

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Tristan Harris: This episode is about China. China lacks free and fair elections. They restrict freedom of expression and they have a horrible record on human rights. We condemn China's human rights abuses in the strongest terms. And today we're going to talk about something different. Specifically, who do you think the Chinese government considers its biggest rival to its power? You'd say the United States, right?

Tristan Harris: Well, actually the Chinese government considers its biggest rival to be its own technology companies. Chinese tech companies are the ones who threaten its capacity to build a competitive China. And China's tech companies are the ones who influence how its children are being educated. That's why the Chinese government has been cracking down on social media. That's why they've cracked down on Douyin, the Chinese version of TikTok. So Chinese youth under the age of 14 can only use TikTok for 40 minutes per day and only between 6:00 AM and 10:00 PM.

Tristan Harris: Now we may have opinions about how the Chinese government is cracking down, but the important point is the Chinese government is cracking down. It's a complicated picture. I'm Tristan Harris.

Aza Raskin: And I'm Aza Raskin.

Tristan Harris: And this is Your Undivided Attention, the podcast from the Center for Humane Technology. Today in the show, we're going to have a surprising conversation about China. And it's going to be surprising because we're going to learn about the ways that China is actually responding to the issues raised by the social dilemma. And surprising because it's going to be less black and white than we might expect. And here to give us a fresh look at China are two guests, Rui Ma and Duncan Clark. Rui is an investor and analyst in US and China tech. She spent her childhood in China and is now based in Silicon Valley. And Duncan is a leading expert in China's technology and consumer sectors. He's lived and worked in Beijing in Shanghai for more than 20 years.

Aza Raskin: Duncan and Rui, welcome to Your Undivided Attention.

Rui Ma: Thank you for having me.

Duncan Clark: Thank you for having me too.

Aza Raskin: I'd like for you guys to really put us into the minds and the eyes and the hands of what it's like to be someone in China using technology. I think it's really easy for us just to assume in the west that we have a set of apps and that's just the way things are, and that's the way things work. You know, this was now over eight years ago, I was really surprised this last time I visited China, I was walking down the street and there was a woman who was begging, but she didn't have like a

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

hat out. She had her cell phone out with a QR code that I was supposed to scan and send her money that way.

Aza Raskin: And it sort of blew my mind because that's something you would never see in the US. I think many Americans don't realize how many foreign apps are just not available. That signal just doesn't work in China. In fact, thousands of apps just don't appear in the app store. There are these sort of super apps and you can do everything you need from within one app. When I was there, I felt like a second-class citizen. I couldn't catch a cab. I felt left out. So anyway, I really just want you to paint a clear picture so that the audience knows what is it like to be there.

Rui Ma: There are so many differences, but I'll cover one. I think what I think is a really important difference you already alluded to it, which is the super app experience. And the main manifestation of that is WeChat in China. Right? And I think it's really hard for Westerners to understand because WeChat is not just a messaging app. It takes the place of many other tools that we take for granted here. And that's primarily because PCs never took off.

Rui Ma: And related to that is email never really took off. Right? And then with messaging, messaging became quickly extremely spammy in China, and messaging cost money. There was not a free messaging plan early on. So therefore I guess people were frugal with their text messaging. So when WeChat came out with this mobile, completely mobile native experience that replaced email, which people never used anyways, but also messaging. And then replaced the fact that there was no existing dominant social network, right?

Rui Ma: There are many apps that don't work in China. Facebook has been banned, but Facebook also never even really had that much traction anyway. People just weren't connected from a social perspective. Basically WeChat replaced email messaging and became the social network that was built when internet usage really started to take off. Right? Because while there were plenty of internet users, hundreds of millions, on a percentage basis by 2010, it was still far below the US. I believe numbers, I looked up, it was about 70% penetration in the US by that time. But in China it was less than a third.

Rui Ma: So when we're talking about, when did the internet revolution really start, it's really only in the last 10 years. And an app like WeChat was able to take advantage of that and build an entire operating system because there were so many things that didn't exist, and it could effectively replace.

Rui Ma: Now when you have all those functions that were built up in the west over time, and that are discreet and separate, combined in one platform, it actually becomes very powerful. So one thing, for example, you don't really have spam in WeChat, right? Because messaging is a permission-based system. So I have to

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

add you, right? You have to know my account or I have to give it to you somehow. Or they also have subscription accounts. But again, that's also permission-based.

Rui Ma: And WeChat also controls how many messages that prescription account can send you every day. So that's why in China communications is very, very different. So what you're saying is that instead of a user going to different apps and doing different transactions and actions, they're just staying within WeChat and they're getting all their email communications within it, and they're doing experiences like hailing a cab.

Duncan Clark: Yeah. I'd agree with Rui on that. I got a cab in Paris last year and basically I realized I didn't have any money on me. That would never happen in China. I had to give the guy Metro ticket. When you leave China, you feel like I said, you're going backwards. You have to think, "Oh my gosh, I'm going to a developing country now. This phone is not going to do everything for me."

Duncan Clark: And similarly though, when I'm overseas, I can run my house in China through these mini apps that Rui was saying. I can pay my utility bills. I can say hi to the cat. All kinds of stuff. It is the most convenient environment that anybody's ever experienced I would say. It's just seamless. And, yes, at the expense perhaps of competition. And now that's being addressed of course by the Chinese government to open up these walled gardens. But I would almost call them walled jungles. I mean, there's so much you can do. You don't even feel like you're hemmed in. It is just so convenient that actually now they're forcing interoperability and openness.

Duncan Clark: But in a way the whole story of China has been trading convenience against privacy. But it's overstated in the West. We'll get into that, I guess, the Black Mirror sort of vision of China. It is so convenient there that you yourself find yourself embracing this convenience. Just that superior user experience is something people have embraced and it's been extremely powerful. It's an emotional attachment.

Duncan Clark: I mean, of course, Tristan, you've talked a lot about this and you guys focus on it's been. But in China it is a very emotional attachment, particularly because China has hundreds of millions of netizens, but not really citizens, right? People have more rights in the digital world and they're going to be very quick to demand those rights are protected than they do, frankly, offline.

Duncan Clark: In a sense, it's an alternative universe that people live in there, and it's in many ways a better universe than in the west on the digital side. And I think a key point is that people in China associate the internet with many positive changes in their lives. Of course, some never knew the world before internet, but those who do remember the inconvenience. For example, going to the bank in China

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

was a nightmare. You have to like pick a number here, wait four hours, go somewhere else. Then they say, "Sorry, we're closed for lunch."

Duncan Clark: That's all gone, you know? So the power of the internet in China is almost like extracting oil from the ground of inefficiency. There was so much inefficiency in state-owned enterprises and the way society was set up. And the internet came in and changed that. So people have a very positive, an optimistic view of technology, much more now, frankly than the west.

Tristan Harris: This is one of the things, Duncan, that I think I found most fascinating in our first conversation, which is just in the west we have a totally Black Mirror dystopian view of the future of technology increasingly. And obviously our work in The Social Dilemma are certainly externalizing that perception into the balance sheets of societies and around the west.

Tristan Harris: And the idea that in China, it's actually this very optimistic view, and the idea that this is the thing that's liberated us, that you said, especially in contrast, because the leapfrogging effects that you're talking about. I actually had no idea. I never heard that there was a permission-based communications system. Is there not a concept of email overload? I mean, so many of us probably spend a good 3% of our day if you're in the west clearing out basically spam communications. Is that not existent in China the same way?

Duncan Clark: People don't use email. Right? Right. I mean, good luck emailing anybody.

Rui Ma: Yeah. People don't really use email except in tech companies. Like of course in business activities they still do. But it's very, very diminished compared to the US. And the permission-based, what I was trying to say is that WeChat, like I said, if we are already connected, then of course it's a messaging program and you can message me whenever you want. You can spam me every second if you want. I could delete you of course.

Rui Ma: But for the branded accounts, for this sort of business-oriented accounts where I have to usually have an entity and you are subscribing to me, then that account is limited by WeChat in how often they can spam you. Or I shouldn't say spam, just message you. Right? So media accounts usually once a day, if you're very large or very high quality, you might get an exception. It may be up to three times a day. For business accounts, so if you're a brand and I subscribe to your WeChat, what's called a service account, then you can actually only send me messages four times a month.

Aza Raskin: Is my memory correct? That groups work very differently in WeChat. So that is, there's a maximum limit of 500 people in a group. And that if a group grows to a hundred people, if you want to join that group, you have to link your, I think it's your bank account, to WeChat in order to join. Is that right?

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Duncan Clark: Recently, there is a real name registration that the government has been pushing out. So that is true. There was an early kind of free for all. People could get a burner, a SIM card. But those days have kind of come to a close.

Duncan Clark: But one thing that's interesting, I think, to note also about WeChat, it's like if Rui and I are friends on WeChat, which I think we are, I cannot see who her friends are and she cannot see who my friends are. It's very interesting. You don't have to expose, unlike Instagram, Facebook and so on, you don't need to let people know who your friends are. It's quite interesting. So there's an element to privacy kind of built in, and protection as Rui said, which is very, very clever, I would say.

Tristan Harris: So there's a business interest into maximizing your connectivity to many other people that I think people don't necessarily appreciate the idea that it was designed with more intimacy in mind. Is that a cultural value or is that the government said, "Hey, we need to go more intimate because we see that it's actually having this perverse effect"? I would love to hear more about that sentiment.

Rui Ma: Oh yeah. So I'd probably preface that everything we talk about WeChat, WeChat is an exception, even in the Chinese ecosystem. And Allen Zhang, the creator, his focus on intimacy is unique, I would say in China. And in fact, so many of the decisions he did in the beginning, and he was very, very upfront about all this. He wanted people to be more intentional about who they connect with, right? He didn't make it actually as easy for people to... It's very easy for you to create a Facebook account today. Right? If I wanted to just create another account, and I don't know, just play around with the app or something.

Rui Ma: It's actually extremely hard for WeChat. They have a ton of anti-spam anti-fraud measures in place. In fact, even in China, sometimes people are like, "I want dual identities for my business persona and my personal persona. How can I get a second WeChat account?" It actually takes a lot of work. So the reason why they did that was because he really had this philosophy that even though in the short term he's sacrificing engagement, he completely understands about engagement and growth. He felt that in the long run, this would be better for the ecosystem. And I think that has been true.

Duncan Clark: Rui, if I can just add to that, that's made possible by games, right? In a sense, this was a prepaid app because Tencent makes so much money from its online games thing that it could actually be kind of chill on this monetization. And that's made it so wonderful as a user for many people because it isn't spammy. It doesn't have the ads. You know, this is all subsidized by the teens, you know, teens subsidizing older people. I mean, teens do use WeChat, but I mean, it

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

really is a transfer of wealth from gaming to a better social experience. Like games is this ultimate subsidy.

Aza Raskin: This is all fascinating. What I'm hearing is that that future is already here in China. We're living in this virtual world. But to go back to, I think, what we were just getting into, which is the government in China seeing the effects of all of these internet platforms and saying no to them is fascinating.

Aza Raskin: We were in a conversation with a US Senator who was recounting a story of being in Europe talking to one of his counterparts who asked him the question, "Hey, who do you think China believes is their biggest rival in power?" And of course the answer in like my head would be the US. But what he responded is like, "No, it's the Chinese tech companies," because they have power to control who sees what. Like if culture is upstream politics, these infotech platforms are upstream both politics and culture. They control both.

Aza Raskin: We were talking with Frances Haugen, the Facebook whistleblower recently on a previous episode, one of her points, and one of the disclosures that the Facebook files made was that a change in 2018 to a Facebook algorithm, forced political parties to go much more negative and attack, even though they didn't want to. And it sort of showed that like Zuckerberg has this digital hand that is more powerful than government.

Aza Raskin: So it's almost as if Jinping saw The Social Dilemma, sees this fist coming for the face of culture. And he's like, "Oh cool. I'll just sidestep that," and bans their version of TikTok, Douyin, so kids can only use it for what, three days a week, 40 minutes a day. Adds mandatory pauses between videos. Bans population rankings of celebrities. And in the US, we're just watching this fist come right at our face and then it hits us. So I'd love to hear, yeah, your reactions, your thoughts like about these two different models and world views.

Rui Ma: What I would say is that I think for the internet platforms, it's not just that they're so sure. They have a lot of powers, but I think it's already implied that the government has more power than them, right? So if you look at some of the publicly listed companies, Bilibili is a very popular with youth. The year it went IPO, which was 2018, they had some content issue and they were taken off app stores for a couple months. Didi has a different situation. It's more of a data security situation.

Rui Ma: But actually when I started the podcast, the very first episode was about how that same week you had Zhang Yiming, who was the founder of ByteDance apologize publicly for having this app called Neihan Duanzi, like memes and jokes, a lot of inappropriate, risqué content. And it was permanently taken off of shelves. And then that same week Mark Zuckerberg was in Congress testifying about something Facebook related. He wasn't nearly as contrite.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Rui Ma: So the government clearly has like ways that they can say, "I'm just going to stop your business," right? Permanently closing down an app, by the way, is one of the worst things they can do it. It actually rarely happens. Most of the time you're given 30 days, 60 days, whatever indefinite amount of time to fix it.

Duncan Clark: The government, let's say it's the communist party basically, is the steward ultimately of where things are heading. And so when they look at the west and see the inaction by government, they don't even understand it. And they feel increasingly proud about their ability to lead in this area. Now there are many side effects and negative things we can talk about, but there is a confidence in government to take on big tech.

Tristan Harris: So let's talk about how the Chinese government is cracking down on big tech compared to the United States. They're putting protections in place for how young people interact with technology. That includes things like limiting the number of hours that youth under the age of 18 can play video games to just one hour between 8:00 PM and 9:00 PM on Friday, on Saturday, and on Sunday. And they have to sign in with their real names. They even limit the monthly amount that minors can spend inside of video game.

Tristan Harris: For Douyin, which is their version of TikTok, they limit kids to just 40 minutes per day, and they ban all cell phone use in schools. After a certain number of videos in Douyin, the government requires a five second mandatory delay to prevent mindless scrolling. And China's government also wants to influence what content gets most amplified. They boost science experiments and educational videos for youth under the age of 14. And they order Chinese websites and apps to stop giving excessive exposure to celebrities and prohibit their fans from forming fan clubs.

Tristan Harris: The Chinese government specifically makes a point to boost content that they support. Algorithm recommendation systems must actually uphold "mainstream values" and "actively spread positive energy." The algorithms must not be used to encourage indulgence or excessive spending. And the Chinese government is also creating restrictions on how their military can access technology. For platforms that influence public opinion and the potential to mobilize the masses algorithms have to go through a security assessment after registration. Their phones are also tracked remotely with many websites off limits, not just to prevent the leaking of sensitive information, but also to reduce the potential for psychological manipulation of Chinese military personnel by foreign actors. We also see the Chinese government pushing for less anonymity online, requiring face scans for all mobile users.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Tristan Harris: So the next question is what is the impact of China's crackdown on social media? And how is China's ban on cell phone use in schools, for example, affecting tech addiction among youth and influencer culture? Rui gave us a surprising answer.

Rui Ma: I think a lot of it is the same. So what I like to say is that a lot of the same issues, same complaints, same user experience, deficiencies that you see in the West is present in China sometimes to an even greater degree because of the fact that more people are connected digitally and depend on their digital identities, sometimes for a living because of the situation we said earlier about leapfrogging infrastructure.

Rui Ma: So like influencer culture, where everyone is wanting to be an influencer. I remember there was this very popular post that was somewhat viral and it was something like people asked US youth what they wanted to do. And it was like YouTube influencer was the top. And then China was like astronaut. Well, I think they must have asked a very specific school in China because they have definitely done that exact same survey in China and influencer is also number one in China.

Rui Ma: So that must have been a survey that was not very representative statistically. So the narcissism, the anxiety that people have about looking at their friend's Moments, even though Duncan earlier had explained that's a little bit more private than Facebook in many ways, because WeChat does try to focus on building intimate relationships versus completely open relationships. That's part of the product philosophy.

Rui Ma: Nonetheless, especially I would say starting two, three years ago, there was a lot of talk about why I don't want to post on Moments anymore because it just makes me too anxious. Because I feel like I'm being judged. Because everyone is posting about their latest promotion, latest international trip, upgrading their house, et cetera. Or in China, a lot of it's about their children doing really well, and this is just making me so depressed that I don't want to post. So a lot of the same issues, I think Tristan, that you talk about absolutely exist in China. And for some reason don't get discussed in Western media.

Duncan Clark: So I think the point is some of the nefarious effects of the internet and algorithms are definitely there to be seen in China, for sure. But you have some cultural differences and you have the government. And the government, the empire is striking back. As we've seen on games, restricting the number of hours, or when, and who can play. We've seen of course in the last year, just a raft of new measures, even things that we couldn't even have imagined 18 months ago. Just sort of shut down the whole online trading sector, billions of investment destroyed, just because socially the government doesn't like it.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Tristan Harris: One of the things you both were talking about earlier is how that requires a culture to want the government to take that action. So it requires a coherence among the culture, both of the citizens to align enough with the government so that currently, just compared to the West model right now. So right now in the United States, we see sort of culture going off the rails. We see shared sense making going off the rails. We see social media continuing to kind of split us in fractal ways into our shared sense of reality.

Tristan Harris: So now when any mistake by any institution or any person, by the way, same thing with cancel culture, it's never been easier to distrust every anything and everyone. And so now when the government tries to take some action, we say, "well, we would never trust them to do anything," right? Because we've all seen the clip to go viral of Zuckerberg. "What is your business model?" He says, "Oh, Senator, we sell ads."

Tristan Harris: I mean, so that thing goes viral, which creates maximum distrust of government. So now the citizens don't really want, or wouldn't trust the government to do something. Whereas you're saying in China, they see a problem is going on and they would expect. They're saying, "Hey government, why are you coming in and doing something about this?" And to do that, they have to have had a culture that was coherent enough from the start among citizens and then a culture that's coherent at the top that they want to continue to evolve in a direction.

Rui Ma: It's the government having this idea that they have the responsibility to not control, but like to guide moral and social beliefs, right, and what the culture of the society should be. And not just the government, the people expect them to do the same. Right? So I would say if only one of these pieces were in place, then it wouldn't be very successful. But if the government already has this power to just stop you in your tracks when you are doing things that they consider to be out of bounds. But then also they have this responsibility that they innately feel and the people expect them to take action.

Rui Ma: I actually have in front of me, I wrote up for my investment community, what the China communists believe. They put together a report along with the internet agency CNNIC on usage of the internet by minors in China. And then they had some recommendations. But I wanted to highlight just some specific things that you might not have expected. Right?

Rui Ma: So number one, only 50% of the parents surveyed thought it was the family's responsibility to oversee internet use. So about a quarter thought it was society, AKA the government's responsibility, and 20% thought it was the school's responsibility. So, again, very different cultural environment and expectations in China, right? So schools and teachers play a tremendous role in the youth's life. Right?

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Rui Ma: And what you might not have expected to hear from the parents is that the number one reason why they wanted to limit screen time was actually worsening vision. So myopia, nearsightedness, is the number one reason by far. It's 82% of parents pick this. And by the way, that has made it into the government's goals for society. They literally have like five years from now, we want the myopia rate of children in the country to be this percentage decline from what it is now, et cetera, et cetera.

Tristan Harris: It's fascinating. I haven't heard any stats about myopia in the US.

Rui Ma: I know.

Tristan Harris: It makes me wonder if that's actually a thing. Where did that idea come from?

Aza Raskin: A conspiracy by Warby Parker?

Tristan Harris: Just like Pfizer wants the vaccine, Warby Parker secretly wants everybody to be addicted to screens.

Rui Ma: So again, the parents, that's their number one concern. And then second concern, 69% picked inappropriate content. And then it was addiction and decreased physical activity. But with the inappropriate content, the definition of inappropriate content is very different in China, right, versus the US. So what they thought was inappropriate content was things like showing off your personal wealth or your family background, because that is sort of the wrong cultural values, right? Showing off. Of course, pornographic and violent content and suicidal content is bad. But also things that are superstitious content is considered inappropriate. Anything that glorifies colonizing countries.

Rui Ma: And out of this list, the number one most common content that the minors surveyed said that they saw and what, I guess, the percentage they wanted to go down to zero is the showing off of personal wealth or family background. That's the most common type of inappropriate content that minors see and that presumably what the government wants to cut down on. Yeah.

Rui Ma: In fact, when things are going wrong in society, the most common thing you hear from regular Chinese citizens is why isn't the government doing anything about this? Right? So the government has like a very different role, I think, in Chinese society and culture than in the West, right? Like if someone defames you on the internet what do you do in China? You call the cops. That's not what you do here. Right?

Aza Raskin: If someone defames you on the internet, you can call the police and they'll do something.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Rui Ma: Yeah. They will.

Aza Raskin: What's an example?

Tristan Harris: What do they do?

Rui Ma: Well, you usually have to provide evidence, but they'll usually take-

Duncan Clark: Rui, I apologized for that incident already. You're bringing it up again.

Rui Ma: So this happens multiple times actually. So usually it's some celebrity getting pissed that they didn't do something and some paparazzi or someone saying they did. Then they'll say like, "You have one chance to apologize or else I'm handing you over to the police." If they don't, usually the police comes in, grabs you for questioning.

Duncan Clark: I think, yeah, the role of the police in China often is just calming down situations.

Rui Ma: Yeah.

Duncan Clark: Right. You see it at the street level. And so why would it be any different online than offline?

Tristan Harris: Yeah. Well, I mean, this is all fascinating and it relates to the conversation about China's tech crackdown. I think there's multiple ways to view that crackdown, right? So the cynical person from the United States might say something like, "Well, of course they're cracking down on this. They're a totalitarian or authoritarian kind of regime in that they want to control everything." And so this is just a cynical view of they're doing it in a way that represents values that we don't care about. So we would not take seriously any good faith learnings from why they would be doing that.

Tristan Harris: But then there's a post cynical view that says, yes, it's true that they have a more authoritarian form of government, but they also realize, and they're watching as basically, again, these set of technology companies are destabilizing many Western societies in various ways with either inequality, frustration, social media polarizing, and breaking down shared truth, creating January sixth. They probably look at something like January sixth and say, "Oh my God, do we allow that kind of insanity, those kinds of explosive movements to sort of show up at any moment and put that in our society?"

Tristan Harris: And so it's actually saying, we need to make sure that technology lives inside of the values of the Chinese Communist Party. And as Shoshana Zuboff says, in democracies we are not currently saying how do we make sure harness the

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

power of all these technologies to make a stronger set of social structures and super structures that reflect the embodied values of a democracy. Instead we're allowing technology to debase social structure and law and debase culture.

Tristan Harris: And she says the solution would be, how do we have technology be reminded that it lives in democracy's house? I'm just curious your reactions to that when you think about that model being applied to what China's doing in their recent tech crackdown?

Duncan Clark: Well, just one, one comment on that, Tristan. I mean, it's been interesting that in the US, you've seen some support for some elements of how the government's taking on big tech in China, from the right and the left. Right? You have the right saying, "Oh, these evil, evil games, they're polluting our kids' minds." And on the left sort of taking on some of the bigger capitalistic elements, including labor.

Tristan Harris: Yeah, that's one of the, what's it called in China? [foreign language 00:29:56], the notion of common prosperity that sort of emphasizing culturally?

Rui Ma: Oh yeah. I think that's since 2017, but really appeared in the public consciousness in this past year. But you can actually see the government really formally start talking about it in 2017, this idea of common prosperity. It's always been in the communist party's literature. It's just that it was considered next stage. Right?

Rui Ma: So in the beginning, we're all super poor. So some of us need to get rich. And now some of us are rich, we'll need to make sure the ones who have fallen really far behind also get some help. So that's the idea that now we're in the stage where, "Hey, we're at 10,000 dollars per capita GDP. And some of you are really rich now, so go help the rest." Yeah.

Duncan Clark: Yeah. And what Rui's talking about is, yeah, I mean, basically the neuralgia for the party is the middle income trap. Will China get old before it gets rich? It's kind of happening. I mean, China is aging faster than any society on earth. I mean, okay, Japan is already aged. But the demography it's dramatic. And yet we know that from experience, it's very difficult for countries to break through, to have a middle class big enough to then make the switch away from traditional industries, and in the Chinese case export and infrastructure.

Duncan Clark: And that is the big concern right now. So common prosperity is a must for the government to achieve broader levels of prosperity, to break through the middle income trap. And people focus on common prosperity. They focus more on the common, perhaps in the west, the sort of redistributive elements.

Duncan Clark: But it's also about the prosperity. It's also, for example, can you reduce the burden on people? For example, parents, with these big training companies or

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

the real estate costs nobody can afford to buy. Or they can't have a second or third kid if they can't buy an apartment with a second or third bedroom. You know, even if they have triple bunk beds, it's going to be tough. You know?

Duncan Clark: So there's a lot of effort in common prosperity to focus on the latter as well in China. Now, whether they can do it, it's a big gamble, particularly because in the past the government has relied heavily on the private sector, including these tech companies to drive economic growth, innovation, nearly all the jobs that are created in China from the private sector. But we've seen investment increasingly recently skew away from the private sector and going to the public.

Duncan Clark: Now, will that mean that China stops innovating, stops growing at the same levels? I mean, currently it's not looking good. China has some domestic outbreaks, small scale, but they also have the trade war. They have legacy issues like the world is experiencing, supply chain problems and power issues. So China's pretty nervous right now about can they make this switch?

Tristan Harris: We often talk in our work about the two attractors that we're heading towards in the future. One attractor is digital closed societies where you're maximally employing all the technology into these sort of centralized surveillance dystopias, where all the power and sort of rule making, decision making is increasingly in smaller and smaller number of hands that affect everyone else.

Tristan Harris: And then the other side is sort of a decentralized chaos where basically there's no control and we allow everything to grow in whatever scale it does, and inequality grows to whatever it does. And whatever thing goes viral, goes viral. And whatever influencer culture emerges from a race to the bottom of the brain stem teen mental health app, that's just what it does.

Tristan Harris: And so these two attractors of dystopia or chaos is kind of what we're heading towards. And I think of it like a bowling alley where we have to bowl, and we've got a gutter on the left called centralized power and dystopia; and we've got a gutter on the right called decentralized chaos. Except each gutter's getting bigger. So the Chinese, the centralized powers, whether that's Zuckerberg and Facebook getting more and more powerful over time and getting a trillion dollar market cap growing every day. That's one gutter that's getting bigger. Or it's the Chinese government getting bigger and bigger in its use of power.

Tristan Harris: The other gutter that's getting bigger is more and more people having more and more power in ways that are actually destabilizing to society, whether that's drones, CRISPR, memes, that can go viral to anyone, crazy amounts of inequality, that kind of decentralized chaos.

Tristan Harris: So both those gutters are getting bigger. And there's this question of, okay, if neither of those take us to a direction we want to go, or will allow civilization to

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

kind of make it, we have to hit a strike. So we have to basically throw this bowling ball down this increasingly thin kind of bowling alley. And that's the prompt of what a digital open society could be.

Aza Raskin: You emailed us, I think in May, Duncan. And you said that we need to understand China, of course, but also it's part of healing ourselves. Healing thyself is to understand China, that China is a great mirror to reveal our own weaknesses, but also our strengths. And so I'm really curious, given that lens and thinking about how we roll the ball down the very center of the bowling alley, like what you would draw from that? And I think like the second part of the question that comes is like, what does China want? Like where is it going? Like does it want total world domination? Like what is it inside of China to say like, here's our end goal?

Rui Ma: You know, and I understand people don't agree with this statement, but I don't think China is particularly interested in, quote-unquote, taking over the world. Historically that's not what it's really done. In fact, it's always historically been more inward looking, and fighting off other invaders.

Rui Ma: On the Silicon Valley front, though, what I would say is when you talk to people in America, of course, there is this dichotomy of like US versus China. But just go anywhere outside of America, right? Like European. Like I was on this European podcast, and the conversation of US versus China just became very heated of, "Well, why should it be either? What about Europe? You know, what about the rest of the world?"

Rui Ma: Well, first of all, American companies have taken it sort of for granted, not just in tech, but in many other industries, that they have the biggest global brand names. Right? Everyone in all over the world is drinking Starbucks, eating McDonald's, and wearing Nikes. But nowadays there's a new country, China, where a lot of the brands want to be global brands. They define that as having at least 50% of my revenues coming outside of China. And they're either thinking of doing that from day one, from the get-go for a lot of the tech companies. Or maybe for some of the physical good companies, they're thinking about doing it a little bit later on.

Rui Ma: But that is a very natural sort of, I think, evolution as the economy upgrades and as your talent and access to capital upgrades. And it's not just going to come from China, it's going to come from India. It's also going to come from many parts of Europe. Pretty soon it'll probably be also Meta as well and Latin America. I don't want to leave anyone out. Antarctica.

Duncan Clark: And I think Southeast Asia is probably the most interesting place where you see this interplay between US tech firms and Chinese, particularly the gaming

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

culture, very strong. Companies like SEA in Singapore and ASEAN. You see investments by Tencent in Indonesia.

Duncan Clark: It's been a bit of a wake up call to companies like Amazon and Facebook and others to, "Hey, you need to raise your game." But that is playing out all over the world. And very interestingly, in some cases, Chinese entrepreneurs are dominating in markets like the Middle East in chat or in parts of Africa, whether it's handsets or content. Some of them are actually fleeing China's too complicated. But I know how to do this stuff. I'll go build a business in Nigeria. That's happening. It's very interesting. The Chinese talent versus Chinese companies, we need to break that down. And Chinese capital as well. It's flooding around the world. You know, there's a lot of capital sloshing around here.

Duncan Clark: But I think one thing before we move on, I think it's very important that we say we're coming from this consumer internet perspective, and media, and the equivalence of Facebook and so on. But China has a very deeper vision now on technology. They're looking at reducing dependence in areas. As Rui said, there's been this fear of invasion, fear of foreign control. What's the number one product that China buys is semiconductors, right?

Duncan Clark: So they're investing huge amounts, including in the private sector, gobs of cash going into build domestic capability in semiconductors, in AI, in quantum. So deep tech, the more serious tech. They look at the stuff we've been talking about as, yeah, kind of frivolous. And they can control that. Their game at the communist party's level now, for the next 10, 20, 30 years, is really on this deep tech, building their own capabilities. Because after the trade war, and even before, they felt increasingly dependent, particularly on TSMC in Taiwan in semiconductors, but across the road.

Duncan Clark: And in some cases, we know that China has been pulling ahead in certain aspects by sheer force of money they're putting in there, amazing engineering talent. Now, can they catch up or overtake the US in a number of areas? This of course has led to things like Eric Schmidt leading the AI Commission and other things to push back and understand what can the US do? That's the mirror aspect as well I think we need to understand.

Duncan Clark: You know, the US needs to benchmark itself against China and they need to understand it's quite difficult because you don't always know what's going on there. But in terms of the number one prescription, I think, for US continued dominance in some areas will be stapling the green card to the PhD, right, which recently has been stepping back.

Duncan Clark: And that's the one thing that the US can do, is attract global talent and retain it, China cannot do. I mean, China has tremendous domestic talent in coding, but it

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

has some frankly deficiencies in some areas that they're addressing. Anyway, so it's interesting. This is the global chess game. But China's thinking much more the deep tech, the longer term. And I think we can be a bit distracted a little bit by the social stuff, which we're right we need to address in the West. But China has kind of figured they fixed that already.

Aza Raskin: And so right now we're sort of using this frame of rival riskness, which I think there's a lot of merit to that. And I'm curious if we were to transcend the rivalness dynamic with China what would that look like?

Tristan Harris: More hamburgers in China and better dim sum.

Duncan Clark: Better food. Chinese food is really good.

Rui Ma: There's a lot of hamburgers in China already.

Duncan Clark: Actually that's true. Yeah. Shake Shack is all over the place now. So yeah. I mean, space, maybe that's the final frontier, right? I mean, how is that going to work? It's sad right now that the International Space Station is sort of somewhat legacy with Russian corporations. But China's building its own infrastructure. So it isn't happening right now, having more people to people contact, which is suspended right now because of travel and COVID and so on.

Duncan Clark: That's really dangerous that we kind of reduce each other to stick figure characterizations, both sides. So I think that the first step is to resume people-to-people exchanges. I'm on the board of Asia Society. We're all about promoting engagement and education and language training, all that stuff. But it's going to take a long time to turn the ship around from the current, pretty scary frankly, situation on geopolitics. As you mentioned East China Sea, South China Sea. And you name it, it's been a really rough path.

Duncan Clark: So I think first it's kind of heal the damage, put a line under it. I think there was some positive signs from the Xi Biden discussion. You know, Xi Jinping has not left China for over two years. Right? And all of us. I'm able to go back and forth. A few people can, but we don't have students. We don't have foreign students in China. Very few are able to go. Like there's going to be a generation, three now years, four of no contact.

Duncan Clark: That's a problem. We need to focus on ways to, without being naive, build a greater understanding. To look at things like that. Climate change is the ultimate hidden game solution, right, if the US China came out with something positive. People can question how effective it's going to be. But at least it was a sense of stepping back from the precipice.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Duncan Clark: So I think climate change, space, this kind of stuff, and ultimately nuclear agreement, not to sort of expand insanely on that, which game theory is coming into play here, but for both sides. You know the problem, China and the US need each other more than they care to admit, and they're both very proud countries with tremendous capabilities. But sometimes they actually do need to work together.

Aza Raskin: Yeah. I guess since we were just talking about all of the different ways in which we are headed towards this like massive rival risk dynamic, like what's one thing that you know, that others don't, that give you hope? So maybe starting with Rui and then to Duncan. Ah, wow. Wait, I'm going to have to think about this. It's that I think overall the Chinese people, they have a lot of the same concerns about where the world is going, especially around common shared future potential catastrophes like climate change, as we do.

Rui Ma: I've been very cheered by the fact that that's something that I saw change very, very rapidly in the past decade when I was there from basically no one around me caring at all. Like when I arrived in China I was vegetarian and I explained that it was for environmental reasons, and everyone looked at me like I was an alien. And now that has become an acceptable explanation. And a lot of the common concerns we have as a species, I think the Chinese people feel it very keenly and maybe even more keenly than we do here in the West, because obviously they're looking at not as great quality of life and generally lower incomes.

Rui Ma: So hopefully that will make us all more motivated to do these things together. I mean, specifically on climate change, I'm not sure people realize, but China so far their plan for carbon neutrality is only basically giving the country 30 years, right? China doesn't plan to peak in carbon emissions until 2030, and then it's only giving itself 30 years.

Rui Ma: But if you look at the US and if you look at Europe, Europe actually peaked in 1979 or something, and then US in the early 2000s. You know, US and Europe have actually a much longer runway and China's being quite aggressive. And I think it's good for the world that China is willing to adhere itself to this kind of timeline. It's one of those really big, hairy, audacious goals that I think because it's out there, they're really going to have to realize it. And that would be just great for the whole planet.

Duncan Clark: Yeah. I think there's an inbuiltness both China and the United States. So in the inbuiltness China, if it really is going, you know, some people say in this dystopian and top down direction, can they do that and maintain the innovation, the dynamism, and the economy? Or is it going to be like an inbuilt reset to say, "Look, if economic growth drops too much, if the companies stop producing and

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

the population starts to question things." I mean, I have faith in the fact that the Chinese consumers, Chinese individuals will not tolerate too much going astray from this agenda of prosperity. I mean, that's what everybody wants, of course. But if there's too much of a focus on side projects or political nature of things, which undermine the middle classes, which are big already in China, the aspirations, then there should be an adjustment.

Duncan Clark: I think the Chinese and Americans are more like each other than they actually know. They both have the same aspirations. Governments in both China and the US need to deliver on those aspirations, and by cooperating with each other, they're ultimately going to have greater success at that.

Duncan Clark: They can of course choose in some areas to fight each other. Hopefully not literally, but the cost of that are becoming apparent from the trade war and the aftermath. So hopefully there's going to be new consensus for at least more subtlety in this relationship. And we can see some wins.

Duncan Clark: One thing, for example, is working together on cancer research. The US and China, and Asia Society is involved in this as well. You know, if we can't cooperate on this or climate change, what can we do? I think we're going to find areas of collaboration that lead us back away from this path that we've been on.

Rui Ma: Well, because I'm sitting at a place where I am trying to work on cross-border deal flow, what I would say is that while I do think the environment today is different from a couple years ago when there was a lot of flow in capital and talent between the two countries. I don't think that's quite diminished as much as people might think it has. I think there are still a lot of curiosity. There is still a lot of sharing, and there's still a lot of mutual learning. Especially in areas where it is about hopefully saving the whole world or humanity as a whole, there is actually a lot of motivation to collaborate and to cooperate. So I hope that goodwill extends and that goodwill helps us all.

Aza Raskin: Yeah. What I think I'm hearing, Duncan, is you saying that we're more similar than we think. And Rui, what I'm hearing you say is that we're actually collaborating more than we think. So I want to thank both of you for coming on Your Undivided Attention. It's been a completely fascinating, eye-opening and sometimes very surprising conversation.

Tristan Harris: Duncan Clark is a recognized expert on the internet and entrepreneurship in China. He's the chairman of BDA China, an advisory firm serving investors in the technology and consumer sector in China and other Asian markets. He's also the author of Alibaba, the House that Jack Ma Built, which was named book of the year by the Economist.

Center for Humane Technology | Your Undivided Attention Podcast
Episode 44: [A Fresh Take on Tech in China](#)

Tristan Harris: And Rui Ma is an investor analyst who works with funds and companies to identify technology investment opportunities in the US and China. She maintains a community for investors and operators interested in China tech at techbuzzchina.com, and co-hosts the Tech Buzz China Podcast.

Tristan Harris: Your Undivided Attention is produced by the Center for Humane Technology, a nonprofit organization working to catalyze a humane future. Our executive producer is Stephanie Lepp. Our senior producer is Julia Scott. Engineering on this episode by Jeff Sudakin. Dan Kegney is our editor at large. Original music and sound design by Ryan and Hayes Holiday, and a special thanks to the whole Center for Humane Technology team for making this podcast possible. You can find show notes, transcripts, and much more [@humanetech.com](mailto:more@humanetech.com). A very special thanks goes to our generous lead supporters, including the Omidyar Network, Craig Newmark Philanthropies, and The Evolve Foundation, among many others. And if you made it all the way here, let me just give one more thank you to you for giving us your undivided attention.