

Policy Forum 06-24A: China Goes West



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Essay by Glyn Ford

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I. Introduction

Glyn Ford, member of the European Parliament representing South West England, writes "European intervention to pressure Taiwan to maintain the cross strait status quo has been solicited by China. We should intervene to since instability in China helps no-one."

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views and opinions on contentious topics in order to identify common ground.

II. Essay by Glyn Ford

- China Goes West
by Glyn Ford

On Sunday, 5th of March, the Chinese National People's Congress convenes in Beijing. Officially it's to adopt the eleventh 'Five Year Plan'. Unofficially it's to deal with the crisis in the countryside. For two decades now China has seen annual growth rates of 9% plus, yet this has benefited the urban east at the expense of the rural west. The result is 120 million migrant workers and 150 million under-employed agricultural workers accompanied by rising social tension and instability. While Shanghai is an upmarket set for 'Bladerunner', rural hamlets resemble Africa at its worst.

Chinese poverty isn't found amongst those working in the textile, garment and footwear industries where salaries can be €2/hr, but amongst those desperately seeking employment and the farming community. In fact, the former are already threatened on the margins by North Korean factories whose workers earn €3/month and who churn out suits with Italian sounding names and 'made in China' labels for the Japanese market. It is this widening economic chasm between town and country that has yielded unrest and religious activities. There are reports of thousands of minor - and not so minor - disturbances across China, while new Christianity now has twelve million members, nearly 1% of the Chinese population. Beijing alone has 6 million migrant workers according to Xiao Xiao Niao, a migrant worker NGO based in the Capital that provides legal advice, psychiatric counselling, and other support for them.

The strategy is, firstly, to reverse the traditional flow of wealth from rural to urban. This started by lowering taxes on the peasantry which have been in place for a thousand years. Now the Five Year Plan will raise farm prices as an echo of the European Union's (EU) Common Agricultural Policy. The Chinese seek to improve the quantity and quality of education by scrapping tuition fees for primary and junior high school students in western provinces and to make it mandatory for urban teachers to teach for a period in rural areas before they can be promoted. At the same time, they attempt to consolidate the semi-democracy of the villages where local corruption is controlled by allowing inhabitants to choose freely amongst acceptable candidates.

Second, they want to match migrant workers' skills with industrial needs. Vocational training will be provided for migrant labour already in the cities and education for their children as well as training for the 100 million on the waiting list to move. Continued growth requires a skilled labour force in both modernised manufacturing and the service sector. There is a further commitment to increase the number of students in higher education from the current 23 million and the number of graduates from last year's record high of 3.4 million. This raises the overall education spending by more than 40%, from 2.8 to 4.0% of GDP.

Third they want to control and manage the political environment. The rise of religion worries the authorities not as a matter of faith, as nobody cares anymore about the hegemony of Marxist-Leninism-Maoism, but rather as a potential nucleus for political challenge to the system. This means you are free to think but not to organise in China.

This desire to manage extends to foreign affairs where they fear to be pushed off the course. This is illustrated by China's role in two out of three Axis of Evil crises. Wide scale nuclear proliferation triggered by either North Korea or Iran would fire up a new arms race that would force China to switch resources out of the civil economy into massively increased military expenditure. The threat of Japan's constitutional revision finally unlocking the fetters of Article 9 of the US imposed 'Peace

Constitution' would have the same impact. Yet, resolving the crisis in the countryside cannot be put on hold.

One final solution is to play the patriotic card. The Chinese Communist Party is today driven more by nation than ideology. The current enthusiasm for Mao owes more to his nationalism than his ideology and resultant fairy tales, phobias and failures. The strongest thread unifying China today is national pride. The Party's reaction to Taiwanese President Chen Shui Bian's creeping independence is genuine. Last month's abolition of the National Unification Council in Taipei, breaking Chen's election promise, makes it more likely that he will take the last step before the end of his mandate in 2008. More importantly, the Party has full support of the winners and losers in the drive to Market Leninism over the past two decades. The demonstrations may be government sponsored, but the indignation comes pre-packaged in individual portions.

In theory, China supports European Integration as a helpful counterweight to American global dominance. The practice is rather different. The EU has invested €300m in North Korea over the past five years, more than Japan, Russia or the United States. Yet we've been squeezed out of the Chinese convened Six Party Talks that are attempting to resolve the nuclear crisis on the Peninsula on the basis Europe is not a regional power. China continues to hold the vast majority of its foreign reserves in American dollars, allowing the US to continue to run its €350 billion annual trade deficit and effectively have China's peasants carry America's middle class on their backs.

However, all that changes when we come to Taiwan. Here, European intervention to pressure Taiwan to maintain the cross strait status quo has been solicited by China. We should intervene to since instability in China helps no-one. Europe's One China policy is right. Taiwan is unfinished business left over from China's Civil War that was sidetracked by the Korea's, not an independent country that China threatens to occupy. China has demonstrated in its treatment of Hong Kong that "One Country, Two Systems" can work. Nevertheless, bringing together rhetoric and reality on Europe would make it easier for the EU to act effectively and in the process help China to help itself in terms of EU involvement in the Six Party Talks, and moving China's financial reserves from Dollars to Euros, thus boosting EU markets at the expense of those in the US as the Chinese have claimed to want.

III. Nautilus Invites Your Responses

The Northeast Asia Peace and Security Network invites your responses to this essay. Please send responses to: napsnet-reply@nautilus.org . Responses will be considered for redistribution to the network only if they include the author's name, affiliation, and explicit consent.

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