

# FORESEEING RED: LEE KUAN YEW ON CHINA

Singapore's elder statesman offers insights and predictions on China and the world, in a new volume exclusively adapted here

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LEE KUAN YEW HAILS FROM A VERY SMALL country, but, for decades, he has been a very big man—at home and on the world stage. During more than a half-century of public life, including some 30 years as Prime Minister, Lee transformed Singapore from a simple trader of commodities into a sophisticated hub of finance and technology—The Little Red Dot, as many of its people affectionately call it.

A stern, patriarchal figure, Lee realized his ambitions for Singapore through the sheer force of his personality, buttressed by an unapologetic conviction that he knew best. The same qualities that influenced his finer policies affected his worse ones too. Single-mindedness, for example, could become heavy-handedness. The stain on Lee's standing is that, in the controlled experiment of molding a society in his own severe image, he marginalized social liberties both sacred and mundane: from expressing dissent to chewing gum.

That dark side will undoubtedly color Lee's legacy. Yet he has always had too much vision to be limited to tiny Singapore, or to be your run-of-the-mill strongman. Lee possesses an ability to interpret the past, understand the present and

divine the future. The more enduring, and endearing, part of him is the globalist long sought out by national leaders and corporate titans for his counsel on the way of the world.

Lee's powerful intellect is captured in a new book, *Lee Kuan Yew: The Grand Master's Insights on China, the United States, and the World*. It's a collection of interviews with him by Harvard University professor Graham Allison, Council on Foreign Relations senior fellow Robert Blackwill and Harvard's Belfer Center researcher Ali Wyne, while also drawing on other selected and cited writings by and about Lee. Now 89, officially retired and somewhat frail, Lee has mellowed with age—not unlike his creation Singapore, governed today with a lighter touch even as its citizens grow more vocal. Yet, as the book, and the adaptation here of the China chapter, reveal, Lee is as sharp, direct and prescient as ever. Though the volume was completed before China's current territorial tensions with its neighbors, it helps expose, and explain, Beijing's hardball mind-set.

Over the years Lee has been called many things—unflattering as well as admiring. But perhaps the single most fitting description is: *The Man Who Saw Tomorrow*. —ZOHER A. BOOLCARIM





**Are Chinese leaders serious about displacing the U.S. as the No. 1 power in Asia and, eventually, the world?**

Of course. They have transformed a poor society by an economic miracle to become now the second largest economy in the world—on track to become the world's largest economy. They have followed the American lead in putting people in space and shooting down satellites with missiles. Theirs is a culture 4,000 years old, with 1.3 billion people, with a huge and very talented pool to draw from. How could they not aspire to be No. 1 in Asia, and in time the world? The Chinese people have raised their expectations and aspirations. Every Chinese wants a strong and rich China, a nation as prosperous, advanced and

**The sage of Singapore** *Lee's steely micromanagement of the Lion City brought out some of the worst in him; his geopolitical thought—incisive, prescient and at times brilliantly framed—some of the best*

technologically competent as America, Europe and Japan. This reawakened sense of destiny is an overpowering force. The Chinese will want to share this century as co-equals with the U.S.

**How will China's behavior toward other countries change if China becomes the dominant Asian power?**

At the core of their mind-set is their world before colonization and the exploitation and humiliation that

brought. In Chinese, *China* means *Middle Kingdom*, recalling a world in which they were dominant in the region, when other states related to them as supplicants to a superior and vassals came to Beijing bearing tribute. Will an industrialized and strong China be as benign to Southeast Asia as the U.S. has been since 1945? Singapore is not sure. Neither is Brunei, Indonesia, Malaysia, the Philippines, Thailand or Vietnam. We already see a China more self-assured and willing to take tough positions. The concern of America is what kind of world they will face when China is able to contest their pre-eminence. Many medium and small countries in Asia are also concerned. They are uneasy that China may want to resume the imperial status it had in earlier centuries and have misgivings about being treated as vassal states having to send tribute to China as they used to in past centuries. [The Chinese] tell us that countries big or small are equal; [that they] are not a hege-

mon. But when we do something they do not like, they say you have made 1.3 billion people unhappy. So please know your place.

**What is China's strategy for becoming No. 1?**

The Chinese have concluded that their best strategy is to build a strong and prosperous future, and use their huge and increasingly highly skilled and educated workers to outsell and outbuild all others. The Chinese have calculated that they need 30 to 40—maybe 50—years of peace and quiet to catch up, build up their system, and change it from the communist system to the market system. They must avoid the mistakes made by Germany and Japan. Their



competition for power, influence and resources led in the last century to two terrible wars. The Russian mistake was that they put so much into military expenditure and so little into civilian technology that their economy collapsed. I believe the Chinese leadership has learned that if you compete with America in armaments, you will lose. You will bankrupt yourself. So, keep your head down, and smile for 40 or 50 years.

#### **What are the major hurdles in executing that strategy?**

There will be enormous stresses because of the size of the country and the intractable nature of the problems: the poor infrastructure, the weak institutions, the wrong systems that they have installed. Straight-line extrapolations from [China's] remarkable record are not realistic. China has more handicaps going forward and more obstacles to overcome than most observers recognize. Chief among these are their problems of governance: the absence of the rule of law, which in today's China is closer to the rule of the emperor; a huge country in which little emperors across a vast expanse exercise great local influence; cultural habits that limit imagination and creativity, rewarding conformity; a language that is exceedingly difficult for foreigners to learn sufficiently to embrace China and be embraced by its society; and severe constraints on its ability to attract and assimilate talent from other [countries].

China will inevitably catch up to the U.S. in absolute GDP. But its creativity may never match America's because its culture does not permit a free exchange and contest of ideas. How else to explain how a country with four times as many people as America—and presumably four times as many talented people—does not come up with technological breakthroughs?

Technology is going to make their system of governance obsolete. By 2030, 70% or maybe 75% of their people will be in cities, small towns, big towns, megabig towns. They are going to have cell phones, Internet, satellite TV. They are going to be well informed; they can organize themselves. You cannot govern them the way you are governing them now where you just placate and monitor a few people because the numbers will be so large.

#### **How do China's leaders see the U.S. role in Asia changing as China becomes No. 1?**

The leadership recognizes that as the leading power in the region for the seven decades since World War II, the U.S. has provided a stability that allowed unprecedented growth for many nations including Japan, the Asian tigers and China itself. China knows that it needs access to U.S. markets, U.S. technology, opportunities for Chinese students to study in the U.S. and to bring back to China new ideas about new frontiers. It therefore sees no profit in confronting the U.S. in the next 20 to 30 years in a way that could jeopardize these benefits. Rather, its strategy is to grow within this framework, biding its time until it becomes strong enough to successfully redefine this political and economic order.

#### **What impact is China's rise having on its neighbors in Asia?**

China's strategy for Southeast Asia is fairly simple: China tells the region, "Come grow with me." At the same time, China's leaders want to convey the impression that China's rise is inevitable and that countries will need to decide if they want to be China's friend or foe. China is also willing to calibrate its engagement to get what it wants or express its displeasure.

#### **Will China become a democracy?**

No, China is not going to become a liberal democracy; if it did, it would collapse. Of that I am quite sure, and the Chinese intelligentsia also understands that. If you believe that there is going to be a revolution of some sort in China for democracy, you are wrong. Where are the students of Tiananmen now? They are irrelevant. The Chinese people want a revived China. Can it be a parliamentary democracy?

### **'[CHINA'S] CREATIVITY MAY NEVER MATCH AMERICA'S BECAUSE ITS CULTURE DOES NOT PERMIT A FREE EXCHANGE AND CONTEST OF IDEAS.'**

—FROM LEE KUAN YEW: *THE GRAND MASTER'S INSIGHTS ON CHINA, THE UNITED STATES, AND THE WORLD*

This is a possibility in the villages and small towns. The Chinese fear chaos and will always err on the side of caution. It will be a long evolutionary process, but it is possible to contemplate such changes. Transportation and communications have become so much faster and cheaper. The Chinese people will be exposed to other systems and cultures and know other societies through travel, through the Internet and through smart phones. One thing is for sure: the present system will not remain unchanged for the next 50 years. To achieve the modernization of China, her communist leaders are prepared to try every method, except for democracy with one person and one vote in a multiparty system. Their two main reasons are their belief that the Communist Party of China must have a monopoly on power to ensure stability and their deep fear of instability in a multiparty free-for-all, which would lead to a loss of control by the center over the provinces. To ask China to become a democracy, when in its 5,000 years of recorded history it never counted heads—all rulers ruled by right of being the emperor; if you disagree, you chop off heads, not count heads.

#### **How should one assess new Communist Party chief Xi Jinping?**

He has had a tougher life than [his predecessor] Hu Jintao. His father was rusticated, and so was he. He took it in stride, and worked his way up. It has not been smooth sailing for him. His life experiences must have hardened him. He is reserved—not in the sense that he will not talk to you, but in the sense that he will not betray his likes and dislikes. There is always a pleasant smile on his face, whether or not you have said something that annoyed him. He has iron in his soul, more than Hu Jintao, who ascended the ranks without experiencing the trials and tribulations that Xi endured. He is a person with enormous emotional stability who does not allow his personal misfortunes or sufferings to affect his judgment. He is impressive.

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# Two Steps Forward, One Step Back

## China's economic liberalization is foundering on a lack of political reform

YU HUA

I HEARD A STORY ONCE. IN BEIJING, IN the small hours of June 4, 1989, as the tanks and troops surged into Tiananmen Square, students and citizens went to block their way. Among them was a university student who dashed forward and hurled a stone at soldiers in a military vehicle. They replied with a fusillade of bullets, and he died in a pool of blood. His body was left among a pile of corpses, waiting to be claimed by relatives.

Several days later, his father, who happened to be a colonel in the People's Liberation Army, arrived and wailed at the sight of his son's body. A sympathetic army captain asked him softly, "Was he a victim of friendly fire? Or was he a rioter?" In the political environment of the times, if the son was a victim of friendly fire, there would be no impact on the colonel's army career. But if the son was deemed a rioter, the colonel's promotion prospects would suffer. Wiping away his tears, the colonel declared firmly, "He was a rioter." Attributing the killing to friendly fire would be an insult to his son's memory. The father hoped that one day his child would be rehabilitated as a hero.

Why am I telling a story from more than 20 years ago? It's because Tiananmen has had a profound impact on China since. Before Tiananmen, China had been going down the track of "reform and opening up" for 11 years. The reforms were not only economic but also political. Political change may not have kept pace with economic liberalization, but it was progress. After Tiananmen, however, high-level cadres realized that political openness posed a threat to the rule of the Communist Party. Political reform was halted while economic reform accelerated.

Despite its opaque political system, China has given birth to a remarkable

economic miracle. During the 1990s in particular, people were brimming with optimism as the nation went through boom times of high growth and low inflation. A few supporters of the 1989 protests even professed a grudging sympathy with the official response to Tiananmen, conceding that the blood of a few hundred students was the price of material progress for a billion-strong society.

Yet behind the veneer of prosperity,



Tiananmen 1989 A boom economy is not enough

crises are lurking. Since the beginning of the 21st century, China has paid a terrible price for its lopsided development as its widening wealth gap, environmental degradation and ubiquitous corruption intensify social conflict. The authoritarian development model has proved to be highly efficient in the short term but extremely problematic for the long run.

Over the past 20 years, China has produced as much pollution as the West did in the century or more since the Industrial Revolution. But environmental scandals—toxic water, poisoned crops, lethal air—hardly ever make headlines because the lack of political transparency has undermined the public's sense of entitlement. Cowed citizens have no

faith in their right to be informed or even to manage their health and surroundings.

The fall of Chongqing police boss Wang Lijun and party leader Bo Xilai reveals that a sense of entitlement—to be informed and consulted—is lacking even within the party. High-level officials cannot find out about the cases of Wang and Bo through normal means and therefore resort to online rumors, just like the general public. If American politics is a soap opera, then Chinese politics is a murky, suspenseful thriller.

When economic development takes place under a murky political system, the result is widespread corruption, and the government tends to deal with it in

an equally murky way—leading to yet more corruption. When a government official is detained for graft along with several businessmen involved in the case, often someone close to the prosecuting authority will visit the businessmen in prison, promising to get them released—if they agree to sell a few properties at a low price.

Today, what impedes China's development is no longer its economic system, but its political one. China's progress has become more and more difficult because every single forward movement runs the risk of hitting a stumbling block and is thus, more often than not, aborted.

A French friend of mine was told that during the Cultural Revolution, everything became its opposite—that green meant stop, and go was signified by red, the glorious color of socialism and the party. He asked me for my opinion of China today. Here is my reply: In China, both green and red lights flash at once. You can neither proceed nor halt—but are simply left to stare at the pile of June 4 dead in the rearview mirror.

Yu is the author of *China in Ten Words*



## A Murky Outlook

# On a plethora of issues, China's middle class isn't getting the openness it seeks

**W**ITH RECORD AIR POLLUTION hanging over China in mid-January, it made sense for celebrity blogger Li Chengpeng to wear a face mask. But the former investigative journalist, who has racked up 6.6 million followers on Weibo, China's version of Twitter, wasn't protecting himself from the foul air. Before a book signing for his latest collection of essays, *Everyone in the World Knows*, Li was told by authorities that he could take "no questions from readers, no talking at all—not even 'happy new year' or 'thank you.'" His response to the gag order? Sartorial subversion in the form of a black face mask. "The excessive concentration of power in China has resulted in the law being controlled by the powerful," he told TIME. "If there is not even freedom of speech, then I'm not optimistic about political reform at all."

**It has been just over two months since** China's new leader Xi Jinping became the most powerful man in the world's most populous nation. After a decade of paralysis under Xi's predecessor Hu Jintao, hopes have proliferated that Xi—a vigorous figure whose father was a reformist Communist Party elder—might prove more receptive to political reform. But to expect Xi to suddenly tear down the Bamboo Curtain just weeks into a 10-year tenure is unrealistic. And beyond the lip service the new Chinese Communist Party chief has paid to tackling corruption and promoting the constitution, there's precious little to signal his personal commitment to liberalization. Hu talked an awful lot about democracy and rule of law when he first came to power. Nothing happened.

The Xi decade has started with a distinct chill—and not just because the country is suffering its coldest winter in nearly 30 years. Internet controls have

intensified, with access to top foreign news sites blocked and rules tightened to force Chinese social-media users to reveal their true identities. Censorship has gotten so oppressive that journalists at *Southern Weekend*, one of the country's most respected newspapers, went on strike. The government's gargantuan propaganda network shows no sign of slimming down—Beijing's propaganda chief recently



**Behind the mask** Without free speech, there can be no political reform, says writer and blogger Li Chengpeng

admitted that the city's spin-doctoring effort employs 2.06 million people.

Speculation that China's system of re-education through labor, or *laojiao*, will soon be abolished means little for the 60,000 people currently toiling in its work camps without trial. And regardless of whether *laojiao* disappears, so-called black jails, which operate in a shadowy sphere completely removed from China's legal system, will continue to exist. Dissidents or petitioners can disappear without a trace or be charged with ludicrous crimes. In recent days, Chinese celebrities who supported freedom of expression in their online postings have been "invited for tea," a euphemism for intimidation sessions with security agents. Kai-Fu Lee,

the Taiwanese-American former head of Google China, posted a picture of a tea set on Weibo in response to the forcible cuppa he and others have endured.

**It's not just prominent Chinese or the** usual clique of human-rights campaigners who are speaking out. More than 10,000 people lined up in three Chinese cities to buy blogger Li's book, which details official failings, like corruption and abuse of power. A growing stratum of middle-class Chinese has more to protect and is using the Internet to police a government that appears unwilling to fulfill that task. Practically every day brings news of another wayward official brought

down by an online campaign to expose his lavish property holdings or harem. Protests against environmental degradation are also organized online. "We all hope our country can be stable and wealthy," Li told TIME, shortly after a pair of mysterious men tried to attack him at his Beijing book event. "Our criticism is our expression of patriotism. We try to change, not to overthrow."

Just as Li was signing books in the capital, the pollution turned so toxic that it far surpassed the highest notch on

the yardstick the U.S. uses to measure pollution—going "beyond index." Previously, Chinese authorities have underplayed the smog, referring to it as "fog" and arguing implausibly that Beijing's air has improved every year for the past 14 years. But this poisonous pall was impossible to ignore. Even *People's Daily*, the Communist Party's mouthpiece, ran a front-page story on it. One of the reasons for the noxious air is a spike in people burning coal to keep warm during this icy winter—so things should improve only seasonally, as the capital warms up. But a Beijing spring that brings the blue skies of political reform? Don't hold your breath. —WITH REPORTING BY CHENGCHENG JIANG/BEIJING