



# THE MAGICIAN The West's Dangerous Illusions About China

by Bill Paton, 14 April 2022

Eileen Wu is the young Chinese American skier who won gold in Beijing this year, somersaulting down the slopes with near perfection. Born to a Chinese mother and American father, she said: "In the U.S., I'm American, but when I'm in China, I'm Chinese."

Alas, Eileen had chosen her mother's nationality for the Olympics so when her two gold medals went on China's tally, shocking vitriol poured onto this talented young woman. She was a 'traitor' and a 'sell-out'. She was a 'liar' because China 'must have' struck a deal to let her secretly keep her American passport.

The young athlete didn't really seem to mind though: 'Here's the thing', she said, 'I am just an 18-year-old girl trying to live her best life.'

Happy stories about those Olympics, a world party, were skipped in the West. For instance, although all power for the games was generated from sunshine or wind, and almost all water collected from rainwater, the US and UK media instead pilloried China for using artificial snow, falsely claiming that it 'exhausted scarce water' and 'used huge amounts of energy'. The 2018 games in Seoul had also used 98% artificial snow without the renewable energy and rainwater, but that went unmentioned.

Such propaganda is successfully reinforcing Westerners' hostility towards China and its people. Pew Research found in 2021 that unfavourable views of China in 17 Western countries have reached a historic high.

Another result is that the West has lost influence in China. What used to be a dialogue, albeit never an easy one, has deteriorated into a one-sided shouting match. Ordinary Chinese citizens, many long enamoured of things Western, are turning away.

To be fair, most Westerners believe that by supporting anti-China narratives they are defending individual human rights and freedoms. They are convinced their own system is the undisputed champion of these, thus they think they mean well. However, they are being misled.

## The War in Ukraine

Each anti-China story hinges on a fundamental deception, like a magician's polished trick, creating an illusion of something that is not. For instance, nothing could be clearer than that China believes countries should not interfere in each other's domestic affairs, or invade them. China's Minister of Foreign Affairs, Wang Yi, was uncategorical at a press conference for

foreign journalists: "China does not believe in the violation of another sovereign state's territory, and – let me be clear – that includes Ukraine."

"The Ukraine crisis is something we don't want to see," Xi said in a call with Biden. "Events once again show that state-to-state relations cannot go to the stage of confrontation." China then let it be known that Chinese mediation was a possibility.

China's Ambassador to Ukraine remained there to deliver humanitarian assistance, while China's Ambassador to the USA said: "We are against the war," and "the limit to our relationship with Russia is that the UN Charter must be respected."

It was always disingenuous to call for China to see eye-to-eye with NATO expansion. China sees Ukraine as a pawn, pitifully sacrificed by the West which now supplies it with arms to continue the war. Nor is China alone in its unwillingness to side with the United States. India has also chosen the middle ground.

China is a valuable potential partner in ending the war in Ukraine precisely because of its close relationship with Russia. The USA has ignored this, instead insinuating that China planned to send Russia weapons: 'If China supplies Russia with arms, we will strongly react.' Incredibly, many fell for this, believing that China supplies Russia with arms for the war. This resembles a very famous magic trick – pulling a rabbit out of a hat. It has been done here with a very empty chapeau indeed.

#### The Pandemic

As Covid-19 broke out, the West accused China of initially covering it up.

On 27 December 2019, Dr Zhang, Director of a respiratory and intensive care clinic at the Provincial Hospital, submitted a report on a new, 'SARS-like' virus to her boss, who passed it on to China's Centre for Disease Control on 29 December. Dr Zhang was later given an award.

On 30 December 2019, Dr Li, an eye doctor who had misidentified the new virus posted on WeChat that it was SARS.

On 31 December, Wuhan City's Health Commission released a report to the media about a new type of 'viral pneumonia', which was reported to WHO in Geneva the same day.

Meanwhile, Dr Li's WeChat was beginning to cause panic. SARS had a very scary death rate of 14-15%, and 52% among those aged 65+. Dr Li was called to a police station and reprimanded. When he pledged to stop, he was free to go.

On 12 January 2020, China shared the DNA sequence of the new virus with the world, days after completing it. Scientists realized the virus was contagious and on 23 January, Wuhan was locked down.

On 7 February, Doctor Li died, having caught Covid-19 himself. His story broke in *Caixin*, a private Chinese-owned news source, and a heated, country-wide discussion took place on social media.

Magically, Western politicians successfully claimed this was a 'huge coverup', followed by an endless litany of accusations. China had engineered the virus in a lab. China had leaked the virus. China was blocking an inquiry.

By mid-2021, when Chinese vaccines accounted for nearly half the total delivered globally, Western media emphasized that they were ineffective. When it was clear China had controlled Covid well, in contrast to the West's dismal performances, the story switched to accusing China of 'draconian' measures.

In reality, for nearly 2 years, less than 1% of China's population at a time has been restricted to their homes or neighbourhoods, and sometimes almost nobody. Now, with the Omicron BA.2 sub-variant spreading faster in China, Western media stories drip with undisguised *schadenfreude*. Just as happened in the West, some Chinese are indeed getting fed up with Covid controls. However, Western media make no secret that they are actually *hoping* China's controls will fail.

Valid criticisms could be more successfully conveyed if there was a mutually respectful dialogue. For instance, China's suspension of new passports for non-urgent travel, mostly tourism, has hit separated spouses. Students abroad also find it difficult and expensive to visit home. However, constructive criticism no longer seems to be the West's intent, nor would China any longer be likely to listen.

## The Trade Deficit

A favourite trick in many magic acts was to saw a pretty woman in half on stage, done with mirrors. 'Done with mirrors' is a good metaphor for how the USA manages to blame China for its trade deficit.

Such deficits have been the norm in the USA since 1975, when China exported almost nothing. When consumption exceeds production, imports exceed exports and cause the foreign debt of the country with a trade deficit to increase. Another country's currency would fall in value were it to borrow too much, restoring balance by making its exports cheaper and its imports more expensive. The dollar's continued use as the lead international reserve currency prevents this, allowing more and more debt in dollars to accumulate abroad.

Imposing tariffs on imported goods, thus increasing their cost, apparently pleases American voters, this despite the news that the USA/China trade deficit hit a record high 0.4 trillion dollars in 2021.

As for China's own trade balance, if prepandemic tourism abroad in 2019, worth 300 billion dollars per year, is taken into account, China had balanced trade with the world at that time.

A return to the tariff wars of the 1930s is harmful to the entire world. Historically, such retreats from globalization have been dangerous, preceding wars.

#### The Debt Trap Act

The Bridge and Road Investment programme or 'BRI' is investing at least three trillion dollars in grants and loans in 68 countries to build infrastructure and expand trade. Of course, with such a large programme, mistakes were made. For instance, Chinese companies initially built most of the infrastructure themselves and even imported unskilled Chinese labourers. And a few countries did borrow more than they should have. However, despite such flaws the BRI is visionary, substantially increasing GDP in scores of developing countries.

When the West belatedly realized the BRI's importance, they quickly attacked. With nary a word for the benefits, they focused on accusing China of debt entrapment, a practice they themselves have long mastered. The Paris Club, a Western lenders cartel, has often made its debt bailouts conditional on long lists of demands such as privatization of state assets or cutting food subsidies for the poor. Countries are often bailed out repeatedly.

Most countries' debt to China remains far less than they owe to Western governments and the World Bank. China forgave the debt of 25 nations in the first decade of this century. By November 2020 they had further suspended debt payments from 23 countries and signed debt reduction agreements with 19.

China has of course repeated some of the mistakes Western donors themselves made in the early days of development aid. Too much funding has gone to its own companies, and some projects were rushed and unviable. However, China has now revamped the BRI, reorienting towards cleaner, greener projects that apply China's new renewable technology.

Such a massive investment in developing countries' futures should have been welcomed as a major contribution to development. Constructive engagement could have helped improve project feasibility studies, maximising development outcomes. But the West was focused, instead, on tarnishing China's image.

# **Hong Kong**

On Hong Kong, the illusionist's key deception is to maintain that Beijing 'broke its promise' in its handover agreement with the UK. The Sino-British Joint Declaration returned Hong Kong to China in 1997, specifying 'considerable autonomy' for 50 years. It did not promise universal suffrage, something colonial Britain never allowed.

Curiously though, Beijing itself, when drafting a new Basic Law for Hong Kong – without Britain's involvement – included the possibility that one day all members of Hong Kong's Legislative Council or 'Legco' might be freely elected. There were to be no formal political parties, nor was universal suffrage guaranteed. It was to depend on how things went.

This should have been seen as a golden opportunity in the West. Instead, the UK and USA discouraged compromise, supporting a 'coloured revolution' style uprising which plunged Hong Kong into crisis. The American Ambassador to Hong Kong's Deputy was filmed meeting with several key leaders, around 20 years of age, who were by then demanding Hong Kong's Chief Executive resign. Several left soon after on lvy League scholarships.

The Basic Law also required Legco to pass a new National Security Law to plug holes left by Britain's departure. Another clause specified

that Beijing would pass national laws such as on defence, as well as any laws that Legco failed to.

After 18 years, Legco had still not passed the security law. Beijing only stepped in when anarchy had brought the city to a standstill. No promise was broken.

China did go too far in some ways, for instance applying the new law retroactively which is unfair. However, the West did not want to see One Country, Two Systems succeed in Hong Kong. A successful multi-system party poses too great a challenge to the supposed primacy of multi-party systems and might one day have provided a peaceful solution for Taiwan.

#### **Progress Ignored**

An important way in which Western media misrepresent China is by ignoring the enormous progress being made in the country on multiple fronts.

For instance, China has long been accused of allowing the theft of foreign intellectual property (IP), but in truth set up special courts to handle IP cases years ago. An overwhelming majority of cases are now won by the foreign patentee, with rulings better and better enforced (enforcement had been the real problem). The quality of Chinese IP protection laws has also greatly improved. This makes sense as China today is the world's greatest filer for new patents.

Complaints about market access and barriers to business are another common Western grievance that totally ignores a new reality. China moved from 78<sup>th</sup> position in the World Bank's *Doing Business* ratings in 2018 to 31<sup>st</sup> in 2020. The Bank reported that China's reforms covered most of the ten *Doing Business* indicators, writing: "In some areas, such as enforcing contracts or getting electricity, China is now close to or at the forefront of the global best practice."

The most important area where China has made enormous progress is in protecting its environment, severely damaged by being the world's factory. While Western media focused on Beijing's air pollution during the 2008 Olympics, few covered the dramatic improvements that followed later on.

Since declaring its war on pollution in 2012, China has made amazing efforts to clean up its environment and make industry accountable, closing tens of thousands of non-compliant enterprises, instituting a transparent online emission reporting system and making government officials accountable.

China is also world leader in clean energy supply, especially solar and wind, but this is attacked in the West as 'unfairly subsidized'. Isn't subsidizing clean tech a good thing and the only logical way forward? Beijing's skies today are dramatically bluer, yet Western photographs invariably still show Beijing on dull, grey days.

# Xinjiang

Perhaps the most stunning trick of our illusionist has been to convince much of the Western world that China has committed 'genocide' and 'slavery' in Xinjiang.

Centres were indeed built in Xinjiang for Uygurs, a mostly Muslim ethnic group. They were largely for less-educated, unemployed people thought to be susceptible to radicalization. Hundreds of thousands were taught social values, party doctrine, the Chinese language and vocational skills. The aim was preventive counter-terrorism and, yes, attendance for several months was in many cases not voluntary.

The use of the word 'genocide' to describe this system is deeply cynical. Indeed, the Uighur birth rate, as confirmed by censuses and simple observation, is much higher than the national average. Uighurs were always exempt from the old one-child policy which ended just six years ago. The accusation of 'slave labour' was equally fraudulent. Cotton picking in Xinjiang is almost entirely mechanised. Cotton has in fact helped many Uyghur communities to escape poverty thus targeting the sector targets them.

Left out of the Western tale is a serious Islamist extremist movement that gained steam after 9/11 in Xinjiang, a province the size of Western Europe which borders Afghanistan, Tajikistan, Pakistan, Kyrgyzstan, Kazakhstan and Russia. Later on, Islamic State began to support two military organisations in Xinjiang, the East Turkestan Islamic Movement and the Uyghurstan National Front.

In 2014, Xinjiang separatists attacked passengers in Kunming Railway Station, the capital of Yunnan Province, with long knives, killing or injuring 130 persons. There were attempts to import truckloads of guns and off-duty policemen were shot to death. Tourists,

too, were randomly stopped and killed on the highway. In a bizarre twist, attacks on hundreds using syringes led to mass hysteria and a lockdown of the capital, Urumgi.

A common problem in China is that local officials get carried away. For instance, as part of training to better understand Uyghur culture, officials were asked to board with a Uyghur family for a few weeks. This was in cases quite uncomfortable yet host families no doubt thought it unwise to refuse such a guest. Many also began to feel inhibited about practicing their culture or religion too openly, for fear of becoming a suspect.

The outcome of it all is that extremist attacks have now stopped and the centres are being closed. Uighur employment rates are way up, tourism is back, and concrete security barriers being taken away. Planned new infrastructure investment in Xinjiang this year and next will total more than a quarter of a trillion dollars.

If the drastic approach China has taken in Xinjiang has actually prevented a civil war, it is a first. If China now restores freedoms for Uyghurs, who more successfully integrate economically, then we will each have to judge: Was the approach justified?

While we ponder this moral dilemma, we should not forget to sneak a peak under the magician's cape at his own record against extremism. Hundreds of thousands were killed in Afghanistan. An American Quaker organization estimates that American drone strikes have killed at least 400 children around the world, 'collateral damage' while 'countering terrorism'.

#### The Sea

Harry Houdini had himself lowered head first into a narrow vertical glass box filled with water, his feet locked in stocks, and would then magically escape. A modern-day Houdini sails aircraft carrier groups and nuclear submarines up and down the South China Sea yet has somehow convinced many that China is the menace.

The complaint here is China's claim to several atolls and reefs where it has built small military bases. Admittedly, China's famous nine-dash line encircling much of the Sea does look rather greedy. However, many countries possess islands within that line. Vietnam occupies 21 of the 100 Spratlys, the Philippines 9, China 7 (+

Taiwan 1), and Malaysia 5 (see Map). Taiwan has also refused to recognize the Court's rulings.

While China has signed the Law of the Sea governing exploitation rights, the USA refuses to sign it itself, preferring instead to shrilly accuse China of breaking it.

China's point is that the Law covers resource exploitation rights, not sovereignty. Admittedly, The Philippines has its own historical case that Scarborough shoal was theirs and is understandably anxious to protect its fishing rights. China and the Philippines are currently negotiating an agreement under which they would share the related resource rights.

China can no longer accept that most of their trade, especially oil and food passing through vital shipping lanes, remains under US control. Until 1930, no country contested China's possessions in the Sea, yet after WWII the West divided the islands that Japan had seized, and returned nothing to China. How did the USA come to possess Guam, Midway, American Samoa, Diego Garcia and other Pacific islands, with their large military bases? US armed forces now spend 40% of total world military expenditure. China, understandably nervous, has built up some reefs and atolls to strengthen its defences.

Hainan
Paracel
Islands

China
Philippines
Malaysia
Vietnam
Islands

Map 1
Islands claimed in the South China Sea

Not shown: 'Scarborough Shoal', aka Bajo de Masinloc aka Huangyan Dao, claimed by China, the Philippines and (separately), Taiwan.

## **Fearmongering**

Despite its massive military advantage, the United States succeeds in using fearmongering about the 'China threat' to justify an even larger military budget.

While China has about 350 nuclear warheads, it has for decades operated just 20 intercontinental ballistic missile (ICBM) silos for deterrence. A few years into the Trump administration, China came to the conclusion that 20 might no longer be enough.

When the USA discovered China was building 119 new missile silos in the Gobi Desert they were, as usual, indignant, 'deeply concerned about Chinese intentions' and so on. The USA itself has a total of 500 siloed ICBMs, along with another 5,000 nuclear weapons.

Mutually assured destruction or 'MAD' is indeed sheer madness and it is regrettable that China is letting itself be drawn deeper into it. However, it is, unreasonable for the USA to expect to indefinitely maintain a 15:1 or 25:1 'madness advantage' over China. They should have reduced their arsenal decades ago, together with Russia. By failing to do so they are risking the lives of us all.

## The Politics of Inevitability

These are just some recent examples of amazingly successful, deliberately false narratives about China that are propagated today in the West. Plainly, there is no longer any search for mutual understanding. Unfortunately, China is also changing, giving up on its hopes for constructive dialogue and turning up the propaganda volume itself.

Tim Snyder, an American historian, points to what he calls the 'politics of inevitability'. The USA steadfastly believes that its own political system will inevitably come to dominate the entire world. Algorithmically driven news feeds successfully maintain this belief despite a clear counter trend and a dysfunctional two-party gridlock.

China, for its part, believes that restoration of its status as the leading world economy is inevitable and there is little evidence to the contrary. China also believes that it can attain

unthreatened sovereignty over its entire territory, including Taiwan.

For the last four decades, US-based and other Western corporations have benefited greatly by exporting production to China's efficient factories. Today however, China's own corporations are becoming global competitors.

With a population more than quadruple America's, China's economy will inevitably overtake the USA's. In terms of purchasing power parity it already has. Yet America is evermore committed to a path of confrontation and military competition, seeming to believe that it can prevent China's further rise and the coming redistribution of global power.

This myth of continuing American hegemony is founded on a belief that Chinese feel oppressed and thus 'Western freedom will triumph'. The evidence does not support this. For instance, an Ash survey of 32,000 Chinese in 2016 found that 95.5% were satisfied with Beijing. There are many such findings. A long-term Harvard study that looked at many survey results concluded in 2021 that popular support for China's Communist Party's is 'sky high'. The truth, so unpalatable in the West, is that the great majority of Chinese are happy with their system and believe they have that right.

Nor is this the result of 'brainwashing'. Over 130 million Chinese made at least one trip abroad in 2019, seeing the world for themselves. Over 1.5 million more were studying abroad that year, of whom 84% return. Millions read English and use apps to freely access the internet. Chinese media, largely state-controlled, still often play extensive footage of Western leaders making hostile statements about China, with accurate subtitles. They want Chinese to know what the West is saying about them.

By 2050, the seven biggest emerging economies or 'E7' will have combined PPP equal to double the G-7's. By then, there will be no longer be any room in the world for a single dominant ideology or military Über power. Instead, we are going to need genuine multilateralism, allowing for diverse views on governance. Rather than an ideological clash, the world will urgently need to work together to address environmental damage.

<sup>&</sup>lt;sup>1</sup> Brazil, China, India, Indonesia, Mexico, Russia and Turkey.

China might be faulted for excessive nationalism and pride in its unprecedented rise. In the last several years a trend is also noticeable for Chinese state-controlled media to cover China's growing military strength, particularly in the South China Sea. This is meant to reassure its citizens that their country can now defend itself, but it is perhaps not so reassuring to others.

China, however, is not the aggressor. It is the USA, accompanied by several of its allies, that has chosen the present path of confrontation and a dangerous new superpower arms race. The momentum is great, thus I fear they will persist with this propaganda and military faceoff. Confrontational politics may even bring us to the brink of an apocalypse, with the West's citizens still unable to comprehend that it is they — not the Chinese — who are being duped.

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