

**Scottish Parliament**  
**Cross Party Group on China**

***Draft Minutes of the Meeting of 14 May 2014***

**PRESENT**

**Convener**

**Graeme Pearson MSP**

**MSPs**

**Claudia Beamish MSP**

**Colin Keir MSP**

**Speakers**

**Dr Samantha May, School of Social Science, University of Aberdeen**

**Dr. Martin A. Mills, School of Social Science; Director, Scottish  
Centre for Himalayan Research, University of Aberdeen**

**Chika Inatimi, The Big Social Movement, Dundee**

**Eric Balish, Director, Barclays Trade and Working Capital, Convener, CSBF**

**Secretary**

Dr Judith McClure, Convener of the Scotland China Education Network

**Members**

Richard Clason, Operations Manager, g7 Consultants

Dr Roger Collins, University of Edinburgh

Carole Couper, China + International Business PhD researcher, University of Glasgow

Robert Dalzell, North Lanarkshire Council

Helen Ford, former teacher in China

Henry He, Managing Director, Zed Education and Business

Dr Richard Jin (Jin Ri), Co-Director of the Confucius Institute for Scotland,  
University of Edinburgh

Jamie Kerr, Thorntons Law LLP

Xiang Li, Glasgow Caledonian University

Ye Liu (Orchid), Contributing Correspondent, Scottish affairs, UK Chinese Times

Simon Macaulay, SCEN Executive Committee and University of Aberdeen

Jim McColm, Panda Modium Ltd, Ayr (interested in bringing together Scots and Chinese parties  
with mutual interests in aviation, natural mineral water bottling, vocational training  
and petrochemicals)

Judith McKerrecher, Curriculum Leader Languages, Craigmount High School, Edinburgh

Brian McLeish, Scottish Enterprise, Co-ordinator of CPG Engagement

Kam Leung Ng (Tommy), Life Time Honourable President of the Wu Clan's Association UK

Wing-Sie Ng, Individual Interpreter

Wing-Yan Ng, Member of the Scottish Youth Parliament (Edinburgh Central)

Jim Scott, SCEN Board and Executive Committee; University of Dundee

Dorothy Thomas, Member of Cross-Party Group on Tibet

Iain Thom, Research and policy at Scottish Green Party

Dorothy Thomas, Member of Cross Party Group on Tibet

Ed Thomson, Director of Programmes, Asia Scotland Institute

Kate Walker, Head of Education, British Council Scotland

Bella Wang, SCEN Youth Committee, St George's School, Edinburgh

Jennifer Young, Principal Teacher Curriculum - Social Studies, Armadale Academy

Jean Jijun Ye, J.J.Y International

Dr Angus Gonghua Yu, entrepreneur Unicoll Ltd and visiting Professor at Lanzhou University

### **In Attendance**

Robin Dyet, Office of Graeme Pearson MSP

Ed Payne, Director, Strategy, Scottish Development International

Iain Thom, Policy Lead Staffer for Green MSPs

## **1 Welcome from the Convener, Graeme Pearson MSP**

The Convener, Graeme Pearson MSP, welcomed MSPs, Speakers and Members to the Meeting of the Cross-Party Group on China.

## **2 Apologies**

The Secretary said that all apologies had been noted:

Margaret Alcorn, Convener of SELMAS

James Brodie, General Manager and Business Adviser, CCBC Scotland

Professor Tariq Durrani, OBE FRSE FREng, VP (International), Royal Society of Edinburgh

Cathy Gu, E+Y, Co-Director, YCP

Ewan Hastings MInstF (Dip) Fundraising Manager Eric Liddell Centre

Matthew Heap, University of Glasgow

Edmund Hoffie, Founder/Director, Eden English Language School and Eden Investments

Consultancy LLC, Nanning, Guangxi, PRC, Honorary Citizen of Nanning

Dr Meryl James, Senior Development Officer, SCILT and CISS

Owen Kelly, Chief Executive, Scottish Financial Enterprise

Janette Kelson, Professional Development Officer, SCILT

Alick Kitchin, Joint Director, Edinburgh Business School, Heriot-Watt University

Peter Kwok, Co-Director, YCP, Director, WASEC

Lindesay Low, Legal Advisor, Scotch Whisky Association

Councillor Eoghann MacColl, East Ayrshire Council

Iseabail Mactaggart, Non-Executive Director, OFCOM's Content Board, Highlands and Islands

Enterprise

Donna Malone, Howden

Christine Moinard, Business Manager, SRUC (Scotland's Rural College)

Gordon Ogilvie, Development Officer - Economic Development, Angus Council

John Peebles, CEO Administrate

Neil Phillips, Positive Solutions (Glasgow)  
 James Trolland, Ridrum International  
 Angus Tulloch, First State Investments  
 Nancy Zhang, Head of External Affairs, Repsol Nuevas Energias UK Limited

### **3 Minutes of the Meeting of 27 March 2014**

The Minutes of the Meeting of 27 March 2014 were agreed without amendment.

### **4 Matters arising**

#### **4.i Direct Flights to China**

The Convener referred to the question from Angus Tulloch on progress with direct flights to China, put to Mr Humza Yousaf MSP, Minister for External Affairs and International Development, at the last meeting. He said that the Minister had recognised the importance of this issue and that he would send a response.

#### **4.ii World Artistic Gymnastics Competition in Nanning 2014**

The Convener said that Mr Yousaf had also taken note of the recommendation by Neil Phillips concerning Scotland's representation at the World Artistic Gymnastics Championships in Nanning in 2014, which would be followed by Glasgow in 2015. Neil Phillips had sent the Minister information obtained from Ed Hoffie in Nanning; the Minister had responded that his officials would speak to Scottish Gymnastics. He would revert to the Cross Party Group.

#### **4.iii Questionnaire from Claudia Beamish MSP and Mary Fee MSP**

The deadline for this questionnaire has been extended and members were encouraged to complete one; any questions should be directed to the Secretary in the first instance.

### **5 Presentation by Dr Martin Mills, School of Social Science; Director, Scottish Centre for Himalayan Research, University of Aberdeen and Dr Samantha May, School of Social Science, University of Aberdeen**

The Convener welcomed Dr Martin Mills and Dr Samantha May most warmly and invited them to give their presentation:

***Protest and Communal Action in China: the impact of social and economic change***

Dr Mills said that there was a great need to gain a proper understanding of the full picture of protest in the People's Republic of China, as much arises from it. He pointed to Gordon Chang's controversial book *The Coming Collapse of China* (2001). He showed the graph illustrating the number of reported mass protest events in China from 1993 to the present, pointing out that the figures, when available, tended to escalate. Thus protest was seen as being a crucial problem. This interpretation was reinforced by the growth in China's Domestic Security Budget. Taken together, some politicians liked to talk about China's imminent collapse: but this was simply not true. The key question was how a protest was defined. Does a *mass protest event* indicate that more than 100 people were involved? Is it essentially political, and would a strike be included? What other events may be included? Overall, the attribution was very vague. He gave as examples the protests in Lhasa in 2008, which required the declaration of martial law, and the demonstration of 20,000 people against a burglar who had beaten old people, which had resulted in the arrest of the burglar and the congratulation of the police by the people involved. Yet both counted as a single mass protest event. Clearly the term covers a multitude of possibilities.

Historically, said Dr Mills, the majority of mass protest events in the last 20 to 30 years in China had been linked to its massive economic expansion. Since the Tiananmen Square protests of 1989, a more nuanced policy consensus had come into being concerning mass protests: they were permissible so long as the authority of the state was not questioned. There had been a shift to the state's increasing role as mediator and arbitrator, especially in employment disputes.

The legal context was China's two-layer constitutional structure: the balance between Central Government and Provincial that defines the dynamic of protest. Usually mass events were kept low and regional. There was a single union structure: the ACFTU, with something like 200 million members. There was a weak system of legal redress and the legal status of strikes was ambiguous. As a result, the most common causes of protest, in order of prevalence over the last ten years, have been:

- Employment Disputes
- Tenancy and Land Disputes (a near second)
- Environmental Issues (increasing)
- Food Safety
- National Minority Issues (counted as one, though prevalent)
- National Territorial Issues (such as the Japanese maritime dispute; rare and regional).

Dr Samantha May spoke of the rationale of employment protest, referring to the work of Feng Chen and Mengxiao Tang (*Labor Conflicts in China*:

*Typologies and Their Implications* 2013). Such protests were mostly not political, but economic and social. They concerned largely:

- Pre-reform entitlements, especially in State-Owned Enterprises (SOEs), concerning employment issues or collective ownership. These include the protests about privatisation that have taken place since the 1990s, such as the one in the Tonghua Iron & Steel Company, Jilin.
- Legal rights, such as breaches of contract, since 1994, where the Courts have not enforced the law.
- Interest-based claims, for instance pay demands.

Dr May spoke of employment issues concerning working conditions, pay levels, and mass redundancies, giving illuminating examples such as the Foxconn Factory Suicides of 2010-2011, the Honda Pay Dispute of November 2010 and the blockade of Tesco in Zhejiang Province in November 2011, caused by mass redundancies. Unauthorised labour disputes had risen sharply in 2008, as a result of the Beijing Olympics and the withdrawal of foreign companies as a result of the world financial crisis.

Dr Mills resumed his presentation, skipping the details on tenancy and land issues, compulsory state acquisitions (land grabs) and levels of satisfaction at compensation for land. He moved on to consider protest tactics and organisation. Such protests were largely local, though some reached central government by petition or the assignment of blame in Beijing. He reminded members of the PRC's two-layer Government structure:

<b>Central Government</b>		
<b>22 Provinces</b>	<b>5 Autonomous Regions</b>	<b>4 Municipalities</b>

The stages of rights-based protest moves from a local claim or protest to provincial level when local resolution failed or was not available, and from the failure of provincial level to central level by protest or petition to Beijing. Central government seeks to ensure this does not happen and that protest remains local and negotiated in its place of origin. The concept of *righteous resistance* marks many post-1989 protests, which often emphasise central government regulations over local government corruption and private interests, and base demands on rules rather than rights. He gave as an example of the use of the central state as a negotiating tool, an anti-mining protest banner by Tibetans in Dzatoe

county in August 2013: the banner displayed a statement by President Xi Jinping urging protection of the environment.

Social shaming was increasingly used as a protest tactic: this could include public suicide, which had been the case for centuries, though used in Tibet only after 1997.

Government and police responses had social stability as their goal, and had moved from the liberalisation of the 1990s to increasing state intervention from 2000, with a view to containment and management of protest, by means of arbitration (always in the case of foreign owners) and arrest of the protesters. The aim of keeping protest localised had led, since 2003, to the systematic increase of local security organs.

Dr Mills concluded the analysis of protest by pointing to its massive rise across the PRC, the significance of the two-level constitutional structure and the concept of righteous resistance. He said that the policy of containment and management did not apply if the protest were viewed as separatist or *splitlist*. The law was evolving quickly and resulting in a movement from arbitration to Court judgement.

The presentation by Dr Mills and Dr May was greeted with appreciative applause. The Convener invited questions.

Judith McClure asked for Dr Mills's view on legal developments in China and referred to the visits of Chinese People's Court Judges and academics to Edinburgh, to the Sheriff Court, the Judicial Institute and the Employment Tribunal. Dr Mills applauded the changing situation in China but said that problems existed in compensation for land. Carole Couper asked who collected the data, and how many protests were against foreign-owned enterprises? Dr May said that the statistics are official, but that research had not yet been able to establish where protests were against foreign or state-owned companies. Dr Mills added that it seemed that most people viewed state-owned enterprises as providing a perceived right level; there were more protests in areas that are divergent and also provincial differences. Wildcat strikes tended to be against foreign-owned companies.

Kate Walker asked whether there was a link between the educational level of protesters, for instance whether they were graduates, and the levels of protest. Dr May said that she did not have the data for China; for areas outside China, protests were often made by the more highly educated, because they had higher expectations. Dr Mills remarked on the speed of the spread of information through, for instance, mobile phones, which allowed workers to share their awareness of gulfs in pay.

Dr Angus Yu commended the clear point being made about the conflation in the data of economic and separatist protests. He asked whether it was government policy that protests involving over 30 people had to be reported officially. Dr Mills said that the research indicated ambiguity

here. Some people said the required number was 100; however, one protest could involve 10,000. Reporting was also difficult: he gave the instances of Tibet and the hand-over in Hong Kong.

The Convener referred to earlier remarks about China's legal system and its visits abroad, including to Scotland. The jurisdictions of Scotland and of England, Wales and Northern Ireland had taken two or three hundred years to develop. He asked whether there was the ability in China to allow legal processes to strengthen and whether central government would allow this to happen. Dr Mills said it did indeed take a long time to obtain redress in China, but changes were occurring because of instructions from the national government. Dr Mills said that China is developing a rights agenda: in fact it had always had one. But this was not always heeded by the courts, yet recent economic changes made this more necessary. The Convener compared this with developments in the UK generally after the Industrial Revolution, where people found themselves in situations where state involvement was essential.

The Convener thanked Dr Mills and Dr May for their very worthwhile presentation.

## 6 **Update from Eric Balish, Director of Trade and Working Capital, Barclays on the launch and progress of the China Scotland Business Forum, of which he is Convener**

Eric Balish said that the China Scotland Business Forum was most grateful for the opportunity to hold its launch and initial discussions in the Scottish Parliament. He said that there had been three major areas of agreement.

- We needed to improve on the practical means of improving communication on China-related activities, on which we are all agreed. He had spoken to Mark Boyce, Head of the China and Americas Team at the Scottish Government, which had worked hard to produce an online Calendar of Events. However, this did not seem to be widely used: **he invited feedback on this from members**. It may be that this should now be industry-led, with the support of the Scottish Government.
- There was broad acceptance of the concept of a China Business Hub, to encourage closer collaboration. This was particularly important in addressing big issues such as direct flights to China, and Foreign Direct Investment. There was support from Ed Payne, Director, Strategy, Scottish Development International: this was now a work in progress.
- We must engage with young people, say between the ages of 18 and 40 and with students from China, to give them networking and outreach opportunities. Young Icebreakers in Scotland would

work to make this happen with the Directors of Confucius Institutes and with Scottish businesses. We have some initiatives and internships and some mechanisms for contact, but not enough.

The Convener thanked Eric Balish and looked forward to future updates.

**7 Chika Inatimi, The Big Social Movement, Dundee, and his project *Beyond the Clouds: working with the Naxi in Yunnan***

The Convener introduced Chika Inatimi, who began his presentation by explaining the history of *Beyond the Clouds* in the studies of a student from Dundee, a musician, who went to Xi'an in 2003 to study classical Chinese. Six exchange projects between Scotland and China followed from 2007, involving, for instance, emerging artists and film-makers. One film took place in a village on the steps of Snow Mountain in Lijiang. Here Chika discovered the heartland of the Naxi people, who live in the foothills of the Himalayas in northwestern Yunnan Province and in southwestern Sichuan Province. He explained that the Naxi are one of the 55 officially recognised ethnic minority groups in China. Some 320,000 people identify themselves as Naxi, making them the 27<sup>th</sup> largest such group.

Chika said that for the first time he saw rural poverty, so different from that of cities. He also discovered Dongba: the script, art, music, dance and religion of the Naxi people. It places great emphasis on the balance between man and nature. These experiences led him to link The Big Social Movement in Dundee, an international hub of social innovators and creative people who want to work with communities and bring positive change to the world, with the Hong Yang Dongba Culture Centre.

Chika said that his motivation was rooted in Scotland, *my home and the home of my children*, and his wish to be part of the world. So the initiative *Beyond the Clouds* aims to spread knowledge of Dongba through the visit to Scotland in 2015 of a delegation of artists, dancers and singers. There would be performances, workshops, exhibitions and opportunities for schools. Chika hopes that it will also connect Scottish businesses, creative enterprises, educators and policy makers with some of the unique opportunities in south western China: Lijiang is one of the most popular tourist destinations in China (the Royal Botanic Garden Edinburgh has a field station near here too) and the village communities are keen to find ways to develop more productive eco-tourism businesses, to celebrate their Naxi cultural heritage in an environmentally friendly and sustainable way.

Chika concluded by saying that the partners involved were now trying to convince the Yunnan Government to support *Beyond the Clouds* financially; the local Lijiang government was supportive. There was an interesting creative conversation under way.

The Convener thanked Chika Inatimi warmly for his presentation and for raising awareness of the Nazi people, Dongba, and the *Beyond the Clouds* project. He asked Chika for permission to circulate his contact details:

[chika@thebigsim.org](mailto:chika@thebigsim.org)

Judith McKerrecher, Curriculum Leader in Languages at Craigmount High School, Edinburgh, said that she was sure that *Beyond the Clouds* activities would be embraced in schools. She asked whether it would be possible to see the film about the Nazi people that Chika Inatimi had mentioned.

***Chika has sent the link for the film 'Yuhu: The Life And Times'. He says that it was made specifically for the community rather than for a western audience; however he believes that it still manages to give an intriguing insight into another world.***

[https://www.dropbox.com/sh/f6i6vqp2owe9nru/AAA\\_kYXRKx6Ii1Ba2u\\_7nSwca](https://www.dropbox.com/sh/f6i6vqp2owe9nru/AAA_kYXRKx6Ii1Ba2u_7nSwca)

***Chika's most recent update on Beyond the Clouds is appended to these Minutes.***

Graham Thomson, Director of The Blackford Trust, said that his Trust had supported Chika Inatimi's work in this area since 2012. His Trustees were very impressed by the way that Chika had been working in a sustained way to develop a strong relationship on the ground. Henry He said that his home town was in Yunnan Province and that he would love to share his experiences with the project. Graham Thomson said that the Royal Botanic Garden Edinburgh, with its Lijiang field station, were also interested.

## 8 Updates from Members

Dr Angus Gonghua Yu, entrepreneur Unicoll Ltd and visiting Professor at Lanzhou University, said that the previous week news had come from China that over 1,000 universities would become centres of vocational education; something he described as *a seismic change*. He said that he had had a request from someone who had studied in Edinburgh to send a group of vocational educators to Scotland, to exchange ideas. Angus hoped that Scottish education would engage in this development, aimed at enhancing employability, with Scottish Ministers involved in vocational policy making, agencies and colleges involved.

Helen Ford said that she had heard mention of a meeting concerning Edinburgh Airport's programme and wondered whether this had relevance for direct flights to China from Edinburgh. Colin Kerr MSP said that he was the Convener of the Cross Party Group on Aviation. The meeting to which Helen referred was a trade and government meeting, held annually. There was a need to sell the idea of direct flights to Scotland, because of passenger numbers. Efforts were being made to find

a Hub that would work; a single destination flight would be difficult. Some irons were in the fire, and the huge potential was recognised. Dorothy Thomas commended this very interesting and important development.

Ed Thomas, Director of Programmes, the Asia Scotland Institute, said that he was beginning to develop a strategic programme and would contact members of the Cross Party Group, to facilitate collaboration.

Carole Couper, China + International Business PhD researcher, University of Glasgow, said that she was concluding her thesis and would be glad to present her findings to the Cross Party Group. The Convener asked her to be in touch with the Secretary when she was ready, so her presentation could be included in the Cross Party Group's work plan.

## 9 AOB and Date of Next Meeting

The Convener concluded this most interesting meeting at 7.45 pm and thanked members for their participation.

**The AGM and next Meeting of the Cross Party Group on China will take place on Wednesday 13 August 2014, 6.00 – 7.30 pm, in the Scottish Parliament. The meeting will include:**

- **A Presentation by Mr Pan Xinchun, Consul General for the PR of China in Edinburgh: *China and the World***
- **A Presentation by Jim Scott, Lecturer at the University of Dundee and former Headteacher of Perth High School: *The Introduction of Mandarin in Scotland's Schools***

### Appendix to Item 7

#### ***Beyond The Clouds: working with the Naxi of Yunnan Province***

China's population of 1.3 billion people is made up of 56 ethnic groups. 1.2 billion of these are from the Han ethnic group who dominate life and culture in China. The other 55 officially recognised ethnic groups are classed as ethnic minorities. One such group are the Naxi, who can be found tucked in the foothills of the Himalayas in northwestern Yunnan Province, and in southwestern Sichuan Province. Some 320,000 identify themselves as Naxi making them the 27<sup>th</sup> largest ethnic minority group in the country. Their heartland is in Lijiang,

He Kai is one such Naxi. Born in 1973 in Ta Cheng, Yulong Naxi Autonomous County, Lijiang, He Kai followed in the footsteps of his grandfather, Nong Zhong, becoming a celebrated Dongba High Priest. Dongba is the script, the art, the music, the dance and the religion of the Naxi people. It places great emphasis on the balance between man and

nature: an ancient culture with a very modern message. It is He Kai's mission to promote the preservation of his way of life through education and by introducing Dongba and the Naxi people to new audiences.

Dongba is a hidden treasure, a golden thread in China's rich tapestry of cultural expressions many in the western world are simply unaware of. *Beyond The Clouds* aims to change this by introducing Dongba and 'new' perspectives of what it means to be an ethnic minority to a Scottish audience.

Dundee based social enterprise, The Big Social Innovation Movement, is in the process of signing a memorandum of understanding with Hong Yang Dongba Culture Preservation Centre (the centre founded and run by He Kai). He Kai is currently seeking backing from the local government in Lijiang, who are heavily involved in his efforts to preserve the regional culture. A number of Scottish organisations have expressed a strong interest in helping to realise this project.

*Beyond The Clouds* will see He Kai lead of delegation of artists, dancers and singers on an expedition to Scotland to give us a rare insight into a distinctive Chinese culture under increasing threat in the face of rapid urbanisation in China. The delegation will work with schools across Scotland interested in greater exposure to Chinese language and culture. The proposed 10-day visit will incorporate an exhibition of Dongba culture, master classes and workshops around Dongba calligraphy and a performance of Dongba song, dance and poetry.

For more information follow the links below:

<http://www.lotusroute.com>

[http://www.blackfordtrust.org.uk/index\\_topic.php?did=215220&didpath=/215220](http://www.blackfordtrust.org.uk/index_topic.php?did=215220&didpath=/215220)