can contribute something - its moral world order - to solve all these problems. Of course that has lots of problems in and of itself. I think that this side of the debate has some implications for the grand strategy in China because it signifies a shift from Beijing embracing current international rules and norms to something else, which puts pressure on Beijing to distinguish itself from the current world order which they see as Western, so, on the one hand, there is a lot more criticism of the EU, the US and Japan. There is also a lot of

pressure on Beijing to think about how there should be a Chinese-style world order, because China is a growing world power so it should have normative power as well as military power. You can see this in some aspects of Beijing's current policy of promoting a harmonious world, because that can mean lots of things, and one of the things it can mean is promoting a traditional Sino-centric view of the world.

**Professor Mitter:** Thank you very much for giving us a chance to speak to the Committee. I hope that what we say will be useful. I would not disagree in any way with Bill Callahan's very useful summary there. I think I would add a few comments that I might say were at 90 degrees to it, so to speak. I think it is absolutely right that one of the things that is most notable about the China of today, by which I mean really since the late 1990s or even the 2000s, which is the very current scene that Bill is talking about, is that there is a revival of interest in what China used to be as a way of informing the way that China might be today and in the future. That being said, I think I would want to add one major point to what Bill has said, to keep, a balance in our minds as to how China thinks of itself. I think that is something that does differentiate us from the idea that in some sort of way China is simply going back to a traditional view of a Sino-centric place in the universe or in the world in which China is at the centre, all of which is very much in the thinking there in the early 21st century, in a way that was not true 100-150 years ago, very much part of China's own understanding of itself as part of a modern world order. The experience of 20th century nationalism and Communism, all these things have, I think, fundamentally changed the nature of Chinese society. One of the things that I think makes the Chinese view of itself and its place in the world very distinctive is that it is one of the relatively few major societies left in the world, probably the single most important society left in the world, that regards itself as modernising, but not seeking a model which in some way is based on the liberal, multilateral, multi-party type of model that we note in other countries around the world. I think that

distinction is important for this reason: a variety of other societies, as we know, fall down very badly on that model, and I think the way that Russia is going is an obvious case of that, and yet it is significant that Russia continues to maintain a rhetorical attachment to being a multi-party democracy of sorts, whereas China does not. Those who observed the National People's Congress, the Chinese Parliament, last week will note that Wu Bangguo, the Chairman of the Parliament, and of course a member of the nine-man - and it is man - Politburo Central Standing Committee, said that there was not going to be now, or at any point in the future, a Western-style, multi-party democracy in China. This was also a statement and commitment to a type of progress and modernisation that does, nonetheless, look towards a more socially egalitarian sort of society in China, one that engages in trade and intellectual engagement with the rest of the world, and which learns a great deal from political models elsewhere. Just understanding and learning is not necessarily being, as they would see it, a slavish copy, but rather an adaptation. I think it is in that context all the things that Bill Callahan has talked about, including a very real interest in the much more assertive but also self-confident China of 100/200/300 years ago, is coming back into Beijing's minds today. Those are the sorts of balances in the minds of foreign policy-makers, and indeed in many parts of the wider parts of the population in China today, when they think about their own place in the world.

**Q147 Lord Chidgey:** Gentlemen, welcome. May I just say thank you for those opening remarks and very broad-ranging and interesting they were. I am going to try and bring us down to the format that we have in the information that you have been provided with in advance, and ask you if you could try to bring out the bullet points of your opening remarks, so to speak, in response to this whole question of China's foreign policy today which, as we know, is often described as pragmatic, to indicate its separation from the ideological perspectives of the revolutionary era, which you have touched on but, as we know, China's

history in the 20th century must still shape its approach to international affairs. Succinctly, what are the major legacies of the era of war and revolution in terms of institutions and values that still shape China's foreign policy?

**Professor Callahan:** Thank you for that question. I think the major legacy is talking about China in terms of unity. Unity is one of the key values that comes from the 20th century and persists in the 21st century. Lots of countries talk about unity - there is the United Kingdom, there is the United States, and there is the USSR - however, when we think of those three countries they have to say they are unified because they were not (because they are 50 states or four nations in Britain and so on). In China, the lack of unity is seen as coming from the outside, from what they call the century of national humiliation, which started with the Opium Wars in 1840, more or less, so what Mao did and the Communist Party did was to put China back together again, and that is how they presented it. They reunified China in a very particular way; as a very hyper-modernist, hyper-sovereign state, with very strong borders, territorial borders initially but also borders of politics and ideology and culture, so that there is a very strong sense of differences between China and the outside; China and the West; China and the EU; China and various other countries. You can see this in how China frames a lot of the major problems right now, so the problem with Tibet, which is on everyone's minds, is seen in terms of sovereignty. It seems as though people who question Chinese policies in the Tibetan autonomous region are seen as "splittist". Other countries would call them separatists but in the China they are called splittists, slitting the unity, so it is not just separate. When you talk about splitting you assume that it is a whole that is coming apart. If I could, I would like to talk a little bit more about the pragmatic foreign policy because I think that is also very interesting. The pragmatic foreign policy is seen as coming after the Cultural Revolution, and after the Maoist revolutionary period, and is associated with Deng Xiaoping and his economic reforms, but a lot of people in the past decade or so have been asking pragmatic for what

purpose, because pragmatism does not tell you a goal; it just tells you how you get to a certain goal. Some of us have been asking what are the values and what are the strategic goals that Beijing is pursuing. Initially Beijing's grand strategy was pragmatic in the sense that it was crucial for China to join the international system after being isolated during the Maoist period, and to join the international system to foster China's economic development, to develop trade and investment ties that it did not have before, with the West, and with overseas Chinese in South-East Asia. Beijing's official policy for a while in the 1980s and 1990s followed Deng Xiaoping's ideas of peace and development. You can still hear that a lot from Beijing, that peace and development guide their foreign policy. Again, China needed international peace to have economic development, so that is how they are linked. I think the question remains what will China do once it succeeds in this economic reform project, once it gets richer? It is already rich in some ways now but what happens after the economic objectives are fulfilled? How will it see its new economic, political, cultural and military power? Again, this is one of the debates in Beijing, and it considers whether China should continue with this current pragmatic policy to work through international institutions, or whether it should do something else, because people who are critical of this current policy see international institutions not as for the common good of the world, or as universal norms and values, but as Western norms and Western values that are not necessarily Chinese. Again, on the one hand, there is a liberal group which says we should keep engaging with the West, we should keep developing as part of the international system, but there is also a group in Beijing that says no, the West is uncomfortable with China; the West does not respect China; the West is trying to obstruct China's rise. You hear that a lot whenever there is a problem in China, whether it was the demonstrations last year in Tibet, or problems of economic trade, one of the reactions in Beijing is to say, "Oh, the West or the US or Europe or France is obstructing China's rise," getting in the way of this thing which they take as natural. Some of these people are saying

that China should stop trying to join the West, as it were, and go off on its own road to be a leader in Asia, which it is already doing in a lot of ways through multilateral organisations, but also a leader of the global south, what we used to call the third world, to be a leader in Africa especially, but also Beijing has been building close ties with a lot of countries in Latin America. Right now Beijing is pursuing both of these policy narratives, engaging with the West and engaging with multilateral organisations and international organisations, and that is what we hear a lot about, but, at the same time, it is doing something else. I see this happening a lot in China, that there are often two things going on, some of which are very positive, some of which people see as negative; there is a positive/negative dynamic. Again, we go back to China's policy of promoting a harmonious world. You can understand it in two very different ways. One way to understand it is that China is supporting peace and development in the current international current international system, so harmony, in the way we understand it in English, is usually about the interaction of equality and openness and tolerance, but there is another way of understanding harmony in Chinese. Harmony is a key concept in ancient China and it refers to a very hierarchical order that again is centred on China, centred on the Emperor in China, and centred on the father in the household. Thus a harmonious world can also mean China promoting a Chinese-style world order. I agree with Professor Mitter that they are not going back to the 19th century or the 18th century; they are very clearly reviving and tinkering with these traditional ideas for the 21st century, but I see this kind of English version of harmony and Chinese language version of harmony both being pursued right now. I think that the financial crisis, which is becoming an economic and political crisis in China, could push China towards a more confrontational Chinese foreign policy which sees itself as in distinction to the West, so rather than talking about shared values or international organisations, they will talk about Asian values and Asian organisations as opposed to Western values and Western organisations. This is the sort of

thing that Professor Mitter was talking about when he told us about the speech at the National People's Congress last week. It was very much not just about, "We do not want a multi-party democracy"; it was about, "That is a foreign thing and we have to do a Chinese thing and we will do it our own way." That is one manifestation of China's confidence.

**Q148 Chairman:** We are going to have to tie up on this question pretty quickly. Professor Callahan, if you just want to finish your remarks there and give Professor Mitter an opportunity to come in.

**Professor Callahan:** That is it, I am done.

**Professor Mitter:** I will make a short comment since Professor Callahan has covered the ground extremely well. I just wanted to pick up one word in the original question which is the question of how war, as well as revolution, has shaped the institutions and values that inform China's foreign policy today. We sometimes forget that for much of the century that has just gone past, in one sense or another, you could argue that China was a state at war, obviously so in the civil wars of the 1920s and 1930s, the invasion by Japan and World War II, and the civil war of the 1940s between the Communists and Nationalists. Then of course there is a growing body of certainly academic but also other interests that would argue that the era of Mao, even though China was technically not at war, was in fact one of constant confrontation, everything from the terror campaigns in the countryside in the 1950s to the famous Cultural Revolution of the 1960s, which certainly looked like a war out on the streets to many people at the time. This is a subject that is of particular interest to me because I run a research group that looks particularly at the effects of World War II in China, which is a highly under-studied area and, again, one of the things that often tends to be rather annoying to people in China today, particularly those who are historically informed, is the amnesia that exists in the West about China being one of the wartime allies. Many now will be vaguely aware of this, but the reality is that something like 15 million Chinese were killed during

World War II, some 80 million became refugees, and that, essentially, without holding down one million Japanese troops in China during that period, it would have been much less easy for the Western allies to defeat Japan. All of these things are felt, rightly, by the Chinese to be an important contribution to the wider global allied victory of World War II, and one of the many aspects of the historical past which Professor Callahan has mentioned which simply do not seem to figure on the Western radar screen. Let me just finish that point by giving you one example of why it might be important for us to be more aware of these historical issues. I think the reason why remembering the impact of World War II on China is important is not because it helps to explain Chinese anti-foreignism or xenophobia - and you sometimes get these reports, and we have all seen them, of Chinese students being bussed outside the Japanese Embassy in Beijing or consulate in Shanghai during a time of high crisis and people throwing bottles and so forth - those phenomena are important but I think somewhat passing, what is much more interesting and important is that there is a growing idea developing in China which splits between the policy people and historians and the wider public (which is more and more a factor in China) which suggests that China should remember World War II because it was a time when it took part in a global progressive alliance, together with the US, the British, and obviously the Soviets, the Russians, as well, to help defeat Fascism. I think that is an example of a rather co-operative and positive message from the past that is coming out of China but one which relatively few of us seem to be willing to hear. I think that wartime past is something that we should pay more attention to.

**Q149 Lord Hamilton of Epsom:** Could I pick up a point with Professor Callahan about Mao Tse-Tung. You were saying that he was seen as a force of unity in China and the man who introduced the hyper-modern state. That does not quite tie in with my recollection of Mao Tse-Tung because I thought the Cultural Revolution would have divided the nation by murdering large numbers of intellectuals, and the hyper-modern state seemed to start with the

melting down of cooking utensils and farming equipment, and the result was that millions of peasants died. Is he being re-visited now or is he still regarded in a God-like way in China? Is his history being revised at all?

**Professor Callahan:** Mao is a person who still provokes a lot of interest in China in a lot of interesting ways. Maybe Rana can comment on this, but I do not see much revision of the original view of Mao that criticises the excesses of his leadership. What I have seen is that there is a particular view of Mao, both in popular culture and among a lot of academics, where they point to a certain Mao, a good period of Mao, the revolutionary Mao who founded the PRC in 1949, and then they generally look away from the Mao of the Cultural Revolution. What is the calculation? Mao is 70 per cent good and 30 per cent bad, so the 30 per cent bad is 1966-76 and 1957-61. Although there is a lot of interesting research done on modern history in China now, I do not know how much that is changing people's views of Mao. He has become more like a god but not a god in a Christian sense. He has become a god in a Chinese sense because Chinese religion is about continuity between living and death, so you turn your ancestors into gods, that is what ancestor worship is about, so Mao has become a kitchen god in the sense that there are little Mao icons that you hang in your car from your rear-view mirror and your little Mao pictures, so he is treated in some ways as a personal god rather than as an all-knowing figure, but I will defer to Professor Mitter.

**Professor Mitter:** Just a couple of quick notes on those very astute points. One of the reasons I think that there is not more attention being paid to a revision of the view of Mao in China is not just because there are political sensitivities, and that there has been an official verdict but also, like all such societies (dictatorships in Europe, Fascist Italy and Nazi Germany etc) it would end up quite quickly with people having to look at their own behaviour. If I may say so, people of perhaps the age of the honourable members of this Committee, and perhaps a little younger than that, not in the flush of youth as I concede, if

you were Chinese you would have all taken part, one way or another, in the Cultural Revolution because the outbreak of mass suicides, killings and destruction, could not just happen on the say-so of one man and, even if it did, it needed an awful lot of people to do it. So I think there is an awful lot of self-preservation in the reason why people do not ask too many questions about this. Also on the question of the treatment of Mao, and the phenomenon I just mentioned of the revision of 20th century history more generally, has thrown up an interesting recent development that again is surprising to those who do not keep a close eye on Chinese history. For most of the Cold War, for decades, the big demon figure in terms of leadership in China was Chiang Kai-Shek, the leader who had been defeated by Mao and fled to Taiwan, and died in exile just a year before Mao of course in 1975. People are often surprised to know, but it is a fact, that for the last ten or 15 years Chiang Kai-Shek is now a rehabilitated and honourable figure in China. You can go to Chiang Kai-Shek's old mansions, you can see the places where he took leadership decisions. He is still criticised very heavily for all sorts of things that he did, not least persecuting the Communists, but he is now regarded as basically a patriotic leader who made certain severe mistakes, and in the words of at least one cheeky student, who was saying these things to people I know, it was pointed out that he made these sorts of mistakes "just as Mao had done". So I think there is a level at which people who have made some contribution to the Chinese past are being brought into the harmony that Bill Callahan has mentioned, trying to find some sort of positive way out of this really very dark and disturbing history that China has had over the last century or so. So if you are an enemy just wait long enough and then perhaps eventually you will turn into a friend, it seems.

**Q150 Lord Anderson of Swansea:** Rather like people asking for a one-armed lawyer, you said that there are the tendencies of this and the tendencies of that, for example the view of the

international institutions being moulded by Western values. My question is what is the prevailing tendency?

**Professor Mitter:** Let us be frank, I think Bill and I probably take slightly different views on this so shall I give you my view and, Bill, you are at great liberty to contradict everything I have said.

**Q151 Lord Anderson of Swansea:** Balance!

**Professor Mitter:** I believe overall that the government structure, the foreign policy-making structure, and the direction in which China is going is one that is ultimately and overall fundamentally modern and highly shaped by ideas that are not necessarily Western values but are values that have come from the West and been adapted in a Chinese context, by which I mean the idea of an international system that consists of nation states - and I know that nation state sovereignty is one of the questions that you sent to us beforehand that may come up - but I think that is very, very central to Chinese thinking about its place in the world, and that is not going to be chipped away. I think it does still believe basically, in some sense, in a non-hierarchical world system, by which I do not mean that it does not want China to be a powerful player in the wider world, just as the United States does and just as the European Union does, but that it nonetheless regards a world system in which states have equal status with each other to be the most useful, explicit way for that system to be described rather than a named hierarchy of states taking place. While the ideas of harmony and things taken from Confucian systems of thought are making a very important theoretical and rhetorical impact on the way in which China thinks about itself, I think that, nonetheless, it is as shaped, if not more shaped, by modernist currents of Communism and Marxism - and all of these things are modern as well, as we sometimes forget in an age of liberal democracy - as well as a real engagement and understanding of what a more liberal notion of the world order might be, even while not accepting large parts of that. If it were not interested in that it would not sign

up to international human rights agreements and various types of international agreements that essentially give up, at least by implication, some part of the state sovereignty for a wider set of values. For me I think China is a fundamentally modern polity with some neo-Confucian trappings that should not hide the fact that it is at some level a child of the enlightenment.

**Q152 Chairman:** Do you want a quick comment, Professor Callahan, to contradict Professor Mitter?

**Professor Callahan:** I agree what I find really interesting in Beijing is that the official policy says one thing and then people on TV and academics and the newspapers say something very different. The official policy is all the things that Professor Mitter has told us about, that China is joining the world; that China wants to be multilateral; that China is reaching out to the European Union, but there is a strong under-current which is unhappy. There was a book published this month - and I have not read it, I have just heard about it - which is called *China is Unhappy*, and it is by the people who published a hyper-nationalist book *China Can Say No* in 1996, so this is their new version of what it means to be Chinese. China is unhappy: they are unhappy with the world; they are unhappy with the West, and it says that China should be like the Tang Dynasty, so again this is where people are looking. There is a famous professor, Professor Yan Xuetong who goes on TV a lot. He is known as “Mr Security” in China. He has very strong, very realist views about military security, but recently even he has been talking about China flowering in the 21st century as it did in the 19th century with the Tang Dynasty. I think you can look at the dominant view in China, but if you stop there you are really missing something, so you need to take these alternative views into account whilst also recognising that they are not the dominant view - but they could be.

**Q153 Baroness Symons of Vernham Dean:** The only time you have mentioned the word democracy is to say they do not like it very much. Is that what you mean us to understand, that there is not a substantial body of public opinion in China that wants to see democracy in the way that we understand it? You have your differing views but on that you seem to be at one with each other.

**Professor Mitter:** Yes. I would say that there is not at the moment a significant body of either public opinion - and by the way public opinion is real in China these days through the internet and through various consultative mechanisms - nor is there a significant element in leadership which is looking to move China towards a multi-party democracy with a free civil society, which is what I think we would expect. What I would add to that though briefly, but I think very importantly, is that people have never been talking about democracy as much as they have in China today. I have a graduate student, for instance, who is looking at the way in which textbooks in civic education which are given to children have changed over the last 20-25 years, which is not a terribly long period. In the 1980s there was very little mention of *minzhu*, the general translation of “democracy” in Chinese, but in the 2000s the books are full of it, but they mean something rather different. They mean essentially something that we would call consultative capacity; the ability of the state to find out what people are thinking, enable them to get redress for grievances, feed information back into the Communist Party within which debates will take place, but not to allow other formalised party mechanisms to enable those sorts of views to take place. That actually draws on the model of democracy that Mao, who we have heard about before, came up with during his revolution in the 1930s and 1940s, which as called the “mass line”, and it was very much a means of trying to gather views from the wider population. They also look to places like Singapore, which is also a Chinese society in many ways, which has multi-party voting but does not have a free civil society. You can argue that partly because they have much better control over the population,

it is much harder to get what you might call dissident views out in Singapore than it is in parts of China. By looking at what the Chinese understand by democracy, rather than necessarily interpreting it through our own viewpoint, we can understand what they mean by it even if we do not agree with it ourselves.

**Professor Callahan:** There was an interesting thing that happened last December on Human Rights Day, when a couple of dozen intellectuals in China signed what they called a Charter 08, which is modelled after Charter 68 from Czechoslovakia in 1968, calling on China to reform in terms of liberal, multi-party democracy with civil society. Over the next month it got about 7,000 or 8,000 signatures, which is pretty good since it was not publicised in China. However, when you compare that to some other internet petitions, it does not look quite as good, because there was a petition in 2005 to criticise Japan and Japanese text books and in the same period of about six weeks/two months it got 25 million signatures. You can say that it is not a fair comparison because one was highly publicised in 2005 and in 2008 it was not publicised, but I think it shows two things: that there are groups of well-placed and thoughtful intellectuals in China who are thinking about democracy in the way we understand it, but again they are not a dominant force by any means.

**Chairman:** Perhaps we should move on then, Lord Jones?

**Q154 Lord Jones:** A major principle that seems to shape China's external strategy, but also its posture towards international actors that take an interest in governance inside China, is the principle of sovereignty. What do the Chinese understand by this term and why does it carry such significance?

**Professor Callahan:** As we have already said, sovereignty took on a lot of meaning with the revolution that was successful in 1949 about how the legitimacy of the party-state right now is based on the idea that the Communist Party saved China, and that is the phrase they use; they saved China, they saved the country, and they saved the country in 1949 by uniting it under a

strong government. That is a sense of what they mean by sovereignty: a unified, strong state. I think that sovereignty actually has multiple meanings in China. It is often divided up into economic, cultural and political sovereignty. Economic sovereignty is very permeable and it is about international trade. As I was saying before, that is the basis of the economic reform programme in China. Globalisation and national sovereignty are usually seen as opposite ends of a continuum. But economic globalisation is actually quite popular in China. China has succeeded quite well even through the World Trade Organisation. However, as we have been saying, political globalisation is seen as a threat by the party. Political globalisation was seen, as Professor Mitter said, as multi-party democracy, as human rights. Just like Russia, China is very concerned about the colour revolutions that they saw in Eastern Europe and Central Asia in the past few years, so political sovereignty is something that they take a lot of care to preserve and have a very strict view of. There is a very sharp distinction between inside China and outside China, so that this exclusive notion of sovereignty I think works even when China is doing multilateral things, China's main regional organisations in Asia, the ASEAN Plus Three and the Shanghai Co-operation Organisation, need to be understood, not just as China being multilateral but also China as using them to preserve its sovereignty. For example, the Shanghai Co-operation Organisation is about lots of things, but one of its main goals is to guard borders in Central Asia, so there are not cross-ethnic rebellions. Rather than sharing sovereignty, like we hear about in the European Union, I think that a lot of the multilateral organisations are trying to preserve a certain kind of sovereignty in China.

**Professor Mitter:** I would agree with everything that was said there. It is important to understand again the historical context in which China understands sovereignty. For much of the late 19th and early 20th century, China was in a position of highly compromised sovereignty. From the Opium Wars onwards it saw Westerners with gun boats and opium and bringing in Christian missionary tracts. Whatever form the outside world took in China in

that period, it came in unmasked, so to speak. After China regained full sovereignty, which happened first of all under the previous Nationalist government in the 1940s but then in a different way with the Communists in 1949, it essentially stuck to a very territorially bounded idea of sovereignty, which again of course was quite welcome within the UN structure at that time because large numbers of European states which had been invaded by Nazi Germany felt that absolute inviolability of borders was an important principle elsewhere in the world. The change towards liberal interventionism in the 1990s, which again Bill Callahan has mentioned, towards more permeable borders, towards a world in which borders were going to be more flexible, is one that remains very troubling for the Chinese, who have had a bad experience, to put it mildly, in historical terms with those sorts of borders. We mentioned the WTO and of course that was a very important development with the Chinese enthusiasm to enter it in 2001, but for many Chinese of course it had to be seen in the context of a rather different sort of trading engagement in the 19th century, where opium was being brought in to Chinese borders without any say-so or permission from the Chinese imperial government of the time. These comparisons are brought up over and over again in China. In Britain we may have forgotten long ago about the Opium Wars but they have not forgotten about them in Beijing.

**Lord Jones:** Thank you and to help move things on I am going to surrender the sovereignty of my supplementary!

**Q155 Lord Anderson of Swansea:** I have a question on the direction of travel. You said that in 1949 the self-perception of China was as of a victim and its self-perception later was as part of the non-aligned movement. Now with a newly assertive China, which is more powerful politically and economically, where are we moving towards? Is the doctrine of non-interference, which clearly was part of their policy for example in relation to the Balkans and Serbia being modified? How do they respond officially at the moment to the responsibility to

protect and the general diminution of state sovereignty? On the direction of travel where, in your judgment, are they likely to go over the next decade?

*Professor Mitter:* At the risk, my Lord Chairman, of disagreeing with Lord Anderson, I am not sure that we are necessarily in a world of a more assertive China; it is only more assertive than it was in the 1970s and 1980s. I think China was more assertive by far in the 1950s and 1960s under Mao, when it was actively looking to protect a revolutionary, anti-imperialist creed which actually involved the involvement of various local Communist parties, not only in South-East Asia but elsewhere, and it had influence in Africa of course in those days, too. Compared to that period, which is perhaps in historical terms not so long ago, we ought to consider current Chinese behaviour perhaps in a relatively more moderate light. In other words, I think there is concern there but it is not the kind of concern that sometimes leads to apocalyptic scenarios of a “rising dragon” that may be about to take over in the region. Some of the evidence for that comes from the way in which China is using the new economic and political might that it has in the region. First of all, it seems to me very clear that where it is possible, in fact, China is doing a great deal to try and take part in multilateral operations, both political and military, that enable it to have a presence in that wider world structure without seeming overly assertive. For instance, the sending of the Special Envoy to the Middle East during 2006 when the Lebanon War broke out and in the years following. Also the emergence of a presence in peace-keeping operations across the world where Chinese military engineers and other such figures are sent along as a symbol - quite a useful symbol - that China wishes to take part in these international endeavours. Of course, that in some ways parallels a rather different debate that takes place across the sea in Japan about their new presence in this rather changed sort of world order. It seems to me far more likely that the Chinese are going to be doing what they are doing now, which is continuing to use its economic power and its ability to essentially project itself as an example of a rising non-

European state that is able to interact peacefully with the outside world, to actually project its image rather than necessarily using any of the military capabilities that it has in a very assertive way. Responsibility to protect, which is a phrase that has tripped off many tongues in recent months, is definitely a very troubling term for the Chinese because it again seems to spell liberal intervention, which for the most part they are very much opposed to. The fact that they are willing to take part in some of these peace-keeping operations suggests that that position is, at least at some level, flexible as well.

**Professor Callahan:** I agree with everything that Professor Mitter has said. I think that China had various understandings of the Kosovo War in 1999. One of them was the principle of non-intervention because of sovereignty; the other was because Kosovo seemed very familiar to them as an Islamic state on the borders. I think some people were talking about Kosovo like it was Xinjiang and how if Kosovo was able to split off then perhaps Xinjiang would be able to split off if there is foreign intervention to support that. I think that China certainly has principles that question intervention, but it also has a lot to do with their own history and their own situation, which means that it does not necessarily have a wider view of what China might do in a new situation.

**Chairman:** Baroness Symons?

**Baroness Symons of Vernham Dean:** Lord Chairman, I think that both witnesses have really covered the point that I wanted to raise, which was about China's position in terms of world affairs. I think in the interests of saving time it is probably better to go on to the next question, if I may suggest. Some of the other things will be picked up when Lord Jay tackles the UN.

**Chairman:** Lord Swinfen?

**Q156 Lord Swinfen:** What is the connection between 'problems of history' and nationalism in East Asian international relations? How is China's nationalism viewed by other East Asian

nations: as an understandable legacy of history or a problem emanating from the Chinese Communist Party?

**Professor Callahan:** The history problem, as you probably know, generally emanates from Nationalist movements in East Asia, not just in China, especially when we talk about textbooks, so there is a lot of talk about Japanese textbooks that whitewash atrocities during World War II. This becomes important in China because Chinese textbooks also have their own view of history. We have been talking about the history of victimisation and humiliation at the hands of the West and at the hands of Japan, especially in the first half of the 20th century. The history problems affect mostly Sino-Japanese relations but they also affect EU-China relations sometimes. The recent controversy over the auction of Chinese bronzes in Paris a couple of weeks ago is a case in point because the bronzes actually have very strong significance. As Professor Mitter said, in Britain and in the West we do not generally think about the Opium Wars that much, it is not a main point in our history, but in China it is. These bronzes came from China's main Garden Palace which was burnt and looted by Anglo-French forces in 1860. Chinese nationalists see it as a badge of honour to get these things back. They see it as looted art that they need to recover, not just because of nationalism but for China to be a great power and to get these things back. The history is not just about Sino-Japanese relations; it is about China's relations with Europe at times. The Koreans share some of China's criticisms of Japan because Korea was colonised by Japan for five decades. I think we should also recognise that the history problem works in specific ways in Japan too. There are left-wing historians and journalists who agree with the Chinese and the Koreans that Japan should apologise for imperial Japan's past actions, but I think that we also have to see how China's complaints are actually feeding the growth of conservative nationalism in Japan. Right-wing politicians in Japan often complain that Beijing uses instrumentally the history card, as they call it, to squeeze economic and political concessions from Japan. It is a

very strange situation because although people worry about the influence that these Japanese textbooks have on Japan's children, it turns out that the right-wing textbook that is at the centre of the controversy is very unpopular in schools in Japan. It has been adopted by fewer than one per cent of Japan's school boards. It is very curious because the history problem is not actually an educational issue in terms of what children are learning in school; it is more of a media issue about discussions between conservatives and liberals in Japan as much as between Japan and China. There have been some moves lately to write a shared history between China and Japan. It is still in the early stages and they ran into some problems. I think in maybe ten years they might have come up with something which is a reasonable thing to think about, but these problems still fester even though Sino-Japanese relations are going quite well right now.

**Professor Mitter:** Essentially the continuing problem between China, Japan and other parts of the region in terms of history is that in too many of these societies history is still regarded essentially as a political football. The idea of even writing a joint history of the war between China and Japan, while it sounds very admirable, actually sounds very odd to historians, as opposed to politicians, because the aim of writing history is not to achieve consensus; it is to analyse the past and possibly provoke debate. I think the last thing that the participants are trying to do is actually to provoke a debate in that sense; they are trying to find something that will be politically useful. In those wider terms, essentially China's nationalism seems problematic, or non-problematic in historical terms, to other actors in the region in terms of the way in which everyday politics is going on, so when there is, for instance, a Chinese territorial claim to parts of the wider Pacific Ocean, as we saw last week with the incident with the US naval vessel off the south coast of China, then aspects of the historical past will be brought in to try and bolster justifications for that action on both sides, but they will not in any sense be genuinely historical discussions; they will be useful carvings out of parts of the

past to try and make a political point, which may then be forgotten as things get warmer or colder as the next season comes around.

**Q157 Lord Swinfen:** Right at the very beginning on the first question, Professor Callahan, you said that China harked back to its imperial past. I have always understood that China is now a smaller size than it was at its greatest period and that it wishes to reclaim sovereignty over the areas that it has lost. Is that still the case and where are the areas?

*Professor Callahan:* This is a very interesting question and something that I have actually worked on. Beijing's policy is a very progressive and encouraging one, which is to settle borders. Especially over the past 20 years; it has worked to settle borders with Russia, with the Central Asian states, with Vietnam, with most of its borders. Even though it still has disputes with countries like India over its borders, generally it is doing it in a non-violent way. Recently it invaded Sikkim but other than that the general trend has been towards using diplomacy rather than warfare, and using a conservative notion of its borders rather than an irredentist one. Alongside this official view, which guides official policy, there is also another view that talks about China's lost territories. There are some maps of China that talk about China's national humiliation which list all the territories on the periphery, especially in Central Asia and the Russian Far East, but also including Korea and South-East Asia. These are the things that people will talk about on the web, so someone will find a map, often a map from the 1930s and they will post it on the web and there will be a discussion about, "That is ours, Mongolia used to be ours," that sort of thing. I do not think that these irredentist reactions are very influential right now but, again, it is another under-current that we should be aware of, but put it in its proper context.

**Q158 Lord Jay of Ewelme:** I would like to bring the discussion down to the particular concerns of this inquiry and ask you about how China sees the EU, either as an institution or

the Member States of the EU. Going back to the question the Chairman asked at the beginning, what does China want from the EU and what would it like to get from the EU? If you could also answer that question in the context of China's interest in others, in particular the US, and how that relationship with the US might influence the relationship with the EU? One question in that context: there is much talk about a possible G2 of the US and China as a kind of driving force as a resolution to global issues; is that something which you think China would be tempted by?

**Professor Mitter:** I think the phrase G2 brings to mind a discussion that went on about 20 years ago when Japan was riding high, and it was proposed by at least some on the Japan side that it would be worth cutting out Europe and the rest of the world and Washington and Tokyo simply acting together, so I think that is a salutary warning that global orders can change, and sometimes quite fast. That having been said, I think it is fair to say that what China would like more than anything from the European Union is to know what it is that the European Union thinks it is doing and particularly what it is doing about China. Essentially it would like the EU to be a more stable and predictable partner, I think that is probably the right word to use, in terms of engagement with it on trade, political, cultural and other matters. It struck me that the European Union and China are very similar in various ways because they are both developing policies that are going in a certain direction but are not quite sure where they are going to end up at the other end and it is often perhaps this mirroring on both sides that makes them a bit wary of each other. I think the problem about the EU in China's eyes at the moment is until it is clear what the European Union actually wants from China it is more difficult for China to take it seriously. In my mind there is no doubt that the primary relationship in global affairs from China's point of view is with Washington DC. There is a strong argument for saying that possibly a secondary relationship is with the South East Asian region, but, that having been said, you could argue that the secondary relationship

is with the EU although it is a very clear second at the moment because it is not clear what the parameters of the EU are and, therefore, at the moment quite often the EU acts in China's mind as a counterfoil to various initiatives coming from the American side, in other words being able to say on various matters, "Well, I don't think we should do that because Europe won't like it", or "If we get together with Europe on this, that or the other then we can try and prevent the Americans acting in this way". Trade disputes would be an example of how that might operate specifically.

**Professor Callahan:** I agree. Early in this decade China and Europe were both very excited and positive about each other, so in 2003, as you know, both sides proposed setting up a strategic partnership. That has not come about yet, there needs to be a new agreement between China and the EU to order that. Right now, as Professor Mitter said, it is more aspirational than something that is going on. China thinks of the European Union the way it thinks of a lot of countries and organisations in terms of a balance of power or triangular diplomacy balancing, in this case, the US off of the EU or the EU off of the US. I think that the EU-China relationship was strong in 2003 for very specific historical reasons, not because of shared values, although there are some shared values, there is a difference of values, but because of what else happened in 2003, the US started talking about, and eventually invaded, Iraq, so there was the Iraq War. It was not a shared value so much as a shared concern about American unilateralism. Things have moved on a little bit and European and American leaders are co-operating a lot more and talking about shared values, again perhaps in an aspirational sense. Because the US and Europe are closer, China feels left out, it feels marginalised. It uses the military language of a "Western camp" when the EU and US are together. There is an article in a recent journal that talks about the "Western camp" and how China needs to think about dividing this, usually appealing to the European Union to oppose American actions. China is not really optimistic that it will be able to split the US and the EU

in the current climate. China has cooled a lot on Europe in the past year or so especially and you can see this both in official documents and things from their think-tanks but also in the popular press. I was reading a tourist column in an economic magazine in preparation for this Committee meeting and this tourist column had a very negative view of Europe. It said Europeans are cheap, dull and lazy compared with China, that Europe's cities are boring, the hotels are lacklustre. It even went into detail saying the cars are too small and the televisions in the hotel rooms are too small. This reflects a general view in China, as I said, that China is unhappy. It is unhappy with the West and it is unhappy with Europe in this sense. I think that is a real problem and it is very hard to see how the European Union can address China's unhappiness because the unhappiness seems to be framed in these Chinese texts at a very basic level of values and lifestyle and people-to-people relationships. I know I am being very pessimistic but I think it is important to tell the Committee these views because I do not think they come out so much in the English language press.

**Q159 Lord Jay of Ewelme:** Can I just ask one follow-up question? Which EU Member State, if any, would the Chinese see as being genuinely important to their interests?

**Professor Callahan:** They focus on Germany.

**Professor Mitter:** Germany.

**Professor Callahan:** The way they are trying to divide the US and the EU is similar to the way they are trying to divide France from Germany. France right now is the main focus of China's negative attention.

**Q160 Chairman:** Do you have an alternative view, Professor Mitter?

**Professor Mitter:** I will just briefly add to that. I would have given exactly the same answer that Professor Callahan did that Germany seems to be very much at the centre of policy talks on Europe. In a sense, the answer to the question of what are the perceptions of Europe in

policy circles, the wider public and so forth, is there often are not that many perceptions. The dominance of interest in the United States and also in various other regional players means that unfortunately, or fortunately, whichever way you want to look at it, Europe does not necessarily get that much of a look-in. It sometimes seems to me that one of the ways in which it might be possible for the EU to move forward on this is perhaps moving away slightly from what sometimes seems to the outside observer as a strategy of over-blandness. Professor Callahan talked about the way in which the Chinese government are using harmony over and over again as a sort of cover-all for a set of policies; it sometimes seems that the European Union is using similar sorts of phrases to try and overcome the fact that there are real and tangible differences in the way in which, say, Europe and China look at the world. A frank, honest and positive acknowledgement of those differences may be a little more useful in terms of engaging with policymakers and thinkers in China. To tell the Chinese from the European side that we necessarily share large numbers of values, have the same goals and so forth is accurate up to a point, but an acknowledgement that also there are significant points of difference and we have to acknowledge those and overcome those might lead to a genuinely more engaged conversation on both sides, and certainly I have got that impression sometimes from the Chinese side.

**Chairman:** Perhaps I could ask Baroness Symons to ask her supplementary and move straight on to Lord Chidgey and our witnesses can answer them together.

**Baroness Symons of Vernham Dean:** Do you think that the Chinese actually want a relationship with the European Union other than the economic relationship where we buy lots of their stuff and help keep the Chinese economy buoyant? After all, we are the biggest single market in the world. It does seem interesting that you are projecting quite a negative view of how they think of us. In all of that, do you think there is a real appreciation that we are all very different from each other: we are not America, one government? That is the

trouble with democracy, is it not, it does not actually produce constant stability. When you say they want us to be a stable partner, the fact is we have democracy and we keep on electing different governments and our views do keep changing. Do you think there is any wish to understand that and engage with that politically?

**Chairman:** Can I just ask Lord Chidgey to ask his question because they work together.

**Q161 Lord Chidgey:** It does fit very well with Baroness Symons' question. From the comments you made a few moments ago in your description of how the Chinese popular press, if that is not an oxymoron, see the West from a tourist point of view, you gave a very strong impression, and I want to check whether this was what you intended to do, that the Chinese per se have a very biased and bigoted view still towards foreigners, something which historically was writ large in their whole concept of the invading foreign red devil, which I think was the expression used in the 18<sup>th</sup> and 19<sup>th</sup> centuries. You have left me with the impression that things have not really changed very much. Is that what you intended?

**Professor Callahan:** No, it is not what I intended. I think the way the Chinese spoke about foreigners as barbarians 150 years ago was very different from the way Chinese people, even when they are being critical, speak about foreigners today, even when they use the word barbarian which occasionally pops up. In a way it is a bog standard cultural nationalism that guides these views and criticisms as the sort of thing you would find amongst segments of the populations in most countries. It is important to look at how Chinese people have negative views of Europe, in this case, but see it as evidence of current trends and current political situations, not as something that is essential to a Chinese identity.

**Q162 Chairman:** Would you like to answer Baroness Symons' question that particularly we are a big market and democracy is perhaps not always convenient to other nations.

**Professor Callahan:** I think that China takes its economic relations with Europe very seriously and is very happy at the trade; obviously it is benefiting from it. The whole discussion about a strategic partnership starting in 2003 was about getting beyond an economic relationship and going to a political and cultural relationship. That is where there are problems.

**Professor Mitter:** Perhaps I could pick up on Baroness Symons' point, if I may. I think I may have slightly mis-stated where the concern about stability lies. In a sense, your question provides some of the kernel of the problem for the Chinese because you pointed out that the European Union is one of the world's largest markets, but the thing is you cannot really have a relationship with a market as such. The instability is not so much the question of democracy, China has perfectly good and indeed, I think, very subtly understood relationships with a variety of democracies - the United States, France, Britain, Germany, you can name dozens more, I am sure - and that is not the problem. The problem in terms of instability is the inchoateness, the changing of the European Union's own idea of what it is and what it wants to engage with. Is it a set of values? The European Union is many things but in and of itself it is not a democracy, it a supranational structure that is made up of a set of democracies, which is one of the things that makes it difficult for the Chinese as well as others to work out how to deal with it in that sort of way. There is one very clear and good answer about how the European Union more generally might engage further with China, and I am afraid both your witnesses today have a vested interest in that, and that is in the field of higher education where very, very large numbers of Chinese, mostly of a relatively younger generation, come, they spend very large amounts of money and more and more are very concerned to get good value for that money in universities and institutes of higher education all across the European Union. This is one of the areas where, in effect, the United Kingdom specifically has an advantage, not least because of the quality of higher education but also because of the

language issue. I was in France last week acting as an outside assessor of French research institutes on East Asia, including China, and it was very clear to me there is a significant and continuing engagement by other European Union members with China and numbers of Chinese researchers, academics and students being sent to France as well. I do not think France is in any way untypical of that. The question will come whether the European Union is more genuinely willing to put forward those links in a European way or whether we are still playing the old game of putting it under an EU umbrella but actually doing national conversations underneath. That is the instability that I think confuses the Chinese: are they talking to London, Berlin, Paris, or are they really talking to a centralised organisation that has a consistent message to put forward?.

**Q163 Chairman:** In a sentence, do you feel with Lord Chidgey that there is still a concern about foreigners?

**Professor Mitter:** I do not think the Chinese overall are any more or less contemptuous or friendly towards foreigners than Americans, British or any other citizens. I think it is fair to say that until recently and even now there is more restriction of information about foreign affairs in China than is the case in a liberal democracy, but there is an awful lot of exposure to the outside world these days in terms of commercial products, television programmes, films, and huge numbers of foreigners flocking through China these days, it is a very easy country to go to if you wish to visit. In those terms I think any more negative views that we sometimes hear about the West and Europe by the Chinese are tempered by the reality of day-to-day encounters and the much more positive visions that they see all around them through the media in China, for instance.

**Q164 Lord Anderson of Swansea:** I have one question within the framework of strategic partnerships. In your judgment, how do we best influence the Chinese? Related to that I have

a question on higher education. When the Chinese send students here, are they almost entirely in the field of applied sciences and areas which are perceived to be relevant to China's development? How open do you find yourself and your colleagues as researchers in terms of the contact you have with fellow researchers in China, be it in academia or think-tanks?

**Professor Callahan:** Most Chinese students do study science, engineering and business. There are growing numbers who study humanities and social sciences though. If you look at the people in China who are influential now you will find that a large proportion of them have studied in the West, in the US, in Britain or in France in particular. That is one way to influence China. It is not always a good influence because a lot of the people who are very critical of the West are people who have studied in the West. We cannot take for granted that people who come here will understand things the way we teach them. The more contact and more interchange we have, the better things are and will be. As Rana said, we have a vested interest in this and I have even more of a vested interest because I am part of a British Government funded research and teaching body called the British Inter-University China Centre which joins Rana's university, Oxford, and my university, Manchester, with the University of Bristol and trains postgraduate students and some postdoctoral people as well in China. The reason we have to do this is because there is a great demand for people who know China, who can speak Chinese, who can understand Chinese social sciences and humanities, but there are not that many candidates, there are not that many people studying it in Britain or in Europe at large, so the Government had to pump-prime to get it going. It has been very successful. A lot of universities are hiring people doing Chinese history, Chinese politics, sociology, economics and the environment, but we still do not have enough candidates for them. I guess I would ask the Committee, if you could, to try and support this and other programmes because in the current financial crisis there is a real worry that there will be some

retraction and that would be a shame. In a way, one of the weaknesses of EU-China relations is because we do not have people who understand China. If you look at the think-tank reports put out by the main European Union think-tanks --- Are you going to visit Brussels next week to talk to them?

**Q165 Chairman:** The Committee is visiting Brussels next month.

**Professor Callahan:** One of the things you will find if you look at these think-tank reports from the European end is that nobody knows anything about China, they have not studied China. These are just the people who run the think-tanks who write reports about the US, Russia and China and it affects the way these reports understand China because they tend to take uncritically what their Chinese counterparts are saying. So they have these meetings of China's and Europe's think-tanks and they talk about each other. It is troubling how a lot of the European think-tank reports just take the Chinese talking points, clean up the grammar and publish it as their own research in a very uncritical way. That is why we need to have more people who can read Chinese language text and can understand China and who have experience as students and researchers in China; not just for universities but for the government, for think-tanks and for business.

**Professor Mitter:** I would briefly echo that and come back to the question Lord Anderson asked, which is how can we influence China. I think the clear answer to that question is not by telling them what to do and what to think because that has not been effective in the past, there is no reason why it should have been, and it will not be in the future. The way in which we can influence China is by showing China, and that means this wider public opinion that I have kept coming back to in the session today and is very important, in other words leaders are important but the wider population is as well, letting China know that we take them seriously, and that does include the embedding of expertise. Adding to Professor Callahan's point, the project I mentioned on World War II in China, generously funded by the

Leverhulme Trust, advertised and not one British appointment were we able to make in a group of eight or nine positions for postdoctoral fellows and graduate students because the candidates are not there. Of course, we filled them very happily with people from the United States, which is a country which takes China very seriously and which is taken very seriously by China. On my visit to Paris last week that I mentioned, the thing I did not mention, even though there is a great deal of very interesting expertise there, is that the average age of the researchers in that French top institute, the EHESS, the higher college for social sciences, is in the mid-60s. The younger generation in France is even worse off than in the UK in terms of bringing up the next generation of experts in China. These are two major European Union states, the United Kingdom and France. The situation in Germany has its own peculiarities. They have better language training but they do not have jobs there. Coming back to this question of how things can be co-ordinated, how the EU can be taken seriously, looking at the way in which we deal with expertise and education is one certainly not simple but clear way in which we can demonstrate our seriousness about China to the Chinese.

**Q166 Lord Crickhowell:** You said very clearly something we understand very well, the difficulties that China has in dealing with the EU as an institution and by strategic partnership, but is not one of the ways forward to take areas where there are common interests and common concerns? One obvious one is climate change which China is beginning to take very seriously and where there is already not only substantial investment but growing co-operation. That links with what you have been saying about the academic world, research, technological development and so on. Is not an obvious way forward to really get China interested in Europe for Europe to play an increasing and major role in co-operation on climate change, on the necessary technological research and, indeed, on the investment? There is quite a lot of it going on already and I would suggest that is an obvious way, among others.

**Professor Mitter:** Yes. The climate change agenda has absolutely come to the forefront of all the major industrialised states and groupings like the EU, and China is absolutely no exception to that. There is a great deal of very serious policy engagement and research going on in China on this question, not least because anyone who has been to China can see the impact of both climate change and environmental degradation which is linked to the use of fossil fuels and so forth. It is clear to anyone who walks out on the street in the city or the countryside. The European Union has actually missed an opportunity in the last few years when there has been, I think it is fair to say, an American administration that has been less interested perhaps in pushing forward some of these agendas. I think China might have responded during that time, at least in some way, to a more active engagement on the EU side with that agenda. That having been said, we may now be in a fortunate confluence where three major actors - China, the EU and the United States - share some consensus about moving that agenda forward. One of the problems will be the continuing influence of that historical problem that we have referred to over and over again, which is the West coming along and telling China what to do in terms that sound as if they are for the greater good of humanity but, in fact, are economically or in other ways more advantageous to the West than they are to China. It boils down to that old question that China asked ;, “Well, you ruined your environment to get rich, why can’t we do the same?” Unless the European Union can come up with a good answer to that question then the Chinese will always find that talk somewhat hollow. Engagement on those terms is very important.

**Chairman:** I want to move on to foreign and security policy because we have only got about 15 minutes left. Lord Inge, you wanted to ask a general question and perhaps I could ask you to combine that with your specific question.

**Q167 Lord Inge:** I was terribly struck when I did a visit to China by how their armed forces were pretty ordinary, a hell of a lot of them but pretty ordinary, but equally geared to the

internal problems of China, and then suddenly this switch where there is not only major investment in defence but wanting a capability to project power. What do you think was behind that change in thinking?

**Professor Mitter:** I think Lord Inge's assessment of the Chinese military in terms of the actual troops and the equipment they have is absolutely right. Particularly David Shambaugh, who is based in Washington DC, who is perhaps the major Western expert on Chinese military, makes a positive but in some ways quite moderate assessment of what the Chinese military forces are capable of doing. They are certainly an awful lot better than they were, but they are still ten, 15, X number of years - take your pick - behind, say, the state of the art in the United States. Also, it is worth remembering, and I think this is an important thing, that as much as anything the armed services in China are a major employer. It is a very good deal to get into the Chinese Army because you have a guaranteed income and you will almost certainly not have to do any fighting which, as armies go, is something ---

**Q168 Lord Inge:** That sounds very good.

**Professor Mitter:** I think we would not be unsympathetic to the idea of keeping it that way. In other words, when people are being recruited for the army in terms of the troops the considerations in their minds might be rather different from, say, British forces who realistically could be expected to be sent to a combat area very shortly. In terms of what has brought about the change, I think the Chinese have become aware of the latest - there are various terms bandied around - military revolution, military warfare is one of the things we have heard, asymmetric warfare, the idea that the conflicts that are going to emerge in the early 21<sup>st</sup> century may not look very much like any of the conflicts that shaped the armies of the world, including the Chinese Army, in the 20<sup>th</sup> century. In other words, the possibility of a large land based invading army from China heading to any other parts of the Asian subcontinent or elsewhere is an extremely unlikely one. There is, of course, the specific

question of Taiwan but, as the noble Members here will know, there is a rather specific set of historical circumstances relating to Taiwan that does not necessarily generalise to China's relationship with the rest of its region.

**Q169 Lord Inge:** It does require the ability to project power?

*Professor Mitter:* It does require the ability to project power. Some of the areas that are worth paying attention to relate less to the question of troop numbers and more to issues such as cyber war, for instance, the idea that by using new technologies you could essentially cause any troublesome opponents to come to their knees before you ever had to deploy a single soldier. It is in that direction, the investment in technology, that the interest should really come. It is often noted, probably like many other societies around the world, China's official defence spending does not necessarily bear a resemblance to the total amount of spending that gets put forward. I think it is worth noting that China has put forward a pledge - this was before the financial crisis but I suspect they will stick to part of it - to increase its total spending on research and development in terms of scientific progress over the next 15 years or so until it reaches approximately US levels ideally. I would not be surprised if a significant amount of that technological development also has a military capability simply because that is true of research into technology in defence in other societies around the world.

*Professor Callahan:* The army in China is not a national army, it is still a party army, a People's Liberation Army. Although the Communist Party is not a revolutionary party any more, the PLA is not quite the same as the sort of armies that we are used to talking about.

**Q170 Lord Inge:** Could I now ask my specific question. Have not the foreign or defence policies of the other Asian countries and their relationships affected the relationship with the European Union and China? I am particularly thinking of the relationship the European Union has with India, Japan and Russia.

**Professor Callahan:** China's relations with Russia, India and Japan really blow hot and cold and shift very quickly. They are generally strong economically but they can go from being very close and happy politically to being confrontational politically very quickly. It has fragile political relations. It actually has boundary issues. Even though they are trying to settle the boundary issue with diplomacy there are still boundary issues with Japan and India and they just finished the boundary issues with Russia, I am pretty sure. The way the European Union fits into this is as a corner in a strategic triangle again and the EU should try to avoid being put into this role of being seen in terms of triangular diplomacy as much as possible.

**Professor Mitter:** If I could briefly mention something that Professor Callahan has mentioned before, which is the Shanghai Cooperation Organisation, this rather odd and ramshackle structure officially set up in 2001 which is supposedly a security alliance led by Russia and China with various Central Asian states as members and, interestingly, as observer members, on the outside but invited to meetings, India and Iran. That is a very interesting and parallel sort of regional grouping as compared to the ones we are used to. It is interesting not because, as some people in a slightly alarmist way have billed it as being an Asian NATO, I do not think it is anything of the sort, not least because I do not think the two countries at the top co-operate with each other more than at quite a superficial level in some ways, but because it is an example of the way in which China, which I think was very much in the driving seat of the SCO, is trying to think of new ways in which it can create that set of regional relationships which can play against each other, not necessarily in an overtly hostile way, simply on the grounds that all powers and all nation states like to have a variety of options rather than locking themselves down to any one or other. I suspect that any growing role that the European Union will have will fit into that particular matrix of Chinese alliances. In other words, the Chinese are always going to be cautious and make sure that they do not tie

themselves down into any one set of alliances however attractive it may seem at the time. In other words if, as is often said, there is a special relationship between the UK and the United States, I think it is very unlikely that there will be a special relationship between China and any other one entity or body. I think that is an opportunity as well as a problem for the European Union.

**Q171 Lord Inge:** Professor Mitter made reference to asymmetric warfare, by which we normally mean internal acts of terrorism. What sort of handle has China got on this sort of thing? How good are their security services?

**Professor Callahan:** I think in terms of cyber warfare China has a lot of strengths in large part because it is seen as an internal issue and has the so-called “Great Firewall of China” to keep foreign websites out. It is quite successful. It is permeable, you can get around it, but you have to work to get around it. I think the expertise that they have developed on the internet to have their own internal cyber boundary has also helped them to do cyber warfare in the sense of attacking sites outside China. It is done in an asymmetric way in the sense that it is probably not the People’s Liberation Army officially doing this but it is different groups that are independent or semi-independent doing it, trying out various ways of attacking foreign websites. We have not seen any evidence of China promoting terrorism in the sense that we think of it now as international terrorism, small groups planning to attack.

**Q172 Lord Inge:** You are talking about a group within China?

**Professor Callahan:** Yes.

**Professor Mitter:** There has been quite a lot of recent news coverage of the development of what are sometimes called SWAT teams, people in black uniforms with gas masks and this sort of thing, who are designed to deal with a biological, chemical or, indeed, potentially nuclear incident in a Chinese city. A certain amount of this is also meant to be demonstrating

that China has the capability to do something about this even if the threat at the moment is not particularly real. I think it is fair to say that because of the nature of Chinese society there is much more surveillance, it is much more locked-down in many ways than a liberal democracy and control over internal dissident groups is much greater. The Chinese Government also has an interest in lumping together entirely non-violent dissident groups with groups that genuinely want to use violence to change the political situation and claim that they are all essentially aspects of the same thing. That being said, it is true that there are groups -- and they are quite small, I do not think they are particularly likely to have a major influence in China -- which do use violent tactics, particularly in the western part of the country, and, therefore, the Chinese Government's concerns about anti-terror measures are not wholly out a fantasy, they are based on reality, a reality which sometimes can be expanded beyond what the current knowledge can bear.

**Q173 Lord Selkirk of Douglas:** The EU is strongly focused on effective multilateralism at the regional level and under the United Nations system. What are the prospects for East Asia to develop regional institutions that can act as a partner for the European Union? You talked about the importance of reading and speaking Chinese, and I imagine you were referring to Mandarin. Can you give some indication of what percentage of the Chinese people can actually speak and read Mandarin?

**Professor Callahan:** The literacy rate in China is very high. I am not sure what it is, but I would say 80 per cent or higher.

**Professor Mitter:** Could I just add one point of fact? Mandarin is not a read language but a spoken one. Modern standard Chinese is written in exactly the same form regardless where you go, but the way in which you pronounce it, the dialectal form, Mandarin, Cantonese, Hokkien and so forth, is mutually incomprehensible. It is a shared written language but different spoken dialects.

**Professor Callahan:** I was going to point that out. They are unified by a written language that most people can read. Most of the media is done in the spoken Mandarin dialect, although people speak their own local dialects as well. I am sorry, I forgot the question, I was sidetracked.

**Q174 Lord Hamilton of Epsom:** Multilateral organisations.

**Professor Callahan:** There are regional organisations developing in East Asia, multilateral organisations, that the European Union can work with definitely. There has been a progressive development, especially over the past 35 years. They are not going to be organisations like the European Union, so it can be a partner but it is not going to be a partner in the same way. There will not be as much shared sovereignty, that will take decades to happen. Yes, there will be someone for the EU to work with but it will not be the same sort of organisation.

**Professor Mitter:** If there is an argument that there is a set of shared values that ultimately unites the European Union to do with the sharing of market, pooling a certain amount of sovereignty, the sharing of certain liberal democratic civic values, there is no one set of states in South East Asia and East Asia that can reproduce all of those. I think all sides essentially have a shared interest in a stable and peaceful regional order, but beyond that in a sense they agree to disagree that specific political systems will not be pressured into changing, regional democracies will not be forced into becoming Communist dictatorships and authoritarian states will not be forced into becoming democracies, and that makes it harder to find a fixed centre with which the European Union can engage, even if the European Union has worked out what it is that it wants to engage with them about, which is still something of a moot question.

**Q175 Lord Hamilton of Epsom:** That was writ large with Burma.

*Professor Mitter:* Absolutely.

**Q176 Lord Chidgey:** Gentlemen, we have, I think, certainly touched on this particular aspect and maybe overlapped on it a little bit. This is a question on foreign, security and defence policy. What I would ask you to do if you could is to try and summarise the aspects we have already covered and put them into succinct points for us to absorb. We are talking here about how the foreign, security and defence policy of the US impacts on EU-China relations, what is divergent and convergent about the US and European approaches to China, and what accounts for such differences in perception and approach.

*Professor Callahan:* It is very common to talk about how the US has a very different approach to China than the EU, the US is more conservative or more suspicious of China and sees China as a threat. I think that is exaggerated a lot. I think the US and European approaches to China are quite similar. Maybe Rana will disagree. The way the US affects the relationship is as the big elephant in the room in the sense that whenever groups come together to talk about EU-China relations they are also talking about America, whether they say it or not. You can see this in a lot of the think-tank reports, that they are not just about the EU getting close to China but the EU trying to distinguish itself from America, being independent of America or something along that line. The main differences are about specific situations, that the US for historical reasons has commitments to Taiwan whereas the European Union does not. That is a strategic issue between the US and China that can lead to problems. One of the ways people talked about a strategic partnership between the EU and China five years ago was by saying that there were no strategic problems between the EU and China, no issues, but one of my Chinese colleagues said, “Well, maybe that’s not such a good thing. Maybe it’s good to have an issue or a problem because that means you have to talk, you have to engage, there is something substantive to talk about”.

**Professor Mitter:** The last point that Professor Callahan made gives me a nice entry point just to repeat the point that sometimes there can be an over-emphasis on the consensus of what Europe and China have in common and that consensus is not necessarily always the best way to move things forward. There are some areas in which the European and American engagement with China can be differentiated. The obvious one people bring up, but it is worth bringing up, is the question of human rights. I think it is fair to say that overall there probably is a more consensual approach on the European side to engaging China on the human rights issue. It does not tend to get brought up in national parliaments or European Parliament in quite the same confrontational way that it is done in the US Congress. Of course, many of you will be aware that for the last few years China has replied to congressional criticism of its human rights record by producing a White Paper of its own about human rights abuses in the United States which have more to do with socio-economic issues, homelessness and so forth. They are definitely engaging in that argument. Having said that, I think it is still very much the case, as Bill Callahan has said, that the European Union's relationship with China is always defined by the Chinese as part of a more important engagement with the United States and it will take some time for that to change. It will take effort on the part of the EU to make that change.

**Q177 Lord Chidgey:** Professor Callahan, I think earlier in response to another question you said there was concern in Russia about the relationship between the US and Europe in their approach to China, and I think you used the expression that China's ambition was to split, there was a splitting policy agenda as far as China was concerned between the EU and US. How would that manifest itself in this context?

**Professor Callahan:** How would China try to split the US and EU?

**Q178 Lord Chidgey:** From the EU. You said that is one of their ambitions.

**Professor Callahan:** Right.

**Q179 Lord Chidgey:** So how would they try to achieve that?

**Professor Callahan:** As Professor Mitter said, it was very easy to do that last year with George W Bush in the White House because it was very clear that his foreign policy was very different from the EU's and a lot of European countries' foreign policies. I think a lot of people in China are nostalgic for George W Bush. The US and China actually had a very productive relationship under Bush and that is not understood very well in Europe, I have to say, not always for good reasons. What is going on in China right now is people are trying to think of the new situation: what does it mean now that the US is more actively involved in climate change discussions; what does it mean now that the US is withdrawing from hot button issues like torture and promoting human rights in a more progressive way; what does it mean for China? They have not quite come to a consensus about how to get Europe to separate itself from the US. The way the think-tank reports in China talk about it, as well as people in the media and Chinese leaders, is right now the problems between the EU and China are all Europe's fault, are all France's fault, are all Sarkozy's fault, so they are waiting for Europe to change, to do something. This is where I said before it is not clear to me how there can be the same sort of close relationship between the EU and China that there was five years ago, or was developing five years ago and how we can ever get back to that point or develop even closer relations in the future as long as there is this sense of not just disagreement, because it is fine to disagree, we disagree all the time, but there is real disappointment in China about Europe, that Europe, as I said before, does not understand China the way they want to be understood.

**Professor Mitter:** I think Professor Callahan has put it very well. There is a problem with the issue that the Chinese feel disappointed by Europe because, of course, some of the things which they would wish Europe to do are things which Europe might not wish to do, for

instance to keep far less of a focus on the issue of human rights even in that more consensual way that I mentioned earlier. That is where it comes back to the question of deciding what the bottom line is from the point of view of the EU about its engagement with China as well.

**Chairman:** Professor Callahan, Professor Mitter, thank you very much indeed. We have had a very long session and I appreciate very much the time you have given us and the in-depth analysis. Thank you very much indeed.