



China-Russia Relations, the PRC's COVID-19 Surge, and 2023 Predictions

China Insider #4

TRANSCRIPT

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Wilson Shirley:

Hello and welcome to the China Insider, a podcast from the China Center at Hudson Institute. Every week we look at a few stories you may have seen about China and some you may not have. We try to explain what's going on with the world's most populous country, how we got here, and what is to be done. I'm Wilson Shirley Media fellow with the China Center, and I'm joined by Miles U, the Center's director. It's Wednesday, January 4th, 2023. Happy New Year everyone on the podcast. Today we have the growing No Limits partnership between China and Russia, the Covid surge in China and what it means for the rest of the world. And we'll finish up with some predictions for the People's Republic in 2023 miles. How are you doing?

Dr. Miles Yu:

Hi Wilson, Happy New Year.

Wilson Shirley:

I'm doing well. Happy New Year to you. It's good to see you. Good to get another episode going and we have a lot to talk about today, but I actually wanted to talk about something that happened at the end of last year because it directly implicates you. So, on December 23rd, PRC foreign Minister Wang Yi sanctioned you and a US congressional staffer who's an expert on Tibet, the CCP called the Sanctions Countermeasures for US actions. I have the Global Times article about the sanctions right in front of me, and you actually quoted it in a piece you wrote about being sanctioned. The Global Times is extremely vitriolic in what they say. They said, "since ancient times, all those who have betrayed the country and the nation have met a tragic end" Miles views can't be any better. So, Miles, what happened?

Dr. Miles Yu:

I mean, what happened? This is a very proof to me once again, this wisdom of dealing with China. No rumor is true until it's officially denied <laugh>. No person is honored until it's officially sanctioned. So, in that sense, I'm pretty honored. It's a badge of honor because the foreign minister Wang Yi, I mean he used to have this beguiling personality as somebody who's a reasonable, who speaks some kind of a Chinese proverb of ostentatious profanity. I mean the last several years, he acts like a buffoon. He says something that really doesn't mean anything. He follows up, idiotic instructors worldwide and severely damages China's reputation internationally. This sanction is basically meaningless. I was already sanctioned for what I did during the Trump administration working as a Secretary Pompeo's China policy advisor. It didn't mean much because it froze my assets and prevented me from making any transactions and no visa to China.

Anybody who the Chinese government doesn't like would expect those things. Anyway, man, I don't have any assets. I don't expect to do any transaction in China, and I don't think China is safe for me to travel anyway. So, I think the purpose of the sanction on me personally is divide and conquer tactics. When they sanction the 28 Trump administration officials dealing with China policy, they meant to send a signal, a warning to the incoming Democratic administration those who were holding the same position. So that has failed and now they sanction me because I am furthering the bipartisan policy toward China. So, there is some kind of positive to say about our efforts at China Center and Hudson particularly including programs like this. Now,

this is something that we should all take pride. So, it's not just my personal honor, everybody involved in this should feel proud.

Wilson Shirley:

I think that's right. And I think it's especially interesting that the sanctions that they announced were countermeasures for policies that have been pushing, have been pretty bipartisan in the United States. And the sanctions that the US announced that they said that these were countermeasures too were for human rights abuses, that PRC officials were inflicting on the Chinese people in Tibet and on the Tibetan people, which is a pretty stark contrast that there's no moral equivalence between the two. So moving on to our next topic, which is Chinese foreign policy at large, 2022 began with a statement about a no-limit partnership between China and Russia. That happened just before Russia's invasion of Ukraine. And it ended with a meeting between Xi Jinping in person with Dimitri Medvedev, who is a Putin ally, and then a virtual meeting between Xi Jinping and Vladimir Putin as well, in which Vladimir Putin said, and I thought this was a creepy quote, "we are expecting you dear friend, we are expecting you next spring on a state visit to Moscow". So, Putin inviting Xi Jinping to come to Moscow. What do you make of the China Russia hobnobbing that just happened at the end of the year?

Dr. Miles Yu:

Those words sound like what Hitler and Stalin said to each other on August 24th, 1939. Yes, they have some kind of further cooperation, particularly on the military front in Europe and in Asia this time, but they also have a tremendous clash of ambitions in both countries. So let's talk about the cooperation getting closer. Both countries have something in common that is both Russia and China they are revisionist states aiming to upend existing international order led by the United States. On the other hand, what the China Russia narrative has done is to unite the world. Nowadays, the threat to sovereignty is no longer just original issue, is no longer at Ukraine. When people talk about Ukraine right now, they constantly mentioned Taiwan. So, the issue has become rather global. It's not just the China-Russia sort of coalition threatened regional security in Europe, but also in Indo-Pacific as well.

And you can see this kind of China aggression would continue. So, it draws Europe and Indo-Pacific together. And you can see this from the recent actions taken by Japan, by Australia most importantly NATO. So, we can see the formation of a quasi-alliance between Russia and China actually provides a stronger impetus toward the formation of a global alliance against a common threat that is the Russian and Chinese alliance. However, this alliance also in my view is not going to last very long because just like Hitler and Stalin, there was a clash ambitions. There is Right now I think Russia wants to relieve Relive, the Soviet empires dream. China wants to dominate the world and to do that, they want to prevent Russia from becoming a global empire again. So, you can see from China's majors such as the Belt Road Initiative, and China's a very cozy relationship with Ukraine and with Kazakhstan for example, and most importantly with the former Soviet satellite states in eastern Europe. So, China views Russia as a junior partner as well. That's because China's economy is more than 10 times bigger than Russia's, and China has a much more advanced technology in defense, in artificial intelligence, in many other key technological arenas. And I think China also is profoundly worried about being lumped together with Russia because China runs the greater risk of being further isolated from the international free trade system. And China is much more connected with the international free trade system than Russia. Russia has been pretty much isolated to virtual oblivion.

Wilson Shirley:

So can you talk a little bit about how China has viewed the war in Ukraine since last February? There's been a lot of commentary made about how China is now the largest importer of Russian energy. It surpassed Germany. The US Commerce Department sanctioned a few entities that were supporting Russia's military efforts. So what exactly is that relationship over the last year and? Tell us a little bit more about where you think it's going.

Dr. Miles Yu:

Russia's invasion of Ukraine in February of last year provided a profound predicament for China because China for more than 20 years has coveted the very cozy relationship with the Ukraine for the specific purpose up upending Russia's dominance in Ukraine. Ukraine is a very unique country. It has inherited enormous amount of Russian design, Russian engineer weapons that China needed. In the last 20-25 years. China has bought at a much, much discounted price from Ukraine virtually every major modern warfare platforms, ranging from aircraft carrier to a heavy engine bomber, heavy bomber engines to missile technology and Amphibious landing craft. So, in other words China wants to sort of a take Ukraine away from the Russia orbit to its own, and that actually was dashed by Russia's invasion of Ukraine. So, China has a very unbuilding feelings about Russia's invasion of Ukraine. On the other hand, China-Russia relationship is also very important because Russia is the only meaningful ally China could get in its global contest with the West. So, China does not want to break away from Russia. So that's why throughout the entire episode of the Ukrainian crisis, China's attitude toward Ukraine and toward Russia has been completely opportunistic. It never says yes or no a hundred percent to either side. So, what China right now is angling toward a much bigger role in the post-war reconstruction in Ukraine. I hope Ukrainian leadership will realize China's opportunism and make a clear cut with China.

Wilson Shirley:

So, if Xi Jinping takes up Vladimir Putin's invitation to come to Moscow in late winter, early spring, what do you think his objectives in that meeting would be?

Dr. Miles Yu:

I think the subject will form some kind of a China-Russia agreement countering the West, countering sort of the international order led by the United States. This is the only common language they have at this moment on original issues, on original security issues. I think they're going to avoid talking about this particularly in Central Asia in Indo-Pacific, because Russia doesn't want to be dragged further into those conflicts. That's one. Another one, I think China wants to probably do some kind of energy deal with Russia and they want to probably promote this idea of using Chinese Yuan as a settlement of transactions on the much larger scale, but I don't think that's going to work. As I say, China also is afraid of being further lumped together with Russia. That's why I think you can see in recent weeks the Chinese diplomacy has turned more accommodating to Western demands with the new foreign minister Qin Gang being promoted. Gang is man of Suave and deceit instead of the Wolf warrior. I think he's a sheep warrior.

Wilson Shirley:

A sheep warrior.

Dr. Miles Yu:

That's the image he wants to promote.

Wilson Shirley:

So we've talked a lot about China's role in the world, China's diplomacy, whether it's sanctions or whether it's relationship with Russia. Now let's talk about what's happening inside of China because there have been a lot of headlines about the end of zero covid. Basically the Chinese government has abandoned the zero covid protocols and is letting it rip, and it's hard to see what's happening in China from the outside. I've seen estimates of tens of millions, maybe hundreds of millions of people getting infected. The worst estimate I saw said that 1.5 million people could die in the absolute worst-case scenario. But if you google Covid cases in China today, it will tell you that in the last three years there have only been 1.91 million cases and 5,242 deaths. So, what's your sense of what's going on with a covid surge in China and what it means for the world?

Dr. Miles Yu:

I think the world has grossly underestimated the degree to which the Chinese communist party can control information, can control truth. It took the west, the outside world, almost 40 years to discover that this of tens of millions of people in the late 1950s, 1930s, 1960s in China. I mean the Covid tragedy is another example because no one knows what actually happened in China because China, the Chinese Communist Party has conducted a habitual coverup to glorify the party. This week actually marks the third anniversary of the original Chinese National Health Commission order to destroy original covid samples and the third anniversary of silence and whistleblowers like Dr. Lee and also China throughout the whole crisis started hoarding PPE to blackmail the world. The zero covid policy is lunacy it basically showcases the Chinese Communist party's hubris and arrogance. The idea that somehow the party is so powerful, so awesome, it could prevent all mean a hundred percent infection cases in all of China.

So, when it failed, obviously it has to resort to covering up. So they cook the books and counting the deaths at a ridiculous low amount. Now its review is official policy. We know a few weeks ago the Chinese government does not count death during the crisis of those with underlying conditions. So, the Chinese communist party has been using this huge propaganda line that the United States covid reaction has been a failure because it has resulted in over a million death, but over 95% of all the deaths in the United States are death with underlying conditions. So those numbers would not have been counted in China. So, we don't know what the real actual numbers are in China. Official government number says that the fewer than 6,000 Chinese people die of covid. That is absolutely unbelievable.

Wilson Shirley:

It is absolutely unbelievable. And you talked a little bit about the coverup in early 2020 and there was another story in the news over the last couple of weeks that reminded people of that time and that was that there were two planes that arrived in northern Italy from China, and more than half of the people on those planes tested positive for covid. We've seen a lot of countries that

have enacted some sort of restrictions about passengers from China, Arriving the United States requires negative covid tests. Morocco has banned arrivals from China altogether, Belgium, Australia, they require covid tests. So, what do you think the global ramifications for the let it rip policy that's going on in China right now are and how the rest of the world is responding to it?

Dr. Miles Yu:

I think we are now moving to this very serious area of intentionality, how to detect China's intentionality of its policies. China has been doing this zero covid draconian policy at home, but it has been totally reckless in promoting and allowing a huge exodus of the infected Chinese abroad. This is absolutely insane.

Wilson Shirley:

Yeah, it takes you back to the beginning when they banned internal flights from Wuhan but allowed those same flights to go to places like Northern Italy.

Dr. Miles Yu:

That's right. So right now, the world is actually horrified at this recurrence again. So that's why you can see major responsible governments in Europe, in Asia, and in Americas as well as the W H O are urging Chinese to be more transparent, all of this you can see has enormous reputational damage to the Chinese Communist Party. The party initially wanted to use this pandemic to promote all round greatness of the party and to prove the socialist system is superior. But the result is the opposite because it has actually proved that the Chinese Communist Party is arrogant, it's incompetent and is callous to the suffering of the ordinary people by the hundreds of millions. That's why you can see there has been an avalanche of attacks on the CCP for lying and unpreparedness and inside China and as well as abroad.

Wilson Shirley:

So I want to ask one more question about how the CCP is handling the covid outbreak. Xi Jinping gave a New Year's speech where he talked a little bit about Covid and people commented on how tired he looked, how he seemed to not have a lot of energy, and he said he acknowledged it seemed to outside observers some failures or at least implied that he acknowledged some failures. He said, quote, "we have now entered a new phase of Covid response where tough challenges remain. Everyone is holding on with great fortitude and the light of hope is right in front of us". So how do you think Xi Jinping and the Communist Party will continue to communicate about the Covid pandemic as it goes from the cities to the countryside and spreads over the next couple of months?

Dr. Miles Yu:

Xi Jinping from the beginning took this pandemic as a way to promote himself. And from the very beginning in February, 2020, he told the visiting WHO chief that he himself was personally in control of the campaign against the virus. He himself was the only orchestrator of the entire efforts on behalf of the Chinese government. So, he took it personally, and this time you can see he continued to play that role. The only problem is that there has been no senior Chinese party leader to come out and openly stand in line with him. And that's pretty telling because in

the eyes of a lot of people inside China, I think even within the ranks of the Chinese Communist party Xi is basically the absolute dictator and he really has been wrong all along. And you cannot see that in open, but you can always read between the lines. You can always see on China's social media, how much the Chinese people absolutely hate this Chinese leader.

Wilson Shirley:

I think that's certainly true. And Covid continuing to rip through China is going to be one of the big stories, at least for the beginning of 2023. But we wanted to finish up with a few predictions for the new year. So, Miles, as you're looking ahead over the next 12 months what do you see happening?

Dr. Miles Yu:

Well, predicting future is actually a very dangerous business, but I'll try <laugh>. I think in 2023, I think the war in Ukraine will end. Russia has suffered tremendously, and they cannot continue this farse at the expense of thousands of people's lives. And I think Russia has reached its logical end in terms of the war. Number two is I think the Chinese economy will have a major crisis because during the three-year pandemic you see a global divestment from China. China actually has lived on those global investment in China. Now all those foreign companies are, and FDIs are falling out. On top of that, you have this incredibly high unemployment rate in China that created a lot of social and political tension within the country. I also see that there is a collapse of Xi Jinping's reputation and his power may not be as solid as it seems. My final prediction is I do see a high probability of the emergence of a new multilateral collective defense pack in the Indo-Pacific. that would involve basically Japan, Australia, United States, and most likely India. We'll see. What are your predictions, Wilson?

Wilson Shirley:

Well, first of all, I think that I am slightly less optimistic than it sounds like you are, which is not normally the way things go. My predictions for 2023 I think sadly the war in Ukraine is going to continue. Maybe not at the same level because I think you're right, Russia can't sustain the same level that it's been. A lot of people are talking about how India will surpass China as the most populous country in the world. Maybe it already has, and we just don't know yet. But yeah, thanks so much everyone. It's been great to see you again in 2023 Miles, and I'm looking forward to doing more of these episodes with you.

Dr. Miles Yu:

Same here Wilson.

Thanks.

Wilson Shirley:

Thank you for tuning in to this episode of the China Insider, a podcast from the China Center at Hudson Institute. We appreciate Hudson for making this podcast possible follow Miles and all of the additional great work we do at hudson.org. Please remember to rate and review this podcast and we'll see you next time on the China Insider.

