Ezra Vogel: On behalf of the Fairbank Center, I want to welcome everyone to our weekly Critical Issues Confronting China. And we have the best possible speaker for today. Jeff Bader, who worked very closely in the Obama administration and worked very closely with Biden. I wish we had more definitive results to report to you, but Jeff who watches these things very carefully thanks to trends is looking good for Biden. And so he may be our next president. And since Jeff worked so closely with him, he understands what it's like to work for that person. And also what it's like in a new administration getting started, how you deal with China, Jeff graduated Yale and then he got his PhD in European history. Before he joined the foreign service. He spent many years in the foreign service. He was ambassador to Namibia and he served at the White House for two years as Obama's right-hand man on China. And he wrote an excellent book on that period called "Obama and China's Rise," which he is a very detailed thoughtful analysis of what was going on then. So we're very lucky to have Jeff with us. And I won't take any more of his time. Jeff. Cheers.

Nick Drake: I'll jump in real quick as, or if you don't mind I just tell everybody how to ask questions at the end. I'm sure we'll have lots. It doesn't mean you've done this before, we know, but there is a tab at the bottom. There's a Q&A button in that tab. If you click on that, you can enter your name and your affiliation, if you want to ask a question if you want to ask anonymously, make sure you have the anonymous option checked and thank you all. So right now we'll go to Jeff.

Jeffrey Bader: Okay. Thank you very much. Ezra, great to see you again you and I were together in Washington during the Clinton administration.

Ezra Vogel: Yes.

Jeffrey Bader: Remember well and benefited from your wisdom then, and since, we'll say that last night kind of drove a truck through what I was planning to say today and then kind of come back together again as I've watched the morning, the results oscillating here and there, there was a bit of a feeling of déjà vu all over again for me, four years ago during the campaign in 2016. I remember I was giving a presentation. I was asked about what the possible impact of a Trump election on US relations with China might be, I was asked to sometime in the summer and I answered that let's hypothesize that an asteroid is heading towards earth is going to crash soon. I think that the impact on us relations with China be kind of a footnote. I was kinda half right and half wrong on that. I'm afraid the asteroid have the predictable impact but China turned out to be more of a footnote.

Jeffrey Bader: And while I'm going down memory lane, I just remember in the year 2000, when I was ambassador overseas, I was walking into a TV studio to talk about the us election at 7:00 in the morning. And as I was walking in, I asked my political council what was going on. And he said that it was essentially a tie and that George Bush was leading by five inches of votes in Florida. So I went on 15 seconds later and I had to say something. When you're ambassador and you learn in those situations what you do is just mumble and you get through it
okay. So this time I'll try to do something better than mumble because I'm not an ambassador anymore. So I guess I have to speak candidly. So I'm gonna talk about the challenges I think China now poses and what kind of policies the U.S. might might pursue that would make sense and would not make sense. And also talk about what the administration after January 20 might do vis-à-vis China. I'd like to do that mainly in the Q's and A's and talking to the presentation mainly about the general framework for policy.

Jeffrey Bader: I think Americans generally and the bi-partisan foreign policy elite see China as the most important relationship to the United States in 21st century, although it offers challenges across the entire spectrum of relations with the US as this dramatic rise proceeds. The consensus with which I agree is that China is and will be a strategic competitor. That's going to be the main framework on forward. The turn away from broad cooperation with China, in recent years has been always a several factors. I think number one is growing power. Number two the slowing down, if not freeze in market-driven reforms number three, the renewed stress on ideology and repression in Xinjiang and Hong Kong in particular and finally threats to neighbors, including the South China sea, India, and increasing hints of coercion towards Taiwan. But the scope of the challenge I think is larger than just those developments.

Jeffrey Bader: China is soon to be the largest economy in the world and the largest market in the world. It's going to vie with the US for the lead in technology, innovation and utilization. It is developing a military that can challenge the US and the Western Pacific, including threatening Taiwan. It has a governance model that is based on efficiency, control and surveillance that is uniting with other authoritarian regimes, not only on human rights by then trying to set standards in the digital age. It's the world's biggest emitter of greenhouse gases and is playing a growing role in multilateral rules making and finance providing as the US has retreated. Just a few words on the approach of the Trump administration, that has been to identify the Chinese communist party as the existential enemy of the United States abroad than at home. It's mainly been articulated by secretary state Pompeo and echoed by others.

Jeffrey Bader: US government officials who came before are described as naive and having facilitated the rise of this emerging threat. The administration has declared the end of engagements. It has initiated a large-scale decoupling in most domains and the flood of sanctions in the last eight months, research and student exchanges, NGO activity, flow of investment capital, operations of consulates and of course, technology and trade all have been targeted. In some cases, they have been reciprocal actions to respond to Chinese restrictions. In other cases, they've been preemptive. US, China relations long seen as mutually beneficial are now seen by this administration as primarily having the effects of strengthening our 21st century enemy all offer a perspective that differs from this.

Jeffrey Bader: First, what's the nature of the challenge that China is presenting. And what does China want? I think primarily it's fairly straight forward since the reformers of the Ching dynasty in the 19th century, they want a strong and prosperous China and a strong prosperous China in the view of the Chinese leadership requires stability which in their view requires the unquestioned leadership of the Chinese communist party. The main elements that will sustain us stability and achieve a strong prosperous China in their view are continued strong economic growth, national unity, or reunification and protection of sovereignty.
Jeffrey Bader: These objectives are leading to a few developments. Number one, a military that's seeking parody with the US in the Western Pacific. Number two, a belt and road initiative, that's building infrastructure and relationships throughout central and Southeast Asia and into Europe and elsewhere. Number three, becoming a leader in high technology. Number four, assuming a leadership role in international institutions. I think some of these goals are achievable, some less so. Some are related to peculiarities of the Chinese communist party, but mostly I consider them to be major, normal major power behavior or expected nationalist Chinese behavior. There are limits to the Chinese challenge.

Jeffrey Bader: Let's just touch on those briefly. I think the military while it's achieving, seeking to achieve power in the Western Pacific is not going to be a global peer competitor or threat to the US homelands except in some unthinkable nuclear war scenario for the foreseeable future. Personally, I don't take seriously the threat of United front of subversion in the United States that we read much about, happy to talk further about that in Q&A if people wish but I'm not someone who lives in fear of the United front. The Chinese domestic economy still has major needs and challenges, even though it's going to be the largest company in the world soon, it only ranks about number 65 in the world in per capita, per capita income. Its demographics are challenging.

Jeffrey Bader: Right now, there's about seven point about seven workers for each one, retired citizen, by 2015 that ratio was maybe more like one and a half to one. Number three, they're going to have to catch up on social issues, which have been neglected in the pursuit of breakneck economic growth namely environments, where they're making strides but they've had the worst environments in the world along with India for quite some time, public health where we have certainly seen the shortcomings in recent months and food safety. China's soft power is unattractive abroad. The places where you might expect it to be attractive would be other ethnic Chinese countries or areas, Taiwan and Singapore are singly unattractive to the Chinese model. So I don't expect it to be attractive beyond that. China is not going to array a network of satellite States against us, the way the Soviet Union did.

Jeffrey Bader: And last one this one is I think arguable, but I would have said it with greater confidence a few years ago that the rigidity of the political system of China is going to be a problem going forward. They're going to have to overcome. Now, given its generally impressive performance in recent years and questions and the performance of the Western democracies, I don't feel as categorical about that as I would have few years ago, but I still I guess would assert that that remains a challenge. So what does this all mean for US policy and what do I hope a post January 20th administration will do in order to compete with China? Like first, the US has to get its own house in order. You can win the race with China by running faster, not by tripping the other guy. If we seek or advertise a goal to prevent China's rise. That's a formula for intense rivalry for resentment from whether Chinese or for lack of support elsewhere in the world and contrary to our traditions frantically. And it simply won't work.

Jeffrey Bader: We have to secure the defense of our allies, but particularly in the region we have to show that we can compete economically especially in Asia where the US government has been absent. We have to maintain our values. We can't surrender openness and win a race
with China to the bottom, through prohibitions, through expansive definitions of national security and evaluating investments through managed trade, through canceling exchanges, through visa bans, through diplomatic restrictions and McCarthy, I had smears of scholars and researchers, when we take punitive steps, which we will from time to time, the goal has to be, to seek to make reciprocity work toward greater openness by Beijing, not encourage their instincts to the contrary. Our allies and other partners share many of our concerns. They share our economic grievances. Many of our security concerns, fears of Chinese bullying, opposition to authoritarian practices. We need to work with them, not just give them lip service. That means on trade investment policies, on infrastructure construction on export controls, on digital issues and internet rules and military cooperation, genuinely working with allies.

**Jeffrey Bader:** And the last area I'd mentioned in the competition area is technology which I think is going to be the heart of the rivalry. AI is going to provide the basis for leadership in 21st century in military innovation in bioengineering and energy in telecom, in the vast range of areas, critical to the us economy and national security. I don't purport to be a technology expert. I listened to the experts, the general framework that the ones who my respect talk about is high walls and small yards for what we're going to protect. A few words on the limits of competition. I think first of all, cooperation with China remains hugely in us interest on transnational issue with a still great economic synergy between our two countries on climate change. International cooperation is impossible without working with China, COVID-19 and SARS were both of Chinese origin. We're not going to solve these or the next pandemic without working with China, Iran and North Korea, nuclear weapons programs. We're going to need Chinese help on them. I think on each of these, a Biden administration is a more likely partner with the Chinese than Trump.

**Jeffrey Bader:** Since Trump has basically turned his back on all of these, but these are US interests. I think, well our allies have similar concerns to us about the Chinese. That doesn't mean they're going to join us in massive decoupling and having the US as a security partner doesn't mean that they're going to be willing to sign up for cold war. They have their own interests mainly economic with China, and they don't see China in black and white or zero-sum terms, radical decoupling which is on the agenda of some would lead to number one crippling world efforts to cooperate in tackling the global challenges that just talked about. Number two, would eliminate the real synergies between our economies. Number three, would fracture supply chains and markets and force companies to either compete in one or the other market or have separate product lines. Well, number four would exacerbate their arms race and crowd out us domestic priorities. Number five with arouse ethnic hatreds and stereotypes. And most importantly would increase the risk of war.

**Jeffrey Bader:** The theme of China as an enemy gets oxygen from its human rights record of late which rightfully will impede China's international rise and influence. China's changes and impacts on the world however, go well beyond these undeniable black marks, we can't ignore them but we can't have a single-minded focus on them. They won't achieve results. No one else will join us. And in my experience, the US can best be persuasive to Chinese and others by cleaning up its own act and serving as an example and inspiration. So in closing, I'd just say a construct of functional US, China relationship not only can serve us interests but provide incentives and restraints for Chinese decision-makers. There are still reformers and I know
some who need support and encouragement and the relationship with the US provides that. On the other hand, if Beijing sees nothing to lose vis-à-vis the relationship with the US as an enemy that will encourage dangerous risks taken by the leadership in Beijing, modern China has had lots of ups and downs since Mel. We shouldn't assume that China 10 years from now will be the same one we face now. We need to try to match the Chinese in taking a longer-term view of the relationship and what we seek and not respond excessively to every headline and every twist and turn, I thank you very much for listening to me. And I'm looking forward to your comments and your questions and answers.

William Overholt: Ezra, you're muted.

Ezra Vogel: Okay. Am I okay now.

William Overholt: Yup. I hear you. Yup.

Ezra Vogel: I think we owe Jeff a vote of thanks for the very comprehensive, thoughtful, overall view of what we should be doing. I assume that some of that message will be going to the people who will be advising. So if we had a Biden at presidency, what do you think if the Biden becomes president what would be his instincts as to how to go about working with China? Would he makes a trip early, would he developed a close relationship with Xi Jinping, would he be more cautious because of the current mood in Washington? How do you think he would approach the China question if he were to become president?

Jeffrey Bader: Oh, those are all great and somewhat unanswerable questions, but that won't stop me. I think of first of all, Ezra, as I look at a Biden agenda, I've told Chinese counterparts if I were them, I would not expect early concentration by the administration on China or a Biden trip or for that matter concentration on foreign policy. And the reason is that Biden's agenda is going to be overwhelmingly domestic enormous challenges. And we know what they are beginning with COVID, which has been his main campaign issue in which he has to deal with at one minute after 12, on January 20th, the associated economic challenges that we face which are going to require attention, seamless package, some restructuring at some point before too long, a comprehensive immigration package, a revival renaissance of the US government/civil service trying to do something about the extreme polarization of the US governance system, dealing with racial tensions and social justice issues.

Jeffrey Bader: There was just a massive domestic portfolio that they have to concentrate on. And as you know, a president tends to have his accomplishments in the first six months or a year or not at all, he can't let that time slip away. Okay. So I think that has to condition everything. Now in terms of foreign policy, my instinct is that the first objective of the Biden team is going to be to restore the US image abroad and to restore us alliances and participation in multilateral institutions, international institutions and trying to shore up the liberal international order that this administration has made its target. So if I'm president Biden, the first thing I'm doing on foreign policy is getting together with NATO allies, EU countries, Japan, Australia, Canada, South Korea, and so on.
Jeffrey Bader: And showing that the US has back, that the US cares about them and the US is going to coordinate with them. They're going to be serious and meaningful consultations. And if you're going to do that and you mean that you can't announce a China policy on day one, and then just go off and consult with these folks, it's not serious. So it's very hard to sequence these things. The world doesn't stop while you're doing one thing but to the extent that they can control it, I would think they would be trying to get some coordination among like-minded countries before locking in too much on China.

Jeffrey Bader: I would expect if Biden wins sometime in the next week or two, most of the major heads of state and the world will pick up the phone and call to congratulate him. These tend to be somewhat, these tend to be protocolary, somewhat perfunctory calls, not substantive. That said, I have no doubt the media will get their hands on the highlights of what is said even if it's a short call and given the state of US, China relations and the trajectory, it's been on for the last eight months, there will be huge attention on one or two sentences coming out of that. Are they going to say, steady as she goes or on picking up where Mike Pompeo left off or back to the gold days of the 1980s. Those are the extreme, it's not going to be that, but there'll be some kind of a message in more than two sentences coming out of that, probably kind of a holding action that Biden has long experienced with China. He visited China. I think he was in maybe the first congressional delegation that went in after we normalize relations in January 1st, 1979. I think it was in shortly thereafter.

Jeffrey Bader: So he's been involved with China for 40 years. So he's got views on China. I've talked about China. He is not someone whose instincts take him towards an existential zero sum relationship with China. That's not his instinct. On the other hand, I think the entire US political spectrum has moved towards a harder position on China, including his advisors, his likely advisors none of whom I would consider an ideolog or whom I considered pragmatic, but all of whom, I think we'll see competition with China and reassurance to allies as high priorities. I don't know if that covers, I guess that covers the main points you addressed, but that's kind of where I see it at the outset.

Ezra Vogel: I appreciate that. We have lots of questions come in. And one of them is from Mike Szonyi who has been the director of our Fairbank Center. He was the Ming historian who also worked on Quemoy and Matsu and he is given a year of leave to go back to his own work this year, but he's attending your session. So Mike, it's yours, and that most of these questions will come in written, but I wonder, Mark, whether you can fix it so that he can present himself, those questions

Mark Grady: Trying to pull him in right now.

Michael Szonyi: Hi, Jeff. Thanks so much for a great talk. It's great to see you. You can hear me?

Jeffrey Bader: Yes, I hear you good.

Michael Szonyi: So my question has to do with your comment about technological, or technology competition being at the heart of the US, China competition going forward one
here's that argument quite a bit. I'm wondering if you can say something about what for you think that competition might take, technological competition is different than economic or military competition. A lot of technological innovation is non-zero some, and easily replicable. What do you think that technological competition between the two countries is actually gonna look like? Thank you.

**Jeffrey Bader:** Oh yeah, Mike, so that's a great question. And the key question, and I'm cautious about treading in technology areas when there are people who know much, much more and I'm of an age where I didn't grow up with these technologies, but the people who might trust the most and I learned the most from on these issues and I'd put kind of a, I think at the top of the queue, Eric Schmidt and others have similar experience. What I hear from them is that they believe that whoever innovates the key technology platforms in the 20th, 21st century, not develops apps like TikTok or WeChat, but the platforms, that that country will have a preeminent, if not dominant position in military capabilities going forward. I think that Schmidt has led a defense study group study group on defense and technology. And he's looking to this and I think the same thing would be true in other key economic sectors going forward like biomedical, bioengineering, telecom.

**Jeffrey Bader:** So I don't think that these app wars that we're in the middle of, TikTok, and the Chinese blocking Facebook and Google. I don't think that that is the essence of the challenge. I think it has more to do with platforms. It probably has to do with semiconductors, with the highest end semiconductors which find their way into, they're going to find their way into most products going forward in international trade. And I agree with the implication of what you said that the idea of a sharp division between the US and China on technology really is not going to work. So I'm not quite sure how you have a highly competitive technology relationship and an overlapping one but that clearly is what we're going to end up in. If you talk to the key people, who've thought about this in the technology space. So we're going to be in a gray area, not a black and white area. The political pressures in the Congress are all towards self-sufficiency and towards excluding China from technology to cooperation, the people who you talk to in Silicon Valley and technology area, which has to be more nuanced. I don't know. I mean, if there's someone who really has studied this issue deeply on this line that'd be delighted to hear from them on it.

**Ezra Vogel:** If somebody does show up, well, we'll move on, but we have lots of questions. There's one from an anonymous attendee. It has to do with the global rise of authoritarianism. And well, this is new trajectory. It's not clear whether the rise of authoritarianism is a blip or it maybe the whole world may be moving in that direction. We already see the United States is losing soft power. China's increasingly putting emphasis on increasing errors. Do you have any projections of power dynamics might shift within new global order? And what the role of an authoritarian, a country like China would be?

**Jeffrey Bader:** I guess my first answer would be that's somewhat in our hands. It depends how we as a society perform and how the Europeans perform and how we and the Europeans and as Canadians, North Koreans relate to each other. This would have seemed like an absurd hypothesis five years ago, I guess, the notion that there was a significant authoritarian threat in the United States or in Western Europe or in the other like-minded countries. I think one can't
be quite as confident in dismissing that after the last few years although I will feel better in the few days I think if the election comes out the way it currently looks, but I don't know that democracy is that fragile between the United States and Europe that were either on the last legs or we're heading into the 1930s.

**Jeffrey Bader:** If that's the case, the developing world has always been kind of wide open in terms of forms of government. The American notion that sort of democracy is on the March throughout the developing world. And then we're gradually gonna see one domino after another fall until some version of the end of history with an all democratic world has never made sense to me and makes no sense at all to me right now. The purely the Biden administration is talking about an Alliance of democracies about pulling together a group of democratic countries to coordinate us policies to the extent that we can. And I understand where the impulse is coming from. It comes from deep within our value system and also comes from belief that in the last few years we have completely neglected our sort of moral core and our democratic value in turning our back on all the democratic countries. So I think the instinct is sound.

**Jeffrey Bader:** But once you get into the real world and try to practice that, what you tend to find is that the US and Europe and Japan and Canada and Australia tend to be somewhat aligned on democracy, promotion, human rights, promotion, human rights, defense issues. And I would expect we will on digital and internet issues as well. But when you get beyond those countries into developing countries even democratic developing countries like India or Brazil, when Brazil is democratic or Mexico or South Africa, or even South Korea, they have no interest in democracy promotion or signing on to a Western human rights agenda.

**Jeffrey Bader:** They just won't. I mean, they look what's going on in the human rights council on Xinjiang where the Europeans and the Americans voted to condemn China. And no one else did. No one in the developing world and none of the Islamic countries. So I think that developing countries are now and will for the foreseeable future be up for grabs in terms of their choice between the authoritarian or more democratic models. One would hope that look, right, so in the 1990s, there was a great move towards democracy because the US model had transparently demonstrated its success, its viability, its attractiveness during the cold war and its later stages. If we're moving in a different direction now, it's not because we're not throwing our weight around enough, it's because we are no longer projecting that attractive model. So the degree to which we can, once again become a source of global inspiration. I think that's agreed, we can give encouragement to forces resisting authoritarianism in the developing world.

**Ezra Vogel:** Another question comes in, as universities, we're very concerned about now the big drop-off that during coronavirus of Chinese students. And we, scholars have very little contact with our kind of bright students, we try to do what we can, but under a Biden administration, what do you expect to happen to international student in scholarly exchange? And there are things that we can do that would give our universities a bigger opportunity to have more contact?

**Jeffrey Bader:** Yeah. Ezra, personally, I think that's a very promising area for a turn around from where we are now. If you look at the Trump administration policies on China kind of across the board, you'll find that the tough policies on trade on technology, on, oh, I don't know
the range of other issues that we alluded to, cracking down on IPR espionage, whatever. There is a fair degree of Washington support. Well for the directions, if not the specific steps that the Trump administration took. However, if you look at policies towards students, towards researchers, I don't see enthusiasm in the Biden team for those policies. I think that they associate them with kind of the worst instincts of the Trump administration not just the foreign policy team but people in the white house, the anti-immigrant and xenophobic strands in the administration, which the Biden team does not share.

**Jeffrey Bader:** So for since things like the termination of the Fulbright program the ending of the peace corps program, the stop cutback in the H1B1 visa program, the very tightened scrutiny of researchers particularly in the STEM areas There are a whole bunch of steps that I think that people in a Biden administration will not reflectively inherit but will re-examine. Now, there is always going to be a constituency in the US government for being prudent and careful on STEM research and STEM students in the US when there are likely or possible classification connections. And that's obviously it's a difficult thing to measure, but I don't think it would be anywhere near as expansive a definition as the current administration would have. So what's the do.

**Jeffrey Bader:** I would hope that leaders of the academic community university presidents and heads of China programs around the country would be in touch with Biden administration officials before January on the assumption that he's going to be president and make clear what your preferences are and be candid about where you see risks and challenges. If you just go in there and say, "No problem, open the spigots," people tend to be a little more skeptical, but they I believe will be open to our reasons and rational pitch about what we're doing now is not only damaging to universities but great frankly, contrary to our traditions and our values.

**Ezra Vogel:** We're right at Harvard now and having one of our own Mark Elliott as the Vice Provost in charge of international affairs for universities. And I think we ought to try to get him to take the lead and being in touch New York's with our university president, the university presidents and they're trying to meet that case, I think it's a great thing for all of us to work. Another question comes in about the impact of Chinese financial aid compared to us financial aid gives an example of Greece where the United States and come up with much, but now a Chinese company has a major stake in a port in Greece, busiest port in the Mediterranean, fastest growing in the world. As China continues to build or improve the infrastructure ports around the world in south east Asia, Africa, Europe, what will be the impact? And will China use that then for political impossible military purposes?

**Jeffrey Bader:** A complex question. Never sure of the answer and the great subject for a dissertation or thesis along with, but I think a few elements in that, yeah, I am of course familiar with the Piraeus port in Greece. And there are other cases, I don't know if they built, I think they built one in Haifa. They built a couple of major infrastructure projects near where the US vessels port dock in Israel. So where we want to think have considerable leverage and with the belt and road objectives, there are going to be Chinese ports and fears built all around the world. So here's the question. I went through this with my friends who were still in the administration when the Asia infrastructure investment bank came along and in about 2013, was it? And my friends in the administration were sort of snarling publicly about the Chinese
bank and sort of criticizing it and they were doing so on strategic terms. Can't let the Chinese get on the match on us. And my answer to that was, that's not a winner. You can't beat something with nothing. And that's what we were doing. These countries need infrastructure. Okay. Indonesia wants a Metro system. Indonesia wants a new port. The secretary of state can't show up in Jakarta and say, "Don't take their evil $8 billion project, because they're horrible people." And when the Indonesian say back, "We need the Metro system. We need the port, what are you offering us?" The answer can't be, "We'll put you in touch with some consultants in Washington, then we'll do a study for you." There has to be serious competition.

**Jeffrey Bader:** And I think I would say about this. I think it's a great question. I was thinking about this in connection with the Greece situation the Japanese have great capabilities of course, in infrastructure development the South Koreans are very, very good. The Germans are very, very good. And there's a lot of experience a lot of talents in the West, not to mention sort of residual American talent that hasn't been put to great use in recent years. Again, if we're serious with competing, about competing with China, we shouldn't be wasting our time telling to Jakarta, "Don't listen to them." We should be either figuring out how we can get our own companies more capable of competing in these environments and or working with the Germans, the Japanese and the South Koreans to figure out what the best combination of talents, resources, and skills is to offer the Jakartas of the world alternative.

**Jeffrey Bader:** To me, it's pretty straight forward. You're not going to "Win." So getting back to the question. Yeah, I think in some cases there is a partial. There is sometimes as a Chinese strategic objective you cannot assume that, there isn't always. Sometimes it's just commercial. Sometimes it's primarily commercial. And sometimes the PLA is pretty happy with the fact that the Chinese are building it, but the port or the facility may well be an open facility that I think most of are if not all of them, other countries are going to be using them. I'm not sure if the Chinese can or will write terms with recipient countries saying under certain circumstances "We are going to exercise force majeure and shut down the port except for Chinese operations." I don't see that. So just because the Chinese build a port doesn't mean they got a base, it's on the other hand, one would be naive to think that they're not gaining influence. And the PLA is not gaining some advantages from these activities.

**Ezra Vogel:** Here's a question about Taiwan as to whether Xi Jinping just made a pledge. We shouldn't leave the job of unifying Taiwan and future generations. And that yeah, Taiwan society seems to be drifting away from the one country, two systems and China is very unhappy. Is there a danger that China might attack China? And if so, how should or would the United States respond?

**Jeffrey Bader:** By the way you remind me, one part of the first question I didn't answer, Ezra, was something about Biden's Xi Jinping relationship. I think you asked about them.

**Ezra Vogel:** Yes. I think you-
travel around the country with Xi Jinping and talked about at some length about what he deserved and Xi Jinping and what he admired about him. On the other hand in the debates, he referred to him twice as a thug and of course our political campaigns do not reward calm analysis. And I suspect on the one hand Xi Jinping understood that. And the other hand he didn't like it. So we'll see if the thuggery nomenclature is left in the rear view mirror where that goes.

Ezra Vogel: Well, we don't expect you to give away any secrets. Are there some things you can say from what Biden told you about the relationship that you might give any, is there anything you could let us get a flavor of, or what to expect in the relationship between the two?

Jeffrey Bader: Well, I think I said two things. One is that at the time, excuse me I think Xi Jinping conveyed the impression of a man who had governed, who had governed in the Fujian, who had governed in Xijiang, who had kind of on the ground experience in dealing with the problems of governing, transportation traffic, sewage and water, education. The things that our local officials have to deal with that sometimes are somewhat remote for people in Zhongnanhai or the White House and Biden kind of likes people like that. He's kind of a practical guy. And I think he thought here's someone who understands these kinds of issues. So I think that was good. Of course, that was back 2012 or something like that.

Jeffrey Bader: A lot's happened since then and Xi Jinping has, and China have evolved in some, not altogether happy directions from the US [audio glitch] since then. So how much of that appreciation of practical on the ground problem-solver survives as she has adopted of the mantle of Mao, success of the Mao and ideological leader? I don't know. Taiwan, I think still that the main objective of Xi Jinping and the Chinese leadership is not to seek reunification in the short term. I still think that their objective is to prevent independence which they can define in various ways but they consider the current situation, not independence. So they will be, I think will accept the situation so long as Taiwan does not move from its status quo into a more formal independence posture that I'm not saying that things set that forever. I'm saying that I think that that is their goal at the moment. And that's what they accept for sometime.

Jeffrey Bader: Tsai Ing-wen is certainly not Chen Shui-bian. She is not a rash actor who is going to undertake referendums or plebiscites or changes in the constitution to move in that direction. The Chinese, I'm not... The Chinese know that they should quietly appreciate that more than they do. They certainly convey every time we talked to them, the sense that they regard Tsai as a all hopeless Taiwan independence advocate who was shattered the one China principle, but surely they must understand that she is not dark green to use in Taiwan vocabulary and they should understand that they could do a lot worse. That isn't to say that one can be calm. Lately, the PRC has kind of stepped up, pressure stepped up military signaling, both through fighter jets crossing over the midline between Taiwan and PRC with global times threatening to have Chinese fighter jets overfly Taiwan, daring Taiwan to shoot them down to which they will respond fearlessly. There's a lot of nasty rhetoric in the air. I think that some of the US approach on Taiwan of late has, and the general collapse of the US-PRC relationship has persuaded Beijing that they can be more rash vis-a-vis Taiwan than before.
Jeffrey Bader: Again, my point in my presentation, if they don't feel that the US China relationship holds benefits for them then it doesn't serve as a restraint in many ways, including this way. So I would hope that the Biden team, which knows the Taiwan issue very well they've been involved with all of them, been involved in it forever. I would hope that they will reiterate persuasively the basic elements of it, of the one China policy of the Taiwan relations act to both Thai Bay in Beijing, in a way that serves to freeze the situation. Now, there's no question, developments in Hong Kong have been profoundly unhelpful. Not that anyone in Taiwan viewed Hong Kong as a possible model for Taiwan, but everyone in Taiwan explicitly rejected the one country two system model in Hong Kong, which they now regardless of demonstrable failure but as long as Beijing believed that the one country two systems model had some utility towards Hong Kong in the future towards Taiwan, it served as encouraging moderation in Beijing. If Beijing is now concluded after the protests in Hong Kong last year, that one country two systems is hopeless that put it crudely no matter how benevolent are one country two systems is, they gonna hate us in Taiwan or Hong Kong?

Jeffrey Bader: They're just going to run the mock. They will not accept our version of one country, two systems which seems to be the conclusion that Beijing drew from 2019 and led to the new national security law. Then that discourages Beijing's belief that peaceful reunification really is a serious option. So we've got, we all know we've got a long-term problem and PRC Taiwan relations. The approach has always been to kick the can down the road. I think it still has to be to kick the can down the road. And there are different things to do involving both deterrence and reassurance in kicking the can down the road. You can't do just one or the other. I have nothing new to say on the subject of what would we do if the balloon ever went up in the Taiwan Strait, to me as a former US official, I'd irresponsible for me to talk about that. And beyond that when that unhappy day comes, if it ever comes, the president of the United States is going to have to make a political decision which is way beyond the pay grade of me and anyone else.

Ezra Vogel: Here's a question from Mason Mabry, and it has to do with TPP. Now CPTPP, is it possible that the new administration of Biden might be willing to try to enter the CPTPP? And what do you think the, here's a related issue the problem with Biden ministration, if Biden were the GOP Congress, then what happens to trade issues if we have that kind of situation? So I guess that's two questions.

Jeffrey Bader: Yeah, that's a real wow question. I think that, there's what would make sense in an economics textbook and then what's possible in Washington. And I don't think the two overlap in any way. I think the idea that Biden could bring the US into TPP or whatever it's called now, just as not on the combination of the support that organized labor has provided to Biden in his campaign and the looks for going forward. Biden's general, I would say, build in America instincts these don't impel him towards pushing aggressively against his own party and Republicans to get into TPP. And the politics of it, I think are impossible. On the other hand, there is reality. And the reality being number one all of the TPP countries have reduced barriers to each other, and they are in particular, the Japanese and the Australians and Canadians, and will have advantages in all of these markets against US competitors because we are not taking advantage of those provisions of TPP and at some point, the Biden administration will hear
from them, they'll start hearing from farmers and ranchers and manufacturers are saying “Gosh, you know, to access these markets, where is this managed?”

**Jeffrey Bader:** And it's not fair what to do about that. Then you have the second problem or maybe the first problem, which is she's inheriting I don't know, $350 billion and Chinese products that are subject to high tariffs in the United States and another, I don't know, I forget the number, on US tariffs, on Chinese tariffs going into China from the US, and what is he going to be about those? I think that a Biden team would not have done what the Trump administration did from day one in getting us to this point on tariffs. On the other hand, and there are a lot of good studies that show how damaging it has been to the US economy in general and to specific sectors. On the other hand, unwinding them is I think going to be politically brutally difficult, you won't be able to unwind them without corresponding concessions or adjustments on the Chinese side that go beyond tariff reductions. I think the go-to structural issues in China, serious economists tend to believe that tariffs is not the answer, the problems in our trade with China have to do with state-owned enterprises and with subsidies and with IPR theft and forced tech transfer and with a regulatory environment that is one thing and highly discriminatory and absence of national treatment.

**Jeffrey Bader:** A whole range of structural issues that need to be taken on where we've been wrestling with the Chinese for decades. I, in my own view, and I told this to the Chinese over and over is that I believe they need to make a clear unequivocal public commitment to accepting the full obligations of a developed country within the world trade organization across the board, in every one of these areas. And in other areas in a persuasive and convincing way when China got into the WTO, it was kind of as a hybrid. It was from my perspective, very good deal. I negotiated it onto Bob Zoellick, but it was not a full developed country deal. And that was 2001. So that's a very different China now. I get tired of Chinese economists telling me that there are still a developing country and that they need these protections. I think we should be insistence on this and do this in conjunction with our EU and Japanese, Canadian, Australian partners. This is an area where I think you can get multilateral pressure and try to coordinate your policies and your market behavior to get the Chinese to alter these practices, rather than doing some sort of managed trade deals to get agricultural imports increased from 20 billion to 28 billion on a bilateral basis. But the bottom line is, and to answer the question, I think it's a right question then that is hard to have a China trade policy or our TPP trade policy until you know, what your overall trade policy is. And I'm not a hundred percent sure what the balance of forces will be within a Biden administration on trade issues. I don't think it will be like following in the footsteps of Bob Lighthizer. On the other hand, it's not going to be an aggressive, free trade approach. It's gonna be somewhere gray.

**Ezra Vogel:** Here's another anonymous question, it has to do with the multilateralism. And as we all know that under the Trump administration, China was tending to become a leader in international organizations. They're stepping up now while the United States is playing a lesser role. If Biden is elected, do you envisage any changes in US policy and what are the opportunities for taking a larger role in some international organizations? And how will that work out in terms of relations with China?
Jeffrey Bader: Oh, yeah, for sure. I think it's been one of the most disgraceful aspects of this administration. I mean, just to be practical, there is no question that a Biden administration would rejoin the world health organization, which isn't to endorse the World Health Organization's behavior during COVID 19, which I think was somewhere between mediocre and disgraceful in many instances. But you don't fix it by marching away from the world's premier health organization in the middle of the greatest pandemic in modern times. It's crazy and Biden will correct that immediately. Similarly, I believe that the Trump administration has been on a trajectory towards if not withdrawal, then the destruction of, or sidelining of the World Trade Organization. I think that will be reversed as well. But having said that, I think we need to understand that these and other international institutions, multi-modal solutions are badly in need of reform that simply rejoining them is doing no one the favor including us. I mean, I was involved with WTO and China succession, I went to them and had a meeting, they had, I think 158 members. Now it's up to 190 members and operates by consensus. A consensus means everyone. Okay.

Jeffrey Bader: I remember when I was there for the Doha round we had to wait for, to probably beat Zimbabwe into dropping its objections to the Doha declaration, Zimbabwe, with all due respect who cares about Zimbabwe views. India was more of a problem, but they were problem too. Okay. You can't have an organization like that that operates on a basic consensus with 190 members. It doesn't work. We need some kind of reforms in these organizations towards, I guess what I'd call it more of a plural lateral model where the key actors form kind of subgroups that can effectively drive the agenda. So like the UN security council in its best times, vis-a-vis the UN general assembly which kind of does nothing. Huh. So yeah, I think that the Biden team will be very enthusiastic about rejoining these organizations and reestablishing our presence in multiple institutions the Trump administration, about a year or so ago.

Jeffrey Bader: I remember they appointed a special envoy or something or ambassador, I can't remember what his title was, to keep track of or combat Chinese advances in getting leadership positions in international organizations. And it was very curious position. I've never seen anything like that in my professional career. In 30 years, the foreign service that we have a special ambassador to kind of, I don't know, like being aligned back or watching a running quarterback is kind of, on the way that didn't make much sense. On the other hand, the Chinese really have been on the match in nominating people and gaining director general and leadership positions in many of these organizations.

Jeffrey Bader: But again, it goes back to the question I was raising in my and this one remarks do you win a competition by trying to trip the other guy or you try to outrun them? And clearly the Trump administration view was we're going to trip them. We're going to just, each time we see one of these Chinese officials pop up as a potential head of the international civil aeronautics organization or whatever, we are going to go out and lobby and make sure he doesn't get the job. Okay. That's fine. I get that. In many cases, the Chinese leadership of some of these organizations would be destructive of our goals. Like there was one case involving I think, was the IPR, that has been a force, in other cases not so much, but you win by having good candidates of your own and allied good candidates not by creating a special department of, “Oh, we're gonna hunt down Chinese competitors who are in these international organizations everywhere.”
Ezra Vogel: I think I speak for everyone. When I say how impressed they are with the broad ranging that professionalism that you bring to this work. And now, at the White House we have Matt Pottinger who is a journalist, or we have nobody, I know who's a foreign service specialist from China and brings the range of experience. And we academics can see that the administration, the Trump administration has not made good use for professionals. And that we're really in very bad shape for professionals. How can really be China professionals now who are ready and able to take on a higher White House position advising a Biden administration. And what do we do to build up professionalism and try to make some progress in getting a broad group of well-trained, highly experienced professionals who worked on China in the high positions in the state department and the White House.

Jeffrey Bader: There are a few elements to that. It's a challenge as well. I think one is that this is an administration that clearly does not value expertise. I'm not talking specifically about China, but as a general matter. And frankly, they're rather proud of it. This comes from the president. This is a man who believes in his own judgment and his own gut. And does not welcome briefings reading materials and makes policies by tweet. And so there's not much a premium on expertise at the top of this administration, and that trickles down. That I think will automatically change. But I think that the expertise level in many agencies and not just in the China field has been badly damaged over the last few years as there has been disdain for professionals, for experts who to have a president routinely referring to them as the deep state.

Jeffrey Bader: I mean, I believe he means it and I believe he believes it. And I believe that many people in this administration view it that way. There's going to have to be a I think that kind of across the board Renaissance program from the top on how you save the CIA, the state department, the department of justice, the FBI, some of these agencies that have come under explicit attack or been undermined in the last few years. Okay. So that's one challenge. China, more specifically, I think there's a couple of pieces to it where there's different responsibilities. I think it's going to be difficult in Washington, somewhat difficult, because I think that China's going to become a more polarizing issue in the next few years, even though there's more of a bipartisan consensus towards, I guess what you might call generally, a more skeptical view of China or more competitive, you have China.

Jeffrey Bader: Okay. Let's take that as a framework. That said, as I look at the way the politics are shaping up, let's say hypothetically, that Trump is out there. Even if he's not out, the likely successors and contenders on the Republican side once you come to mind, Mike Pompeo, Mike Pence Tom Cotton, Josh Hawley, Nikki Haley, Marco Rubio. They have all made speeches, some cases several speeches, taking very, very hard positions on China, very ideological positions on China, which I read as I will assume that reflects their convictions that's not insincere but I also see it as positioning themselves within the Republican party, with the hardest position on China, they are vying for that role because at least at this moment, they think it's politically advantageous, particularly way good COVID the Chinese flu was the president called on it.

Jeffrey Bader: So I have concerns that whenever Biden does what he does on China, unless he decides to be Mike Pompeo Redux which I do not believe he will be. Even if it's a what you
might call a firm somewhat skeptical policy, it will be hit very, very hard from the right. I regard that as a certainty. Okay. And if that's the case, I don't want to say we're back to the 1950s, but there's something of that. There'll be something of that dynamic where China expertise there is the risk that China expertise will be seen the way that the China experts of the 1950s were seen as apologists for China or associated with a policy of engagement toward China or apologizing for China because they've lived there or whatever, I'm concerned about that. Okay.

**Jeffrey Bader:** And finally, I think that the Academy large has a role, a major role here in which I'm not an expert but I speak based on what some of my academic friends say to me, which is that the Academy could do a better job at training people with broad gaged understanding of China, that there has been a strong emphasis on narrower specialties, on quantitative criteria and that area expertise, historical knowledge and the, let's say the softer tools that I grew up with, and that those of us who have been in public service have relied upon that those are going to need some countervailing attention as well as the hard skills that are being taught in the Academy.

**Ezra Vogel:** Jeff, I think we're so fortunate that you're willing to take as much time as you did to be with us today in such a broad ranging perspective. And that's the kind of wisdom we hope Biden can make use of you indirectly or people like you or your successors to bring some wisdom and good sense. So we're very much in your depth and we look forward to keeping in touch. Thank you so much, Jeff.

**Jeffrey Bader:** Thank you, Ezra. Thanks to all the old friends on the call and new friends.

**Ezra Vogel:** Bye bye.

**Jeffrey Bader:** Bye.