How Dangerous Is China?

Abstract The peaceful reemergence of China is one of the greatest success stories of contemporary human history.

ZEIT Professor Mahbubani, in the past several decades, the West has engaged closely with China, hoping both for mutual benefits and that democracy would take root in China. That's not how things have turned out, however. China's rise has contributed to growing inequality in Western countries, and its authoritarian model has even found admirers in some democracies today. Was it foolish for the West to build close ties with China?

Kishore Mahbubani Absolutely not. The surprising thing about the West's disappointment is that it has actually succeeded in many of its critical goals with China. When the United States emerged as a great power in the late nineteenth century, guess what? They soon started wars. China is the only permanent member of the UN Security Council which hasn't fought a war in 40 years. The peaceful reemergence is one of the greatest success stories of contemporary human history.

Mathias Döpfner Kishore, we agree about the facts and figures of China's rise, but we strongly disagree about the consequences. Western democracies should redefine their relationship with China. China's admission to the World Trade Organization in 2001 was a historic mistake. The desired "change through trade" has happened solely to the advantage of China, which is even more authoritarian today. Its economy grew from representing an 8% share of global GDP to a roughly 19% share, while the US's share went down from 20 to 15% and the European share declined from 24 to 16%. It has never been a symmetrical competition. China has never accepted the rules of free and open markets, guided by the principle of reciprocity. That's why we have to try everything to come to new terms. Not only for business reasons: The future of democracy in Europe is at stake.

Mahbubani Historically, the largest economies in the world were always those of China and India. Europe and North America have taken off only in the last 200 years.

Originally published in *Die Zeit*, Jun 17, 2020

So the past two centuries of Western domination have been a major historical aberration. In 1960, the United States, with less than 5% of the world's population, had an unnaturally big share of 50% of global GDP. It had to end. You also have to see that China's cheaply manufactured goods enabled Europeans and Americans to maintain their standard of living. Of course, you can frame the debate in terms of a good authoritarian state versus a good democratic state. But I think what you are seeing now is the return of Chinese civilization. And it's been unwise for the US to launch a major geopolitical, irrational and emotional challenge against China.

Döpfner Growing economic dependency on China will lead to more political influence for Beijing. When the CEO of Daimler has to apologize twice to the Chinese government because of a harmless Dalai Lama quote in an advertisement on Instagram, this gives you a hint of what's coming. And when the video conference company Zoom is censoring China-critical accounts, that is the ultimate proof.

Mahbubani I think when future historians look back, they'll be puzzled by the Western expectation that a country like China, with 4,000 years of political history, could be changed by a country like the US, with a history of fewer than 250 years. The assumption that the rest of the world will, over time, become just like the West is arrogant.

Döpfner It isn't arrogant to distinguish between free and unfree societies. It seems that you put democracy and dictatorship on the same moral level.

Mahbubani I would say, let everybody live the way they want to.

Döpfner Really? What does that mean in concrete terms? Let me give you an example: If you google "idiot" in the US, one of the first search results is Donald Trump. In China, the search term "Winnie the Pooh" is censored because Xi Jinping looks similar to that cartoon bear. Isn't that a very telling symbol for the asymmetry between the West and China?

Mahbubani But freedom has grown in China. When I first went to China in 1980, people had to wear Maoist uniforms, they couldn't choose where to live or work. Today they can, and they may even travel freely. If China was a kind of dark, oppressive Gulag system, why should 130 million Chinese tourists return there voluntarily every year? Chinese people respect and support their government system because, in the hundred years of humiliation from 1842 to 1945, the West trampled on their country. And now that China is strong, you come and ask why don't you change your government?

Döpfner Where is the promised change through trade politically? What about the values of freedom, the rule of law, and human rights? Just look at the social credit system in China. Or the fact that people with opposing views are disappearing or being put into jail. Or the camps for members of the Uighur minority. Yes, China's growth is an incredible success story. But the price of authoritarianism that the Chinese society has had to pay is high. One thing is clear to me: That model should not be imported to Europe. I want to live a free life in an open society.

Mahbubani I can assure you, Mathias, that the Chinese will not take away your free lifestyle in an open society.

Döpfner Ask the activist Joshua Wong from Hong Kong: He would say China has taken away his freedom. Chinese encroachment will spread step by step from Hong Kong to other countries.

ZEIT Mr. Döpfner, you argue that Europe should side with the US and decouple from China. How many jobs in Europe are you willing to sacrifice in this process?

Döpfner In 2019, for example, VW delivered 650,000 cars to the US and 4.2 million cars to China. That is not an attractive market, that is dependency. But we have to insist on true reciprocity. And in order to make progress here, we should not exclude decoupling. Roughly 8% of German trade takes place with China. We cannot change that overnight. So sure, decoupling would be tough, but not impossible. Nevertheless, the rules that apply to us in China are also valid for Chinese companies here. If China lives up to that, we can stop arguing over principles.

Mahbubani Out of the 7.5 billion people in the world, 12% live in the West and 88% live outside the West. If any Western country decides to decouple from China, you'll be decoupling yourself from the rest of the world. When it comes to geopolitics, countries do not put values as priority number one, and this is true of every country, certainly of the US. The majority of the countries in the world are still focused on trying to improve the livelihoods of their people, and they're looking for reliable development partners to work with, whether they agree or disagree with what China is doing. Apart from this reality, you're absolutely right that ideally, we must have clear rules and a level playing field for everyone.

ZEIT Mr. Mahbubani, you argue that China historically has always been peaceful and therefore the world shouldn't worry. At this year's National People's Congress in Beijing, however, the Communist Party dropped the word "peaceful" from the phrase "peaceful reunification" with Taiwan. Also, China ignores international rules in the South China Sea. President Xi Jinping appears to be pushing China's rise in a fairly aggressive manner.

Mahbubani If there is one lesson from the history of geopolitics it's that there is no such thing as a benevolent superpower. The day that China will use military means will certainly come. Thus far, however, China has shown extraordinary strategic restraint. Militarily, it could take all the islands in the South China Sea within 24 h. It hasn't done so.

Döpfner China is not using traditional forms of warfare because it understands that modern war is not waged with bombs and soldiers, but with business power and data. In these two fields, China is extremely aggressive.

Mahbubani I strongly disagree with the notion that China is a threat to democracy's global impact.

ZEIT What then would be your advice to countries like Australia? It asked for an independent inquiry into the coronavirus outbreak and is now facing economic sanctions from China. The Netherlands and Sweden have also been threatened by Beijing after voicing criticism of China.

Mahbubani The use of economic might for geopolitical purposes was not started by China. The US has played that game for a long time. In the case of Australia, my advice would be that since Australia is surrounded by 4 billion Asians, it should adjust to new realities. When the United States became very powerful and removed governments all over Central America, Central America had to adjust. The answer for all small and medium-sized countries is: When new superpowers emerge, we have to adapt and adjust.

Döpfner Aren't you in a way advocating the unlimited principle of opportunism? There must be limits. We agree, for example, that companies should not use child labor. So, there is always a framework. But since the principle of unprincipledness is so seductive, more and more business people in Europe are even saying China may be the better ally than America. That is very short-sighted. It's time to decide whether we prefer an alliance with an imperfect democracy or an alliance with a perfect authoritarian state.

Mahbubani You mentioned child labor. Let me tell you a story. A Belgian NGO discovered and shut down a factory in Bangladesh that was using child labor. One year later, those child workers became child prostitutes.

Döpfner Sorry, what does that tell us? We cannot ignore evil because there is a worse one.

ZEIT But since Germany and Europe can afford some degree of political luxury, where should they position themselves in the new rivalry between China and the US?

Mahbubani The best role for Europe is to be an independent actor. If you are big enough, you don't have to become a satellite of anybody. I know that in multilateral institutions like the UN, Europe has actually been reluctant to stand up and explain to the United States that strengthening global rules would be good for the US and for the world. I don't understand why Europe doesn't do that.

ZEIT What makes you hopeful that China would comply with multilateral rules? Reality has shown that it doesn't.

Mahbubani The United States has created exceptions for itself and China will do the same. But if you create multilateral rules that work out for everybody, I predict that China would abide by them 95% of the time.

Döpfner In the long run, heterogenous competition is stronger than homogeneous monopolies. So, dictatorships fail. But in the midterm, I'm afraid that an unfair competitive system will continue to advance China's growth. At the same time, domestic control over the Chinese people is limiting the possibility to speak up. These two factors may lead to a situation where unilateral, authoritarian leadership becomes even stronger.

Mahbubani I agree with you that authoritarian systems will fail. Hence, if China keeps succeeding in the next few decades, its system may be flexible, not authoritarian.

Döpfner Kishore, I find this fundamentally important, because I'm not so sure the principles of freedom and fair competition are going to prevail over the next decades. Take the example of artificial intelligence, AI: Unfortunately, China is in a much better position here than America or Europe. Why? Because the speed of AI progress is very much driven by a regulatory framework. In China, you have no restrictions regarding privacy or data ownership, because the only principle of regulation is the well-being of the state. How should we deal with this unfair advantage?

Mahbubani I think Europe is sophisticated enough to tell both the US and China that if you want to develop AI, you must do so on the basis of certain rules. The rest of the world would trust Europe—and this is important—because you've got no authoritarian agenda.

ZEIT One final question to both of you: If you look back 100 years into history when the rivals Germany and Britain were competing for dominance, it marked the end of what some call the first globalization. With China and the US engaged in a trade war including punitive tariffs, are you afraid that we might be witnessing the end of the second era of globalization?

Mahbubani I'm optimistic that globalization will continue. Asia is now home to the world's largest middle class, and I know their aspirations: They want to have the same kind of comfortable lives that many in the West enjoy. So once Covid-19 is over, once everybody can start traveling again, I assure you, globalization will come back with a vengeance. In fact, I would say: Watch out, phase three of globalization is coming!

Döpfner We are seeing a renationalization, a crisis of Europe and globalization, for two reasons. One is the corona pandemic, which should be solved on an international level. Instead, though, it has led most countries to focus on their self-interest. The second reason is the rise of China as a non-democratic superpower. In the long run, though, I'm 100% optimistic that globalization will prevail. There is simply no alternative. All big problems can only be solved in a global context, like climate change. If we increase the constructive pressure of an US/EU alliance—combined with dialogue—on Beijing, we might be able to strike a new trade deal. Then freedom and globalization will prevail.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International License (<http://creativecommons.org/licenses/by-nc-nd/4.0/>), which permits any noncommercial use, sharing, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if you modified the licensed material. You do not have permission under this license to share adapted material derived from this chapter or parts of it.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.