

Taking a Stand Against Imperialistic Chinese Censors

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Maserati of Italy is the latest Western business racing to prostrate itself before Chinese censors. Owned by Fiat, the car company recently requested that its local Taiwanese dealer drop sponsorship of the Golden Horse Awards, the Asian equivalent of America's Academy Awards.

Last year, a Taiwanese award recipient declared that she was looking forward to when her country would be treated like, well, a country, which sparked wailing and gnashing of teeth in the People's Republic of China. So the luxury carmaker is now groveling, lest it lose access to all of those new billionaires on the mainland. "Maserati always respects China's territorial integrity, history and culture," it said, "and firmly upholds the one-China principle." What other Chinese Communist Party principles does Maserati uphold?

One suspects that President Xi Jinping and his CCP apparatchiks are enjoying as those in the West who once invaded and occupied Imperial China now prostrate themselves and parrot the Beijing line. And alas, it isn't just Maserati. Despite its progressive pretensions, the NBA went into full submission mode after Houston Rockets General Manager Daryl Morey tweeted his support for the Hong Kong demonstrators (it did flip back a bit under public pressure). Apple, Christian Dior, Gap, Zara, and a gaggle of airlines have also engaged in high-level sniveling.

The Xi regime targeted 44 international airlines, insisting that they not list Taiwan as a separate nation. It also insisted that the firms' entire websites, not just their Chinese language variants, treat the Republic of China, still officially recognized by a handful of small nations, as Chinese territory. American, Delta, Hawaiian, and United were the last to comply, but comply they did—although the PRC still complained when Taipei was listed without a country rather than as part of China (Chinese cities are named the same way).

Other cases involve Activision Blizzard, Cathay Pacific Airways, Marriott, Mercedes Benz, Tiffany, Versace, and many more. This all is "Orwellian nonsense," as Washington complained last year, in requesting talks with Beijing over the airline controversy. But China refused, insisting that firms comply or else—and comply they did.

It's easy to beat up on obsequious corporate executives, who are, after all, hired to generate financial profits, not fight political battles. And it is daunting for a single company to sacrifice access to the world's second largest economy. The Gap wants to sell T-shirts, not a particular China map design. United wants to sell tickets, not a particular website label. It should surprise no one when these businesses act in their perceived economic interests.

Yet it also suggests that it's important for Western firms to be helped along in doing the right thing. First is the importance of countervailing public pressure. The issue is not Hong Kong or

Taiwan per se, or the operations of one U.S. firm or another. Rather, it is a matter of Chinese interference in American and Western internal affairs.

The PRC vigorously insists that the U.S. has no right to intervene in its internal affairs. Fine. Washington doesn't tell the Chinese what to put on their websites. But then the Chinese shouldn't tell Americans—individuals or companies—what to put on websites over here either.

Fortunately consumers appear to be fighting back. The NBA found itself pilloried by fans and others for appearing to sacrifice free speech to the arbitrary demands of foreign thugs. In the case of the U.S. gaming company Activision Blizzard, commentators, employees, and players protested the expulsion from a competition of a gamer who endorsed the Hong Kong protests. Put simply, Americans are making clear that they should not have to live under Chinese rules, and in doing so, they're encouraging American businesses to take a tougher stand—or face economic retaliation.

Moreover, American businesses should not assume they have no bargaining leverage. The NBA is popular in the PRC. During the 2017-2018 season, 640 million Chinese tuned in. There are some 600,000 basketball courts across the country; the ones I have seen on college campuses enjoy heavy use at all hours. Banning basketball games and coverage because of the opinions of individual American players and personnel might be a higher price than the Xi government wants to pay. In fact, after Morey's tweet, the PRC did not block a previously scheduled, and well-attended, exhibition game in Shanghai. Understandably the NBA wants to be in the Chinese market. But in 2016, the league decided to pull the 2017 All-Star game from Charlotte, North Carolina, to protest state legislation governing bathroom use by transgender people. Yet now it surrenders to the arbitrary dictates of a totalitarian regime? That is more than hypocritical, and might prove to be more costly than basketball executives ever imagined.

Equally important, companies should cooperate. For instance, if 44 international airlines act independently, Beijing can easily pick them off. But if the 44 take a common position, the PRC is likely to seek a face-saving retreat. The Xi government theoretically could bar all foreign airlines from its territory, but that would trigger global retaliation against Air China and other Chinese carriers. Beijing's aggression today is based on presumed Western weakness. However, Westerners can and should challenge that calculus.

Obviously, collective action is difficult. However, there is no reason to believe that the dictates issued thus far from Beijing will end if companies surrender. What if China insists that firms close retail stores and showrooms located in Taiwan? Comply with a "do not hire" list of Hong Kongers blacklisted by the Chinese authorities? Refuse to make online sales in Taiwan? Hire an approved Chinese government operative to ensure their compliance with the PRC's rules? What happens when Xi's censors come to American newspapers for Winnie the Pooh—banned on Chinese social media because he was used as a humorous stand-in for the stout Xi? This doesn't seem likely; then again, a decade ago, it would have been hard to imagine China dictating maps, T-shirts, and websites. Obsequiousness will only encourage more aggressive commands.

The actions of private companies normally are best not politicized. But Beijing has already crossed that line. The U.S. should initiate discussions with Asian and European governments over possible joint action. What can be done to help protect individuals and firms from unreasonable demands by the PRC? Perhaps antitrust exemptions to ease industry-wide cooperation. Maybe retaliation against the websites of Chinese concerns, especially those

enjoying substantial support from their government. Possibly tougher action against official Chinese government activities. Perhaps support for efforts to blow larger holes in the great Firewall of China. Maybe even forbidding some forms of compliance with Chinese rules. The objective should be not so much to insulate American and Western operations but to rebuff aggression by the Chinese state.

The PRC's transformation over the last three decades has created a serious foreign policy challenge for America. Still, it is important not to overstate the threat. The U.S. remains stronger than China economically and militarily, and China suffers from significant demographic and economic weaknesses. And while Chinese domestic policy has shifted in a less free, even totalitarian direction, it could always move back. Moreover, the PRC differs dramatically from the Soviet Union, perhaps most importantly in the degree to which it is integrated into the global economy.

Nevertheless, that integration has not yielded political liberalization as had been hoped. And President Xi Jinping, who spent time in America as a student, apparently fears U.S. liberties, if not the U.S. itself. He is reviving Maoism and totalitarianism at home, intending to crush any nonconformity or dissent. He also is attempting to conscript the rest of the world into promoting those same characteristics abroad. That is unacceptable.

Few Americans want to create a conflict where none is necessary. However, Xi apparently believes that his acquisition of power in Beijing entitles him to dictate to the world. He should be instructed otherwise. The message should be clear: not in our country. And someday, hopefully, the Chinese will enjoy the same freedoms at home.

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