



True North in
Canadian public policy

Straight Talk

April 2018

Straight Talk: J. Michael Cole

The Taiwan Strait continues to be one of the most dangerous flashpoints in the Indo-Pacific, thanks to intensifying activities of an aggressive, authoritarian People's Republic of China (PRC). Canada needs to pay greater attention on what is happening to Taiwan – due to the number of Canadians living in Taiwan and the liberal democratic ideals that we share with that island nation. Canadians are also confronting some worrisome activities from the PRC closer to home, so what's happening in Taiwan provides important lessons for Canada and the democratic community of nations more generally. This Straight Talk is based on a recent MLI podcast (Pod Bless Canada) with J. Michael Cole.



J. Michael Cole is a Taipei-based senior fellow with the China Policy Institute, University of Nottingham, associate researcher with the French Centre for Research on Contemporary China and chief editor of Taiwan Sentinel. Michael was deputy news editor and a reporter at the Taipei Times from 2006 to 2013. Prior to moving to Taiwan in 2005, he was an intelligence officer for the Canadian Security Intelligence Service in Ottawa.

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MLI: I wanted to start by examining the Canadian dimension. Why should Canadians care about the situation in the Taiwan Strait between the People's Republic of China (PRC) and Taiwan. Does this matter to Canadians?

J. Michael Cole: From a purely Taiwan perspective, a little-known fact is that approximately 60,000 Canadian nationals currently live and work in Taiwan. An additional several thousand Canadians live and work in China. The two countries are major economic trading partners of Canada, so whatever happens in that part of the world is also bound to have an impact on Canada – not just in terms of the economy, but also to Canadian citizens and interests.

We're also seeing a continuation and even intensification of an ideological clash, with President Xi Jinping taking on a role increasingly like the old emperors of China's past through centralization and the accumulation of power. That is starting to make a lot of people, not only in the region, but people worldwide, quite worried about the future of China and global stability more generally.

It's the first time since the re-emergence of China, if you will, where we have the leader in Beijing openly committed to changing the global rules of the game – by displacing the Americans who have been a stabilizing presence in Asia since the conclusion of World War II. So that creates a bunch of unknowns about the future.

We should also remember that, at its narrowest, Taiwan is 90 mile away from the People's Republic of China. So in military terms, it would be the first obstacle to a China that finally has decided to become a regional, and quite possibly, global power. Today's PRC now presents the Chinese system as an alternative to the liberal democratic way of life that we have all enjoyed, and certainly Canadians out there have enjoyed. It is a powerful country that is the second largest economy worldwide, which is now committed to changing the global system and institutions. This is no longer just about Asia. This is about Europe, this is about North America, and we all need to start thinking about what it means for China to become part of our everyday lives.

MLI: Are you saying that developments in China may represent a threat to that international order, of which Canadians have been such enthusiastic members?

J. Michael Cole: Absolutely. It includes not only freedom of navigation, which is an integral issue as it pertains to developments in the South China Sea, but even matters like human rights, freedom of expression, etc. These are rules that the Chinese government, and the Chinese Communist Party (CCP), are now trying to rewrite, arguing that such rules are a western colonial construct of which Canada is definitely part alongside the United States and Europe.

Now China is proposing an alternative – that economic development and authoritarian rule are better than the liberal-democratic system of the West. What it means for Canada is that our ability to engage other countries on matters of development, on matters of human rights, on matters of freedom of expression, is now increasingly being challenged by a gigantic country that proposes that these things should not be priorities.

MLI: Let's discuss those developments that are taking place in China and particularly how they affect both Taiwan and Canada. Tell us what you think are the most salient developments in China.

J. Michael Cole: The most important development is the realization that our efforts at engaging China – allowing it to join the WTO, investing in it, working with, allowing it to sell its products, etc. – to help

facilitate its liberalization or democratization have failed miserably. We were hoping to transform China to make it more like us. That might have been presumptuous but now we're realizing it did not work.

Instead, what we succeeded in doing is help China to create a gigantic economy, but without the hope for changes in how the CCP treats its people. What we're realizing now, especially under President Xi Jinping, is that the country is actually moving in the opposite direction. In some respects, we seem to have created a monster that is now turning all its consolidated power against us – by trying to change us or at least challenge us as a leader of the global system.

That realization has been particularly acute in recent months, particularly with Xi Jinping turning into effectively a dictator. With Deng Xiaoping, the CCP had actually implemented rules where there would be term limits for the president – a limit of two five-year terms. Now they're dispensing with those rules that had been implemented to prevent the re-emergence of a dictator like Mao Zedong, whose policies led to tremendous human suffering in China and in the region as a whole.

We are only beginning to awaken to the fact that we're now dealing with a China that cannot be controlled. So the global community needs to rethink how to engage China. We cannot afford not to engage it. That would be even worse. But now we need to rethink the best way to integrate China into the global community, but also at the same time, find ways to make sure it does not change who we are or harm the proud liberal democratic systems that define us as a western civilisation.

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MLI: If I understand you correctly, what you're saying is our strategy to change China has failed, but their strategy to change us is succeeding. Is that fair?

J. Michael Cole: There are certainly emerging signs that China has turned the tables and is trying to change us. And in many ways, I would argue that they are succeeding, partly because the CCP has been careful in not being too obvious in their efforts. They're not screaming we want to turn the West into something else. But they've been very good at operating behind the scenes in grey zones over our democratic systems and legal systems and using their extremely attractive economic might to co-opt individuals or to compel governments, businesses and individuals to look the other way when China was doing things that we disagreed with. We fear losing our access to China, and that's certainly applies even to academics.

We choose to remain silent on things when China does things either to its own citizens or increasingly to citizens of other countries: Hong Kong, Taiwan, Xinjiang, and Tibet are vivid examples.

This self-imposed censorship and willingness to look the other way or back off whenever China expresses any displeasure – that is transforming who we are. It's very much led by big businesses that have influence with their own governments and are keen to enrich themselves in China. There's a lot of money to be made in China and we're allowing the process to transform us. Little by little, there are groups of people in democracies around the world who are realizing that this is probably going too far. Now it's endangering our very way of life and we need to find ways to push back and protect ourselves against those efforts.

MLI: I thought an interesting example happened a few years ago – when the Chinese Foreign Minister was visiting Ottawa, was standing beside our then Foreign Minister Stephane Dion, and one of the journalists asked a question about human rights in China and she got a pretty vigorous dressing down. Is that the sort of thing that you have in mind?

J. Michael Cole: That was the incident with Wang Yi when he visited Ottawa. It was actually an example of a Chinese official being a little too blunt in expressing his displeasure, which created a backlash amongst people who took issue with him lecturing us on how our journalists are supposed to behave.

Where the Chinese have been more successful is by being more insidious, indirectly punishing reporters or academics for looking into things that Beijing does not want. Normally that is through denial of access. What we also see is something call 'lawfare,' when Chinese officials or companies target journalists and academics or publishers to prevent them making certain information available to the public. For instance, they might not want the public at large to become aware of certain connections to Chinese intelligence and the United Front Work apparatus.

So again, the very blunt direct efforts by Chinese to silence us in the West tend to backfire. But where the Chinese have been largely successful is when they're not that obvious in their efforts. And they benefit from the public at large in the West not knowing very much about the CCP or its ideology.

China also benefits from the fact that the Russians tend to be a little more obvious in their threats to our way of life. When I interact with officials in Europe, for example, and try to raise the issue of Chinese influence, I get mostly blank stares, or they tell me the Russians are already doing that to us. And my response is always, absolutely the Russians are doing that to us, but you should also be aware that the Chinese are doing that to your country as well. And they're actually a lot better at it because they focus on more insidious ways to transform your society.

MLI: You've talked about the Chinese being rather subtle in their approach to western societies. Is this expansionist view of Chinese power limited to Chinese who live within the Chinese mainland? Or are they now starting to think of overseas Chinese communities as in fact, representing China?

J. Michael Cole: We have sovereign states with finite border, based on the notions of citizenship. In contrast, China's approach is what we could term civilizational, in which borders do not necessarily matter. Certainly, their understanding is that anyone who is of Chinese heritage or ethnically Chinese, according to Beijing's definition, has a responsibility to the motherland. That is the reason why we have several instances when questions have been raised about Chinese students studying overseas at university, Chinese diaspora or even government officials of a Chinese background in countries like New Zealand, Australia or even here in Canada. They may be nationals of the country where they're serving, but occasionally there are issues of allegiance. Some have even made speeches where there was reason to doubt whether they might in fact be serving the interests of the People's Republic of China.

So there is the notion in the PRC that anyone who is of Chinese background has a responsibility to do whatever they can to push China's agenda globally. And that explains why we've had so many incidents in university campuses in the West where Han Chinese gang up on Tibetan or Taiwanese students, often times at the encouragement of the local Chinese consulate or embassy. Or when they have prevented us from inviting certain individuals like the Dali Lama or Anastasia Lin, as happened a few years ago in the UK because it would supposedly anger Beijing or even a small body of Chinese students.

They can do these things inside their own country, but now we're seeing that they are increasingly doing that abroad. A large country is trying to attack the very openness that defines who we are, and that's quite problematic.

MLI: Richard Fadden, former National Security advisor who was previously head of the Canadian Security Intelligence Service, got in some trouble by suggesting that there might be elected Canadian officials of Chinese ethnicity who were acting in the interests of Beijing. He was pilloried and accused of racism and all sorts of things. Was that reaction unjustified?

J. Michael Cole: Well, I personally think that reaction was certainly unjustified, especially coming from someone whose job it was to track various threats to Canadian security. That's been a weapon that the CCP have been using for many years – those who are critical of China or question the allegiance of individuals in the Chinese diaspora are racist. Or they have what is called a 'Cold War' mentality. So you have these blanket accusations against individuals who are pointing to real serious issues that threaten our societies and indeed minority communities from China. These blanket accusations unfortunately tend to succeed, because they rely on the lack of awareness and lack of knowledge about what is actually going on in China and about the actual threat that the People's Republic of China now causes against our own society.

MLI: My understanding is that the government in Beijing has published documents that include lists of Canadian officials who they say they have been grooming to help represent Chinese interests. So we now have this information from the Chinese.

J. Michael Cole: Exactly. Well, another thing that's quite fascinating about China is that for a country that is against open information, there is a lot of information available on the Internet – if one reads Chinese and knows where to look. It's just that most people, and certainly ordinary people, cannot be bothered to look for that information or would not even know where to start. But there are academics and journalists whose job it is to sift this information.

What we're seeing now, and this is something that happened to me personally, is that when we dig up that information and make it public in English, individuals or agencies in China involved or named in those reports will increasingly rely on the threat of lawsuits to silence us. The Chinese are particularly good at making information disappear once they realize this information is available. And they have now sought to have articles deleted, not only in China, which happens all the time, but in publications in the West as well. And that's why it's very important for us to also be willing to face that challenge and make the Chinese understand that our tradition in the West is not to make information disappear. Quite the opposite. We celebrate the fact that we have open societies and that's why we have whistle blowers, etc. We're seeing a very interesting clash right now.

MLI: Can you talk a little bit about the experience of people in Australia and New Zealand and elsewhere in terms of Chinese attempts to influence domestic policy and politics?

J. Michael Cole: There's always a danger that such concerns could be seen as paranoia. Whether it's counter-terrorism, counter-influence, or counter-espionage, as multi-cultural societies, we want to make sure that we continue embracing different peoples who now make up today's Australia, New Zealand, Canada, and the United States. We don't want to engage in a witch hunt. We need to make it very clear and our laws need to reflect that fact. We are not targeting the Chinese and we should refrain from saying that China is the enemy. Our problem right now is today's Chinese Communist Party and the policies that it has employed to influence or co-opt individuals in governments and organizations worldwide. It's been a challenge. Overseas Chinese communities, especially in those countries where we're starting to identify and make

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public Chinese influence operations, feel increasingly isolated. They're certainly afraid that governments will overreach and target every single one of them. As responsible mature democracies, we need to strike a proper balance and make sure that our laws are well calibrated – that our journalists and academics do not contribute to a sense of paranoia that then would change who we are again, and alienate individuals otherwise contributing to the wellbeing of their societies.

However, for most countries this is all new. The laws are not there yet and often times the Chinese organizations that are trying to influence us will exploit grey zones in our democratic and legal systems. That makes it very difficult for us to identify what they're up to until it's too late.

MLI: I understand that even non-Chinese in Australia, for example, have been caught claiming to be representing the interests of Australia but in fact were under the influence of Chinese authorities.

J. Michael Cole: Yes, that's primarily co-optation. The Chinese have been very good at promising lucrative positions either as advisors or board members in Chinese companies to government officials or business leaders retiring. And again, that brings me back to the grey zone. Often times, what is offered and what happens is not illegal per se, based on our own legal system, but it would be quite unethical. It also raises questions about the policy decisions that those officials have made while still in office, knowing that a lucrative position was offered to them by China upon their retirement.

How do we begin to address that challenge using our current laws? How do we have our law enforcement agencies or intelligence agencies look at these things? The fact that it's often not illegal but simply unethical, makes it easier for the PRC to say well they did not break any laws, so therefore you must be anti-Chinese to criticize such behaviour. These individuals did not do anything illegal, so why are you targeting us? And they've been very good at exploiting that grey zone in our systems.

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MLI: If places like Australia, New Zealand, Canada and Germany are feeling pressure from the PRC, that pressure must be enormous in Taiwan – a country that China considers to be a renegade province. Tell us about what's going on in Taiwan and its relationship with China.

J. Michael Cole: Everything the western world has so far experienced, Taiwan has been experiencing for years, if not decades – from infiltration and influence operations, to co-optations and threats to censorship. After so many years, Taiwan has come up with means of addressing those different challenges. What we're experiencing in Taiwan is the PRC's long-standing claim that Taiwan has always belonged to China and now needs to be recuperated (or annexed) to complete the rejuvenation of the Chinese nation and to undo past wrongs from the so-called century of humiliation.

The principle challenge that Beijing faces here is that Taiwan democratized in the 1980s and is very much influenced by the liberal democratic ideals that come from the West. These ideals have become an indelible part of Taiwan through decades of Taiwanese coming to the West – they work, build new lives, obtain PhDs, start businesses, and then go back to Taiwan. And with that they brought all these ideals.

The older people in Taiwan who were born in China do have an emotional attachment to the mainland, following 1949 when the Nationalists were defeated by the Communists in China. But these individuals

are retiring, a lot of them are dying and their offspring were all born in Taiwan. And the fact that you were born in Taiwan has a substantial impact on one's self-definition. And so what we have seen in recent decades, in addition to democratization, is that loss of a sense of belonging or familiarity with China. For young Taiwanese today, there is no doubt in their minds that China is a sovereign country. It's a place where opportunities exist for education and business. They may share the same language. They may share similar cultural elements. But, in their minds, it's very clear that Taiwan is a separate entity.

So now we have arrived at a point where the great majority of people in Taiwan – regardless of whether they vote for a party that is a bit friendlier to Beijing – are not interested in becoming part of the PRC. They want to maintain their way of life. They like the way things are. They're certainly amenable to exchanges with China. They do not deny the existence of the PRC, but they're not interested in being part of it.

The Taiwanese also aware of the example of the recuperation of Hong Kong in 1997, under the one country, two systems arrangement. Beijing had allegedly committed to giving Hong Kong a certain level of independence or at least self-rule, but according to many, that has been an abject failure for the people of Hong Kong. We've seen an erosion of freedoms. We've seen infiltration of academic circles. Media is now overwhelmingly pro-Beijing and candidates in elections have been denied participation in government because they were more pro-localization or pro-democracy. Universal suffrage had been promised but never materialized, and now it's quite evident that it never will, as long as the CCP maintains its tight grip on Hong Kong.

For the Taiwanese, what they see happening in Hong Kong now is certainly not something that they desire for themselves. But, at the same time, China is becoming extremely powerful at a time when Taiwanese economy has been stagnating for about 15 years. It's a country with 23 million people versus a country of 1.4 billion people. Taiwan has only 21 official diplomatic allies, whereby China is gaining new allies monthly and becoming an indispensable player within the international community. So it's an immense challenge for Taiwan to maintain its way of life and to make sure that Chinese designs upon it do not result in the loss of their sovereignty.

MLI: Canadians look at China and see this enormously large economy. They want to trade and engage with China, but the price may be far higher than we should be willing to pay. So what should Canada do? How should we respond to the rise of China in a way that allows us to realize the benefits of connecting with China but without Canada losing its own character?

J. Michael Cole: There's no doubt that we cannot afford to not engage China. It has become and will be an indispensable economic partner and a major player on the global scene. That being said, I think we need to realize that China needs us as much as we need it. China does not try to acquire businesses in Canada or invest in Canada or even sign a free trade agreement in Canada out of good will or a sense of charity. It engages us because it wants certain things that we have to offer.

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When it comes to Canada, China is certainly interested in our high-tech companies. But, even more than that, they are interested in our natural resources. That should give us the ammunition to engage China, but also to tell it that we have our own red lights as well - that the price we're willing to pay for engagement has limits, and losing who we are or undermining our own liberal democratic way of life is too high a price for Canada. It's too high for democracies worldwide.

I hope we're going to start seeing major economies and major democracies start working a little better to first understand what China is up to and second, coming up with strategies together to create our own united front. And as a coalition of the democracies, we tell China that we will continue to work together, but there are things that we're not willing to let happen to ourselves. And I think that's crucial for Canada to have that willingness to push back when necessary. If we don't push back, China will continue to exact a very high price for our engagement. Beijing would be stupid if it did not continue trying that because so far it has worked. We have given, given, and given. We need to stop all that.



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CONTACT US: Macdonald-Laurier Institute
323 Chapel Street, Suite #300
Ottawa, Ontario, Canada
K1N 7Z2

TELEPHONE: (613) 482-8327

WEBSITE: www.MacdonaldLaurier.ca

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