THE BROOKINGS INSTITUTION

CENTER FOR NORTHEAST ASIAN POLICY STUDIES
AND
JOHN L. THORNTON CHINA CENTER

CHINA'S SPRING AND SUMMER: THE TIBET DEMONSTRATIONS, THE SICHUAN EARTHQUAKE AND THE BEJING OLYMIC GAMES

The Brookings Institution
Washington, DC
July 8, 2008

Proceedings prepared from a tape recording by

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P R O C E E D I N G S

RICHARD BUSH: Ladies and gentlemen, thank you very much for coming. I'm Richard Bush, the director of the Center for Northeast Asian Policy Studies here at Brookings. This event is co-sponsored by the John L. Thornton China Center. My colleague Jeffrey Bader is the director of that center, but he is on vacation. So, he's here in virtual capacity.

I must thank Orville Schell of the Asia Society for giving us this opportunity to have this event today. And we're very grateful to that. I'm grateful to the staff of our two centers, and of our communications department for all their help.

I think this is going to be a really interesting event. We are very fortunate and privileged to have James Miles with us today. He's one of the most insightful and best informed reporters covering China today. He was the only Western reporter in Lhasa during the troubles of March. And he's going to talk about that, in just a minute. He's been in China for some time. He was first with the BBC. For some time he's been with The Economist in China since 2001. He wrote this book, "The Legacy of Tiananmen China in Disarray," some time ago, but it's still very good. It's about the China before last, if you will, but still very valuable.

For those of you who are standing, we have an overflow room, if you'd like to sit down. If you want to stay in here, that's fine too. James, why don't we start with Tibet? It's my understanding that you're still on that story. And, you continue to find new information about what happened in March. I wonder if you can fill us in, on your new understanding of what happened?

JAMES MILES: Well, thanks very much Richard. It's a great privilege to be invited to talk to you today. We often, as journalists, call upon the expertise of people at The Brookings Institution to help us make sense of what we're seeing in China. And so today is kind of pay back time for that, but thank you very much indeed for inviting me along.

Tibet has preoccupied me for much of the time since March. And I think it's worth explaining, first of all how I happen to be there, which was quite unusual. I've been a journalist in China now, for about 15 years or more. This was my first officially approved visit to Tibet. It came about I think, because of a conversation I had with a foreign ministry official, late last year, to whom I said kind of teasingly, that I had been in China all this time, and I've never been to Tibet. He said, why don't you apply then? Which I have to confess, I hadn't done for quite a long time. They do organize trips for journalists from time to time, in big groups, but it is very rare for them to allow individuals to go in.

I applied, and very rapidly, that request was granted. I was due to go in, in January, but it didn't fit in with my schedule. I then reapplied in February, and put down the dates of March 12 to the 19th, with no idea of course, that anything so big was going to happen. But knowing that March the 10th was a very sensitive period, and expecting that the Chinese authorities, or the Tibetan government would come back to me and say, come back some other time - it's not convenient. And I would have taken that on board and come back in April or May or whatever.

But they didn't. They were still willing to receive me, and even after the protest on March the 10th and 11th. And you'll remember this began in Lhasa, with large protests involving monks outside major monasteries on the edge of Lhasa on those two days. So even then on March 10th and 11th, they had another opportunity and I was fully expecting for them to call up and say it's no longer convenient. However they didn't, and I find myself heading into Lhasa by train from Xining, a wonderful train service by the way. Tibetan antelopes, wolves, extraordinary scenery, and many reasons one can complain from a Tibetan point of view, about the train service and indeed that event, I think, was a significant factor behind the rioting. But from a purely tourist point of view, it was a wonderful experience.

I find myself heading into what was already a huge story. The biggest protest in 20 years, and the only foreign journalist there on the ground. I was received by the Tibet government's foreign affairs office, on the following day, and welcomed to Tibet. I was told, "Mr. Miles, you're here at a very special time. You're the envy of correspondents, here in Lhasa. He wasn't referring, obviously, to what was about to happen, but to what had already happened earlier that week.

So there I was on March the 14th, out at the Lhasa Economic and Technological Development Zone, in the late morning. One of the most bizarre development zones I've seen in many years in Xining, and I've seen quite a few development zones. This one, a huge expanse of nothingness, with a couple of state-owned enterprises. Officials there who have no idea of how much foreign investment there was or what their plans were for the coming years. It was an excruciating ordeal.

And what I only really began to piece together after leaving Lhasa, was that just around the time I was sitting down for that interview, at around eleven o'clock in the morning, the unrest was already beginning, in the center of Lhasa. If you go back to the story that I wrote at the end of my trip there for The Economist, I wrote a three-page thing on what had happened. In it, I had a formulation which said something to the effect that the rioting spread out across the city a short while after a fracas, between monks and the members of the security forces, outside the Ramoche Temple. Perhaps I should indicate what we're talking about here.

DR. BUSH: Yes, do you mind?

MR. MILES: What we're talking about here [points to map].

DR. BUSH: Yes, here's a mic. Just stand at the podium if you want.

MR. MILES: Sorry, it's all in Chinese, but if I can make it out myself, there it is. No, it's not showing up on the screen. This is the Ramoche Temple here. The Jokhang Temple, these are the two main temples of Central Lhasa. And this Ramoche Temple is where things began that morning.

Now what I'd figured at the time was that the unrest had begun shortly before. I saw it shortly after one o'clock flaring out across this whole old quarter of Lhasa, centered on the Jokhang Temple. What is now much clearer, is that the unrest had in fact begun outside the Ramoche Temple, significantly earlier than I had thought at first, at around eleven o'clock that morning.

This makes quite a big difference in terms of the way we interpret what happened there, or try to make sense of what happened. Because the big question, while I was watching all this happening, is how come when I arrived at around 1:15 pm back out here on Beijing Donglu, which is the main East-West thoroughfare, going through Central Lhasa.

I arrived there at around 1:15 pm and saw this rioting spreading rapidly. Tibetans throwing pieces of concrete at Han Chinese passersby, throwing missiles at shops, at passing taxis, most of which are driven by Han Chinese. It was raw ethnic violence. But against a most unusual background, given that the previous day I'd seen a huge amount of security in Lhasa. More than usual, the People's Armed Police – plain-clothes police, regular police – deployed hither and thither all around this whole area. They significantly stepped up security, and obviously, in response to the protest that had been going on the 10th and the 11th.

The big question was, where were they all? What kind of made sense to me at the time, as an explanation for this was that what had begun as a kind of standard Lhasa protest involving a small group of monks making some political demands, saying "long live the Dalai Lama" or "free Tibet," had unusually in this case, before the authorities could respond effectively to it, ignited the ordinary citizenry of Lhasa as well as visitors. It had spread into widespread violence, before they had time to cordon off those initial protestors, contain them and defuse the situation.

Where as now I think we're looking at a rather different scenario, where in fact this was going on for maybe as long as a couple of hours outside the Ramoche Temple, in quite a confined area of the city without any obvious attempt to beef up security.

So long before it became a large-scale riot, it remained a small-scale one for a significant period. Beyond trying to contain it with the police who were already deployed around that temple, we didn't see any real effort as one might expect, to try and contain it within this area and to seal off access to it, which as you can see would have been relatively straightforward. I was driven back from the development zone, which is way off to the west of the city back along this road, in my government car with my government minder and dropped off close to the epicenter of this, at around 12:30 pm.

With all of us blissfully unaware of what was going on and with no sign of any security along Beijing Road here, we agreed as I got out of the car, that we would meet again at that same spot at three o'clock, for me to go off to an interview with the Vice Chairman of the Tibet Autonomous Region. It was only after I went back to my hotel, which is just south of Beijing Road here, and had ordered lunch, that somebody came in to the restaurant and told me I ought to go back out onto the street and see what was happening.

In other words, I'd driven through the heart of what was to become one of the most seriously affected areas of rioting in the city. With this having already been going on an hour and a half, and not seeing any security whatsoever.

What I only discovered after leaving Lhasa was that there had actually been a very brief and small attempt to seal off this street here. It's called Ramoche Temple Road and at around one o'clock, three truckloads of the People's Armed Police pulled up at the intersection there and deployed, crouching behind shields. You may have seen the photograph. I think it was published in one of the papers here, but these people crouching behind their shields with the helmets just visible over the tops of them, with pieces of concrete and so on, scattered in front of them.

The impression you might get from looking at that photograph, was that this was a kind of common scene around Lhasa at the time. It wasn't. It was unique and lasted only for a few minutes. Those people were deployed at that intersection for less than ten minutes, according to a number of eyewitnesses I've interviewed since. Before they were charged by – rushed into by citizens along Beijing Road. They scattered. Some of them left their shields behind them, and I didn't see any security. I didn't see that particular deployment, but I didn't see any security until early evening that day.

Most oddly, in an additional layer of oddness on top of all this, was that these people wearing People's Armed Police uniforms also included a number of people wearing helmets, carrying shields, but in civilian dress. These were not, by the look of them, people prepared to deal with an angry mob much less to strike out and contain them. It was a token response and we have to ask ourselves why on earth we didn't see much more happening in that first couple of hours.

I think there are a number of possible explanations here. One is just sheer incompetence and paralysis of the decision-making mechanism. We know from the emergency regulations, Lhasa like most other Chinese over the last couple of years, has introduced detailed regulations for emergency response to certain incidents including social unrest, but including a whole gamut of issues. And this was part of a kind of stepped up bureaucratic awareness prompted by the SARS outbreak in 2003, which focused a lot of minds in China on one of the emergency response systems.

Lhasa, like the others, had detailed rules for all this introduced a couple of years ago and setting out descriptions of what would amount to a major incident in Lhasa and what the reporting up procedure was for such an incident. What was going on outside the Ramoche Temple for that couple of hours in that small area - small although it was, would still have been classified as a major incident that required reporting up to the State Council level, right away.

So you can imagine that in that process, things might have got clogged up. But we would then have to explain why it is that given the protests on the 10th and the 11th, the obvious heightened security on the 12th and 13th in the city generally? Why with all this obvious unease that had been apparent even before March 10th, with exiles and Dharamsala calling for this year to be used by Tibetans as a way of drawing attention to their grievances under the – using international attention focused on the Olympic Games?

It was clearly going to be a rough ride for them. And they were clearly taking measures on the 13th to keep things under control. Why did they suddenly disappear? Why, when things were referred up, but it's in this weight, did they not have a plan worked out? Or at least why wasn't it easy to simply deploy people on the margins of this and then wait for it to fizzle out in this small, confined area?

Instead, what we saw was them drawing back and letting it fan across the whole city. Focusing on this old area, but as I saw on the 17th, when I was able to go around much more extensively. It had gone well into ethnic Han parts of Lhasa as well.

The explanation I think that one must consider, although I have no concrete evidence for this but these circumstantial bits and pieces I think certainly raise this possibility, is that the authorities had indeed worried that Lhasa was becoming explosive. They were heading towards the Olympics, with the torch due to go up Mount Everest and go through Tibet, including Lhasa in June. With the possibility that the world's media - not just me, as it happened in March, but hundreds of foreign journalists - would have been there for the torch. Exiles sneaking back in from India and elsewhere, and sympathizers, and all sorts of people, who would have seen this as a golden opportunity to create trouble. And therefore, possibly it might have occurred to them, that dealing with this early on, letting it flare up, and then having a pretext to clamp down and impose blanket security on Lhasa, well before the world's attention

began focusing on that region in China generally, just before the Olympics - it would have seemed perhaps an attractive option to some Chinese officials. We do know, looking back over the last couple of years, that in spite of the apparent calm in Tibet, since the late 1980's, that relatively speaking little incidents here and there. A riot in 1993, but generally speaking, certainly compared with the turbulence of the late 80's, a more stable period in Lhasa's history.

Yet the launch of this train service in 2006, and even within the Tibetan Government bureaucracy, rang some alarm bells. We know from their own official writings that they were circulating a document in that year. Not, sadly, available to the public, but which warned of possible ethnic tensions arising because of the train service. What was very apparent to me, watching all this, was that there had been in addition to the long running influx of Han Chinese over the last several years; in the last two years in particular, quite a significant change in the ethnic mix in Lhasa. That they themselves had identified as a likely outcome in 2006, had been training for, conducting series of rapid response exercises with the PAP and Lhasa police around the time of the opening of the train service in 2006, with a massive security operation aimed partly at dealing with feared terrorist attacks on the train, but also dealing with what they call sudden incidents, in other words riots.

They were training for this, and again in 2007 for the 17th Party Congress, a similar series of exercises and around the time of the national holiday last year. All designed to kind of test these emergency response mechanisms. So, it becomes bizarre then that we see things disappearing so quickly on this morning of the 14th.

What I think is unlikely that they calculated, is the knock on consequences of all this. The ripple effect across the whole of Tibet and neighboring ethnic Tibetan regions; those protests occurring because people elsewhere in Tibet and Sichuan, Qinghai, Gansu and so on, had the perception of the major uprising of a kind of 1959 nature, that had been cracked down upon, bloodily by security forces. And hence a need for people, as they saw it, to come out in sympathy with all this.

So, the knock on effect in the rest of Tibet was to produce a very political stroke, religious focused wave of unrest. Whereas what I saw in Lhasa, was something very different. It wasn't obviously political. I didn't hear people chant slogans or march down the streets with banners or Tibetan flags - none of that. What I saw from start to finish, was ethnic violence targeted against Han Chinese shops, primarily once Han Chinese people had fled the scene, in the early afternoon of the 14th, it was focused almost entirely on property, and also against the properties of Hui Chinese; very deep and long running animosities between the Hui people of Lhasa and the Tibetans.

I think the authorities may well have calculated that as they stood back and watched this happen, that they might get a bit of [inaudible] for this. It wasn't

another Tiananmen; they didn't go in with guns blazing. The first time I can confirm that I heard any shooting definitely, was the afternoon of the 15th. But before then, although there were periodic bangs around the city, one couldn't be sure that these were anything more than explosions caused by people throwing gas canisters into fires and various other crackles and pops related to the intense conflagration around much of the old city at that time.

What we saw was no attempt by the security forces in that part of the city. The old part centered around the Jokhang and the Ramoche Temple area, and no attempt by them to move in, in a concerted manner until the middle of the following day.

People were waking up on the morning of the 15th having indulged in several hours of rioting the day before, and many of them I think expecting then the security forces would be everywhere. But coming back out into these narrow alleys around here, and realizing they still weren't there. And the rioting picked up again. The very few number of shops that hadn't already been burned or looted were attacked by groups of mostly young men, to begin with. Of course it took a bit of strength to get into these places, but followed up by sometimes women and children, and continuing until roughly the middle of the day on the 15th, when pretty well everything that could be destroyed had been destroyed. The security forces during the night had deployed along Beijing Road here. But when I woke up on the morning of the 15th, at around – I mean I was still awake during much of the night as well.

Around dawn, after I went out, there were troops all around the road but not actually armed with rifles at this stage. Soft hats and batons and staying there, and it wasn't until the middle of the day on the 15th that we saw the nature of that security deployment changed to people with helmets, carrying rifles and more and more armored vehicles moving up and down Beijing Road here.

And then at around mid-day on the 15th moving into these allies, small groups of troops, shooting occasionally as they went through, but not in a way that suggested to me that they were shooting at people. Rather I think these were warning shots, single shots. We didn't even hear rumors from the afternoon of the 15th onward, of people being targeted in this shooting. Certainly no sound or reports of bullets hitting masonry, much less hitting actual people.

So, I think that remains an open question, as to whether anybody was actually killed in Lhasa at all on those two days. There had been persistent reports of a large number of casualties, which had come out of the Dharamsala Camp. Their figure is now more than 200, but that encompasses the whole of greater Tibet. We do know, or we're pretty sure that people were killed in Sichuan. There were possibly several dozens of people killed in that area, but hardly any detail of what might have happened, in terms of killings by the security forces in Lhasa itself. Certainly no photographs have

emerged, and many people in Lhasa as elsewhere in China have camera equipped mobile telephones. We haven't seen any pictures of the security forces using violence against people, much less of anyone actually affected by such violence. The only real kind of security deployment, before that sort of big surge late on the 15th that we've seen pictures of, is that bizarre deployment that I mentioned at one o'clock in the afternoon of the 14th.

So I think as they stood back and watched that happen, and in effect let Lhasa burn, they may have well been expecting that the naturally sympathetic with the Tibetan cause would be restrained in its response, in it criticism, in the way that the authorities had handled this. That they would see this as an act of restraint and that the knock on effect of this given the clear ethnic nature of the writing might not be so big across the rest of Tibet.

In fact, it was events on the 14th and the 15th I think were far more confusing to the rest of the world, and the rest most crucially of Tibet, than it appeared to us watching it. There was a widespread perception of a major military crackdown, of significant bloodshed, and the result was unrest right across the region in more than 90 places so far that have been counted. Plausibly this time, by the exiles.

What we have I think at best was a monstrous sort of failure of decision making at the outset of this, but I'm increasingly inclined to think a deliberate standing back that led to huge and unintended consequences. Although the central aim, if that what it was, of establishing control in Lhasa, certainly was achieved. And we just saw of course, the torch passing though Lhasa, obviously in an abbreviated way, but with only a hand-picked group of journalists there, massive security and little if any possibility of any serious disruptive behavior from Tibetans.

So from that point of view, perhaps they might be congratulating themselves on that strategy, if that is what it was, but I think it's something we have to consider; that the problems in Tibet were manmade. It's still intriguing to me that unlike some of the other crises we've seen develop in China this year, but particularly the recent riots in Guizhou, where the response has been a very different one. A recognition of a wide arrange of grievances that have fed into this problem, other than the question of whether or not this young woman was murdered or committed suicide and so on, but a rapid recognition of festering grievances among the citizenry in general, and of the legitimacy of some of those grievances. And rapid action to punish officials as a low county level, in response to that.

In Tibet, we haven't had that reckoning yet, that analysis by the Chinese, of what exactly happened. We haven't in all of this, seen any attempt to separate out what happened in Lhasa from what happened elsewhere across the greater Tibetan region. Look closely at how, if those economic and ethnic grievances had been

addressed more effectively than the general political problem in Tibet generally, might have been somewhat easier to deal with.

It was striking to me, watching all this, that hardly anyone said to me, as I watched this violence occurring, that this was anything related to independence or support for the Dalai Lama or anything else. Inflation was in fact one of the issues that kept coming up. Oddly, the price of clothing, which I was told had risen very rapidly, and there was resentment expressed that officials had given the impression that this new train service would help somehow keep prices down in Lhasa. It hasn't, and Lhasa like the rest of Tibet, has experienced an outbreak of inflation over the last couple of years. A great deal of unhappiness over this and an obvious target for that unhappiness, given that so much of the retail sector in Lhasa is controlled by a different ethnic group.

So the whole thing makes sense, as an ethnic, economic problem of the kind we're familiar with in our own big cities. Long-simmering tensions between members of an ethnic community that feels marginalized, that feels politically marginalized, as well as economically marginalized. A small incident between members of the security forces and members of that ethnic community, flaring out into massive rioting.

But in Lhasa, I find it hard to believe this would have happened at all, had it not been for the security forces decision to stand well back and let that area of Lhasa be consumed by what was in effect anarchy.

So that's the kind of take I've been working on, recently Richard.

DR. BUSH: Why don't we go ahead and open the conversation to the audience. I'm sure they have many questions. And why don't you field the questions, and people should be free to ask about anything. Not just Tibet. Anything about China, Nationalism, economics and The Olympics. If you want to ask a question, raise your hand, wait for the mic, and identify yourself. So, who wants to ask the first question? Okay over here.

QUESTION: Julia Chang-Bloch, U.S.-China Education Trust. I just came back from China with Jonathan Kaufman of The Wall Street Journal, as a speaker in one of USCET's Media Programs. And he spoke at universities in Beijing, Shanghai and Nanjing. Everywhere, the question about the western media's coverage of Tibet came up. In fact, many of the questions from the students reflected your take on the situation that the western media took this as an independence, human rights problem and not so much as an ethnic economic problem. There was without exception, condemnation of the unfairness in their perception of the coverage. With some of the experts, they did raise the issue, from the perspective of criticizing their government for not handling the situation well, including criticism of the torch relay, the fact that it was in fact conjured up by the government as a PR effort. How could they not anticipate that

the world might turn it against China? But again, the overall criticism from the experts who were more sophisticated, people in the audience centered on the criticism of their government for being too soft.

I wonder whether you might comment on the follow-up talks between the Dalai Lama's people and the Chinese government. Is that just sort of symbolic on the part of the government? Especially since the reports in the papers have been that the talks have come to nothing. And what do you think will be the implications of all of this, in terms of the Chinese government's possible reconsideration of their Tibet policy, which obviously has not worked?

MR. MILES: Thanks very much for that question. I think it's a crucial one to tackle. I think what we saw in terms of the security response on the 14th and 15th, and I'm pretty sure I'm right, that this was defined by their calculations of how things might play out in the lead up to the Olympics, and play out in terms of western response to Tibet. In other words, the Olympics was a major factor in what occurred in Lhasa and beyond.

The Olympics was clearly a major factor in their decision to reopen talks with the Dalai Lama, and an unusual one, given that we had been expecting – had been widely thought among people like myself and diplomats watching this in Beijing, that talks were unlikely to resume between the Dalai Lama's representatives and China until quite a long time after the dust had settled. Which it distinctly had not, by the time the first round of talks occurred between them after the rioting.

But it is very hard to imagine, and I think we've seen this confirmed by the lack of any kind of meaningful outcome of the second round of talks. It is very hard to imagine what the kind of end game of such a dialogue could be. The Chinese do not want the Dalai Lama back in China. From their perspective I think it would be seen as bringing in a Trojan horse. A champion of democracy who would – no matter what he said – be trying to whittle away at Chinese sovereignty over Tibet. That is, whatever promises he might make beforehand, could certainly not be relied upon to be fulfilled after his arrival in China.

From the Dalai Lama's perspective, beyond simply pleading with the Chinese to not crack down too hard on people in Tibet, I don't think there is on his part a great desire to go back, nor is there a real expectation that a real political solution can emerge to this.

I think what's curious to the whole dialogue process is that in a way it's a recognition by China of the importance of the Dalai Lama. His authority, his religious authority obviously not his political significance, but it's a recognition of the institution of the Dalai Lama, and from that perspective it is important, and to ordinary Tibetans with sensitive antennae anyway, will be reassuring.

But the real dialogue that should take place and isn't, is between officials and ordinary citizens in Lhasa, to try and work through some of these issues. Questions of how Tibetans in Lhasa can get more economic opportunity in this boom that's taking place in the region. Seven straight years of double-digit growth. 14 percent I think last year. Very fast rising incomes, in urban and rural areas of Tibet. Oddly, in fact, faster in rural Tibet than in urban Tibet so a reversal of the general trend in China.

But clearly a lot is happening apart from of that bleak economic and technological development zone. A lot is happening, tourism wise, particularly in Lhasa. But a big ethnic group, not participating in this, to the degree that it should be. But, so far since March a complete failure by the authorities to kind of address that head on and to encourage ways of thinking of solutions to this whether it's getting ordinary citizens in Lhasa involved, or encouraging think tanks or whatever in other parts of the country, to come up with ideas. There has been by China, a politicization of the problem, a tendency now to look at this as a completely political one, as something orchestrated by the Dalai Lama, which I saw no evidence at all and seems to me utterly implausible. Whereas what one did see, was entirely plausible as a spontaneous eruption of anger relating to this long, festering economic and ethnic grievances. So I don't really see this process going much of anywhere ever basically.

DR. BUSH: Yes, go ahead sir.

QUESTION: Thank you very much for a very interesting talk. My name is Josh Eisenman and I'm with the American Foreign Policy Council and UCLA.

Let me step back for a moment. I've heard you mention the Western press. Certainly the Chinese mention the Western press constantly. As somebody who is always reading the press, I'm always reading the Asahi Shimbun and The Press Trust of India, all of these non-western newspapers, which are reporting on these incidents.

So I want to kind of step back from maybe even the issue of Tibet for a moment, and ask you what to your average Chinese does the words Western press mean? Is it often this blanket used to describe a mentality, rather than where these newspapers come from? I feel like the Western press is often set aside, it's the other, it's us versus the Western press. But when I look at Eastern presses, like the ones I mentioned, I see something very different than what I see in Xinhua. So can you, as somebody who's worked since you know for quite a while in this field, kind of lay the guidelines of how you think these lines are drawn and these distinctions are made?

MR. MILES: That was a very interesting question. And there has not been in the Chinese response to all this, any kind of sensitive understanding of the terms they're talking about. The Western media covers everything from the sensation seeking tabloids to The New York Times, and The Economist.

There's no distinction between 24-hour broadcast media, and the print media, which is a crucial distinction, given that much of the Chinese criticism of the western media has in fact focused on reporting by CNN and the BBC, without any kind of awareness of what it is these organizations do generally, which is crank out 24-hour news, instant responses on the margins of which mistakes are made.

24-hour news of this nature is a relatively new phenomenon that has taken shape since the late 1980s but has accelerated through the 1990s and very little understanding of this in China. How different this is from the rest of the media, and what sort of pressures they're working under, and what sort of standards are expected of those kinds of media, by those who are consuming their output.

It's not as if all of you are simply getting your information from the CNN or the BBC. It's a heads up; you follow through with reading of other media, and then form your own judgments. So I think a good deal of this was born of a complete misunderstanding the way the media had been changing outside China in recent years.

But also, I think it's important to kind of define the group that we're talking about. This anti-Western media vitriol that we saw erupting after the events in Lhasa and Tibet, generally was the most vicious that I have experienced in all these years of reporting in China, going well back to the mid 1980s. There was a bit of an anti-Western media thing after Tiananmen, but that was officially orchestrated, and of course we saw outbursts of anti-Western sentiments in response to the bombing of the Chinese Embassy in Belgrade in 1999. Unless visibly, but it could certainly be felt after the EP-3 incident in 2001.

But we're talking here I think, the people who were flooding into internet chat sites in China, setting up this website Anti-CNN.com with its bullet holes through the masthead at the top, and sending death threats to journalists. Two or three of my colleagues thought it prudent to leave Beijing and lie low for a while. It was getting that bad. And this was, not explicitly condoned perhaps, but at least to put it politely, far from sufficiently condemned by the Chinese authorities. So it gained legs as a result of this stand back approach from the Chinese authorities themselves.

I think those involved in this were primarily a very young group in China. People in their late teens, twenties, early thirties perhaps. A generation of Chinese, who've grown up knowing nothing but good times. Who've seen China emerging from being a marginal player in the world, to now a central one in many respects. From their point of view, untold freedom an opportunity in this new China compared with that experience by their parents, opportunities to forge their own careers, create their own businesses, chat freely to a very large extent on the Internet, engage in debates of pretty well every aspect of policy, from whether or not China should become a multi-party system. Pretty freely in the same way that we do here. It's this group of people, I think, that were largely behind all of this. A sudden sense of confusion on their

part, that the West just doesn't get it about China. That it is, in spite of all this economic engagement, determined to restrain it, attack it, and find fault with it.

And perhaps most disturbingly in all of this, this amounted to not just an attack on the institutions of the western media, of course we all find fault with and by no means a perfect profession, but a questioning of the conventional line political institutions behind all of this, and western democracy, freedom of speech generally. The new term in China, the buzzword on the Internet, is of the angry youth. The *fenqing* and there are many of them out there. Despite the government's kind of standoffishness in the midst of this furor and to some extent it was the great tragedy of this earthquake occurring when it did, had some beneficial impact in the sense that it kind of helped diffuse this tension and diverse it towards another end.

But the authorities, while appearing to giving a nod and a wink, have also been deeply disturbed by it. It goes quite against their interest generally. We've seen through this year, continued efforts by the Chinese on a number of fronts, to solidify relationships with neighbors. With Japan, with Taiwan, and continuing strategic dialogue with America.

That's the way I think at the government level, there is still a demand, but I think what is changing with the emergence of this new cohort is the holes of the psychological background to this debate generally in China. I mean, I think it's hard to overstate the degree to which in the time that I've been in Beijing for *The Economist* since 2001 – the degree to which urban psychologies have changed, how the proxy revolution and privatization of properties into late 1990s has changed the way that ordinary people interact with government, their expectations of government, of course all of this happening in tandem with the internet revolution, and much as there is a tendency to complain about the way that the internet has manipulated in China, overall it has provided a massive new space for free debate within urban China.

So, these people are able to express themselves much more readily. A different relationship is now emerging between the people and the government, and I think what's significant is this year amidst these crises is that we've seen, you know, this balance between the power of the public and the power of government begins to shift even more swiftly than we've seen over the last few years. The response to the riots in Guizhou, the huge amounts of criticism which, again, you know, given all the expectation – well, the analysis that was commonly put about in response to events in Tibet, as well as the earthquake. Somehow these events have strengthened the cohesion of the Chinese people and their general support for the Communist Party in the system. On the contrary, when it came to the rioting in Tibet, there was a rapid recognition of major systemic [inaudible], which was highlighted by users of the internet and to which the government then rapidly responded. We've seen a kind of raising of public expectations as far as how government should respond this year, and although there's been a lot of negative attack on the Western media, I think much more interesting to

watch in some ways is how expectations are now rising in China of a different kind of government at home and the whole response to the earthquake involvement therein of civil society, organized attempts by civil society NGO groups to getting together and coordinating their responses to all this, and the non-Party part of the Chinese state has responded dramatically to this and that has set a difficult precedent for the Party in the future. So, yes, there's negativity against Western-style democracy, which I think is kind of a venting frustration of poor governments at home in many ways, and I think the Party will be under increasing pressure from ordinary citizens through the Olympics and well beyond as a result of the kind of developments we see this year.

Yes.

QUESTION: Thank you. Richard Sullivan. I'm a free-lance writer. Two unrelated questions. Could you talk a little bit about the reasons for the Hui-Tibetan conflict and loss in other areas in Tibet; and, secondly, what do you expect Tibet to look like at the time of the Olympics? It's going to be flooded, I'm sure, since it's open now, with tourists as well as correspondents. How are the Chinese going to react to all that in your view?

MR. MILES: Well, the Hui-Tibetan animosity, which, although it hasn't received anything like the kind of attention that the Han-Tibetan issues have, is a crucial feature of society in Lhasa. There is an ancient Hui community there with its own mosques, a very large one in this old Tibetan quarter, and while many of the retail outlets in Lhasa are controlled by Han Chinese, one crucial part of that business – namely, the meat industry – has traditionally been controlled by Huis. Tibetans traditionally have not liked to be involved in the killing of animals, and delegated that responsibility to another ethnic group.

I spent a rather bizarre night on the 15th of March. After the troops had moved into the alleyways of old Tibet and established complete control, there was a knock on my door around midnight and telling me to get up onto the roof of the hotel and as quickly as possible, so I did, and people had gathered there and on neighboring rooftops with piles of stones and which they had gathered, as I was told, to fend off a counterattack by Huis who were supposedly angry because the mosque had been burned. As far as we know, the mosque itself hadn't been burned, but there'd been indeed extensive damage around the mosque and Hui shops there had been gutted. Tibetans were afraid that night, not so much at that point of a knock on the door from the police and people being dragged off, but of Huis coming back and setting fire to their homes and, hence, all around that area of Lhasa were gathering on their rooftops to fend them off rapidly. Within half an hour or so, and there was a kind of stand-down across the rooftops as people realized or rumors spread that the security forces had cordoned off the Hui area and they weren't going to go anywhere that night. It pointed to the degree of animosity that it was the Huis they were concerned about rather than the Hans at that particular stage.

I was in Qinghai just a few days ago in fact because I wanted to see how far I could get into these other Tibetan areas of China where reportedly there'd been this huge clampdown, and we know that many journalists had been sent back from these other provinces neighboring Tibet. So, I went there – this was about a couple of weeks ago – to Qinghai and drove three or four hours south of the provincial capital Xining to Longwu Monastery, which is one of the areas most affected in the immediate aftermath of the rioting in Lhasa. It was interesting, just as a footnote to all of this, seeing government posters up there in the streets of the town put up by the local government as well as by the provincial authorities calling on rioters to hand themselves in, but setting out the dates of this unrest to February the 21st, well before the rioting occurred in Lhasa. We tend to think now that March had been the starting point in Qinghai, apparently not. It had started on February the 21st around Longwu Monastery as a result of a dispute in a marketplace between Huis and Tibetans, a kind of ordinary thing that opened into violence and the police weighed in, which then inflamed the Tibetan community as well as the monks in the nearby monastery and large protests outside the local government headquarters. So, not political, but very much ethnic.

What we then saw develop after the March 14th riots in Lhasa, was a change in Longwu and then the issue became very political, but from the Qinghai authorities' perspective, the unrest in fact again long before it started Lhasa.

Yes, right in the back.

QUESTION: I am Chia Chen, a freelance correspondent. Over the years, I think you have been in Tibet several times. As to your observation, can you say something is a trend in terms of progress and [inaudible] deterioration in various area and in particular to this last trip, what's the period of time you were there and what's your original purpose? Also as I heard, the Chinese people observe the local government really have a slow response, and why the local government not to follow the rapid response rule. After work the central government have some [inaudible] action on the local government. And you just said you moved to Qinghai, and I would like to know have you been to Sichuan, the earthquake area, and if you were there what do you see? I also heard that the Chinese people in the earthquake area are the minority, and so since the Chinese government, the central government, reaction to the minority and the Han people are quite different, can you say something about what I just said? Thank you.

MR. MILES: Thank you. Well, there are a lot of questions in there, but I will pick out one or two I'd like to answer.

As to the earthquake in Sichuan, yes, I did go there. I arrived about a week after it happened, and it was one of the nice remarkable things I've seen in terms of a government response to emergency in China that I've experienced in my time there.

I went up to Jinjiang, north of Chengdu, a two- or three-hours' drive, and I was interested primarily in the refugee situation and on the margins of this by this stage whatever rescue work could be conducted, had been conducted already, in the worst damaged towns. What I wanted to look at was the refugees who had been brought back from the central areas into encampments in big towns and cities like Jinjiang, and it was truly remarkable to go there and see the degree of coordination that I saw between governments and NGOs kind of pitching in together, the degree or orderliness to all this and given the kind of experiences that these people had gone through, and most of the refugees I saw had come from Beichuan, which is one of the worst devastated towns. But they were queuing up in an orderly manner for food supplied both by the government and even better food by private organizations, with officials manning desks to handle the media in the various places that I went to. Unlike in such situations normally in China, there wasn't an attempt to keep one away from information but rather to provide as much as possible.

Since then, we've seen a somewhat different picture emerge in the earthquake area and more restraint imposed upon the activities of foreign journalists and particularly, of course, as you know, the attempt to keep them away from family members of children who were killed when the schools collapsed.

But the general picture, apart from that one area of embarrassment, authorities I think at all levels are determined now to keep us away from, but generally speaking the degree of access and openness in Sichuan has been absolutely remarkable. But then you have to look at what's going on right next to the earthquake area, in Ngawa prefecture, you know, at the center of all this, is also inhabited by many ethnic Tibetans. We can't go into those ethnic Tibetan parts of Sichuan, I mean, unlike the kind of relative freedom that I enjoyed to drive around in Qinghai a few days ago. I did pass through a couple of police checkpoints but they were terribly polite and no effort was made to stop me. That's not the case in Sichuan where I think the situation remains very tense between Tibetans and the authorities. They are less under control than the rest of Tibet and Qinghai, and indeed in Qinghai, in spite of the crackdown that we've been hearing on with respect to the Dalai Lama and all this patriotic education that's happening that is intended to get monks to criticize the Dalai Lama. In fact, I saw the Dalai Lama's picture up there in a temple in Longwu, a couple of pictures of the Dalai Lama in public places in Kumbum Monastery just outside Xining. That kind of strange ambivalence in terms of official attitudes towards the Dalai Lama still persists in Qinghai, which has been, for many years, controlled somewhat differently than the rest of Tibet.

But in Sichuan, things fester. There was clearly very serious violence there in response to the unrest in Lhasa. Troops did open fire. Several people were killed. We don't really know much more detail than that, but that minimum I think is a convincing enough picture, and the authorities are determined to keep us well away

from that regardless of the kind of openness that's been on display just next door in the earthquake zone.

Yes.

QUESTION: Charlotte Oldham-Moore from the Congressional Executive Commission on China. Recent official reports from China on the release of Tibetan detainees say as many as 3,000 people have been released, and many considered guesstimates, because we don't have access to facts and information the way we should, about a thousand may be in detention still or unknown. Families haven't been notified, don't know where they are. What is your best guess of how many people may be detained and how the Chinese government will process those people? Will it be after the Olympics? Will we ever know their names? Will their families be notified? What is your sense of how this will play out?

MR. MILES: Well, we just have no way of knowing basically. We don't have the access to build up those kinds of numbers. All I can say is that from my own visit to Longwu Monastery in Qinghai, monks there spoke to me of some 200-odd people who'd been arrested in that particular monastery, which has 500 or so monks normally, but how many are still in detention, how many have been detained and subsequently released and so on – I don't have a clear picture and in spite of what I've been saying about sort of relatively unfettered access there, it should be stressed that the monks themselves are still very nervous and the presence of a foreign journalist is unnerving for them, and so getting this kind of detail is next to impossible. I think we can be fairly confident that there have been widespread, sweeping arrests and there will be a long process of dealing with these people, sorting out the supposed ringleaders and sentencing them and letting many others go, the same kind of process that saw after previous major eruptions in Tibet, as well as the unrest in Beijing in 1989.

Yes.

QUESTION : Hi, Major Kevin Kearney, U.S. Army. I was in Chengdu on the 15, 16, 17th of March as well, in the capacity as a student, but of course my eyes are still those of an Army officer, so I thought I'd share my observation we talked about beforehand to sort of reinforce your analysis. The Chengdu military region of course at the headquarters that will be responsible for responding to what was happening in Lhasa, Qinghai, Sichuan, and that area, and if you compare it with what happened in 1989, which would probably fall into the category of an unanticipated crisis where the PAP sort of had a false start – they were kicked back by the locals in Beijing, at which point military forces from outside Beijing were brought in and they were the ones successful in actually clearing Tiananmen Square. That would be an unanticipated crisis response. What I saw in Chengdu was very different, now, as I was moving through from Chongqing to Chengdu past 150 different vehicles, PAP, special police that were moving north up to Songpan, almost to that area. But in Chengdu what I saw

were the special police brought in from outside Chengdu and conducting joint patrols with the PAP in Chengdu at the city square there. The PAP – the local PAP – were still wearing soft caps, still carrying the batons, with pistols holstered if they carried pistols at all, but special police who were outsiders were wearing body armor, Kevlar, carrying semi-automatic rifles, the implication there being that if there was going to be a show of force, they needed to do it early to show a decisiveness to prevent the coalescence of the 30,000 Tibetans that live in Chengdu, and, of course, the city square it was very peaceful. People weren't willing to engage me as one of the foreign guys walking around trying to visit with people. And the fact that if there was going to be a need for some forcible impression of anything that happened in Chengdu, the outsiders were already there and ready and willing to hack it, so from my perspective, that supported the analysis that this was rehearsed, this was anticipated. I wouldn't say it was staged or provoked but anticipated response, and of course, you know, there were plenty of military forces in Chengdu who could have responded. Those were deployed outward and other folks were brought into Chengdu. That would have been an epicenter and a major metropolitan area. So, I just thought I'd share that and I'm anxious to hear your thoughts on how that supports what you saw in Lhasa.

MR. MILES: Well, yes, you know, contrary to the view, I think it was commonly reported in foreign publications at the time. I don't think that the authorities were nearly as taken aback by what happened as we'd reckoned, that somehow this was a huge surprise to them, that completely kind of paralyzed the decision-making processes and their response mechanisms. I think this doesn't sound really so plausible now as we begin to understand the kind of timings and events of all this.

In terms of the specific kind of security components of this response, there were people on hand to deal with what they clearly saw as the most crucial bits of this. Before they moved in concertedly on the afternoon of the 15th, there had been some security deployments. They had maintained, I think, through the afternoon of the 14th and beyond, a People's Armed Police presence outside the Chongqing Temple, establishing and maintaining control over that particular area here around the buckle circuit but particularly right in front of the temple itself was, it seemed to me, regarded by them as a crucial objective even as the rest of that whole area was up in flames. So, there was the odd spectacle that I observed in the early evening around 6 o'clock on the 14th where People's Armed Police marching up and down in that square in from of the Chongqing Temple not paying attention to the citizenry, including myself, flowing up and down the alleyways nearby but simply with their armored vehicle maintaining that presence in front of the temple, which Tibetans managed to control. It would have been a huge, huge political setback for them and could have led to a kind of Golden Temple of Amritsar kind of situation there.

We did, late in the evening, see troops with guns on Beijing Road just north of the Chongqing Temple just around here deployed on armored vehicles – two armored vehicles right here, along with three fire engines, and they were, again,

deployed on an essential mission, which was to put out those fires. Had they continued burning as they were through the night, we could have seen some very, very serious destruction across the city and great loss of life, but they appeared to pay no attention whatsoever to passersby, including myself, walking very, very close to them, many of them sitting on top of these armored vehicles with their automatic weapons. They were clearly deployed in order to provide a kind of line of defense for the fire engines and no more than that.

So, these kind of pinprick operations, if you like, kind of suggested to me that they have those bits and pieces in place should they wish to use them, and they were prepared to get stuck in, in order to carry out those essential missions, but the main purpose right up until the midday of the 15th was to let this rioting run its own course.

DR. BUSH: James, I wonder if I could ask you to step back a little bit and give us your sense of trends in social unrest generally. What happened in Tibet is an episode, and a terrible episode, but are incidents of mass unrest growing or diminishing? Are the causes of these episodes like arguments over land use, corruption, and so on – are they increasing or declining? Is the capacity of the state to suppress unrest improving or diminishing? Is this being nationalized, or is it continuing to occur on a disperate basis?

MR. MILES: Well, we do have supposed numbers on this, but I'm inclined not to place much store by them, which would suggest a rising trend in the number of protests, but we don't really have a kind of clear understanding of the definitions involved and the nature of these protests. What we can pick up is from our own observations. Clearly there are more and more of these incidents taking place, but I think that's partly because the Party is providing space for people to do this. There has been a recognition that letting people vent their grievances, as long as it is contained and shows no sign of spreading to other groups of society, then it can be tolerated and that was, again, what was odd about Lhasa: the complete lack of efforts to kind of contain this in a small area.

But we see frequently such things around China now, and passersby pay little attention as groups of migrant workers sit outside a government building or outside a real estate project complaining about unpaid wages or whatever. That can happen, that's fine. As long as things aren't explicitly political or anti-Party and show no sign of spreading to other groups or society, then that can be tolerated. So, the party, I think, has learned to kind of deal with the blows of this kind of small-scale, isolated unrest. What I think it's more nervous of is middle-class China – the internet users, the furious nationalists, the property owners particularly. What we've seen more recently, for example, last year the protests in Xiamen, the building of the PX chemical factory; the protests in Shanghai over the extension of the maglev railway line.

The first big middle-class protests in urban China and the ones in Shanghai because of the political importance of that city being of special significance helped by internet communication, involving people across a wide areas of the city, who, thanks to effective use of the internet, are able to coordinate their activities, deploy organized protestors outside government buildings at very short notice and apparently in a way that the government finds itself much more uncomfortable about handling than the kind of migrant worker or peasant or laid off factory worker, whatever it might be, protest that we've seen over the last few years. In other words, the middle class are getting restless, and it might be questions like the maglev issue or the factory in Xiamen, which in both cases people were worried would affect property prices.

The nail house incident in Chongqing, you'll remember, which involved that extraordinary image of the single house holding out against development around it in the middle of a vast building site – that I think was the kind of image of contemporary China that we should take away with us, replacing that of the man in front of the tanks at Tiananmen in '89. It's now the lone property owner standing up against the might of official combined with real estate developers. There is a growing risk, I think, that such ability and readiness of this middle class to organize themselves will stray beyond questions of property values. The rioting in Guizhou I think was particularly interesting, given that it happened in an urban area albeit far from any significant sensitive center of power but nonetheless involved urban residents, some 30,000 of them even by the official Xinhua account involved in this rioting and clearly deeply upset with far more than the details of the death of one individual but more generally with corruption and systemic problems in that particular area.

And I think coming up to the Olympics, it's that kind of unrest that they are deeply fearful of. Yes, there has been much praise heaped on Wen Jiabao for his heroic efforts in the earthquake zone and Wen has been until they closed down the Facebook site for a while, you know, number 5 or something in the list of most popular politicians on that website, and much praise for the Party's response to the earthquake. But when it comes to those kind of hardcore issues that impact on people's ordinary lives and their willingness to lash out against local authority for now but if central authorities misbehave, they, too, are on notice, and that's why I think we're going to see a continuing acceleration of this process of change, a defensive behavior by the central government in order to keep ahead of this kind of opinion expressed through the internet in order not to be wrong-footed by nationalism, populist gestures, if you like, which some Chinese intellectuals are now deeply worried about a government that kind of gets a bit here and there to keep public opinion at bay but without keeping its eye on the big targets of moving China forward through this very difficult and continuing kind of economic transition period. A kind of rudderlessness in policymaking is emerging as central authorities become increasingly defensive in the face of this organized ability among the citizenry.

Yes.

QUESTION: I'm Gerrit van der Wees, editor of Taiwan Communique. Somebody once said that the Chinese leaders can handle one major issue at a time, either external at the borders or internal social unrest or dissent within the leadership, but if they coincide then it becomes problematic for them, and some people argue that now, there's a thaw between Taiwan and China. China can pay more attention to issues like Tibet and East Turkistan. What is your take on the linkage between these three types of issues?

MR. MILES: I think they have been trying quite strenuously to keep things under control on the external front as they deal with these internal issues, and I think that's been the story generally in China, not just this year but for a very long time. From time to time, public sentiment has frustrated their efforts to keep things on track. The government, I think, increasingly feels that it does have to respond to national sentiment, but when it comes to those key relationships that have a major bearing on China's security, I think there's still a great deal of determination to on the one hand give some sort of nod of recognition to national sentiment but to drive forward and keep these relationships on keel, and I'm thinking perhaps there's obviously a relationship with Japan where this year they've made quite remarkable efforts to restore normality to that relationship, the agreement to the East China Sea, Hu Jintao visiting. Yes, there was a drawing back from allowing a Japanese military plane to deliver aid as protests erupted over that on the internet, but that hasn't affected a visit of the Japanese warship of course, and that hasn't affected the overall thrust of things.

I would say the same is true in terms of the relationship with America. They have, in spite of all this anti-Western sentiment, they all try to keep that relationship on track, and even though they've allowed relationships with some individual European countries – France in particular – to be quite badly affected by recent events, on the other hand they have avoided attacking Britain very strongly over Gordon Brown's meeting with the Dalai Lama recently. They have continued to engage very closely with Britain and treating it quite differently from the way they responded to Angela Merkel's meeting with the Dalai Lama a few months ago. So, still, I think keeping their eye on the big picture and allowing nationalist sentiment to kind of focus itself on the French and hence receive this big decline in tourist numbers to France, I think partly connived that by the Chinese authorities, but more generally still continuing efforts to keep things on keel with the European Union generally.

Yes.

QUESTION: Thanks. Garry Mitchell for the Mitchell Report. I was just thinking. We've talked a lot about Tibet and never really got to Richard Gere, but we'll skip over that.

There's a sort of virtual industry developing these days of people writing about Asia rising or the rise of the rest, Fareed Zakaria, Kishore Mahbubani, etc. I'm interested to know inside China and not at the party level, not at the officialdom level but in universities and think tanks, etc., to the extent that there is a world view developing there much in the same way that this Asia rising world view is developing here for the most part, what are they thinking about? What sort of sense of ambition and vision do you see in the generation that is coming into positions of influence in various institutions in China? What are they thinking and talking about?

MR. MILES: Well, I think there's an ambition burning in every Chinese heart for China to kind of regain what they see as its great role in the world that has been set back by events over the last 150 years as a result of Western efforts, as they see it, to keep them tied down. But that, I think, is different from having a kind of well thought-out strategy of how to get there, and I think what we're seeing now is China entering a kind of steep learning curve process of its handling of external relations, where it is within a very short period of time – I mean, in the time that I've been in Beijing for The Economist essentially – finding itself forced to think much more seriously about what it means to be an international player and responsible international behavior involves. It has been forced into this thinking by I think what it has felt to be a surprising degree of input not from national governments around the world but from NGO opinion, which we've seen driving a lot of the thinking relating to Darfur, Burma, Sudan and the Chinese having to think much more seriously about the kind of diplomatic consequences of this economic engagement, and this being driven at an extraordinary pace thanks to China's desire - demand for resources from the rest of the world. I think so far, although one can complain about many aspects of Chinese behavior internationally and then cozying up to some of these rather unsavory regimes, we are nonetheless seeing a modification of this behavior, a response to, you know a degree of sensitivity to international sentiment relating to this behavior; and I don't think that is just a kind of short-term tactical move, as they had toward the Olympics. Darfur, yes, they were deeply concerned by Steven Spielberg's withdrawal from the preparations for the Olympic opening ceremony and that helped to focus their minds, but I think while it may have helped moved things along the Olympic factor is temporary, and in the case of Sudan I think that kind of imperative will drive that foreign policy development well beyond the Olympics.

It's interesting – in spite of this [inaudible], which we see, some Chinese official is kind of appearing to connive that, nonetheless, there is a growing recognition, particularly within the kind of foreign ministry establishment in Beijing that global powers have to get involved, have to get engaged, have to think about what their economic interaction with other countries means in terms of domestic issues in those countries, and the kind of different slant on foreign policy is beginning to emerge from this.

Yes, one more.

SPEAKER: Osman Aziz, National Foreign Trade Council. I just wanted to know your take on accounts by the Chinese government to kind of decontextualize what happened in Tibet and what's currently happening obviously in the very often forgotten province of Western China. There are attempts to kind of say that these certain ethnic groups are resisting development or development at least in the context of the Han, you know, idea or school of thought of development. What's your take on these attempts and are these accurate attempts? I mean, you describe what happened in Tibet obviously as an ethnic conflict but that there is an economic aspect to it as well. So, I just want to know your take on those initiatives and those efforts.

MR. MILES: You mean whether there's validity in Chinese behavior in those areas? I'm not quite sure which angle you're coming at this from. Are you suggesting that there is some sort of legitimacy in Chinese complaints that the ethnic minorities in those regions are sort of being rather ungrateful for all the aid brought into those countries or –

QUESTION: Yes, especially are they –

MR. MILES: Into those parts of the country I should say – I'm sorry. Well, I think it's a fairly predictable kind of problem given the rapid growth of the economy in the rest of China, of the sophistication or growing sophistication of enterprises, private enterprises, and the state-owned enterprises in other parts of the country, distribution, retail. All of this has been developing incredibly rapidly in the west and it therefore kind of flows on from that with what one would expect the end of that economic chain to be controlled by members of the same ethnic group and the Han Chinese who are often the best able to communicate with other parts of the distribution chain, who have much better experience of doing business in fast-changing environments.

In the case of Tibet, you have a local population which a lot of resources have been brought forward to improve education, but there are still enormous linguistic barriers to entry into the economy generally. Such a rapid influx of people from other parts of China, that's the attention we're now seeing paid to basic education in Tibet and job training kind of schemes that are going on there. The immigration tide is something that those efforts are just simply incapable of addressing at the moment, and so I think it's going to be extremely difficult for them to tackle this problem without sort of looking more closely at the possibility of more positive intervention. That means actively helping people from a certain ethnic background to get into business. It's interesting that one goes to any city in China, for example, and sees the taxi industry controlled by residents of that city in old Beijing. Taxi drivers are people from Beijing. That's not the case in Lhasa. They're from Sichuan mainly. There are all sorts of complications involved in any kind of positive discrimination efforts, but the kind of basic ones which they have already applied in many other parts of China they have

strangely not applied in Lhasa, so they've lost a few tricks there and it's those kinds of things that I suspect they're going to have to look at more closely now if they're going to diffuse these tensions.

Yes.

QUESTION: Frances Johnson, Strategic Planning Initiatives. You've told us a little about the awakening of the middle class and their activism in taking, say, property rights to the mat in urban areas. Could you broaden that commentary to the state of mind of the millions of persons in China in the rural areas – the role that the rural person has been taking hearing that they can control land when oppressed, say, by the local mayor, taking that issue to the courts, learning the ropes of how to use the legal system, and perhaps becoming active in local affairs on settling just ordinary public utilities kind of issues. Then do we find that Beijing considers that the rural people are transitioning at a satisfactory rate into the national economy and the global economies so this is a two-way street we're talking about?

MR. MILES: Well, I think their transition rate is being held back by a number of invisible barriers to entry into other economic life. On the one hand I've just mentioned positive things one could do, in a way, which was to hold back that migration in the case of Tibet. But on the other hand, China's development does depend on this migration. I think what we've seen in Tibet and Xinjiang and elsewhere in the minority regions of China in terms of migration has been part of a national picture, not a kind of concerted effort to change the ethnic mix of those regions. It's very hard to substantiate the claims of Tibetan exiles that there's some deliberate ethnic engineering going on here. I think it is very encouraging that people do feel free to move and seek out economic opportunities elsewhere, but it is still very difficult. Integration into urban life in terms of getting access to schooling, social security, housing is tremendously difficult, and we've seen in the buildup to the Olympics some of the problems which are described by some Chinese intellectuals as a kind of South African Apartheid system kind of being enforced there where barriers to entry are so great that we're seeing a kind of artificial divide created between the rural poor and the affluent urban rich, and there is virtually no affordable housing in Beijing.

There's been a massive clearance program of cheap housing, which has been available in these kinds of urban villages, former rural, former peasant homes which have been rented out to migrant workers, hundreds of thousands of them displaced as a result of the clearance of what have effectively become little pockets of slums in urban areas, including Beijing.

That pushes up the cost of entry into the cities. It slows down the pace of urbanization. It keeps the rural poor in the countryside, and if they don't relax those restrictions, then the resentments that have been building up in rural areas, which you alluded, and conflicts between peasants and local officialdom over land rights and

whatever are going to become increasingly intense. The primary objective should be to get peasants off the land and into the cities.

DR. BUSH: I think we'll bring this session to a close. James, thank you very much. You've ranged widely geographically, socially, politically. Thank you very much. Thank you all for coming.

MR. MILES: Thanks.

DR. BUSH: Thank you all for coming.

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