Reflecting on Blinken in Beijing, a PRC-ROK Diplomatic Spat, and China’s Low Marriage Rates

China Insider #28

TRANSCRIPT

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Miles Yu:
Welcome to China Insider, a podcast from Hudson Institute's China Center.

Shane Leary:
It's Tuesday, June 20th and we have three topics for today. The first is our reflections on the long awaited visit to Beijing by Secretary of State, Anthony Blinken. The second is a recent diplomatic spat between the PRC in South Korea and the broader implications for this bilateral relationship. And we conclude with a discussion on China's historically low marriage rates and what this means as the PRC attempts to overcome significant demographic challenges. Miles, how are you?

Miles Yu:
Very good, Shane.

Shane Leary:
Wonderful. So Secretary of State, Anthony Blinken has just concluded his long awaited visit to Beijing. For a while there was some uncertainty if Xi would actually meet with him, but they did coordinate a meeting at the last minute. In addition to meeting with Xi, Blinken had two much longer dialogues with Wang Yi, the highest ranking diplomat of the PRC and his number two Qin Gong. Now that this long awaited visit has concluded, what are your impressions on how it went? What issues were on the table and do they seem to have been resolved?

Miles Yu:
I don't think it resolved anything. However, the expectation on the American side, it was so low for the Biden administration. The fact that the meeting took place itself is a win because all they want to do is have some kind of a dialogue going on to discuss crisis avoidance, a crisis management system. China basically had this played the usual game of creating a better optics for itself. The discussion is still, it's up to interpretation by either side that can be very different. You can see from these statements afterwards issue by both Secretary Blinken and the Chinese side. In my view, I think the US bar is too low, it's too meek and we look weak and even slightly pathetic and sometimes totally unnecessary because we have to understand two very important things. Number one, we have to really get into our head that China needs the US much, much more than we need China, economically, technologically, and the military as well.

We're in all real sense, the only global superpower with the many more leverages for the CCP regime to survive and thrive, it must heavily rely on the west, particularly the United States, to provide critical economic opportunities, key technologies and capital investments. That's tremendous leverage. So when Mr. Blinken talks about competitions, we must utilize all our advantages and leverage to beat our competitor. We're not doing it. You can see this from the sitting arrangements. The last US Secretary of State to visit China and to meet Xi Jinping was Secretary Mike Pompeo during the Trump administration. That was in 2018 when Pompeo was there, Xi Jinping sat next to Pompeo. One-on-one this indicated some kind of equality. So protocol wise, this time's different. China's played the optics right now, Xi Jinping sits on the head table and Secretary Blinken and our ambassador and our entourage and the Chinese
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foreign affairs czar and his foreign minister, Qin Gong and his entourage sit on other side of the table and Xi act like an emperor lecturing everybody.

So it shows this kind of mind game. China's plane, it shows the actual place of the US in two administrations then and not. The second thing we really have to understand is that the ultimate factor determining the tenor, the direction of the United States relationship with China is not in Washington but in Beijing. We let China dictate the narrative that Washington should change its attitude. Its policy is alleged hawkish approach to China. This is all nonsense. One of the most important change in our China policy that took place during the Trump administration under the brilliant leadership of Pompeo, is that we give primary agency to the Chinese Communist Party in deciding the nature and direction of the bilateral relations. In other words, the ball is in Beijing's court, not in Washington's. So the near pathological self-examination, I call it self torture about how hawkish or dovish our China policy should be, in order to maintain a good and smooth relationship with the CCP is mostly irrelevant and futile.

It's China that violates all bilateral norms, completely plays the US like a puppy, via powerful China lobby, powered by corporate greed, self-seeking former senior government officials and the influenced peddlers. So many of these dishonest and left wing fellow travelers are in Wall Street, K Street and the think tank row on Massachusetts Avenue in Washington DC. So I may say we have to recognize these two very important assumptions. One is China needs us more than than we need them. Secondly, we must give the CCP its agency in determining the US-China relationship. It is not the US who should always serve the example.

Shane Leary:

In that vein, especially on that second note, I want to draw our attention to something Wang Yi said. According to the official Chinese readout, he urged the United States to cooperate with Beijing instead of hyping the China threat theory. This is consistent with the way in which as you’re saying, China approaches its diplomacy. They never seem to be at fault in their own estimation for any souring in their bilateral relationships with other countries. Going a little bit further, how do we uproot this sort of prevailing tendency in Washington? What do you say to those who might agree with Wang Yi and argue that souring and US-China relations is largely due to US behavior and that as a consequence, by cooperating and being gentler, we can come to a far more congenial and productive relationship?

Miles Yu:

For the Chinese communist regime to survive, it must maintain a supreme fiction that the party itself is invincible. It cannot be wrong. So this is all what one is saying that United States must really reflect on our own faults, right, reflected our own wrong deeds. Again, we have to understand China needs us more than we need China. We have to give Chinese agency in determining the relationship. Failure to understand these two points has contributed to many unfortunate errors on our part. For example, in all high level engagement with the Chinese, the CCP always throws out the ultimate red herring of the so-called Taiwan independence. There is no Taiwan independence movement because there's no need to declare independence. What we have endeavored is to maintain status quo in Taiwan Strait. We never want to have the new independence declared by anybody. There was the Taiwanese. They're not doing that.

The status quo, as a matter of fact is defacto independence. China forces the US to support a supreme fiction of Taiwan independence to buttress the CCPs relentless psychological warfare
on the free and democratic Taiwan. The purpose is very simple, is to demoralize 23 million free people on that democracy. Unfortunately, Mr. Blinken made another unforced error this time yesterday. He in Beijing, he announced that US would not support Taiwanese independence. This is basically he's talking about the red herring doesn't even exist, right? So because Mr. Blinken really did not need to say this, this is a trap set up by the CCP. For him, if I were to advise Mr. Blinken, if he has to make a statement, he should really easily focus on the difference between what the CCP’s so-called the one China principle versus America's one China policy. So it's a matter of principle versus policy.

Many people even understand that. So I think the US has never agreed. Now Taiwan is part of the people's republic of China. We only say Taiwan is part of China, right? But not the communist China. In addition, there are also two very important critical elements of the US policy toward China in this regard, particularly in Taiwan. In addition to say that we recognize there is the insistent that Taiwan is part of China, we also say we absolutely objected to the use of force to change the status quo. Another thing which is very important is any future settlement on Taiwan’s strait must be agreed to by both sides. So our policy, our so-called one China policy versus China's one China principle is that we have to consider the three very important parts China wants to emphasize on the first one, which is actually is severely misinterpreted in the first place.

And I think China also both Mr Blinken and Qin Gong, stress the importance of deepening engagement, the people to people engagement, that's fine, but is China that has actually been restricting these people to people engagement. I'll tell you this right now. Americans working and studying in China. The number is drastically reduced to fewer than about 500. That's very telling because every foreigner is treated by default as some kind of foreign agent. So China has a very effective anti espionage activities. So people don't feel safe. The state department issued travel guidance on travelers willing to go to China. On the other hand, Mr. Blinken also said something I think is very real wise and very useful. That is, he said United States will defend American people's interest and values and promote a free and open and rule rules based international order. Those are very major statements. I think I give him credit for that.

Encourage cultural exchange, that's fine. But it has to be free exchange between people, two peoples on student visas, as far as flight numbers, more Americans to go to China and those things has to, both sides have to take action. And also we also should screen how many people from China who come to the university who are actually not doing cultural exchange but do some other nefarious business over there to promote the interest of Chinese Communist Party. So people to people's exchange is very important, but it has to be free, has to be fair and it has to be reciprocal. I mean China doesn't do this. China on the one hand say we welcome American tourists that spend money in China. Come here to see the beautiful country, see panda's, great walls to see beautiful smiling faces of children in Tibetan and Xinjiang. On the other hand, it's almost impossible to get a permit to visit Tibet and Xinjiang because it's just propaganda. They're not really sincere in promoting people to people engagement. So my take about this blanket trip to China is optical is more important than substance, but sometimes optical effect, it can make a difference, but I would prefer something much more more substantial.

Shane Leary:
You stated at the beginning from the Biden administration's perspective, the fact that the visit took place at all was a win. We don't seem to have had substantive advancements or solutions
on any of the issues on the table. Was there any sense in which this was detrimental from a US perspective or was the visit sort of a wash?

**Miles Yu:**

You can interpret it both ways, right? On one hand that the United States, we send our envoy to China and as if you were paying tribute to the middle kingdom to be roughly treated. When Blinken landed in China, there's no senior official greeting him on the airport, just our ambassador and they're bureaucrat in charge of North American affairs. That's basically meant to be a humiliation. There are something that's very, very interesting though because if the Biden administration's expectation is to keep the dialogue going, to keep engaging the senior leadership to avoid kinetic fight and I think they actually achieved something that is because they didn't talk right The seven hours with Qin Gong and another several hours with, so for example the US is going to host in this November in San Francisco, the APAC meeting, the Asia Pacific Economic Conference. Xi Jinping is expected to show up and of course China side demands all kinds of high-level red-carpet reception for Xi and I think the fact that we discussed this kind of arrangement is good in order something that high level dialogue in the future.

President Biden also said he's looking forward to meeting with Xi Jinping in a few months. So I think that's what he meant by that. There are also some specific discussions about bureaucratic levels engagement to implement what Qin Gong said. The Agreement reached in Bali between President Biden and the general secretary Xi Jinping last November. On the other hand, I think the real issue was the American president told the Chinese supreme leader in Bali in Indonesia last year, two red lines. One is no lethal weapons supplied to Russia. Secondly, no military intervention against Taiwan, otherwise US will be playing tough on you. So I think that's the main message and not just the bureaucratic arrangement. Every bureaucratic engagement with China must serve a specific purpose. Dialogue is important, but dialogue should never just be for the sake of dialogue.

**Shane Leary:**

Okay, so switching gears to China's bilateral relationship with another country, South Korea. [It] recently had a bit of a souring following some inflammatory comments from the PRCs ambassador to South Korea, Xing Haiming, who on June 8th publicly stated that South Korea, not China was responsible for their deteriorating bilateral relations and that those who bet on China's defeat in its rivalry with the US will come to regret it. This sparked significant backlash, both among the South Korean public and elected officials, in a sort of broad bipartisan anger. Could you talk a little bit about this recent diplomatic spat and how we got here?

**Miles Yu:**

This is one of many examples, of late, that shows China, actually, is digging a hole deeper and deeper for themself. Internationally it's more and more isolated. This spat with South Korea, it's actually quite silly because it shows China's arrogance and cluelessness in dealing with neighbors. I mean, they cannot really treat them as equal. China always fancies itself as a big country. Other countries are just a little country, da guo versus xiao guo. China has this obsession of upending Americas leadership globally. For this, they play really, really hardball against America's, allies, particularly Japan, South Korea and the Philippines, the three countries that have a mutual defense arrangement with the United States. So, they're very nasty toward them and I think the South Koreans, because they were economically overdependent on...
China, on the China market, they have been, sort of, avoiding directly confronting the Chinese. And until recently, I mean you got President Yoon who's very realistic.

He embraced the US alliance. He also embraced the idea that the China threat against Taiwan is not just regional, much like the North Korean threat, it's a global issue. So, China was very, very frustrated and angry over that. China also recently has failed to rally what China had expected to be its ally, to forge some kind of anti-American alliance, right? Most notably India and Brazil. Those two countries were important members of the BRICS alliance that China has played dominant role in. But China initially wanted India and Brazil to go to Beijing during the time of G7 that was hosted by the Japanese government. But India and Brazil instead declined China's invitation and went to the G7 meeting instead. And that just shows you how isolated China is. Xi Jinping turned 70 last week on June 15th and China expected large, sort of greetings from international order, but only two of them sent birthday greetings to Xi Jinping: Vladimir Putin of Russia and Kim Jong Un of North Korea. And those were not kind of

Shane Leary:

Wow.

The kind of kumbaya you want to seek, globally. On the other hand, Taiwan has become much, much more and more popular. I mean, Taiwan has become sort of the symbol of freedom and democracy in East Asia in account of the Chinese threat. Taiwan's foreign minister, Joseph Wu, just visited Europe. He spent time in the Czech Republic. The Czech Republic basically defies China's threat and bullying and hosted him for a talk. Foreign Minister Wu also visited Brussels to talk with the EU leaders, particularly with regard to the bilateral investment agreement. That is, the Europeans want to have Taiwanese investment in Europe, particularly in the high-end chip making, right, investment from TSMC, for example. In the meantime, while this kind of talk was nourished, the EU's bilateral investment agreement with China has totally stalled because it was met with a lot of resistance. So, unless China changes its behavior, changes the major way of operation, China's isolation, globally, is little deepen. And so the South Korean spot is just one example

Shane Leary:

Turning to China's domestic situation, marriages are at a historic low in China, while it faces already rather pressing demographic challenges. In 2022, marriages dropped to their lowest since they had begun keeping records in the first place. Only 6.8 million couples registered that they had married in 2022. That's down 800,000 from 2021. So, this does not bode well for a country that desperately needs to up its replacement rate as it deals with the fallout of decades of the one child policy. Could you talk a bit about why you think the marriage rate is so low right now and its broader implications for Chinese society?

Miles Yu:

Well, the marriage rate is low at the historical level because the most reproductive reactive young people, they are suffering from a tremendous sense of malaise and helplessness. So, they're not into making family and making children and have a family because the pressure on them is tremendous. So, this is basically China's lost generation I can say, and particularly is unemployment. Many of them don't even have a job. China's official statistics, which is historically low when it comes to reporting to reflect the bad news, official youth unemployment is over 20%. And that's basically for people between age 18 and 24. That's a huge, huge portion
of people. So most people getting married just about that age, right, maybe a little bit toward the end, the upper end of that age group 20 to 24. This is a problem. So that's why many people do not really feel there's a bright future for them, let alone to have a family.

Speak of unemployment, Chinese unemployment is also his numbers game. Recently, it's announced that for anyone who has a one hour work a week—one hour a week—that's considered full employment in China. So it's kind of very telling. So that's why the 20% youth unemployment figure may be very, very low as under reported. Right? I'll tell you, there's a very telling case in China right now that has gone viral. There's a university somewhere in eastern China. There's one student who ate at the university cafeteria. In his plate there is a fried mouse. He's freaked out. He took a picture, showed up on internet and the nation just went wild on this. So the university authorities said, “Hey, this is not really a mouse.” So they said “this is a ducks neck.” So all of a sudden, nationwide there is a huge, huge debate about the mouse versus duck neck.

So the authorities tried to cover up this egregious misdeed. So they tried to sort of say this is not a sort of a health condition problem. This is very similar to the Orwellian demand by the authorities. Ask everybody to say “two plus two equals five”. It's lying. So this is basically, this is talk of the nation right now, in China. It's the mouse versus duck neck. The Chinese government, facing national outrage, has to pretend to take this thing very seriously. So they formed a gigantic committee with all this academy of social science people, scientists, and they finally came to conclusion after this intensive investigation, we decided this is not a ducks neck, this is indeed a mouse. It's ridiculous. I mean this is the how government operates in China. That's why, when a lot of issues that have some relevant to the young people...I mean, the Chinese government has no credibility and the young people actually, cause they're so content, they feel so repressed. They have no desire to work hard, to struggle. Everybody has to struggle, particularly young people. That's why lying flat and get out of China and the basically modes of the young people. It's actually pretty sad to even comment on this.

Shane Leary:
It is sad. And I mean in that vein with the committee you just spoke about, I mean the CCP's trying to respond to this with these pilot projects in cities creating a culture of a new era, marriage and childbearing culture, trying to promote people getting married. But I mean, I can't imagine these are going to be that effective given the lack of credibility you just spoke about.

Miles Yu:
Indeed. Indeed. Yeah.

Shane Leary:
Well, I think that's all the time we have for today, Miles. Thank you so much and I'll see you next week.

Miles Yu:
Thank you, Shane. I look forward to next episode.

Narrator:
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