

## Selling porn by stealth

The stocky young woman spies a potential customer and careers across the road on a Flying Pigeon bicycle, forcing an old taxi to swerve to avoid hitting her and the infant that was strapped to her back.

With furtive glances up and down the street, she jumps off the bike and produces a black bag full of her illicit wares: pornographic DVDs. The young man in black first shakes his head and keeps walking, but then he stops. It's an awkward encounter as he tries to subtly rifle through her small collection, all the while looking out for prying eyes and pretending to be having an amiable chat. They negotiate. Twenty yuan is handed over, and he scurries off with a DVD in his underwear bag.

The baby, with its ruddy cheeks glowing in the bitter winter wind, starts to cry – so the woman fishes a bottle of milk from her bag to appease it before she targets more prospects. Two migrant workers stop and have a good look at her DVDs but walk on without buying. Feeling jittery and exposed in the open, she jumps back on the bike and circles around before zooming in on her next target.

She has every right to be nervous, as it's highly dangerous work. Last year, Chinese officials launched a campaign to "purify the cultural environment". Someone caught purveying porn, like her, could be detained for weeks or months. But she has an insurance policy, and it's wrapped up in a blanket and tied to her back: the baby is not hers. She rents it at a daily rate for a handful of yuan from its

### THE RED LANTERN



Peter Goff

mother. For the DVD seller, the child offers security on two fronts. First, in the eyes of the omnipresent police and security officials, it makes her look like an innocuous mother. But second, and most importantly, it buys her freedom. Under Chinese regulations, anyone with an infant who is detained must have their case dealt with promptly, and they are generally released within 12 hours.

So, for a small fee and the cost of feeding the child, the woman has bought herself some security.

She is still very fearful, though, and says the people she approaches will often report her to the police, forcing her to furiously pedal away from the scene. Similarly, since 14 ministries launched a joint campaign last year to build a "green internet" in China – one devoid of pornography, gambling and dissident material – authorities say they have received thousands of tips a day from members of the general public.

*"Someone caught purveying porn could be detained. But she has an insurance policy, and it's tied to her back"*

Tens of thousands of sites have been closed down or blocked, and hundreds of site operators have been arrested, with some culprits getting jail sentences of up to 15 years. Hundreds of people who send sex-related material to mobile phones have also been caught in the net.

The latest online sexual phenomenon that is baffling the authorities is "naked chatting", where reportedly up to 20,000 people are stripping in front of their video cams for the titillation of some cyber pals. It's not illegal, strictly speaking, as generally no money changes hands, but the practice is incensing the authorities, who are intent on stamping it out.

Also angered, in one tragic case, was a father in Shandong province (山東省) who last year caught his 28-year-old daughter stripped down to her bra and making provocative poses in front of her computer. He flew into a rage and strangled her to death.

It all shows the society needs more purification, the authorities say, and they are intent on cleaning things up.

Peter Goff is a Beijing-based journalist

A colleague of mine keeps one of those plastic replicas of terrorist mastermind Osama bin Laden on his desk. It measures about 10cm and is mounted on a spring coil with a magnetic base, allowing it to bounce around.

We all think it is funny – but is he glorifying terrorism simply by displaying it? Legislator "Long Hair" Leung Kwok-hung is rarely seen in public without his trademark Che Guevara T-shirt. Is he glorifying insurgent violence?

What about the hundreds of thousands of Palestinians who voted for Hamas – considered a terror organisation by many governments? Did they all glorify terrorism with their choice?

Perhaps British Prime Minister Tony Blair's increasingly authoritarian government can answer those questions.

This is an administration that regularly assails the Hong Kong government for moving too slowly on democracy, and played a part in pressuring it to abandon national security measures, claiming they violated civil liberties.

But now, at the insistence of Mr Blair on national security grounds, we have seen the spectacle of the British

Parliament, supposedly the cradle of democracy, pass a law that makes the "glorifying" of terrorism a crime. He also wanted police powers to detain suspects for 90 days without charge or trial, but has been forced by critics to accept 28 days.

The House of Lords, which at first resisted the "glorifying" measure as dangerously vague, is expected to buckle. Can you imagine the uproar from London or Washington if Hong Kong even dared propose such national-security measures?

In "glorifying" terror, when do you cross the line that separates free speech from criminality? Mr Blair has not said. But he and his ministers have cited examples, such as the young British Muslim

who



dressed as a suicide bomber to protest cartoons mocking the Prophet Mohammed, and others who waved violently worded placards against the cartoons.

If you can commit a crime by how you dress or the protest signs you carry, then surely we should also not tolerate the menacing dress code of shaved heads, tattoos and heavy boots favoured by the thugs of Britain's National Front, who terrorise immigrants, Jews and gays.

But because theirs is not the Middle East brand of terrorism, they are not considered terrorists. Similarly, it is free speech to mock the Prophet but taboo to insult Jews, as historian David Irving and London mayor Ken Livingstone have found out.

Irving is spending three years in an Austrian jail for denying the Holocaust,

### WAGE-SUPPLEMENT WELFARE Hans-Werner Sinn

## How to preserve jobs in the west

A market economy is efficient, but it is not just. Because wages are determined by the law of scarcity, some people cannot earn enough money to live a decent life.

In western Europe, the welfare state helps these people. It guarantees a socio-cultural subsistence minimum by paying replacement incomes in the form of social aid, unemployment benefits or early retirement benefits. If the market does not provide you with a sufficient income from your labour, the state will provide an income without requiring you to work.

But, as humane as this policy is meant to be, it is largely responsible for the mass unemployment from which Europe suffers. The reason is simple: replacement incomes are wages for doing nothing. They establish "reservations wages", or a minimum wage, which created demands against the private economy that employers are increasingly unwilling or unable to satisfy.

Employers are not altruists. They employ a worker only if there is a surplus of his contribution over his cost –

and if this surplus is not smaller than the respective surplus that a rival worker in another country or a robot could generate. And workers are not stupid. They accept a job only if it pays more than the public replacement income. Thus, workers who are not productive enough to justify a wage above the replacement income are bound to become unemployed.

While this is an old problem in western Europe, it has been dramatically exacerbated by the fall of the iron curtain. That, together with China's opening, suddenly brought an additional 28 per cent of mankind into the western market system.

While the integration of these economies may yield gains from trade for most countries, it created huge problems in the west, stemming from more intense downward pressure on the wages of the unskilled. Financial capital and direct investment will flow from west to east, the western economies will be forced to specialise in highly skilled, capital-intensive production that creates fewer jobs, and unskilled immi-

grants will move to the west. These forces increase the excess supply of unskilled labour in the west, thereby reducing the equilibrium wage rate.

Politicians in the west react to the downward pressure on wages by making them even more rigid. Germany, for example, plans to impose a legal minimum wage, as other countries have done in the past. But such measures will merely worsen the situation: they intensify specialisation in activities in which unskilled workers are not needed, even more capital will leave the country, and more people will be attracted from abroad – driving additional domestic residents into the welfare system.

Europe's welfare system, based on replacement incomes and minimum wages, will not survive globalisation. The real question, then, is whether the European welfare state must die altogether. A new welfare system that could preserve Europe's social values would have to be based on wage supplements. Everyone would have to work, at whatever wage he or she

could find employment, and the government would then pay a supplemental income to ensure a socially acceptable standard of living.

Poverty would be avoided because unskilled workers would have two incomes: one earned by themselves and one provided by the government.

Such a system is expensive, but so is the current system, which pays millions of people 100 per cent of their incomes while they are not working. In the new system, the state pays even more people, but the payments per head are much smaller.

Substituting replacement incomes with wage supplements will not only lead to more employment and higher gross domestic product, but ensure that fewer people are deprived of the dignity that only a responsible working life can offer.

Hans-Werner Sinn is director of the Ifo Institute for Economic Research in Munich  
Copyright: Project Syndicate  
www.project-syndicate.org

### VICTIMS OF MILITARY RULE Ian Holliday

## Myanmar's ethnic conundrum

In Myanmar, March 2 resonates down the years as the day on which, in 1962, a military coup overthrew the democracy created at independence from Britain in 1948. That established the army as the arbiter of the people's fate. Today, on the eve of the bleak 44th anniversary of that event, a military junta continues to hold sway over the country's 55 million citizens.

In almost every domain, the governance record of the world's longest-running military dictatorship is abysmal. Myanmar currently finds itself near the bottom of all the best international league tables, and near the top of all the worst. A feeble economy and zero transparency keep company with endemic corruption, booming narcotics industries and repression.

Military dictatorship has been particularly catastrophic for the many ethnic groups that make up roughly one-third of the population.

Minority groups are still subject to forced labour, forced relocation, rape, torture and extrajudicial killing. They have borne the brunt of the army's often violent rule.

The game plan devised by army leaders to manage Myanmar's ethnic conundrum is devastatingly simple. As long ago as the 1950s, military strategists drew parallels with Yugoslavia. As the Balkan wars gathered pace in the 1990s, they reinforced their determination never to allow Myanmar to disintegrate. Relentlessly, the junta stresses national unity in a Myanmar context.

The brutality of ethnic repression is one of the great indictments of army rule. At the same time, however, Myanmar's ethnic conundrum is one of the major reasons why neighbouring Asian countries continue to offer reluctant support to the junta. The last thing leaders in Bangkok, Beijing and New Delhi want is ethnic warfare on their long Myanmar borders.

Here lies the biggest problem for critics of the regime. Part of the counterpoint to authoritarian rule is obvious. One day, hopefully not too far in the future, Myanmar must make a transition to democracy. Different routes are conceivable, but the desirability of the final destination is not seriously questioned. Even the military junta claims to be heading in this direction.

However, in Myanmar more than almost anywhere else, democracy is unlikely to be an all-purpose solvent. Rather, sustained and detailed attention must also be paid to the country's ethnic problem. This is the greatest challenge for would-be reformers.

To date, however, little has been done to meet the challenge. The National League for Democracy, led from house arrest by democracy icon Aung San Suu Kyi, rarely addresses Myanmar's ethnic question. Student activists who helped spark mass pro-de-

mocracy protests in 1988, and were subsequently jailed, equally have no clear policy.

All those who wish Myanmar well need to look at the many institutional devices created around the world to govern ethnically fragmented societies. Merely calling for democracy is no longer sufficient. It is therefore time for the Myanmar debate to turn to detailed democratic blueprints. Mechanisms known to distribute power across society, rather than concentrate it at the centre, are essential components of a post-authoritarian future.

As well as deploping nearly half a century of ethnic repression by the military junta, opposition leaders need to think seriously about alternatives for a country in which the ethnic conundrum is more pressing than any other.

Ian Holliday is dean of the faculty of humanities and social sciences at City University of Hong Kong



## Dialogue of the deaf

The good thing about Sino-Japanese relations is that the two sides keep talking to each other. The bad thing is that they seem to be unable to make progress on any of the main issues that divide them, including history, territorial differences and natural resources in the East China Sea. Relations today are the worst since 1972, when the two countries established diplomatic ties.

A number of Japanese politicians visited China last week in an attempt to improve relations. The most important visitor was Toshihiro Nikai, minister of economy, trade and industry. He met Premier Wen Jiabao (温家宝), State Councillor Tang Jiaxuan (唐家璇), and Commerce Minister Bo Xilai (薄熙来).

Also in Beijing was a delegation from Japan's ruling coalition, the Liberal Democratic and Komei parties, to hold discussions with the Chinese Communist Party.

However, little progress was made. According to the Chinese Foreign Ministry, "views have been exchanged" with Mr Nikai, and some agreements were reached on promoting economic and trade relations. But there was little headway on major issues, though another round of talks on the East China Sea will be held in the first half of this month.

One positive development is an apparent willingness by Washington to try to help resolve Sino-Japanese differences.

Last November, while in South Korea for a regional summit, US President George W. Bush urged both Japanese Prime Minister Junichiro Koizumi and President Hu Jintao (胡锦涛) to try to resolve disagreements over history.

Washington had previously taken the position that differences over history should be ironed out by Japan and China without American

*"China seems to have given up hope of patching things up with Mr Koizumi, who is scheduled to step down in September"*

involvement. But now the United States, which wields great influence in Tokyo, apparently fears Japan will become increasingly isolated in Asia.

Besides, Japan's position on history inevitably involves the US. For one thing, Yasukuni Shrine – which Mr Koizumi visits regularly – denies the justness of the tribunal that sentenced 14 Class A war criminals to death after the second world war. The shrine's website calls them "martyrs" who were "cruelly and unjustly tried as war criminals by a sham-like tribunal of the allied forces".

In addition, Mr Koizumi justifies his visits to the shrine by saying that Japan owes its peace and prosperity today to the sacrifices its soldiers made in the second world war. That suggests that Japan's invasion of China, its occupation of much of Southeast Asia and its attack on Pearl Harbour were all justified. But, so far, the US has chosen to remain silent on the issue.

China seems to have given up hope of patching things up with Mr Koizumi, who is scheduled to step down in September. However, leading contenders to succeed him, including Foreign Minister Tarō Aso, appear to share Mr Koizumi's views.

Mr Aso has been a major critic of China. For months, he has accused Beijing of having brought about the suicide last May of an official in the Japanese consulate in Shanghai. Beijing has denied the accusation.

On February 18, Mr Aso expanded on the incident, saying: "They approached him, offering to arrange a sexy woman for him. Then he was blackmailed to give away secret codes for classified information. It is clear from a suicide note he left."

However, he backed away from his claim two days later, saying that his account had been hypothetical. If Mr Aso does not change his mind again, this issue may be considered resolved. Other issues, unfortunately, are much more intransigent.

But the fact that both countries are willing to talk shows that there is a common desire to improve relations. And if the US weighs in as well, then there is hope that the stalemate may be broken.

Frank Ching is a Hong Kong-based writer and commentator  
frank.ching@scmp.com

## WINDOW ON THE WORLD

### MACAU Fox Yi Hu

## Scrambling for a story

Macau police absorbed in cat-and-mouse pursuits of bad guys are becoming increasingly irritated at busybody newshounds, who are poking their noses in where they are not wanted. By eavesdropping on police radio communications with special devices, the aggressive reporters and photographers are sometimes beating police to the scenes of crimes and accidents. More embarrassingly, they are witnessing some bungling by Macau's finest.

Now the police seem determined to throw the newshounds off the scent by digitally encrypting their radio communications. The move has sent a shockwave through the press pack, prompting worry about how they are going to fill front pages in the near future.

A similar change in Hong Kong two years ago did not seem to cause such panic in the news community. As a compromise, Hong Kong police offered to alert journalists through bulletins on the force's website, but the officers in Macau seem reluctant to make the same concession.

However, the Macau media has different needs: a lack of in-depth political reporting – due to reluctance to offend the government – means that crime and accident stories are crucial for grabbing reader attention. Such articles dominate

the front of the *Macau Daily News*, the largest local paper. Nine of its 10 front pages between February 12 and 21 carried such stories, often with the largest headline.

The tapping of police radios by journalists has been tolerated for at least two decades in the former Portuguese enclave. Like pimping, it is subject to prosecution under the organised-crime laws; also like pimping, it rarely leads to prosecution. Though eager to end the eavesdropping, the police recently bungled an emergency call-out to an accident, giving the media just the ammunition they needed to criticise the move. After a serious car accident, a number of 999 calls to the police went unanswered. Two bystanders helped the injured before someone finally reached an officer on the emergency line. Unless a reporter had arrived at the scene, the bungling would not have been exposed, claimed the *Macau Daily News*.

The police explanation – that the emergency telephone lines were busy – was not convincing, as the media went on to reveal more cases of police negligence. They brought up a 2001 scandal in which a police officer – who was supposed to be in the office dealing with emergency calls – was pleasure-driving in his Jeep, and caused an accident that killed a taxi driver.

But despite all their baying, the newshounds seem likely to be thrown off the tracks of the police. While this would be good if it led to better political coverage, the government might not thank the police for the closer scrutiny.

## Yes, Prime Minister

Canada's new prime minister, Stephen Harper, could never be called the life of the party. He's stiff, formal and private. But he's married to a woman who, in personality, is his polar opposite. She's easy-going, vivacious, independent, rides around town on a motorcycle and had a career as a graphic designer before the birth of her two children.

Her name is Laureen Teskey. Or it was until a week after her husband won the federal election in January, and his Conservative Party took power. Then, she announced that she wished to be known as Mrs Harper.

You could see that statement as a personal matter, but the timing of it says otherwise. It is actually a highly symbolic political gesture. For a woman of her generation – she's in her mid 40s – to suddenly adopt her husband's surname after having decided, when they were married, to keep her own name is anything but whimsical. And she has been taken to task for it by women across the country.

It was the feminist movement in the 1970s that first began encouraging Canadian women to keep their maiden names at marriage. It was part of a larger social effort to encourage women to seek pay equality with men, to oblige society to

recognise discrimination against women in the workplace and conjugal violence in the home.

Women in their twenties no longer see the issue in such black and white terms. They aren't discriminated against in the way that many of their mothers were. So they feel free to choose what name to use after marriage.

But Mrs Harper is another matter. Mr Harper's political power base is the right: white, rural, evangelical Christians. But, to win the election, he needed to convince secular, non-white, big-city residents that he is a moderate who believed in gender equality.

Now that he's in power, he needs to do the reverse: convince his base that he's still a God-fearing conservative who believes abortion and gay marriage are wrong. Having a motorcycle-riding wife with a different name is just the sort of thing that might make many of his early supporters doubt his conservative credentials. So Laureen Teskey became Mrs Harper.

The irony of it is that the first wife of a prime minister to keep her own name was Maureen McTeer, who was married to former prime minister Joe Clark. He was a Conservative, like Mr Harper, but his base was not the religious right. During Mr Clark's seven-month term as prime minister in 1979, Ms McTeer was often criticised for keeping her own name because, many conservatives said, it showed she was not deferential enough to men.

Two years ago, Ms McTeer wrote the story of her life. The title: *In My Own Name*.

### OTTAWA Rick Boychuk