



Munk Debate on China

May 9, 2019

Rudyard Griffiths: Ladies and gentlemen, welcome. Great to have you here tonight. Thank you. For the Munk Debate on China, my name is Rudyard Griffiths and it's my privilege to have the opportunity to organize this debate series and to once again serve as your moderator.

I want to start tonight by welcoming the North America-wide audience tuning into this debate on television via our partner CPAC, Canada's Public Affairs Channel, C-SPAN across the continental United States and on WNED and its PBS sister stations. It's great to have that audience with us this evening. A warm hello also to our friends watching right now via the website of our exclusive social media partner, Facebook.com. Please stay with us after the debate. We're going to have an expert panel featuring opinion from the *Wall Street Journal* and top Canadian thinkers on tonight's debate topic. That's all coming up live online right after the main stage debate. And finally, hello to you, the over 3,000 people who've filled Roy Thomson Hall to capacity for yet another Munk debate.

A special thanks to our premium members and our subscribers for your generous support for more and better debate on the big issues of the day. We cannot do this series without you. Our ability, year in and year out, to bring some of the world's biggest minds and best thinkers to this stage would not be possible without the commitment and the generosity of one foundation and one family. So please join me in a round of applause for the Peter and Melanie Munk Foundation and the Munk family. Thank you all for your generous support of this series. Peter's philanthropic legacy lives on.

This evening, we'll focus on the geopolitical issue of the moment. It's been on our screens all day today. It's been dominating the news all week. It's the issue of the impact of a resurgent China on the international balance of power. We're going to explore this critical issue by asking the question: Is China a threat to the liberal international order?

Now, I think it's important for us to just spend a moment here to define some of our terms. What do we mean by this phrase, the "liberal international order"? I see it as the kind of catch phrase for the world that all of us have grown up in, a world that has favoured the free movement of people, ideas, goods and capital. It's a world order guaranteed or supported by the rule of law, setting rules, observing rules. It's been supported by a broad commitment over decades to pursue multilateralism as a way of decision making, over unilateralism. It's a world that's given nations, states, the capacity, the ability, for self-determination; and it's also a world that has been guaranteed to a large extent over five decades now by the military power and economic strength of the United States of America.

So we're going to ask some tough questions this evening. We're going to ask: are China's political interests — Beijing's vision of the world and how it should be — incompatible with the values and institutions of the liberal international order, or is this view just a fundamental misunderstanding of how China sees the world? Instead of being its enemy, is Beijing, in fact, an important ally to the liberal international order in an era of multipolar competition and confusion and an era of seemingly rising American unilateralism?

Well, let's find out by getting our debaters out here centre stage and our debate underway. Arguing for tonight's resolution, "Be it resolved: China is a threat to the liberal international order" is America's former national security adviser, a celebrated military commander. Ladies and gentlemen, please welcome General H.R. McMaster.

H.R. McMaster: Thanks, Rudyard. Thank you for doing this.

Rudyard Griffiths: General McMaster's debating partner tonight is one of America's most influential advisers on China today. He's counselled multiple U.S. administrations and he's played a key role in forming President Donald Trump's China strategy. Please welcome, from Washington, D.C., Michael Pillsbury.

Michael Pillsbury: Thank you.

Rudyard Griffiths: Now, one great team of debaters deserves another, and speaking against tonight's motion, "Be it resolved: China is a threat to the liberal international order," is the Singaporean diplomat, bestselling author and former president of the United Nations Security Council, Kishore Mahbubani.

Rudyard Griffiths: Kishore's debating partner is someone who's made the trip for this evening from Beijing. He's one of China's leading thinkers on globalization and the founder and leader of the influential Beijing-

based Centre for China Globalization. Please welcome Huiyao Wang.

Rudyard Griffiths: Well, let's go through a quick pre-debate checklist. We've got a hashtag running tonight—#MunkDebate. To those of you in the audience, those watching online, please join in, post your comments, engage in the debate. For our online audience we also have a rolling poll going throughout the night on our website www.munkdebates.com/vote. You can vote on the resolution, vote on the performance of our debaters throughout the next hour and a half. So be sure to go to that website. And also, to those in the house here, I need your help with a key part of what makes each and every one of these evenings a success—our countdown clock.

So, you're going to see this clock come up on the screen timing the various debaters' elements. When it reaches zero, please join me in a round of applause and that will ensure that our debate remains on schedule. So, debaters, you're warned.

Now, let's see if we can do this for this debate flawlessly. It's time for our first live audience vote here in the hall on tonight's resolution. All of you were given an electronic voting card when you came in here. So, pull those out of your pocket; we're going to have a vote on the resolution. We're going to make that question live. If you're in favour of the motion you're going to press A, or one. If you're opposed to the motion, press B. So, A or B. A, you're in favour; B, you're opposed. So you've got your voting cards out, you're doing the vote, and for those of you watching online, again we've got the rolling poll going, www.munkdebates.com/vote. You can vote on the motion now and you can gauge the collective score of the online audience now versus the end of the evening.

So, I'm going to give this question a little more time for our data to populate our computer and be tabulated, and then in a moment, we're going to close this first vote and go to our second question. So hopefully everyone's had a chance to vote on the motion at the beginning of the debate. You'll be able to do it again at the end also.

So, do we have those results up now on the screen? Can I see the results for the first audience vote on the motion? Seventy-six percent of you believe that China is a threat to the liberal international order.

Only 24 percent opposed. So, an interesting start to the evening but remember We're now going to see how fluid your minds are.

We're now going to vote on a second question: Are you open to changing your mind tonight? Depending on what you hear on the stage between our various debaters could you change your mind?

Could your opinion be swayed from one side of the hall to the other?

So, press A, yes, if you're an open-minded critical thinker who's willing to take a second look at 74 versus 26 percent; or B, no, if you're committed, and at the end of the debate you're going to vote the way you did at the beginning. So, I'm going to let those results build for a moment. Again, A if you think you could change your vote; B if you're not going to change your vote. Again, online audience, you can go to that online poll and participate. Are you open to changing your mind, those of you watching the live stream?

Okay. Let's close that question. Let's cross our fingers that our computer system is tabulating that for us as we speak. Look at that. Okay. Are you open to changing your vote, 83 percent. So this is a very fluid debate, gentlemen. Either side could move public opinion to their case for the resolution.

Okay. Enough of me. Let's get our debate underway and go to our opening statements. We're going to put six minutes on the clock for each debater. We've agreed on the order in advance. H.R. McMaster, please kick us off. You've got six minutes.

H.R. McMaster:

Thanks, Rudyard. Good evening. It is a privilege to be here in this wonderful forum.

Under President Xi Jinping the Chinese communist party has resolved to strengthen its grip on power, take centre stage in the world and make good on Xi's pledge to lead the development of new rules and a new international order sympathetic to Chinese interests. The Chinese communist party is not only strengthening an internal system that stifles human freedom and extends its authoritarian control but it is exporting that model and undermining the liberal international order.

I ask that at the conclusion of tonight's debate you answer tonight's question, "Does China threaten the liberal international order?" in the affirmative. The Chinese Communist Party poses a threat not only to the Chinese people but also to the rest of the world.

First, let's consider the liberal international order and why we might want to preserve it. The liberal order is not exclusively North American, European or Western. Its key components are: representative government, the rule of law, freedom of speech and freedom of the press, the right to privacy and freedom of religion, and free market economies that allow those who are entrepreneurial, work hard, and contribute to society to build better lives for themselves and their families and their communities.

I believe that Canadians care about our liberal order because, as a model democracy and a founding member of that order in the wake of two disastrous world wars, Canadians know that liberalism is not only an ideology but also a system that protects their rights in Canada's mosaic society. The free world's approach to China for the past three decades was predicated on the assumption that China would *not* threaten our liberal international order. China, we believed, would inevitably converge with the West, liberalize its economy, and ultimately liberalize its political system. To accelerate that transformation, we welcomed China into our order, opened our markets, invested our capital, and trained Chinese engineers, scientists, and even officers of the People's Liberation Army. But as happens sometimes in life, we were disappointed.

We underestimated the strength of the party in resisting reform and we underestimated the role that ideology plays in driving the policies of the party. Chairman Xi has reinvigorated ideology to an extent not seen since Mao's Cultural Revolution, which killed tens of millions of Chinese. Xi is purging the party to strengthen his control. He punished 1.5 million officials — over three times the total number of the federal public service of Canada. Xi implemented mandatory study sessions and even apps on Xi Jinping thought. The party is harnessing new technologies to shut out alternative sources of information while creating a surveillance police state more intrusive than Big Brother's in George Orwell's novel *Nineteen Eighty-Four*.

Ethnic and religious minorities are subject to the worst forms of oppression. In Jinjiang 1.5 to as many as 3 million are in concentration camps undergoing a campaign of brainwashing designed to erase their religious and cultural identity. Construction of new camps is underway. The party raids universities. Student activists disappear, only to reappear months later on confession videos. Hundreds of lawyers, legal assistants, and professors have been detained. Books on the rule of law are removed from university shelves and destroyed. Censorship of all media and communications is the party's obsession. There are no alternative perspectives to counter the party's steady diet of propaganda, much of it anti-Western and anti-Canadian, and anti-liberal international order.

The party combined anti-West and Canadian propaganda with hostage-taking after the legal detainment of a Chinese company executive for charges of bank fraud in the United States. China has expanded its propaganda efforts overseas. Those efforts recently exposed in studies in Australia, New Zealand and the United States shape popular opinion in ways that support China's goals. Chinese students overseas are under surveillance and unable to engage in the free exchange of ideas essential to higher education. The united front even creates fake organizations that then fake the prime minister's signature on fake documents. The party wants to mute

criticism of its most egregious aggression such as its attempt to own the South China Sea.

For our companies to do business in China, the party demands that they and their employees support China's foreign policy on Tibet, Taiwan and other issues, to obscure facts such as how China, while feigning commitment to reducing greenhouse emissions, is poisoning the global environment and using its One belt, One road initiative —

Rudyard Griffiths: Okay. We're going to let you pick up some of those points in your rebuttal, which you're going to get after all the opening statements. So Huiyao Wang, you're up next with your opening remarks. Thank you.

Huiyao Wang: Thank you, Rudyard, and good evening, ladies and gentlemen, and also distinguished panelists here. It's really a great honour to be in Toronto. This is a marvellous city and I really welcome this debate. General McMaster has just painted a very dark picture of China here, but I think maybe we have to look at it more objectively.

Well, just to give an example, I'd like to tell you a personal story. You know, I'm a person who lived through the Cultural Revolution some forty years ago when I was working in the countryside and making five cents a day. But thirty-five years ago, I came to Canada. The first city I came to was Toronto, and I studied at University of Toronto. It's a great university. And you know, the first day I went into class somebody came up to me and said, "Can I touch you?" I said, "Why not?" Then he touched me. He said, "Oh, I touched someone from Red China!" Oh, from Red China, so scary!

So, I hope that kind of scary won't come back. I'll tell you the reason why. I have three proposals to make.

The first: since China opened up, it has been a great beneficiary of the liberal international order. Actually, the U.S. set up this wonderful liberal international order, including the United Nations, World Bank, IMF, WTO, you name it. China embraced them all, so that in the last four decades — can you believe it? — China has lifted 800 million people out of poverty. Actually, that accounts for more than 10 percent of the global population and also corresponds to 70 percent of the global poverty reduction.

So, Larry Summers, the former president of Harvard, came to our think tank about two months ago and he said that the transformation in China probably will go down in history as a process larger than the Industrial Revolution. I think that since China joined the WTO, China's GDP has gone up ten times because China embraced the liberal international order. And also,

China is the largest trading nation; over a hundred countries benefit from Chinese economic activity. China also contributes over 35 percent of the gross GDP of the world. So, it's become an engine of the world economy.

So, China has become now the second-largest economy in the world. China every year has 150 million tourists travel around the world, spending \$200 billion for the local economy. China since it opened up has sent over six million students all over the world, including to Canada, such a great country.

Second, China is a great contributor to the liberal international order. And do you know what? — China is actually the second-largest donor to the United Nations. Also, it's the second-largest peacekeeping-sending country among the permanent council members. Also, China has actually committed to the Paris Accord Agreement. The U.S. has backed off, but China didn't avoid its responsibility and duties.

And moreover, China has actually set up an Asian Infrastructure Investment Bank (AIIB). And this has been embraced globally. Canada is a member, the U.K.'s a member, France is a member, Germany is a member. There are actually ninety-five members and, do you know who is the largest recipient of the Asian infrastructure investment bank? India. India is the largest recipient.

President Xi actually launched the Belt and Road Initiative five years ago, but this is still in the process of becoming more and more beneficial. But since the Belt and Road Initiative started, it has invested \$44 billion U.S. around the Belt and Road countries. Actually now, China has signed 127 MOUs with different countries, including Italy, including Switzerland, including Luxembourg and you know, a lot of countries, and with thirty international lending institutions.

So, China actually is really contributing, because China has benefited for the last four decades from the help of the world. It's time for China to contribute. It's time for China to make contributions. Belt and Road is an initiative to do that. It still needs a lot of help. It's not perfect. It still needs improvement, but the World Bank has actually just released a report that if Belt and Road is concluded, world trading costs will be cut down by 1–2 percent. The global economic growth will increase by 0.1 percent.

Now my number three point: China is a great opportunity for the global liberal system. Today J.P. Morgan just concluded its fifteenth China global conference in Beijing. Actually, Nicolas Aguzin, the chairman of J.P. Morgan Asia-Pacific, said that the transformation China has witnessed has benefited all the countries in the world. So, with the growth of the Chinese economy, China is now also the opportunity. It is the largest market of the world now,

with 400 million members of the middle class; in the next hundred years there will be 800 million. China actually has established 850,000 companies in China. The U.S. has started up 68,000 companies in China. China is the largest market in the world and Canada's exports — actually, today's *Globe and Mail* said that for the last twelve years Canada's exports to China increased by 12 percent, last year by 18 percent. So, it's a great market for Canada. Thank you.

Rudyard Griffiths: Thank you. And again, we'll get more time in the rebuttals to finish off your points. So, Michael Pillsbury, you're up next with your opening statement.

Michael Pillsbury: Thank you. Well, it's possible to agree with everything Henry Wang just said — all these good things about China. It's possible to agree with everything he said but still vote for the position that H.R. and I hold on the resolution, that China currently — and I'm going to give you the year I think the problem began — that China currently is a threat to the global international order.

I think the problem began about 2011, Rudyard, just about the time when you had Henry Kissinger here for the first Munk debate on China. About that time there was a power struggle in China over who should become the leader, and something called “singing red songs” that we didn't pay much attention to at the time. Dr. Kissinger actually went to Szechuan to hear this contender for leader singing the “red songs.” At the time, someone else paid careful attention—Xi Jinping. He also made a visit. He began to adopt the language of the hardliners in China. He won the race.

Chinese politics is not like the New Hampshire primary or debates on television where you can say, you know, things like, “You're sleepy,” or “No, you're low energy”! Chinese politics is played like a blood sport. The gentleman who lost actually went to jail. Bo Xilai and all of his supporters went to jail. The issue at the time was whether to continue the liberal reforms that China had begun as early as 1980: joining the World Bank and the IMF, studying the U.N. specialized agencies and joining every single one of them, taking over leadership in a number of them. All that began to go down in the battles of the '90s. We all thought, “No, the reformers are going to recover,” but they didn't. The hardliners were back.

So, this back and forth now looks like something really serious has happened in China. Large numbers of reformers are in jail. It's a bit unfair to ask Henry to represent China tonight because his think tank is one of the most influential in the world. It's in the top hundred in the world. But when I visit his think tank, do I see the hardliners come out? No. They're winning. They're in power. I see the reformers and the good economists and the good part of China in Henry's think tank. But they're losing.

Let's look forward to 2049, which some Chinese say, like the title of a book I borrowed from a Chinese author, is the end date of *The Hundred-Year Marathon*. They say this marathon, which will be peaceful, will be over in 2049 with China's GDP three times America's GDP. The beginning of the conduct that we've been seeing over the last few years — it began under President Obama — is China breaking commitments, breaking promises, saying, for example, "we will never militarize the South China Sea," which is a voluntary promise by President Xi. As they say, the ink was barely dry than we began to see missiles and military deployments in the South China Sea.

So there's now a long list which H.R. has given you — freedom of religion, freedom of speech, freedom of assembly, free market — that are being cut back. They've capped the free market so that it even appears that the percent that's free in China is being reduced. Freedom from the Communist Party control of your company; that seems to be gone. So, the question becomes, how to turn China around? Can we get back to a co-operative China with the reformers in power and the hardliners—I hate to say it—the hardliners in jail. How to do that?

One way to do it ... is to vote for our side of the resolution. And then you will head off what Graham Allison of Harvard has called the almost inevitable war that's coming.

It's not just the United States, by the way. You had a great statesman in Lester Pearson, who helped. He was Canada's ambassador to the United States in 1945. He participated in the creation of the U.N. charter. He was proposed by Dag Hammarskjöld to be U.N. Secretary General, but was vetoed by the Soviets. He was proposed again 1953 to be Secretary General of the U.N., but vetoed again by the Soviets. So, Canada's been involved deeply, has a stake in this liberal international order.

I have to say in conclusion that, if you look ahead at 2049, everything seems to get worse. Pollution gets worse. What China calls its cancer villages increase. Censorship increases. We've now had 150 Tibetan monks light themselves on fire in suicidal protest. That gets worse. The one to three million Muslims in concentration camps gets worse. Perhaps all reformers will be in jail. Perhaps we won't be able to have Henry Wang come back in 2049 because he'll be in jail!

So, it's a pretty grim picture, and to me, I'm nostalgic for the '80s. When I was working for President Reagan, we sold six weapon systems to China. We sold torpedoes. So that's the vision of Chinese-American co-operation, but it's not what we're seeing happen now. So, I'm hoping, Rudyard, that the Munk Debate results will help us in getting China back to where it should be.

I think I should finish by saying the Chinese have done an excellent job of understanding the United Nations system. Kishore was Singapore's ambassador twice.

Rudyard Griffiths: Tripped up by the clock, Michael. You're going to have to add that to your rebuttal.

Michael Pillsbury: I'm hoping to hear from him about China and the U.N.

Rudyard Griffiths: We've saved our last opening statement for Kishore Mahbubani. We're going to put six minutes on the clock for you right now, Kishore.

Kishore Mahbubani: Thank you. You know, I'm very happy to be back in Canada because I consider myself an honorary Canadian. I studied at Dalhousie, got a Master's. I even got an honorary doctorate, spent five summers in Chester, and for ten years I was non-resident high commissioner to Canada. And I learned something very good from a very well known Canadian, Wayne Gretzky. He said, "Skate to where the puck is going, not to where it is," and they are skating to where the puck is, not where the puck is going.

So where is the puck going? It's important to realize that today we live in an era where we've seen far greater change in thirty years than we've seen in 300 years or even 3,000 years. It's a period of immense change. Future historians will be amazed what's happened in our era, and everything is changing. Just to give you one big dimension of how it's changing: from the year one to the year 1824 — for the last 2,000 years—the two largest economies of the world were always those of China and India. It's only in the last 200 years that Europe took off and North America took off. So, the past 200 years of world history have been a major historical aberration. As you know, all aberrations come to a natural end. So, it's perfectly natural to see the return of China and India.

So, when you all voted by 76 percent to say that China is a threat to the liberal international order, what you were expressing is a deep gut feeling that China has changed the world, and it has. When China, which had 10 percent of United States GNP in PPP terms in 1980, then becomes bigger than United States in 2014, in 34 years, everything changes.

But what is China threatening? Is China threatening the liberal international order, or is China threatening the global balance of power, the number-one power in the world, so ably represented by General McMaster and Michael Pillsbury? And the honest answer — there's only one simple, honest answer — is that China is threatening the global balance of power. I'll tell you why China is *not* threatening the liberal international order. Why has China come out of nowhere and in thirty years become the largest

economy in PPP terms? How did China do it? China did it because of the rules of the liberal international order.

Now, many of you will be confused by this phrase, “liberal international order.” I could completely agree with what General McMaster and Michael Pillsbury said when they said China is not a liberal *domestic* order but that’s not the issue of the day. The issue of the day is not whether China is a liberal domestic order. The issue of the day is whether China is working with the liberal *international* order. And I can tell you what a liberal international order is because I was born in an era of what you might call an illiberal international order, in a British colony and, you know, when you’re colonized you have no rights whatsoever. China went through a hundred years of hell from 1842 to 1949 and then, when the liberal international order began, China discovered two big things that worked for China.

The first pillar of the liberal international order is sovereignty. Every country can then decide its own future, what it wants to do. And then the second thing is rules: rules to ensure what you can and cannot do in the international space. Not domestic space, international space. And I also want to give you one statistic that I hope you will bear in mind throughout this whole debate. Of the world’s population of 7.5 billion people, only 12 percent live in the West; 88 percent live outside the West.

So, you want to judge China’s international behaviour. Let me emphasize that. *International* behaviour. Ask yourself how the 88 percent of the world is reacting to China’s rise. Amazingly, they’re welcoming it, they’re co-operating with it. My partner Henry Wang described what happens in the Belt and Road initiative. Countries are queuing up to join it. Of course, the United States doesn’t want to join. I understand; why would the United States want to go and support its number-one competitor? It won’t. But the rest of the world is doing so.

So, the debate is about the liberal international order. Please pay attention to international sentiments. Thank you.

Rudyard Griffiths: Wow, I think we have a debate here, gentlemen. So we’re going to put two and a half minutes up on the clock. We’ll do a round of rebuttals and we’re going to start in the same order of our opening remarks. So, H.R. McMaster, you’re up first.

H.R. McMaster: Okay. Thank you. Well, the negative team would have you believe that we should be happy about Xi Jinping making the world safe for authoritarianism. And so today, the way China exports its authoritarian model is to use this program of the One Belt, One Road to indebt nations way beyond what they could ever repay. Thirty-three of those countries have already reached an unsustainable level of debt; eight are already in deep distress. And

so what China does is that it undermines the sovereignty of these countries by trying to recreate the tributary system associated with Chinese dynastic history, where you can live in the system only as long as you accept a servile relationship with China at the centre of that system.

Kishore is talking about sovereignty, so he would have us believe on the thirtieth anniversary of the Tiananmen Square massacre that the Chinese people really enjoy having no rights and living inside an authoritarian system. It used to be that Kishore only spoke for the four billion people in Asia, but now he's speaking for everybody, except, I guess, North America and the West. How *do* the countries in the region view China's effort to export its authoritarian system? They view it with a great deal of concern and even fear.

What you've seen recently is a reaction across the world. Small countries like Sri Lanka, who could no longer service their debt, voted out the corrupt government that welcomed in this financing and created this servile relationship. A similar phenomenon happened in the Maldives and it's happened in this hemisphere. Consider, for example, how China is making money on the backs of the Venezuelan people by keeping up the cash flow to Maduro in exchange for all of his oil exports at a discount, which China immediately resells on the international market. The new prime minister of Malaysia, another country subjected to this kind of servile relationship, has said this reminds him of the unequal treaties to which China was subjected in the 19th century and early 20th century.

So, what you see is this authoritarian model being exported. It is not a U.S.- or Canada-China problem. It is a competition between our free and open societies and an authoritarian closed system. Thank you.

Rudyard Griffiths: Okay. Again, we're going to follow the same order as the opening remarks. So Henry, you're up next.

Huiyao Wang: Thank you. I think that what Mr. McMaster has said may be all based on abstract theories, and not really fact-driven, at least not in the majority of instances. What I can tell you is that Belt and Road, for example, has been an initiative for the last five years. It's actually brought a lot of benefit to countries around the world. For example, since the financial crisis we haven't had any really major stimulus plan. One of the ambassadors from a developing country told me: "Look, what has the U.S. given us? For the last twenty or thirty years we haven't got anything really to work on for a international development plan."

So China, after four decades of absorbing, learning, and also benefiting from all the countries and multinational companies

coming to China, China has developed. So, it's time to give back, to really to contribute. Take, for example, the Belt and Road. The *Financial Times* has just recently released a report done by the Radian Group, a very famous consultant based in New York, which did a study on all the projects China's done in the last ten years. Of the thirty-eight projects under development in twenty-four countries, fourteen of those projects China was writing off, and in eleven of those projects the loan was delayed, financing was delayed. There are only very few cases. There is no hard evidence to support that they're traps.

Also, you can see that, actually. In Kenya, on the railway built by China it's very difficult to get a train ticket now. It's really helped the local economy. In Kazakhstan, you know, for the first time in history, they have a train that goes directly to port, through China. And think of the freight between China and the city of Duisburg in Germany. Actually, there used to be forty trains [a week] and now there are a hundred, generating 6,000 employment opportunities for that German city. And also the port that China is helping manage in Greece, which used to be ninety-something in the world, is now in the top thirty in the world for its container handling and volume handling.

So, there are abundant examples of China's trying to do good things for the world. Of course, the Belt and Road is still initiating. It's been just five years. It's a long-term project. Let's work together. It's like a venture capital project. China put up seed money, but let's have an A round, a B round, a C round. Let's make it prosper!

Rudyard Griffiths: Thank you. Okay, Michael. We're going to put two and a half minutes up on the clock. Go at it.

Michael Pillsbury: Okay. Well, the global liberal international order actually didn't begin in 1945 with the U.N. charter, and China is not the only threat to it. The order — according to the way international relations theory is taught around the world, including in India and Japan, which I'm going to mention in a minute — the order began in two obscure little towns in Germany in 1638 to end a war that had gone on for thirty years over religion and in which millions had died. The idea was: first of all, can we structure a set of treaties that will invent — in those days — sovereignty? Second, there'll be a set of rules for how to prevent war from happening among the major powers. And third, those who would sign had to abide by certain internal rules in their countries. It didn't work. It worked for a long time, but not ultimately.

Another set of rules was defined in 1815. Again, avert war, maintain the order, set up a system for harmonizing differences. It lasted more or less a hundred years. The League of Nations; similar story. America didn't join. China got angry over the

arrangements, so it failed. World War II. There was one last effort, which built on all the previous efforts, the current world order. China, for the first twenty years, as Henry Wang sort of alluded to, was not part of it. It was kept out as a leper. Korean War and many other reasons. Then China joined for more than twenty years and took it very seriously. It's only fairly recently, in the past decade or so, that China has shifted towards this threat, and India and Japan see it too. It's not just Canada and the United States or, more and more, Germany. It's the neighbours.

The Indians have now become the number-two arms purchaser from the United States. They faced a military threat on their border just two years ago. China backed down ultimately partly because the Indian forces surrounded what the Chinese were trying to do. So, we haven't gone into Japan's reaction or China's massive defence spending on space — outer space weapons, hypersonic weapons — a whole series of things that China once told us, “We will never do that.”

Kishore Mahbubani: Let me just make two quick points.

Rudyard Griffiths: Yes.

Kishore Mahbubani: First, we don't disagree that China does not have a liberal democratic society. That's not the argument. We agree with you.

Michael Pillsbury: So, you're going to vote for us?

Kishore Mahbubani: It truly isn't the reason because ... Yes, China's got lots of problems and challenges, but let me just describe to you one story about China. When I first went to China in 1980, people in China couldn't choose what to wear, where to live, where to work, what to study; and zero Chinese could travel overseas as tourists, zero. Today, when you go to China you see that the Chinese people can choose what to wear, where to live, where to work, what to study; and each year, in this amazing land of “non-freedom,” 134 million Chinese – how many times the population of Canada? – travel overseas every year freely and, voting with their feet, they come back to China—134 million every year! What's wrong with them? A hundred and thirty-four million people can't see what's happening in China? Think again.

Second point, the best concept I learned in philosophy is paradox. The paradox of our global situation is that the biggest threat to the liberal international order paradoxically is not a non-liberal society like China but a liberal society like the United States of America. I consulted two of the leading scholars in America. John Mearsheimer [of the University of Chicago] gave me his permission. He said, “Sure. You can go on the stage and tell them that I, John Mearsheimer, believe that the biggest threat to the liberal international order comes from the United States of

America and not from China. And if you read John Ikenberry [of Princeton University], he says the liberal international order faces a danger not of murder but of suicide from its creators. So, think of that.

Rudyard Griffiths: Gentlemen, a terrific debate so far. Let's take our seats. We're going to get into the moderated middle of this debate and work through some of the key issues. I want to pick up where Kishore left off and I want to also begin by touching on the news of this last week, where we've seen trade tensions between China and the United States ratchet up considerably.

H.R. McMaster, let me begin with you. Will you level with this audience and admit that this trade dispute is not about defending the liberal international order? That it's about pursuing America's narrow security interests by clipping China's wings economically and technologically, and that by doing this you're creating huge damage to this critical bilateral relationship, and more importantly, you're knocking the pins out from under the liberal international order. Doesn't America have something to answer for here?

H.R. McMaster: Well, actually, Rudyard, these are the Chinese Communist Party's talking points, right? And I think that what you've seen in the last two years, maybe, is a recognition across all of our free and open societies that the assumptions on which we had based our policy toward China were wrong. Henry mentioned that really we should be proud of China for being part of all these international organizations. Well, it's just too bad that Chinese policies are undermining those very organizations and all of the promises made, for example, when joining the WTO, were broken. And what were some of these promises? That China would open its market to international companies. Of course, they've done so, but with the proviso that, when you come in to do business you transfer all of your intellectual property to Chinese companies, who act as an extension of the Chinese Communist Party.

The other aspect of this is that your company has to adhere to and support the foreign policy of the Chinese Communist Party. You'd better not criticize putting millions of people in concentration camps. You'd better adhere to the party's position on Tibet — and you've seen Marriott, you've seen major airlines, being subjected to this kind of coercion. But what you also see with China is that, in breaking these trade and economic protocols, China is using the coercive power of its market to soften criticism of China, because companies want to maintain access, even as we have been subjected in the West to a sustained campaign of industrial espionage of unprecedented scale.

Kishore would try to make this a problem between the United States and China, but the people are waking up. People in China are waking up. Why are the wealthiest people of China buying up

all of your real estate in Vancouver? They know. They know the changes that have happened from 2011 and they want to get ready to get the hell out of there or at least get their money the hell out of there. And so we have to recognize China's behaviour.

Now, why are they behaving that way? We can have another conversation about that, but it's because Xi Jinping has prioritized maintaining his grip on power over what makes sense economically, even for the Chinese people. And so, if he's not going to liberalize the economy, it's going to be tough to grow it unless you do steal other people's intellectual property.

Rudyard Griffiths: Let me pause there because I want to bring Henry in on that point. Henry, it's clear that the trade deal has gotten held up this week largely because China's leadership does not want, it seems, to give its control of the economy over to the market mechanisms that the United States has been promoting — an end of forced technology transfer, an end of subsidies to state-owned and other corporations. Aren't those cornerstones of the liberal international order? Aren't those principles that are embedded in the WTO that China is already a signatory to? Why has China resisted these market reforms, seemingly ratcheting the tension about these negotiations up to a whole new level?

Huiyao Wang: Yeah, thank you. I can't really agree with what Mr. McMaster has been describing. I think the narrative in the West has really been a little bit overdone, actually. You know, since China joined the WTO, China has readily embraced the global treaty system. Of course, there are certain requirements, certain conditions for joining, and there's a review by WTO every year, and China is a good student. China really is.

So, China has been developing a lot, thanks to WTO. If China has developed, that's through WTO multilateral system. So, if China has developed in ways that are allowed by WTO but not up to standards people feel as China grows, let's reform WTO, but not act unilaterally against China, probably for all the reasons talked about. For example, there's a lot of talk about China's theft and China's forced technology transfer. Maybe people want to talk about joint ventures, but joint ventures allowed by WTO conditions.

So there's no hard evidence. So far, I haven't seen any real cases, any examples, of companies that have been forced into technology transfer. As a matter of fact, last March, this recent March just two months ago, China swiftly passed a new foreign investment law, and that law stipulates no forced technology transfer by any government at any level. No intellectual property stealing by any company. If it does so it will be prosecuted. It will be punished.

So, China has made good efforts trying to show... But I think your question is right. At this critical moment, you know, I think maybe there are cultural issues. But why can't we just continue negotiations? I mean, China needs this deal, the U.S. needs the deal, the business community, all the world needs the deal. We don't want uncertainty. If the two largest economies fight each other, all the rest of the world's going to suffer. So, I think it's really up to the leadership, I think particularly the U.S. now. Let's not effect a tariff. At midnight tonight, President Trump will launch a 25 percent tariff on China. But you know what? Fifty percent of those exports out of China were done by your American companies. GM, Ford sell more cars in China than in the United States. You know, China's the second-largest market for Apple.

And Walmart purchased 30 percent from China to supply thousands of U.S. supermarkets. If there's 25 percent added, it's added to the American consumers. Americans are paying that. The stock market is really reflecting that now. We don't want that kind of uncertainty, so let's solve that. Let's be cool heads. Let's think about the U.S. and China. Let's think about the world. Let's demonstrate the leadership of the world.

Rudyard Griffiths: Right. I'm going to Kishore and then Michael to weigh in on why these trade talks have blown up. Kishore, how do you wrap what we've seen this week around this debate of the future of the liberal international order?

Kishore Mahbubani: Well, let's state the obvious. The dispute is not about trade. Trade is just the arena where they are fighting. But it was inevitable. When China's GNP became so big and in PPP terms it became bigger than the United States, the United States felt uncomfortable, felt threatened, and had to hit back. And this is what all great powers do, right? It's rational behaviour on the part of the United States to thwart a rising competitor. But this is a battle between the United States and China — and believe me, be careful with the facts you get. Trust me. A lot of it is propaganda. You do not know what's real. You don't know what's going on. One day they're fighting, next day they smile, they shake hands and they make a deal, right? We don't know what's really going on.

So this is my advice to people outside, to the Canadian Singaporeans and the rest of the world. "Remember the wisdom in an old Sri Lankan proverb: 'When elephants fight, the grass suffers; when elephants make love, the grass also suffers.'"

Rudyard Griffiths: So, Michael, you've been an adviser to President Trump on his China strategy. Many people would say this is an example of American unilateralism. Here in Canada we certainly know what that unilateralism feels like in terms of the trade deal that we were required to sign. A trade deal that, as a point of fact, Michael, I'm sure you're aware, precludes Canada not only from entering into a

trade agreement with Beijing but even from having negotiations with Beijing. So how is that in favour or in support of the values and principles that you so eloquently speak for in terms of the liberal international order?

H.R. McMaster: [Joking] It was Pillsbury's idea to put—

Michael Pillsbury: No. I think I can explain. I can explain President Trump's trade strategy if that interests you, but I'm more interested in the idea of whether the elephants fight or the elephants make love, because Kishore has got a very important point here. When China and the United States have grown too close together in the past, or other great powers or even the smallest countries in the world, that affects everybody because of so-called G2 put forward by one of your predecessors, Zbigniew Brzezinski, my teacher at Columbia. The idea of G2 is that all the main issues can pretty much be solved by the two great powers, great economies, and the others can just take it.

That vision is still in Washington, D.C. In fact, if you look at the president's comments about the end of the trade war, he wants zero tariffs between the U.S. and China. He wants more U.S. investment in China. His commerce secretary has welcomed Chinese investment other than in sensitive national security sectors. Everything else. He's had trade shows to attract more Chinese investors. So the G2 vision, the elephants making love, I think that has to be kept in mind if China stops threatening the global international order.

Now, as for the elephants fighting, that's also an important scenario. Both countries have begun to have war games, military exercises, write books, give speeches about war between the two countries. This is also bad because again, Kissinger's book on China — by the way, my book has now outsold him, so I can afford to praise his book ...

Rudyard Griffiths: Shameless author plug!

Michael Pillsbury: Kissinger's book on China talks about a major war coming between the U.S. and China on the scale of World War I. Millions will die. So I'd rather have the elephants make love than fight each other.

Rudyard Griffiths: Let's go to the military dimension of this debate. I'm going to have to start with the general in the room here and ask you: aren't the Chinese really the persistent victims of U.S. aggression? I mean just this week in the heat of these trade negotiations, your navy decides to sail two destroyers armed to the gills through the South China Sea without even asking. Regardless of whether you debate whether they own the South China Seas, you didn't even ask

permission for it. You know, last time I looked, I didn't see the Chinese navy sitting off Staten Island.

Michael Pillsbury: You *will*!

Rudyard Griffiths: Explain to this audience how it is that, while China shows restraint, the U.S. projects aggression.

H.R. McMaster: So, China is showing restraint by building islands in the South China Sea — destroying an ecosystem, by the way, as they're doing it — and militarizing those islands against international law and against an international court ruling? What China is doing is laying claim to the ocean, and not just any ocean but a part of the ocean through which one-fifth of global trade flows and, as Henry said, China has benefited from the liberal international order. It adheres to international law and recognizes that nobody owns the ocean, nobody has to ask anybody's permission to execute global commerce. But this is what China's trying to put into place. Now, why are they doing that?

They're doing that because what China wants to do — and this is explicit in Directive 9, which Henry can't even talk about because he probably would be detained when he got back to China — is that China wants to create exclusionary areas of control, exclusionary areas of primacy that they can push the United States out of. Why? Because without the United States you can intimidate countries like Singapore. And I'd like to ask Kishore: I wonder how your government feels about you being an apologist for the Chinese Communist Party's policies in the region, because when I talk to Singaporean officials, they sound much different than you do?

And so what we have to recognize is that it is time to have a conversation with China, to explain to China that its activities to establish hegemonic control over the Indo-Pacific region and to challenge the United States, Canada — any free and open societies and what we stand for globally — has got to stop. And China — and Xi Jinping ... really, the Chinese Communist Party — has to recognize that China is risking all those tremendous gains that Kishore listed ... the lifting of hundreds of millions of people out poverty. All that is in jeopardy now, and so it's not just a military issue. All of these issues are integrated.

I just would like to say something quickly: Kishore said — and Henry — well, you know, everybody *loves* the Belt and Road. Well, let's ask a country in our hemisphere. Ecuador, how's that going for you? A \$19 billion dam built at the base of an active volcano, whose turbines were clogged immediately by trees and silt. The first time it was cranked up it blew out the entire country's electrical system. All of the officials who were involved in that deal, guess where they are? They're in jail, because what China

uses is corruption, corruption in this campaign of co-option and ultimately coercion. And what does Ecuador get in return now? It gives up all of its oil exports to China, which China then immediately sells at a markup on the global market.

That's what China's system looks like. Land grabs, so to speak, in the South China Sea that restrict international commerce, and creating servile relationships and dependencies with authoritarian corrupt regimes, so that it can challenge our free and open societies and international order.

Rudyard Griffiths: I want to let Kishore respond here. A direct charge of sorts was leveled against you, Kishore, that you are an apologist for the Chinese government. So let's have you address that, and more broadly, let's stay on the topic of the military security component of this debate, because the general's just set out a litany of charges here that I'd like a response to.

Kishore Mahbubani: Yes. First of all thank you, General McMaster, for confirming that I'm not speaking on behalf of the Singapore government. Yes, as an academic, I think my job is to just tell the truth, and you can decide later on whether or not what I've said is factually correct or factually incorrect. That's the only standard by which I ask to be judged, and if it happens to agree with the American position or the Chinese position, it all depends on whether or not it's true.

So let me just take two facts for you on the military dimension. First, you know, the only major power on Planet Earth that actually hasn't gone to war in forty years and hasn't fired one bullet in thirty years across its borders is China. By contrast, under the peaceful presidency of President Barack Obama in the last year of his presidency, the United States dropped 26,000 bombs on seven countries. Now, these are facts. Am I being an apologist for the Chinese government? Go and check the facts.

Now, fact number two will be even more interesting to you because it's technically – I'm afraid it may be a secret. When I served as non-resident high commissioner to Canada, a very senior Canadian diplomat told me an amazing story. He said that for many years in the north of Canada there was a dispute between United States and Canada as to whether or not a body of water was an internal waterway of Canada or was an international strait under the United Nations convention of the Law of the Sea. Canada said, no, it's an internal waterway. United States, no, no, international waters, and so the dispute carries on and the Canadians are busy writing papers to prove their case, and then United States responded by sending a destroyer through the straits.

Now, by the way, under international law, you are allowed to shoot a destroyer in your internal waters, but you wisely decided not to do so. You are very wise, very wise. You could have taken the

United States to the World Court. Many countries took the United States to the World Court and the United States just ignored the rulings. You know that, right?

The most recent ruling, by the way, is on an island occupied by United States and the U.K. in the Indian Ocean, which the World Court has ruled belongs to Mauritius, but it's still occupied by the U.S. and the U.K. and not given up. So, I think, if the United States set an example seriously of obeying international law, then I think that would be the best way to persuade China to abide by international law.

H.R. McMaster: Okay, just a quick point. First of all, I'd like to applaud Kishore's effort to make this debate about something else, but what I would like to do is to point out—

Kishore Mahbubani: Just facts. Just facts.

H.R. McMaster: ... is to just point out that a good percentage of those bombs that the United States dropped were in support of allied and Canadian soldiers who were courageously fighting alongside us against the enemies of all civilizations.

Rudyard Griffiths: I want to move on. We've got a number of topics that I want to get through in this portion of the debate and the next has to be human rights. Michael, I want to come to you because in your opening remarks you talked about this larger kind of call to arms to a world where individual rights are respected, where individual freedoms thrive. But how can you refute the fact that China cares about human rights and that not only do they care about it but it's shown in what they've accomplished? It's shown in what Henry and Kishore have talked about, 850 million people lifted out of poverty. An incredible accomplishment of any nation or any civilization. How can you say that caring about basic human rights is less important than, say, caring about the rights that *you* might like — freedom of the press, the right to academic freedom? Don't those seem kind of secondary in a country like China that faces these urgent social problems?

Michael Pillsbury: Well, let me tell you a story. There were a couple of Communist Party leaders of all of China. They both got fired and they both went to jail. They said, "Yes, basic human rights is good. We need to bring as many as we can out of poverty," and they succeeded. But they also stuck up not only for human rights as I define them but also for the rule of law, elections. They translated James Madison into a draft constitution for China. Nobody knew this at the time. This was all in the 1980s. We learned it because the second of the two party secretaries that went to jail for life wrote his memoirs and he described how far things had gone in China in the '80s toward a rule of law, open elections, a multi-party system. As I emphasize, where did he spend the rest of his life? House

arrest, prison. It was only much later that we learned about this internal debate.

So yes, China knows about basic human rights and has had great success in the sense of elevating people out of poverty. I think it's the greatest achievement of China of them all. But the reformers also know about the other part of your question, and that's where the tragedy is taking us. The trends are in the wrong direction in China because of this power struggle back in 2011, 2012. The idea now is, is it hopeless? Is China on the wrong path? Are we going either to war or to a sort of global surveillance technology system that they want to export to the whole world, whereby you, Rudyard, will be evaluated by which magazines you subscribe to, what kind of food you buy, what you said, surreptitiously perhaps, to someone else, and your credit card score — it's called a social credit system — will then evaluate how you should be treated next time you go to the Canadian government. I don't think you want that. That's what China stands for now.

This wasn't the case ten or twenty years ago. It's something new. It's going to compromise the human rights of the whole world if they're not called on this and asked to stop.

Rudyard Griffiths: Okay. Let me bring Kishore and Henry in on this, because this is key. People in this room and your opponents here would like to frame this debate as a contest not just between variations of the liberal order but as something much more dangerous, potentially, which is a contest between freedom and despotism. Is that a fair way to characterize this debate?

Huiyao Wang: Well, I don't think that that is really a fair way to characterize the situation because, you see, China actually has its own situation. China has a 5,000-year history and China most of all has 1.4 billion people, still the largest in the world. So, to govern and manage a population like that, with people in different regions, different... it's really a big challenge. So, I think China has to uphold human rights, of course, but it also has the right to development as well.

But look, China has embraced the market economy. The market economy is actually, you know, a democratic economy. People voting with the wallet, for everything. Now they don't even have to use a wallet, they use their mobile phone.

China has one billion Smartphone users and become a cashless society. So, what to buy, where to go, what to do? Basically, you exercise your vote in everything. So, in that sense, China has come really a long way. I don't think China has reached the status of a developed country yet, but China also to its credit now has compulsory education for 200 million students, after nine years, and also a basic Medicare for whole country, almost like Canada.

Just imagine —probably more than United States. So, I think this is actually a great achievement.

I think the economic — if the people develop the fast train network — you know, this Chinese New Year I had relatives coming from Hangzhou, from their village there. Four hours, five hours to Beijing. So convenient. You just take the train and come and say hello to me. So, you can imagine the big transport system now, all the infrastructure there.

China has more assets than the United States. China wants peace now. I mean it's absolutely important for China to keep the peace and the whole global order, to support, enhance, and improve the liberal international order for China's benefit and for the benefit of the U.S. and the rest of the world.

Rudyard Griffiths: Kishore, come in on this. Your opponents are saying that your division in this debate between the international liberal order as a global phenomenon and domestic politics is a false one, because the domestic dimension informs international behaviour and action. Why do you refute that?

Kishore Mahbubani: Well, I think the trouble about such a debate is that you always end up with black and white perspectives, and you lose the nuances. So it is a fact — I mean I completely agree with General McMaster and Michael Pillsbury that the standards for human rights in the United States are much higher than those in China. It's a fact: you have freedom of speech, you get freedom to riot and so on, so forth. It's a fact. And clearly, China is a long way away.

But the other question to us is, which society is progressing forward and which society is regressing? And let me just give you three important facts about regression. Point number one: the only major developed society where the average income of the bottom 50 percent has gone *down* over the past thirty years is the United States of America. Fact number two — and I mention this in my book *Has the West Lost It?* — is that two-thirds, *two-thirds* of American households don't have \$500 cash for them for emergency purposes. I think two-thirds of Chinese households may have got there already.

Fact number three—and this is the most damaging fact. When I studied philosophy at Dalhousie University in the year '74, '75, if anyone had said to me, "Kishore, in the future, the first major developed Western country to reintroduce torture will be the United States of America," I would have taken a bet with anybody 1,000 to one it would *never* happen in my lifetime. Believe me, it was a great personal shock to me when Guantanamo happened. How is it that the world's biggest defender of human rights became the first major developed country to reintroduce torture and, amazingly enough—and your Canadian citizen was involved—a

Canadian citizen was taken, I believe from New York to Syria, to be tortured.

Now, I would like to live in a world where there's zero torture and, if we can work together to achieve that world and there be no torture anywhere in the world between United States and China, let's work together for that.

H.R. McMaster: I just say, of course, nobody says that any of our societies are flawless, right? But when we do discover flaws in our government's behaviour we debate them, they get exposed and we are self-critical and we improve. Imagine, could we even have this debate in Beijing? Could we have this debate in Beijing? And I would also ask how many people are trying to become Chinese citizens? And so ... And there's a reason. There's a reason for that great disparity between those who want to come to free and open societies and those who prefer not to live in authoritarian, closed, police surveillance states.

Huiyao Wang: Actually, there's one new development. Last year China just set up a new semi-ministerial level organization — a national immigration administration. Now there are more foreigners coming to China. Actually, China issued over two or three thousand green cards last year. So, China's learning from United States now. But I think, China needs to put... But actually, HSBC has released a report for expatriates working overseas. China's one of the top most attractive countries to work for. So, I think there are also opportunities there.

Rudyard Griffiths: Two-way tread.

Michael Pillsbury: Well, and thanks to the one-child policy, you do need some young labour as well.

Rudyard Griffiths: Let's move on to two more topics I want to touch on before we go to our closing statements. The first is technology, because this has been a big feature not only of these trade negotiations that have been ongoing but also of this increasing rivalry between China and the United States and the rest of the Western world. Who has the technological competitive advantage?

H.R. McMaster, you sat in the White House. You served as national security adviser. Why is the United States, some would say, bullying its allies into removing the Huawei 5G technology from their networks when you don't even have a 5G technology to sell to these countries out of the United States? And we know that through your NSA you're spying on all of us anyway. I mean, come on. This looks like the pot calling the kettle black.

H.R. McMaster: What China is doing is engaging in a systemic campaign of industrial espionage to steal sensitive technologies and intellectual

property and not only apply it to the effort to dominate key sectors of the emerging global economy but also to apply it to an unprecedented military buildup. And what China did in 2015 when President Xi Jinping visited the rose garden with President Obama is that Xi Jinping said, “We promise we’re not going to do that anymore.” But what China did is that they just shifted that espionage effort — or large portions of it — over into the private sector and produced a law that said, if you’re a Chinese company you have to support our intelligence collection efforts. Why would anyone in their right mind, right, let China establish your communications infrastructure if you know that this authoritarian police state is going to collect all of your data, label that data, and try to use it against you later?

Hundreds of thousands of records of federal employees have been transferred essentially to the Chinese Communist Party. Of the ten really big communications hubs in North America, Chinese Telecom already owns those. The Chinese Communist Party already has access to communications between the U.S. and Canada by controlling those hubs. And so it’s just irresponsible, I think, on the part of any government to let the Chinese Communist Party into their systems. If the Chinese Communist Party treats its own people the way it does, do you think they’re going to treat you any better? I don’t think so.

So, I think this could mean the extinguishment of privacy, and globally that is what China, I think, is endeavouring to do by the establishment of this infrastructure.

Kishore Mahbubani: I think the key issue here is surveillance and spying and I completely agree with General McMaster that it is wrong. One story and one point. I was in Vancouver a few weeks ago — not to buy a property but to participate in a TED Talk—

H.R. McMaster: That’s why he’s sticking to his talking points!

Kishore Mahbubani: But the most powerful speaker at the TED Talk was a British journalist called Carole Cadwalladr. If you ever watch a TED Talk, *watch* her TED Talk, and she describes graphically how Facebook, as she says in her words, “destroyed British democracy.” How? By injecting lies into Facebook accounts that enter and disappear without a trace. It took months and months before the British parliament could actually see the lies that Facebook had fed. So, what’s the solution?

The solution for the problems of Facebook, Huawei, or any such corporations is to create an open set of multilateral rules agreed to by all countries — that’s what the liberal international order is about — and to say, this is what is acceptable in cyberwarfare and this is what is unacceptable in cyberwarfare. And I can say confidently that the number-one country that will oppose this will

be the United States of America, because the United States of America has by far the best surveillance capability of any country in the world, and my source for this is the best professor in this field. He's really a man, google him, and he'll tell you that in cyberwarfare by far number one is United States, number two is Russia, number three and four together are Israel and the United Kingdom, and number five is China. And that's the reason why the Chinese get caught, because they're so bad at it!

Rudyard Griffiths: Let's move on to the last topic for this free-for-all and then we'll go to closing statements. This debate is originating from Toronto, from Canada, and I want to go around the horn here and get this distinguished group's advice. When the elephants are either making war or making love, what do smaller powers like Canada, like your Singapore, say, do? What is the strategy? Let's hope they can thrive, but maybe simply to survive, this clash of superpower rivalry. Michael, let's start with you.

Michael Pillsbury: Well, small powers, as you phrase it, can have an enormous amount of influence when they gather together in a coalition in one of the organizations that does this. The most important is the U.N. General Assembly. There have been efforts to declare that the U.S. practises torture or does surveillance. If you do a kind of a test count in the U.N. General Assembly, it won't pass. There's a number of – that's why, by the way, I praise Lester Pearson for his role in the shaping of the U.N. charter in 1945 and his almost time as secretary general of the U.N.

The U.N. structure itself is probably the most important part of the global international order. It includes arms control treaties. And Canada has also played an important role in getting the two powers of Russia and the United States, to have bilateral nuclear arms control treaties. There are a number of successes. China has just destroyed one of the most important arms control treaties that ever was. It's a treaty on so-called intermediate nuclear missiles of a certain range that we and the Russians would destroy completely. We had teams in each other's factories to make sure nobody built missiles like that. Everything was fine and then China began to deploy missiles, thousands of them, in just that range, causing both Russia, which has concerns and even fears about Chinese military, and us to withdraw from the treaty. It caused the Russians, in response to these Chinese nuclear missiles, to even say, "We are now going to place more emphasis on nuclear forces than ever before so we'll have some kind of countermeasure to what China's doing."

Recently, the American side asked China, "Could you join us in three-way talks with Russia, China, and America to reduce those missiles and all the others, because soon the entire arms control agreement on ICBMs will expire? Can you also reduce defence spending? Help us reduce defence spending in all three capitals."

China gave its answer yesterday. “No. No.” So that’s a spoiler in the international system that really worries me a lot.

Rudyard Griffiths: So what’s Canada’s strategy?

Michael Pillsbury: Canada could help with that. Canada could say, we like this idea of three-way talks. China, why don’t you get on board?

H.R. McMaster: Well, I think what Kishore’s really tried to set up is really a false debate here about China versus the United States, and everybody in between gets trampled on. This is really an issue between free and open societies and closed authoritarian systems and, despite the narrative of unilateralism, there’s been tremendous multinational co-operation on confronting the predatory and dangerous policies of the Chinese Communist Party.

So just consider, for example, the bad effects of the One Belt, One Road and how that’s creating these debt dependencies and failed projects, and bolstering corporate authoritarian regimes from, as I mentioned, Venezuela to Cambodia to Zimbabwe. What the United States has done is to work together with Canada, Japan, Australia, and New Zealand to say there have to be some standards. Kishore said it’s important to have standards. And so now we are establishing standards that can help reduce the threat of One Belt, One Road to these other countries. And we’re also putting our money together so that there are financial alternatives to the predatory policies of the Chinese Communist Party.

Henry mentioned the AIIB as funding some of these projects. Very few projects are funded by the AIIB because Canada and others sit on its board and they won’t conscience the funding of these corrupt projects in corrupt governments. That’s another example.

Another example is that on December 20th of last year Canada was at the vanguard of sixteen other countries who simultaneously exposed the systematic campaign of industrial espionage that’s effected by so-called APT10. All nations announced simultaneously a range of sanctions and indictments against the individuals that were engaged in that espionage that President Xi had promised they would never do again.

And again, don’t let Kishore trick us into thinking that this is about the United States and China. The European Commission last month officially recognized China as a systematic rival promoting alternative models of governance.

And also, there have been recent media exposures where U.S. and Canadian investigative journalists have worked together to expose how the Chinese Communist Party could have allowed this drug fentanyl, this murderous drug, to be exported without any kind of checks, into both of our countries — and by the way, you know,

the per capita death rate in Canada is even higher than the massive death rate in the United States. And so investigative journalists, not just governments, play a very, very important role in exposing the activities and efforts of the Chinese Communist Party to export its authoritarian model.

Rudyard Griffiths: Kishore, You've heard the logic ...

Kishore Mahbubani: Yes. You know, as a student of philosophy I would say neither of them answered your question. Your question was, "What do small states do?" and they didn't answer the question. They went on and gave their speeches. So, the question is: What should small states do? And the answer is that states like Canada and Singapore — and by the way, if you take the 193 member states of the U.N. and take away China and the U.S., there are 191 still there. You ask these 191 states what would they like. They would like a stronger United Nations; they would like stronger international law; and they would like things to be adjudicated by impartial bodies and not sort of unilateral demands made by one superpower on the other countries.

Now, I know because I read American papers, that when General McMaster was the national security adviser he fought a very noble fight. He tried very hard to persuade President Trump not to walk away from multilateral agreements, not to walk away from the Paris Climate Accord, not to walk away from the Trans-Pacific Partnership. Guess what happened? He failed. And that's the sad story. When you have an honourable man like him trying to do the right thing and it fails, you have to ask yourself the question: how do you live in a world when a superpower decides to walk away from multilateral agreements?

So the answer to that I can tell you — and I served as ambassador to the U.N. for ten years, and in the course of ten years I've spoken with some degree of intensity with ambassadors from Africa, from Latin America and elsewhere — that the one thing we all agree upon when we sit together is, "Let's try and strengthen the UN and make it the place where you can go there impartially." The only protection that medium powers like Canada and small states like Singapore have is a stronger multilateral order, and I hope that General McMaster will get back into the U.S. government and win the fight the next time.

Rudyard Griffiths: Henry?

Huiyao Wang: Thank you. I think the debate tonight is very meaningful. I think that we are at a crossroads of the global liberal international order. You know, for last seventy-five years, since after the Second World War, we haven't seen any major third world war, for example, because we have this new liberal international order. So, let's maintain it. I think that Canada is a great country. Canada not

long ago had WTO meetings — China and the U.S. were not there, but I think Canada can play an enormous role as a G7 country. And also, Canada, you know, really has a unique role, and can actually be in a neutral position to do this kind of thing.

So I think it's really important for Canadian people to speak out. And Canada is very international. You have a multicultural system. You know, you have English and French and everybody, you know, gets along very well.

Rudyard Griffiths: Most of the time.

Huiyao Wang: Yeah. At least Quebec is still in Canada, right? So, I think that for the next seven decades, the world has fundamentally changed. We're so much intertwined. We're so interconnected. The movement of capital, the movement of goods, migration. We are actually one world. You know, it's one dream, one world. So we cannot separate from each other. Let's be realistic. Let's not shake this multilateral system. Let's be multilateral, including Belt and Road. Let multilateralism work out. Let China and the U.S. work together for a Multilateral Belt and Road. Let's make it, you know, more responsible for all the countries.

So, I think that the world needs us and that we cannot really leave the multilateral system. The liberal international order should be strengthened, maintained, and China can be a new contributor to this system.

Rudyard Griffiths: Great. Thank you. That ends our time for the cross-examination portion. We're now going to go to our closing statements. We're going to put three minutes on the clock and we're going to go in the reverse order of the opening statements. So, Kishore, I'm going to exit stage left. You're up first.

Kishore Mahbubani: As you can see, this has been a fascinating debate, but I want to emphasize one thing. It's not about fun and games. We are at a very special moment in history when we have a rather narrow window of opportunity to create a better world for tomorrow. And what is this narrow window of opportunity? It is this: that China while it is still number two, not yet fully number one, is prepared to accept the constraints of the liberal international order.

China abides by the major agreements and, when you work with China and the United Nations as many of us have done, they try to support the U.N. all the time. And I can say after ten years in the U.N., that the objective of the United States mission to the U.N. was to weaken the United Nations, control its budget, refuse to give it freedom to grow. And when I serve as a commissioner of an eminent person to the IAEA [International Atomic Energy Agency], the United States was even trying to strangle the IAEA. China, by contrast, was prepared to give more to the U.N., and

China is the single biggest contributor of peacekeepers to the United Nations.

So, what is this window of opportunity? While it is still number two, while it is still willing to play by the rules, this is the moment for the United States to actually work with China and to strengthen the multilateral order and to serve as a good role model.

Unfortunately, as you know, the United States is doing the opposite. It's walking away from the Paris Climate Agreement, it's withdrawn from UNESCO, it's walked away from the Trans-Pacific Partnership, it's withdrawn from the United Nations Human Rights Council, and I can keep going on and on. And the sad part of all this is that the United States today is creating so many major loopholes in international law, loopholes that China will walk through tomorrow when it becomes number one.

So, if General McMaster and Professor Michael Pillsbury want to preserve this order, the best way to do it is to show China: yes, we'll support you in making the liberal international order a stronger one. Thank you.

Rudyard Griffiths: Thank you, Kishore, for a great debate performance. Michael, your closing statement, please. We've got your three minutes up on the clock.

Michael Pillsbury: Thank you. It seems to me that threatening the global international order may come down to just one thing, one word: cheating. Cheating. You know, in your own relationships or in organizations you belong to, companies you work for, if you embezzle, if you lie, if you cheat, there's a punishment for it. In international politics since the agreement I mentioned 400 years ago, there's no punishment for a country that cheats. It's only the moral authority of the other powers that can try to persuade that country to change its ways. Let me give you a couple of examples we haven't mentioned so far that have concerned cheating, why the trade decision tonight one minute after midnight may be so important to China.

In the WTO China was sued by the United States. Other countries joined us. The Chinese market was closed to all foreign credit cards, in particular in our case, American credit cards. The dispute settlement mechanism is to take a vote. The judges voted against China. China acknowledged that they had lost. They said they would now open their market to foreign credit cards. 2012. They never did it and during that period they had a secret sort of plan to boost their own credit card where today it's the world's largest by revenues internationally because all the other markets opened themselves to the Chinese credit card. That's cheating.

The issue of the trade talks, the issue of technology is not about America first or, does America torture people more than China

does? That's an unusual competition I don't know even how to address. The issue is, is deception okay? Is cheating okay? Is it okay to join United Nations agencies? Interpol would be a good example. When the Chinese had the head of Interpol, which is a huge prestigious achievement for China, he suddenly was called home, put in jail, no process. The head of an international agency is treated like a common criminal without even the charges, other than his wife talking to the press.

So, faced with this kind of challenge, the liberal international order, what should we do? Should we be quiet and be happy? Should we make love with China? Should we get into a war? Or should we just try to bring this to their attention by putting on tariffs, which we know work? These are not the kind of tariffs to protect America.

Rudyard Griffiths: Michael, thank you.

Michael Pillsbury: These tariffs are to bring China to the table to answer for cheating.

Rudyard Griffiths: Okay. You had the last word there. I appreciate it. Henry, your closing remarks, please.

Huiyao Wang: Thank you. I think tonight is really a very memorable night. I think that in this famous Thomson Hall that we had a debate about international liberal order about which I think China is still a student, but we have learned a lot. I think that it's really great. I think this debate will be remembered for a long time because I learned a lot. It'll be in my memory for a long time.

I really admire Canada, Canadian people. You know, in my high school I heard many times the story of Norman Bethune, the Canadian doctor who sacrificed for China. In my university days, I had a professor who also came from Canada from Toronto and taught me for two years. So, ever since the first day I came to Toronto to study at U of T, I really think Canada's spirit can play important role in the future.

I think that, you know, the world is so complex. The world is so colourful. Let's have different models, different practices and healthy competition — corporate rivalry, not strategic rivalry. And actually, you know, that I think that China's opened up. You know, we gave great credit to Deng Xiaoping. Deng Xiaoping has a very fundamental ... you know, that his saying is very remembered: "It doesn't matter if it is a white cat or a black cat, as long as it catches mice." So that's what is really important ...

Now we see China is really developing, become the second-largest economy, the largest market economy in the world now. So let's give China a little more space. Let China continue the opening up and reform, and then China will really be a great market to the

world. As of a matter, you know, Tim Hortons, a Canadian company, opened its shops in China and in three years' time they're going to open actually 1,000 of them in the different cities. And you know, Starbucks has actually 3,600 shops across China, in 150 cities. There's 3,000 McDonald's in China. So actually, you know, Thomas Friedman, the author of *The World Is Flat* actually said that, if a country's middle class is growing large enough and they are interested in McDonald's, have the kids go to McDonald's; they will be less interested in war, they'll be more interested in peace. Who would like to sacrifice such a good life, a prosperous life?

So, I think that we really need to think hard. We are all living on this planet. We have only one earth. So, let's really talk to each other, communicate with each other. Let's not deepen the negative narrative. I think there's a lot of myths, there's a lot of hype about China. Let's see China; seeing is believing. I think we have to really communicate better. We have a lot of work to do. Tonight at midnight the 25 percent tariff starts. It's not really in a good direction. Let's work together. Let's solve things for the peace and the prosperity of mankind. Thank you very much.

H.R. McMaster:

Kishore really pulled out all the stops when he tried to make this about President Trump, right? And as you all know, President Trump would love to have his name really in any venue, right? But he's probably disappointed to hear this debate's not about him. This debate is about how our free and open societies are under attack by an authoritarian closed model — a model that is not only affecting the Chinese people by the extinguishment of their rights, their rights to free speech, their rights to privacy, but is also affecting other nations of the world, including our own.

Ask your two Canadian citizens who were essentially taken hostage and are still in captivity, one of them a former diplomat whose child was just born a few weeks ago. So, the Chinese Communist Party every day exposes the nature of their system, and it's time for us to wake up to it. What Kishore would want to do is to try to create a crisis of confidence in ourselves so that we are no longer able to stand up to this kind of behaviour and the export of this authoritarian system to other nations, and the intimidation of other nations to create vassal states and servile relationships with other countries. But we ought to vote tonight for our own self-respect, our own self-respect as free and open societies who will no longer, as my colleague Michael said, allow China to cheat, will no longer allow China to export its authoritarian system to others.

When Kishore was in his twenties, Mao Zedong killed 50 million of his own people and then, to keep himself in power, he killed millions more. At that time, Mao decided that he was also going to try to export this revolutionary model to other countries. Xi Jinping has put back into place very tight control of the party. The new

vanguard of the Chinese Communist Party now, though, are party officials in suits carrying duffle bags of cash to corrupt governments in an effort to extend their influence and establish exclusionary areas of control; in efforts to intimidate us and others while they regard their intimidating behaviour and the threat to our free and open societies as just a normal way of doing business.

It's time tonight to send a very clear message that can allow us to escape this false dilemma between being passive about this problem and war. What we need to do is have a conversation. Thank you.

Rudyard Griffiths: Well, look, debaters, on behalf of a grateful audience, I just want to thank you for tackling some hard issues, for bringing some new insights to an issue that will no doubt inform the national conversation here in Canada and also the global conversation for many years to come. So, ladies and gentlemen, our debaters. Thank you.

And again, I just want to recognize the Peter and Melanie Munk Foundation and the terrific support they've provided for us to all gather together and have this enriching conversation of the mind. So, thank you to the foundation and the Munk family.

Well, here's the moment that we have all been waiting for. Our opportunity to vote a second time on tonight's motion, to figure out which one of these two teams has been able to sway opinion in this hall over to their side. You all have your voting cards. You used them once successfully. That was terrific. We're going to do it again now. We're going to put the resolution up to a vote. Is China a threat to the liberal international order? If you are in favour of the motion again press A.

If you've come to a different view or you began at the beginning to oppose the motion press B. And again, we're going to let these results populate for a moment, because this is an important critical vote and I'll just go to our online audience again and remind them that we have an online poll going right now where you too can vote on the motion, www.munkdebates/vote. Go there, see how you voted at the end of the debate versus all the other people watching online right now.

Let's also just for a moment review some of our pre-debate votes just so those are fresh in our minds and gives you more time to do the voting here in the office. The initial vote was: 76 percent in favour of the motion, 24 percent opposed. We then asked the question how many of you were open to changing your mind. That was a pretty big number: 83 percent versus 17 percent. So, let's now see if we can close our tabulations if everyone's had a chance to vote and let's see the final results.

That could well be the pre-audience vote that we're seeing a second time there. This is déjà vu, I feel. Let's see if we can see in fact whether those results are indeed the final results and there's been no change in the audience vote. I find that hard to believe. Let's give this a moment. It's always fun here working with technology. Going to wait a moment. I've got a technician here. This is the final vote. So, there's no change.

Well, ladies and gentlemen, two debates in a row. This audience went in at 74 percent in favour of the motion. They went out at 74 percent. So, I am going to declare – it's only happened twice in eleven years of the Munk debates – a draw between these two sides. We have fought this debate, gentlemen, to a technical draw. So, thank you.

Very interesting result. Now, again thank you all for coming here. If you're watching online, stick around for our post-debate panel. For you here in Roy Thomson Hall, thank you for your attention tonight. We'll see you all again in the autumn for the second annual Munk Debate of 2019.

Well, online audience, thank you for being part of tonight's debate. We are going to continue with a post-debate discussion panel featuring opinion from the *Wall Street Journal*. We've got two top Canadian foreign policy experts. We're also going to weigh in on what they've heard on the stage here. What are the issues, the ideas, the concepts that most struck them over the course of this hard-hitting hour-and-forty-minute debate? We're getting that panel set up right behind me now, and let's just review the debate results at least here on stage in terms of what happened with our vote.

We went into tonight's vote with roughly three-quarters of the audience in favour of the motion be it resolved, China is a threat to the liberal international order; and an hour and forty minutes later, with some good arguments on either side, we ended up having fully, if you can believe it, the exact same results. What was it? Seventy-six percent again indicating that they were in favour of the motion. So effectively, we are declaring a draw tonight. A draw in the voting results and both sides go away winners.

Let's just take a look and see our post-debate panel soon to be assembled there. I will be with you momentarily. We've got Janice Stein, former director of the Munk School of Global Affairs, as one of our panelists; Wenran Jiang of the BC School of Public Policy at UBC; and Jillian Melchior with the *Wall Street Journal*, where she's a member of the editorial board. We're going to take your questions, Facebook viewers, with the following. Please post your questions onto the feed. I'll ask them to our panelists.

We've also got some students from the Munk School of Global Affairs who are here on stage. We'll be interacting with them too; but really, we want to take your questions. Those of you who have been watching this debate online, what struck you as the key issue, the key theme of tonight's conversation? Was your mind changed? Was there any point that came up, and more importantly, do you have any follow-on questions for our panel of experts? We're getting them out onto the stage right now. It's just a matter of moments before they're up here, and we'll go into our post-debate discussion.

So again, an interesting debate tonight. I was frankly surprised to see that there's really no change in the audience vote from pre-debate to post-debate. It could suggest that opinions on this issue are very hardened and that we're going into a period where people's minds are largely made up about China, about the United States and about their respective positions vis-à-vis one another. So again, it's only the second time in the history of the Munk Debates that we've had a complete technical draw like this. No substantial change in the pre- and post-debate results. We're just waiting for our panelists to get up here on stage. They're being brought in and again, appreciate your patience. We'll kick off this post-debate analysis and discussion in just a moment.

We'll take a shot of the stage and I'm going to move over to the panel and take my seat a moderator. Be with you in a second.