

# The China Challenge in the Twenty-First Century

Implications for U.S. Foreign Policy

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## Contents

Summary	v
Foreword	viii
1. “China Threat” or “China Challenge”?	1
2. The People’s Republic as a Revolutionary Power: A Brief Historical Review	4
3. The “China Challenge” as Viewed from a Chinese Perspective	9
4. Formulating U.S. Strategies toward the “China Challenge”	16
5. Conclusion: Living Peacefully with China in the Twenty-First Century	24
Notes	26
About the Author	28
About the Institute	29

## Summary

Despite Asia's current financial crisis, China's rapid economic growth raises the question of whether or not it will emerge as a dominant regional power, or even a hegemonic world power, in the twenty-first century. For many in the West and in China's neighboring countries, this prospect is very troublesome. Their worries are based on a variety of observations and deliberations, three of which are the most consistently and frequently cited:

- ▶ the continuing reign of the Chinese Communist Party and its questionable human-rights record;
- ▶ China's military build-up over the past decade, suggesting an offensive capacity that can be used far beyond the country's shores; and
- ▶ the country's existence as an "outsider" in the international community, continuing to rely on the possible use of force to settle the Taiwan issue, and reportedly exporting arms to other "outsider" states such as Iran, Syria, and Pakistan.

The "China threat" scenario leads to all kinds of policy prescriptions, emphasizing the need either to "constrain" or to "contain" China. These prescriptions, though varying from case to case, typically argue for the strengthening of U.S. military capabilities in general and its military presence in Asia in particular.

A closer analysis, however, reveals that the problems generated by China's emergence as a prominent world power should be defined as a "China *challenge*," with which *both* the Chinese people and the rest of the world must cope through mutual understanding and cooperation, rather than a China *threat*, against which the rest of the world must form a strategy in a well-planned collective effort.

After its establishment in 1949, the People's Republic of China (PRC) emerged as a *revolutionary* country on the world scene. During the twenty-seven years of Mao's reign (1949–76), the PRC constantly challenged the legitimacy of the existing international order, which it believed to be the result of Western domination and thus inimical to revolutionary China.

Underlying the PRC's revolutionary external behavior is a profound "victim mentality." During modern times, the Chinese perception of their nation's position in the world was continuously informed by the conviction that it was the political incursion, economic exploitation, and military aggression by foreign imperialist countries that had undermined the historical glory of the Chinese civilization and humiliated the Chinese nation. As a result, a victim mentality gradually dominated the Chinese conceptualization of its relations with the outside world.

Mao's China, despite its history of using force, was not an expansionist power. Mao and his fellow Chinese leaders seemed to have been unafraid of using force in dealing with foreign policy crises that they believed threatened the PRC's vital interests. What

they hoped to achieve was not the expansion of China's political and military control of foreign territory or resources, but the spread of the revolution's influence to other "hearts and minds" around the world.

China today is no longer a revolutionary country. But China is not a real "insider" in the international community either. Indeed, foreign policy is the least criticized endeavor in post-Mao China, yet many of the principles underlying Mao's revolutionary foreign policy, and the victim mentality that serves as their animus, remain the key elements influencing the PRC's external behavior today.

A fundamental difference exists between the notions of "China threat" and "China challenge": the former completely ignores how the Chinese people perceive the problems facing their nation's development, whereas the latter regards these problems as both Chinese *and* international in their essence. Quite simply, the adoption of a "China challenge" approach requires an understanding of the problems raised by China's development from a Chinese perspective.

At the end of the twentieth century, China is at a crucial historical juncture. Deng Xiaoping's reform-and-opening process has fundamentally changed China's isolated international status, but the final outcome of this process is by no means certain. The hope that China will transform into a land of prosperity and modernity (including the adoption of democratic political institutions) remains very promising. Yet the Chinese, especially the intellectuals, have been frustrated by the negative effects of the reform-and-opening process and fear that the Chinese state and society may disintegrate from the pressure of change. Because of the comprehensiveness of the reform-and-opening process, the Chinese communist state is facing a profound legitimacy crisis.

China is not likely to become a fundamental threat to international peace and security as perceived by the advocates of the "China threat" thesis. If the reform-and-opening process finally brings economic prosperity, social stability, and democracy to China, it will simultaneously transform China into a real "insider" of the international community, willing to observe a broader range of international legal norms and regulations. Then again, if China fails to hold up under the extraordinary pressure brought about by total state and societal transformation and disintegrates as a result, it will be too weak to pose a threat.

How should the United States cope with the "China challenge"? While there are no easy answers to this question, the first and most important step is for Washington to formulate a *long-term* and *consistent* overall strategy toward China, beginning by constructing a U.S.-Chinese agenda for relations that is dominated by positive bilateral issues. How far into the future should this long-range vision look? Based on the anticipated results of some crucial developments in the People's Republic, such a vision should span at least fifteen to twenty years.

China is experiencing the greatest transformation—political, economic, social, and cultural—in its history, which imposes tremendous challenges for the Chinese people and causes profound frustrations for China's intellectuals. The triumph of this transformation process may open the way for China to emerge as an equal member and genuine "insider" of the international community. The failure of the process, by contrast, may

lead to a disintegrated China, creating all kinds of security, environmental, and other serious problems for the Asia-Pacific region and the world as a whole.

The United States has no reason to fear China's rise as a strong and prosperous country. Rather, Washington should make the support of China's modernization efforts a long-range, high-priority goal in its post-Cold War global strategy.

## Foreword

President Clinton's June 1998 trip to Beijing—the first visit of an American president to the People's Republic of China since the violent suppression of demonstrators at Tiananmen in 1989—marks a concerned effort by the administration to rebuild a normal leadership dialogue between the PRC and the United States. Yet the trip is taking place in a polarized political environment in Washington. Some congressional leaders challenge the appropriateness of the presidential visit amidst charges of illegal Chinese contributions to the 1996 presidential campaign, allegations of unwise—or unduly influenced—administration approvals of exports of militarily sensitive technologies to the PRC, Chinese sales of nuclear and missile technologies to Pakistan and Iran, and unresolved concerns about Chinese human rights and trade practices. Many observers of Sino-American relations wonder whether it is possible to sustain a normal relationship between the two countries.

For close to ten years, the West has viewed China with concern and suspicion. After the brutal crackdown on pro-democracy protesters in Tiananmen Square and the unremitting suppression of all organized political and religious dissident, China's Communist leaders reaffirmed their adherence to a policy of one-party rule. The country's external behavior offered equally disquieting signs: the slow but purposeful buildup of a capacity to project military power abroad; the proliferation of military technologies to unstable areas of the Middle East, the Persian Gulf, and South Asia; assertive naval deployments to contested areas of the South China Sea; and, most starkly, the salvo of missiles launched at Taiwan's sea lanes as a warning against the island's gestures toward independence during its 1996 presidential election campaign.

Yet there are signs of another, less threatening and reform-minded China: as an applicant to the World Trade Organization, a stabilizer in Asia's financial crisis, and a partner in the Four Party Talks on the Korean Peninsula. Domestically, China has at last responded to Western pleas to free a number of leading political dissidents, is promoting elections in rural villages for local leaders, and is dealing with the recently returned Hong Kong with restraint.

Which is the China we face: a threatening "emerging superpower" with global ambitions that challenge America's security and economic interests? Or a reform-minded, developing country that knows it must adapt institutions inherited from the era of revolutionary communism to the requirements of global good citizenship? In this timely *Peaceworks*, Professor Chen Jian examines the foreign-policy behavior of the People's Republic from inside the country. What his examination reveals is a much more circumscribed power than many of its foreign critics describe: a country that remains in some ways revolutionary, yet desirous of becoming an "insider" in the international community; a country that until very recently could boast of ten percent annual economic growth, yet must address widespread poverty across most of its rural interior; a country that can mobilize its vast populace in a crisis, but whose leaders fear political disintegration as a

result of the pull of strong regional political, economic, and ethnic forces. In short, Chen argues, today's China is wrestling with many profound domestic problems and contradictions, and these challenges keep China's leaders focused internally, not on an adventurous course of external ambition.

This is not to say that Professor Chen dismisses the recent assertiveness of China's foreign policy, particularly the "missile diplomacy" the People's Republic conducted off Taiwan's shores in 1996—an action that brought a speedy response from the United States, in the form of a deployment of two aircraft carrier battle groups to the Taiwan Strait area; nor does Chen dismiss the PRC's maneuvering in the South China Sea. Yes, China's foreign policy has been assertive, Chen argues, but not expansionist.

Indeed, at the end of the twentieth century, China faces a crucial historical juncture. Roughly two decades after Mao Zedong's death and Deng Xiaoping's initiation of a process of rapid economic growth, the People's Republic is still struggling with a profound identity crisis. Professor Chen contends that this crisis manifests itself at several fundamental levels: the role of the Chinese Communist Party in leading a population concerned with raising living standards, not building a socialist society; the disparity between the country's thriving coastal areas and economically laggard interior provinces; China's place in a world of "Western" values and institutions; and even the very notion of a Chinese identity.

Mao's revolutionary foreign policy attempted to overcome the sense of insecurity China suffered during its late imperial and republican eras, and the chairman's legacy still influences not only Beijing's assessment of the world, but its ability to mobilize its citizenry as well. Deng's economic reforms have ushered in a period of unprecedented growth and social change, yet they have exposed the once-isolated country to diverse foreign influences; in the process, they have generated social forces that could destabilize the country's political order.

In assessing the Communist Party's position in the new China, Professor Chen asks some rather stark questions: What will be the future of the People's Republic if the Chinese people discover that the party has outlived its usefulness? If the party does collapse, what new institutions will attempt to maintain China's territorial integrity? Will the country disintegrate, splitting not only the powerful coastal regions away from the rural interior, but Tibet and western China away from the rest of the country? Viewed from this internal perspective, Chen argues, the "China threat" could come from purely domestic sources, not external aggressiveness: massive social dislocations stemming from the destabilizing effects of economic transformation, widespread protest over widening inequalities of wealth, environmental catastrophes, mass migrations.

Can China peacefully coexist with the West? As Professor Chen argues, a consensus has emerged among Beijing's leaders that China's continued economic growth requires international stability. Yet there is a core set of foreign policy goals that cannot be compromised, and it is here that Chen's internal analysis produces disturbing foreign policy conclusions: While China can redress past colonial injustices with its reacquisition of Hong Kong and, in 1999, Macao, the unresolved issue of Taiwan's status lies at the heart of the regime's notion of China's national integrity.



Deng's reforms have moved China into the international community, exposing it to the global regimes and universal norms and values that govern international exchange. Will such interactions eventually lead to the adoption of democratic institutions in the People's Republic? Chen's answer is optimistically affirmative, but he adds that such a development will take time, and that it will not result from activist policy pressures from the West supported by economic incentives and moral suasion. To be sure, rudimentary democratic institutions are in evidence at the lowest levels of the PRC's political system, as Professor Chen points out, and Beijing has evinced a grudging (if momentary) acceptance of universal norms in the realm of human rights through its recent release of political dissidents such as Wei Jingsheng and Wang Dan. But China's history also has seen prospects for political change evaporate suddenly—and sometimes violently—during periods when there seemed to be an opening for reforms, such as the “Democracy Wall” movement in the late 1970s and Tiananmen in 1989. Certainly, continued economic achievements will demand a more open society and more pluralism in political decision making, but, Chen cautions, the West should not link economic achievements to immediate progress in establishing democratic institutions.

Chen's message may not comfort Western policymakers who urge a more assertive policy to induce China to change its internal behavior to conform with universal norms befitting major powers in the international community. However, his analysis of the domestic sources of China's foreign policy at least helps to temper the notion of a China “threat.” In fact, given the kind of turmoil Chinese elites and masses alike are experiencing in the post-Deng era, Chen argues, China's domestic and foreign policies should be seen as “challenges,” which the West, particularly the United States, can turn to its advantage by continuing to pursue a policy of constructive engagement.

Unlike most Western analysts of Chinese affairs, Chen brings a unique personal background and interpretive perspective to his study. His formative years were spent in the People's Republic as a Red Guard during Mao's Great Proletarian Cultural Revolution, and he began his graduate studies at Fudan and East China Normal Universities in Shanghai. Now an associate professor of history at Southern Illinois University, Chen retains his Chinese citizenship and regularly travels to China to research archives and interview officials on the history of China's foreign policy. During his 1996–97 fellowship in the Institute's Jennings Randolph Program for International Peace, Professor Chen provided U.S. officials and scholars with special insights into foreign-policy making in the People's Republic. This *Peaceworks* is just one of the products of Professor Chen's period of research at the Institute.

The United States Institute of Peace has devoted many other resources—particularly in its Research and Studies Program—to examining China's impact on the East Asia region and in the global arena as well. We have published two Special Reports on Asian security—*Beyond the Asian Financial Crisis* in April 1998, and *North Korea's Decline and China's Strategic Dilemmas* in October 1997—in addition to several previous reports on political developments on the Korean Peninsula and in the South China Sea.

While the conclusions of this Peaceworks will remain the subject of debate well past the Clinton-Jiang summit—and indeed well into the next century—Chen Jian has nevertheless provided us with a well-informed and informative perspective on China's international behavior and foreign policy.

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## One

### “China Threat” or “China Challenge”?

One of the most profound changes in international politics and the global economy in the last decade of the twentieth century is the phenomenal economic growth of the People’s Republic of China (PRC). Indeed, contrary to the predictions of many China experts after the 1989 Tiananmen tragedy, China’s economic development had deepened and accelerated from 1992 to 1997, registering a growth rate in its gross national product (GNP) of around 10 percent annually (this estimate is based on a consecutive annual GNP growth rate of around 10 percent throughout the 1980s—with an interruption between 1989 and 1992 in the wake of Tiananmen). Depending on how one measures it, the Chinese economy today is probably already the world’s third or fourth largest (although a more prudent and widely-accepted estimate ranks the Chinese economy the ninth in the world).<sup>1</sup> If China can successfully withstand the effects of Asia’s current severe financial crisis, the Chinese economy may become the world’s largest by the middle of the twenty-first century. Conventional wisdom holds that the expansion of a nation’s economic capacity is usually followed by its quest for more international influence and power. The prospect of China’s rapid economic development thus raises the question of whether or not it will emerge as a dominant regional power, or even a hegemonic world power, in the twenty-first century.

For many in the West and China’s neighboring countries, this prospect is very troublesome. Their worries are based on a variety of observations and deliberations, among which the following three considerations are the most consistently and frequently cited:

First, while the Chinese economy has developed at an unprecedented speed, China’s political system remains characterized by the Chinese Communist Party’s (CCP) one-party reign. With the persistent dominance of political authoritarianism in Beijing, China’s human rights record, as many (especially international human rights watchers) view it, has not been improved, and may have even worsened, in recent years. A renowned scholar of Chinese history and politics, Arthur Waldron, thus makes the general observation that since 1989 China has been “moving toward renewed dictatorship.”<sup>2</sup> Will a China that does not respect its own people’s political rights be willing to act responsibly on the international scene? Many in the West have serious doubts.

Second, in terms of the PRC’s military build-up in the past decade, some scholars, journalists, and military analysts emphasize that there exists a very strong tendency on the part of Beijing not only to modernize China’s national defense but also to provide the Chinese military with an offensive capacity far beyond China’s borders. In examining the PRC’s military modernization program, they claim that Beijing’s military expenditures may have reached as much as \$87 billion per year, if not more.<sup>3</sup> Consequently, they speculate that underlying the PRC’s military build-up is a blueprint for a head-to-head conflict with the United States sometime in the twenty-first century.

*The grave estimation of the "China threat's" serious nature leads to all kinds of policy prescriptions emphasizing the need either to "constrain" or to "contain" China.*

Third, although China has been increasingly incorporated into the world economic system as a result of its "reform and opening" process of the past two decades, it has remained, as many judge it, an "outsider" in the international system which refuses to embrace some of the system's basic international norms and regulations. For example, on the Taiwan issue, Beijing has firmly rejected renouncing the use of force as a possible means to solve the problem. In the field of arms control, Beijing has been suspected of irresponsibly exporting weapons to other countries, such as Pakistan, Syria, and Iran. The expansion of the PRC's power potential, many thus fear, will allow it to create more substantive damage to the stability and order of the world in general, and of the Asia-Pacific region in particular. This concern finds reinforcement in the historical record, where some scholars find that Beijing has frequently used force to cope with crisis situations in China's external relations. For example, in a plausible recent study about Chinese strategic culture, Harvard political scientist Alastair Iain Johnston points out that the PRC resorted to violence in eight of eleven foreign-policy crises during the period 1950–1985, proportionally far more frequent than any other major power in the twentieth century.<sup>4</sup> Although Johnston cautiously claims that it is not his intention to "imply that contemporary China has inherited a predisposition to aggressive, offensive use of force," readers of his book may think differently. Warren I. Cohen, a leading scholar in American–East Asian relations, commented that "If Johnston's analysis of China's strategic culture is correct . . . [t]he powerful China we have every reason to expect in the twenty-first century is likely to be as aggressive and expansionist as China has been whenever it has been the dominant power in Asia."<sup>5</sup> In other words, if Beijing has demonstrated a tendency to use force to solve foreign policy issues in the past, how can one expect that Beijing's leaders will be less willing to do so in the future, especially if China's economic development dramatically strengthens its power potential?

Given this history, and in view of the political and military developments in an increasingly rich and powerful China, the notion of an emerging "China threat" increasingly penetrates U.S. strategic thinking while, at the same time, forming a prevailing theme in the American media. In recent years, especially since early 1997, the "China threat" has caught the attention of many policy practitioners, scholars, and journalists, particularly in a recent book, *The Coming Conflict with China*. The authors, Richard Bernstein and Ross H. Munro, two journalists who have covered Beijing extensively, argue that China is an "unsatisfied and ambitious power whose goal is to dominate Asia," and that "if China remains aggressive and the United States naive," a direct confrontation between China and the United States will come sooner or later.<sup>6</sup> Thus they appeal to policymakers and the general public alike to pay closer attention to the serious threat China will eventually pose to vital American interests in Asia and in the world overall.

The grave estimation of the "China threat's" serious nature leads to all kinds of policy prescriptions emphasizing the need either to "constrain" or to "contain" China. These prescriptions, though varying from case to case, generally argue for the strengthening of U.S. military capabilities in general and its military presence in Asia in particular. They also urge that, with Washington playing a leadership role, China's neighbors should take

coordinated actions to deter the PRC's putative expansionist maneuvers. In a few extreme cases, the PRC is equated with Hitler's Germany, and the crisis scenario that could be created by the China threat is compared to "a Cold War as bad as the last."<sup>7</sup>

The worries about an emerging China threat are overstated, though not totally without grounds. As would be the case with any other nation in a comparable situation, the rapid development of China's economic capacity will inevitably cause profound changes in the international balance of power, introducing new elements of instability in international relations, thus "threatening" the existing world order. But the "China threat" thesis, no matter how sophisticated its articulation, is fundamentally flawed: It fails to account for the challenges resulting from China's growth that the Chinese people must meet in the first place. Furthermore, it creates a confrontation line between China and the rest of the world, making them regard each other as enemies and potential enemies. The thesis thus risks becoming a self-fulfilling prophecy. It is here one finds that although the Cold War has ended, Cold War-style thinking has not.

This essay proposes an alternative approach to the "China threat" thesis. The central argument of this essay is that the problems generated by China's emergence as a prominent world power should be defined as a "China *challenge*," with which *both* the Chinese people and the rest of the world must cope through mutual understanding and cooperation, rather than a China *threat*, against which the rest of the world must form a strategy in a well-planned collective effort.

In the following parts of this essay, I will first review the history of the PRC's foreign-policy behavior, especially during the Maoist era, when China was a revolutionary power, with the hope that this review will provide useful insights into the orientation of China's external behavior during the post-Cold War era. I will then discuss the "China challenge" from a Chinese perspective, paying special attention to several key issues: the profound legitimacy crisis that the Chinese Communist state is facing, the Chinese people's difficulty in identifying "China" and its position in the world, and the dilemma of pursuing economic development and democracy simultaneously. This section will conclude with a discussion emphasizing that the "China challenge" is not merely a Chinese problem, but one that will solicit attention and answers by peoples in other parts of the world. In the last part of the essay, I will discuss the implications of the "China challenge" for U.S. policy toward East Asia in general and China in particular and provide policy prescriptions for dealing with a few problems that have the potential to cause serious conflict between Beijing and Washington. In particular, I will emphasize Washington's need to establish a *consistent* and *long-term* vision, based on a real understanding of China's problems, in formulating its policy toward the "China challenge." The essay will conclude by making several salient points that are crucial to the stable development of Sino-American relations in the twenty-first century.

## Two

### The People's Republic as a Revolutionary Power: A Brief Historical Review

To understand the orientation of China's external behavior in the twenty-first century, an analysis of the PRC's history of external relations, especially during the Maoist era, is in order.

That the study of the past may generate useful insights on the present and the future is particularly true in China's case for two reasons. First, no other nation's path toward modernity has been so overshadowed by the impact of its historical-cultural heritage than China. The Chinese collective memory of the "Central Kingdom's" glorious past<sup>8</sup>—remembered not just as the center of civilization, but the civilization *in toto*—and the nation's humiliating experience in the modern age constituted a constant source for national mobilization in the twentieth century. Therefore, without a comprehension of the Central Kingdom mentality and its interactive relationship with Chinese perceptions of and attitudes toward the outside world, it is difficult to reconstruct the dynamics of the PRC's external behavior in the recent past and predict its course in the future. Second, the study of Maoist China's foreign policy is particularly relevant to understanding the PRC's external behavior in the post-Cold War era, as the agendas of the two are shaped by the same fundamental problems. Despite the magnitude of Mao's revolution, it was unable to produce ultimate answers to such fundamental problems as how to define the meaning of China, how to modernize China, and how to identify China's position in the world, bequeathing them to the post-Mao era and making them the dominant themes underlying the PRC's external behavior during the post-Cold War era.

What, then, can be said about the history of China's external relations? To be sure, after its establishment in 1949, the PRC emerged as a *revolutionary* country on the world scene. During the twenty-seven years of Mao's reign (1949–1976), the PRC constantly challenged the legitimacy of the existing international order, which it believed to be the result of Western domination and thus inimical to revolutionary China. Within this context, the PRC provided extensive material and other kinds of support to revolutionary and nationalist movements in other parts of the world, with China's neighboring areas as a particular focus. In the meantime, Mao and his fellow Chinese leaders seemed to have been unafraid of using force in dealing with foreign policy crises that they believed threatened the PRC's vital interests. During Mao's rule, in addition to several minor military encounters, the PRC had been involved in at least seven major military confrontations: the Korean War in 1950–53, the First Indo-China War in 1950–54, the first and second shellings of Nationalist-controlled Jinmen Island in 1954 and 1958, the border war with India in 1962, the Vietnam War in 1964–73, and the border clash with the Soviet Union in 1969.

The PRC's revolutionary foreign policy during Mao's times was an integral component of his grand enterprise of "continuous revolution." As Mao repeatedly emphasized, the final goal of the Chinese Communist revolution was the transformation of China's "old" state and society, and the destruction of the "old world," in which China had been a humiliated country. Mao never concealed his ambition that his revolution should turn China into a land of prosperity and universal justice and equality. At the same time, by presenting the Chinese experience as a model for other "oppressed peoples" in the world, the revolution would help China regain its central position in the international community.

What should be emphasized is that, as a reflection of history and perception of historical experience, underlying the PRC's revolutionary external behavior is a profound "victim mentality." During modern times, the Chinese perception of their nation's position in the world was continuously informed by the conviction that it was the political incursion, economic exploitation, and military aggression by foreign imperialist countries that had undermined the historical glory of the Chinese civilization and humiliated the Chinese nation. As a result, a victim mentality gradually dominated the Chinese conceptualization of its relations with the outside world.

Such a mentality is an extraordinary phenomenon in Chinese history. While it is common for non-Western countries to identify themselves as victims of the Western-dominated worldwide course of modernization, the Chinese perception of itself as a victimized member of the international community is unique, because it formed such a sharp contrast with the age-old Central Kingdom concept. The Chinese thus felt that their nation's modern experience was more humiliating and less tolerable than any other victimized non-Western country. Consequently, Mao and his fellow revolutionary leaders, as well as everyday Chinese, firmly believed that China's victim status would not end until it was able to reclaim its central position in the world.

The Chinese leaders' perception of their revolution's sacred mission, reinforced by the Chinese victim mentality, gave them an exceptional sense of insecurity throughout Mao's times. In general, it is understandable that in a divided world in which peace and stability had been severely threatened by such factors as the emergence of nuclear weapons and the intensifying confrontation between the two superpowers, any country would have reasons to feel less secure than ever before. The sense of insecurity on the part of the Chinese Communist leadership, however, was special in several respects.

First, the ambitious hope on the part of Mao and the CCP leadership to change China into a central international actor conflicted with the country's power, which was still weak during the Maoist era. As Mao and his comrades would not give up the effort to chart their own course in the world and to make China a prominent world power, they would continue to feel insecure until China's weakness had been turned into strength.

Second, since Mao and the CCP leadership emphasized the central role of the Chinese revolution in promoting the worldwide proletarian revolution, thus making China the primary enemy of reactionary forces in the world, they logically felt that they faced a very threatening world. One could find in this perception a mutually restrictive or mutually supportive relationship in the Chinese leaders' security concerns: The more Mao and his

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comrades stressed the significance of the Chinese revolution, the less secure they would feel in face of the perceived threat from the outside world.

Third, the continuous emphasis by Mao and the CCP leadership on the necessity of maintaining the inner dynamics of the Chinese revolution represented another constant source of insecurity. In order to use the existence of the foreign threat to mobilize the Chinese masses, Mao and his comrades enhanced anti-imperialist propaganda. This propaganda, in turn, would inevitably lead to a deepening sense of insecurity on their own part.

In the practical realm of policymaking, all of the above resulted in a low threshold of threat in Beijing's definition of China's national security interests. Compared with policymakers in other countries, Beijing's leaders in the Maoist era were under great pressure to take extraordinary steps to defend and promote revolutionary China's security interests. This explains to a large extent why the PRC frequently resorted to violence in dealing with foreign policy crises.

But Mao's China, despite its history of using force, was not an expansionist power. It is essential to make a distinction between the pursuit of *centrality* and *dominance* in international affairs as a fundamental goal of Chinese foreign policy. While Mao and his comrades were never shy of using force in pursuing China's foreign policy goals, what they hoped to achieve was not the expansion of China's political and military control of foreign territory or resources (which was, for Mao and his comrades, too inferior an aim), but the spread of the revolution's influence to other "hearts and minds" around the world. Mao fully understood that only when China's superior moral position had been willingly recognized by other peoples would the consolidation of his continuous revolution's momentum at home become most effective.

Under these circumstances, Beijing's use of force during the Maoist period was characterized by three distinctive and consistent patterns. First, Beijing's leaders resorted to force only when the confrontation was in one way or another related to China's territorial integrity and physical security. Even when China's purpose for entering a military confrontation was broader than the simple defense of its border (such as during the Korean War), Beijing's leaders always emphasized that they had exercised the military option because China's physical security would be in jeopardy otherwise.<sup>9</sup> When China's involvement in a military confrontation resulted in the occupation of foreign territory, such as during the 1962 Chinese-Indian border war, Beijing's leaders were willing to order a retreat in order to prove that China's war aims involved no more than the defense of the country's borders.

Second, Beijing's leaders used force *always* for the purpose of domestic mobilization. Mao and his comrades fully understood that the tension created by an international crisis provided them with the best means to call the whole nation to act in accordance with the will and terms of the CCP. This was particularly true when Mao met with difficulty in pushing the party and the nation to carry out his continuous-revolution programs. For example, Mao's decision to shell Jinmen in summer 1958 contributed to the rise of a nationwide wave of revolutionary nationalism, which made it possible to mobilize the Chinese populace for the "Great Leap Forward." On the eve of the Great Proletarian Cultural Revolution, China's involvement in the Vietnam War and the extensive mass



mobilization that accompanied it created an atmosphere conducive to the rapid radicalization of China's political and social life.

Third, Beijing's leaders have used force only when they believed that they were in a position to justify it in a "moral" sense. Probably no other policymakers have placed so much emphasis on morally justifying the decision to use force than Mao and his colleagues; otherwise, the mobilization effect they hoped to achieve would be compromised. During the Korean War, Beijing adopted "Defend our nation! Defend our home!" and "Defeating American arrogance!" as public war aims and central mobilization slogans alike. During China's involvement in the Vietnam War, Mao pointed out that the relationship between Vietnam and China was like one between "lips and teeth," and emphasized that it was China's obligation of proletarian internationalism to support the just struggle of the Vietnamese people. "Justice," indeed, became the talisman of China's international military involvement during Mao Zedong's rule.

After Mao's death in September 1976, Deng Xiaoping emerged in the late 1970s as China's paramount leader. Deviating from Mao's discourse and practice of continuous revolution, Deng placed modernizing China's industry, agriculture, national defense, and science and technology at the top of his agenda. Deng allowed the primacy of economics to take over that of politics; consequently, Chinese foreign policy and security strategy experienced several important shifts.

In the late 1970s and early 1980s, the Chinese leadership changed its fundamental estimation of the danger of a new world war. Since the 1960s, Mao and the Beijing leadership persistently claimed that because of the existence of imperialism and "social imperialism," a new world war—one that most likely would involve the use of nuclear weapons—could only be delayed, but not avoided. Beijing held this view until the late 1970s. With the introduction of Deng's modernization programs, the Chinese leadership gradually discarded this assessment. In accordance with this changing evaluation of the world situation, China substantially reduced the size of its military forces, the army in particular, throughout the 1980s.<sup>10</sup>

Starting in the late 1970s, Beijing also dramatically reduced its support for revolutionary/radical nationalist states and movements in other parts of the world to focus more on China's own economic development. In the meantime, Beijing managed to give up some of its ideological bias to improve relations with other prominent world powers, in both the West and the East. By the late 1980s, when China's official ties with the United States, Britain, France, West Germany, and Japan were developing smoothly, its relations with the Soviet Union had also improved significantly.

The most profound change during this period was Beijing's adoption of a new opening to the outside world. Throughout Mao's era, as is well known, China maintained only minimal exchanges with other countries. This rigid isolationism began to be abandoned under Deng's reform and opening policies. In the late 1970s and early 1980s, the Chinese government took several important steps, including the dispatch of Chinese students to study abroad, promoting China's international trade, and welcoming foreign investments in China, to open China's door to the outside world.

As a result of these policy shifts, the interconnections between China and the rest of the world have increased, strengthening the interdependence between China and other

parts of the world, and increasingly making China a real member of the international community. Consequently, China's leaders realized that the continuous development of China's modernization has a close connection with the maintenance of peace and stability in the world in general and in the Asia-Pacific region in particular. It is not just for the purpose of propaganda that the leaders in Beijing have repeatedly claimed since the early 1980s that for the sake of China's own development, it needs a long period of international peace and stability.<sup>11</sup>

But some of Mao's vital legacies have continued to influence China's attitude toward the outside world. A conspicuous revelation in this regard is that the CCP's one-party reign has persisted in the post-Mao era. As a result, China's opening to the outside world has become a highly unbalanced process: Its emphasis is in foreign exchanges in the economic and technological fields, while politics and ideology remain a forbidden zone. As has been identified by many China scholars, the huge gap between this political stagnation and the rapid social changes brought about by the reform-and-opening process constituted one of the most important causes underlying the tragedy of the Tiananmen bloodshed in 1989.

In a deeper sense, the continuity of post-Mao China's external relations is reflected in the lingering influence of the Central Kingdom mentality. The reform-and-opening policy of the past two decades has significantly reduced China's self-isolation on the international scene, while at the same time exposing the Central Kingdom to an unprecedented extent to the values and norms held by other members of the international community. While one may expect that in the long run this exposure will bring about changes of the Central Kingdom mentality as a dominant theme in the Chinese attitude toward the outside world, one of its immediate consequences is that it has caused Beijing's leaders to emphasize the significant differences between China's values and codes of behavior and those of the international community. Throughout the 1980s and 1990s, Beijing consistently claimed that in no circumstances would it allow foreign powers to impose their values on China's external behavior, or to use their values and norms to judge and interfere with China's internal affairs. Since 1989, the increased criticism by other, especially Western, countries of Beijing's alleged human rights abuses and hard-nosed policy toward Tibet and, more recently, Taiwan has further offended Beijing's leaders.<sup>12</sup> In addition to rebutting the criticism, dismissing it as Western countries' interference in matters within the domain of Chinese sovereignty, Beijing has also argued that to accommodate the post-Cold War international situation, it is necessary to establish a new international political and economic order and end the status quo of Western domination in international affairs.<sup>13</sup>

More than twenty years have passed since Mao's death, and China today is no longer a revolutionary country. But China is not a real "insider" in the international community either. Indeed, foreign policy is the least criticized endeavor in post-Mao China, yet many of the principles underlying Mao's revolutionary foreign policy, and the victim mentality that serves as their animus, remain the key elements influencing the PRC's external behavior today.

## Three

### The “China Challenge” as Viewed from a Chinese Perspective

A fundamental difference exists between the notions of “China threat” and “China challenge”: The former completely ignores how the Chinese people perceive the problems facing their nation’s development, whereas the latter regards these problems as both Chinese *and* international in their essence. Quite simply, the adoption of a “China challenge” approach requires an understanding of the problems raised by China’s development from a Chinese perspective.

If one adopts such an approach, it is not difficult to find that while the advocates of the “China threat” thesis usually fix their vision on the “inevitable” negative *consequences* of China’s development, the majority of the Chinese people, especially Chinese intellectuals, are more concerned about whether or not their country is in a position to overcome a variety of hurdles in the *process* leading to development and modernity.<sup>14</sup> Ironically, China’s phenomenal economic growth in the past two decades has caused less satisfaction and sense of fulfillment than frustration and sense of crisis among the Chinese, especially the intellectuals.

The reform-and-opening process has resulted in profound, yet paradoxical, changes in China’s polity, economy, society, and culture. On the one hand, it has released the productivity and creativity that had long been suppressed by the rigid Maoist political, economic, and ideological control system, making the Chinese people freer and more prosperous in general. If this trend continues, it will eventually lead to a China of prosperity and democracy. On the other hand, it has caused widespread and serious political and social dislocations, forcing the Chinese people to face a whole series of new and uncertain questions they never would have encountered absent the introduction of the reform-and-opening policies. Some of these questions, such as the pressure on the country’s environment, the gap between people’s expectations and the reality of change, and the increasing division between rich and poor, are common to any developing country in its course of accelerated development (although China’s unique demographic and geographic features make the magnitude of these problems greater than in other cases). A few questions, though, are of a distinctively Chinese nature, and they constitute the core of the “China challenge” discussed below.

#### Transforming the Chinese Communist State

The first such question concerns the transformation of the Chinese communist state. Simply put, because of the comprehensiveness of the reform-and-opening process, the Chinese communist state is facing a profound legitimacy crisis.

From a historical perspective, the CCP has justified its one-party reign by emphasizing two of the Chinese Communist revolution’s fundamental missions: that the revolution

would create in China a new, communist society characterized by universal justice and equality, and that it would change China's weak-country status and revive its central position on the world scene. Despite all the difficulties he had encountered, Mao never gave up his embrace of the first mission. His continuous revolution, in retrospect, while failing to end political privileges in Chinese society, succeeded in creating a relative egalitarianism in China's economic life (though at a low standard of living). Deng Xiaoping's reform-and-opening policies, in challenging the low standard of living left by Mao, have created profound economic inequality within Chinese society, thus undermining Maoist egalitarianism as both an ideal and a social reality. The Chinese Communist Party today, as Cornell University political scientist Thomas J. Christensen points out, "has all but obliterated the second of the two adjectives in its name."<sup>15</sup> As a result, the legitimacy of the Chinese *communist* regime has been seriously called into question.

Under these circumstances, the post-Mao Chinese government began to attach more importance to the revolution's second mission in an effort to legitimize its existence. Consequently, a central myth of the communist narrative of modern Chinese history—that if the revolution had not been successful, China would have remained a weak, corrupt, and divided country with no status on the world scene—has been made the single, most important justification for the existence of the CCP's exclusive rule. Since the early 1980s, the party has consistently carried out campaigns to promote "patriotic education" among everyday Chinese (which has been characterized by confusing the boundary between "China" and the "Chinese communist state"). As a central part of these campaigns, the party repeatedly called upon the entire nation to study China's humiliating modern history, as well as how much it had been changed by the Chinese Communist revolution, so that it would lead to the conclusion that "had there not been the Communist Party, there would have never been a new, powerful China."<sup>16</sup>

In a deeper sense, this is not just a crisis entangling the Chinese communist state. It epitomizes a fundamental puzzle facing Chinese society in the post-Mao era: If the ideals embodied in communism are no longer in a position to bind the nation together and to direct and define the nation's path toward modernity, which "ism" (if any) could take over the mission? The failure to answer this basic question has resulted in a lingering "belief crisis" among the Chinese population, shaking their faith (especially that of the younger generation) not only in any political ideology but also, and more seriously, in the very necessity of maintaining any faith.<sup>17</sup>

As a reaction to the extraordinary moral emphasis during the Maoist era, this prevailing nihilist social psychology betokens a deepening moral crisis in Chinese society. A direct result of this belief crisis in the Chinese polity is the fundamental weakening of the government's controlling capacity, causing, among other things, widespread corruption of government and party officials, which, in turn, has further deepened the existing moral crisis.

What is ironic is that although it was the failure of the Chinese communist state that should be responsible for this moral crisis, one of its direct political consequences is that it enhances the popular conviction in the need for the Chinese Communist government to remain in power. The logic is simple: Without the communist regime, despite all of its deficiencies, things in China could be worse; in the worst-case scenario, even the Chinese nation and society could suffer from total disintegration.

All of the above reveals the extreme complexity involved in the transformation of the Chinese communist state. Although entangled in a profound legitimacy crisis, the CCP, as the only well-organized controlling political force in mainland China, has been, and in the foreseeable future will continue to be, able to maintain its one-party reign by arguing that otherwise China will be unable to survive the tremendous pressure of total societal transformation. While it is certain that in the long run this situation will change (discussed in more detail in the section on development and democratization below), it should be emphasized that such change will be primarily the result of the Chinese people's own efforts. Any attempt to impose such change from outside may turn it into a dubious foreign enterprise, thus jeopardizing the prospect of successful change in the future. This is particularly true, given that the Chinese people are also facing the challenges of how to identify (or re-identify) “China” and its position in the world, and how to rationalize the attendant rising tide of nationalism.

### Identifying “China” and Its Position in the World

How should the Chinese people, facing a Western-initiated spread of modernization worldwide, identify the land, population, society, and culture that had been known as “China”? Correspondingly, how should they identify China's position in the world? No other questions have occupied a more central position in defining the agenda of modern Chinese history. Yet the ongoing need to answer these questions, and the frustration resulting from the inability to do so, constitute another core element of the “China challenge” that will confront the Chinese people in the twenty-first century.

Despite their philosophical cant, these questions do have weighty temporal dimensions. First of all, they concern China's territorial integrity. In terms of its territorial size, today's China is largely the result of Manchu (Qing) expansionism from the mid-seventeenth to the mid-eighteenth centuries, which created a vast, multiethnic empire. During modern times, Western and Japanese incursions threw China into profound national crises, leading to the disintegration of the Qing Empire. After a series of military defeats by the end of the nineteenth century, China had ceded Taiwan to Japan, Hong Kong to Britain, and Macao to Portugal, and many parts of Chinese territory had been claimed as foreign “spheres of influence.” The collapse of the Qing Dynasty in 1911 opened the door for Outer Mongolia's independence, while at the same time making China's sovereignty claim over Tibet no more than nominal.

The profound national crises facing China in the late nineteenth and early twentieth centuries formed one of the most important background elements for radical revolutions to emerge and to dominate the political agenda of modern China. As discussed earlier, the Chinese Communist revolution justified itself as the only solution to transform China from a weak and divided into a unified and strong country. To maintain China's territorial integrity thus became a central issue that any Chinese government, be it a democracy or a dictatorship, must take as a goal of the highest priority in formulating its internal and external policies.

In the last decade of the twentieth century, however, achieving China's territorial integrity remains an unfulfilled mission for the Chinese. While Hong Kong has returned to the PRC's jurisdiction (followed by Macao in 1999) after more than a century of foreign

colonial rule, the separation between the Chinese mainland and Taiwan, which began in 1949, shows no sign of approaching a conclusion. Moreover, because of the widening gap between levels of economic development, different forms of political rule and, more important, the changing consciousness of self-identity of people living on both sides of the Taiwan Strait, the prospect of the unification between the mainland and Taiwan seems more remote than ever. So what will "China" become in the twenty-first century? One unified China including both mainland and Taiwan? Or two Chinas—one People's Republic of China and one Republic of China? Or one China and one Taiwan? This is a serious challenge that the Chinese people must encounter, and for which they must find a reasonable solution.<sup>18</sup>

How to identify "China" is also a question about how to identify the "Chinese." During the imperial era, "Chinese" was a vague concept with no clear criteria for precise definition. While the Han people naturally formed the majority of "Chinese," the criteria for being Chinese were far more ambiguous and complex than just a person's ethnic background. The most important standard seemed to be one's inner acceptance of the supreme authority of the Chinese emperor, the "Son of the Heaven" (a position not always occupied by a Han Chinese). During this era, being "Chinese" basically meant being an obedient subject of the Chinese emperor.

The disintegration of China's imperial system made these criteria of defining "Chinese" obsolete. With the establishment of the Republic of China (ROC) in 1912, and the People's Republic of China in 1949, the Chinese governments during different periods made a series of efforts to identify both "Chinese" and Chinese citizenship. The founders of the ROC announced that the "Chinese" were composed of five different "races": Han, Manchu, Mongol, Tibetan, and Hui (Muslim). In the 1950s, the PRC began to classify the ethnic groups constituting China's population in more specific ways, finally splitting "Chinese" into fifty-six different ethnic categories, with Han as the overwhelming majority. In the meantime, the PRC government formally announced in 1955 a policy of not recognizing dual citizenship: overseas Chinese had to choose either to maintain their Chinese citizenship or to adopt a foreign citizenship.

Yet with China's continued integration into the international community, and with the deepening of the crisis facing the Chinese communist state, the official definition of "Chinese" began to encounter serious challenges. Within China, the reform-and-opening process has reduced the controlling capacity of the Han-dominated central government and at the same time created more political space for people of minority ethnic groups to develop a self-consciousness that might differ from the official "Chinese" identity. As a result, in such regions as Tibet and, more recently, Xinjiang, voices from among the non-Han ethnic groups calling for the right to determine who they are have begun to rise and, occasionally, turn into action. All of this, together with the emerging trend of regionalism and the widening gaps between coastal and interior provinces and between urban and rural populations, has constituted the basis for some China experts in the West to raise seriously the possibility of the emergence of a "divided China" in the twenty-first century. Many Chinese, especially intellectuals, view this possibility with alarm, and even have appropriated the words of China's national anthem (which was composed in the 1930s, when China was facing profound national crises as



the result of Japanese aggression) to assert that "the Chinese nation has reached the most dangerous juncture in history."<sup>19</sup>

### Pursuing Economic Reforms and Promoting Political Democracy

It is with this sense of crisis that the Chinese are addressing the key dilemma of pursuing economic development and promoting political democracy. In actuality, the Chinese have tried to find satisfactory answers to this dilemma since the early days of China's quest for modernity. For example, during the May Fourth and the New Cultural Movements in the 1910s, Chinese intellectuals had argued that in order to modernize China, it was necessary to embrace both "Mr. S(cience)" and "Mr. D(emocracy)." Eighty years later, this dilemma remains unsolved.

China's search for establishing democratic institutions certainly is tortuous. As Chinese intellectuals have by now widely accepted, this difficulty results from, in the first place, the lack of a democratic tradition in China's history. Indeed, throughout the premodern period, it was autocracy, rather than democracy, that dominated Chinese political philosophy. During the modern era, the term "democracy" was introduced into China's political life, but it was often defined and practiced in ways nothing like "rule by the people." A revealing example in this regard is Mao Zedong's adoption of a "people's democratic dictatorship"; though "democratic" was the defining adjective, Mao's regime was anything but a political institution with checks and balances.

In theory, the age of "reform and opening" holds new prospects for China to develop genuine democratic institutions; in reality, however, there exist many obstacles in China's path toward democratization. The most difficult obstacle lies in the fact that democracy is not just a set of rules and regulations that can be easily imposed upon a people lacking some sort of experience with democratic values. In short, democracy is a way of life, and a successful transition from autocracy requires the people's inner acceptance of democratic principles; such an acceptance will come only through a gradual process. It is also extremely difficult for China's Communist leaders, especially the generation of revolutionary veterans who had controlled political power through bloody struggles, to accept democratic principles. Indeed, China's path toward democratization is destined to be uneasy.

All of this, however, does not mean that democracy is inimical to China. During the age of reform and opening, the pursuit of democracy has been a persistent and evident theme at every stage of its development. Indeed, with the progress of China's market-oriented economic reforms, a new understanding of the citizen's rights and obligations has emerged along with the spirit of free competition. As a result, democracy as way of life is taking root in Chinese society. The most conspicuous revelation of such, as indicated by several recent studies of Chinese politics and society, is a system of direct elections that has been adopted in many Chinese villages, districts, and counties in the past decade, fundamentally changing the political structure of Chinese society.<sup>20</sup> In the long run, one can expect China's market-oriented economic reform to create further conditions for the spread of

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democracy as a way of life, eventually making the most populous country in the world a genuine democracy.

Yet it should be emphasized that in the short run, China's economic development will not necessarily always be accompanied by progress in political democratization. In fact, China's market-oriented economic reforms may cause setbacks in the process of political democratization in the foreseeable future. First, economic development will raise people's expectations of more affluence, making "how to make more money" a central social concern. As a result, popular enthusiasm for political democratization may give way to the sole pursuit of financial gain. Second, the authoritarian government may create and perpetuate the popular impression that it is responsible for achievements in economic development; indeed, such political control is widely believed to be crucial for maintaining relative social stability, thus reducing the pressure on the government to embrace political democratization programs. Third, economic development will inevitably cause instability in the existing social and political order, arousing the popular fear that the introduction of dramatic political reform at the same time may lead to further instability and disorder. Consequently, popular support for rapid political reform may temporarily diminish. Such is the dilemma of economic development and political democratization China now faces and will continue to face well into the next century.

Some Western observers of China's development mistakenly assume that a simple correlation should exist between the progress of economic reform and the advance of political democratization, as if the former will bring about the latter under any circumstances and in any given period. If economic development fails to bring about immediate progress in political democratization, these observers will lose patience and point to such failure to cast serious doubt on China's ability to turn into a democratic country through its own efforts. It will take time, perhaps decades, for the two processes to go hand in hand, resulting in the successful democratic transformation of China's state and society—if by then "China" still exists.

### **The "China Challenge" Is Not Merely Chinese**

At the end of the twentieth century, China is at a crucial historical juncture. The reform-and-opening process has fundamentally changed China's isolated international status, while at the same time making the Chinese state less suppressive and Chinese society more open and plural. And yet the final outcome of this process is by no means certain. From a Chinese perspective, the hope that China will succeed in meeting the tremendous challenge of transforming state and society and thus change into a land of prosperity and modernity (including the adoption of democratic political institutions) remains very promising. In the meantime, however, the Chinese, especially the intellectuals, have been frustrated by the negative effects of the reform-and-opening process, leading to the fear that the Chinese state and society may disintegrate from the pressure of change.

Therefore, from a Chinese perspective, the "China challenge" has a destructive potential. Hence China will either successfully face the challenge, thus becoming a great nation of prosperity and democracy, or succumb to it, resulting in the nation's disintegration. In either case, because of its huge territory and population, China's fate will not only concern the Chinese themselves; it is a matter of global significance.



It should be emphasized here that in neither case will China become a fundamental threat to international peace and security as perceived by the advocates of the "China threat" thesis. If the reform-and-opening process finally brings economic prosperity, social stability, and democracy to China, it will simultaneously transform China into a real "insider" of the international community, willing to observe a broader range of international legal norms and regulations. Moreover, according to the widely accepted scholarly observation that genuine democracies do not fight with one another, it is plausible to believe that a democratic China will not threaten other democracies in the world.

If China fails to hold up under the extraordinary pressure brought about by total state and societal transformation and disintegrates as a result, it will be too weak to pose a threat. However, the world may see an entirely different "China threat": The country's nuclear arsenal could get out of control; its environmental protection efforts could completely collapse; or more than a billion Chinese could wreak havoc in neighboring countries through mass out-migration. In such a way, it would be impossible for China to play a key role in promoting regional and world stability and peace.

If there is anything other countries should do to help China, it is to help it realize the first possibility and avoid the second. Because of the global nature of the "China challenge," by doing so they are also helping themselves.

## Four

### Formulating U.S. Strategies toward the “China Challenge”

**H**ow should the United States cope with the “China challenge”? While there are no easy answers to this question, the first and most important step is for Washington to formulate a *long-term* and *consistent* overall strategy toward China, beginning by constructing a U.S.-Chinese agenda for relations that is dominated by positive bilateral issues. Such a task is imperative, considering current U.S. perceptions of and policy toward the People’s Republic.

After the establishment of the PRC in 1949, the United States and China entered a confrontational relationship that lasted for almost two decades, during which they fought in Korea and reached the brink of direct military conflict over Taiwan and Vietnam. In the late 1960s and early 1970s, Beijing and Washington’s shared perception of the strategic threat from the Soviet Union reshaped the foundation of Sino-American relations. Following President Richard Nixon’s visit to China and the issuance of the Shanghai Communiqué in 1972, Beijing and Washington embarked on a strategic partnership. With the Soviet threat as an overriding concern, Washington and Beijing put aside the negative issues in their relationship, such as the Taiwan problem and China’s excessive human rights abuses during the Cultural Revolution. All the while, the American public maintained a highly positive image of China until the late 1980s.

The Tiananmen tragedy of 1989, together with the collapse of the Soviet empire, completely transformed the foundation of Sino-American relations. While the American public and Congress now perceive Beijing in overwhelmingly negative ways—largely as the result of the widespread media coverage of the Tiananmen bloodshed—Washington has had little space to develop a new and positive long-term strategy toward China. Indeed, since 1989, Washington’s China policy agenda has been dominated by a series of negative issues, such as Beijing’s human rights violations, the Taiwan problem, trade deficits and most-favored-nation (MFN) status for China’s trade, intellectual property rights disputes, China’s allegedly irresponsible arms sales records, and, more recently, illegal campaign donations, among them. The frequent media coverage of these issues, in turn, further enhances the negative public image of the country and forces Washington to perceive and deal with China on a case-by-case basis, making U.S. policy toward the People’s Republic in the post-Cold War era extremely shortsighted and highly inconsistent. The need to cope with the “China challenge” makes it apparent that the United States should develop a long-range and consistent strategy toward China.

In searching for such a strategy, the advocates of the “China threat” notion argue the need to “contain” or “constrain” China. Emphasizing that China remains under the rule of an irresponsible one-party dictatorship, is unwilling to abide by international norms and regulations, continues its military build-up, and has a history of using force to realize

its foreign policy goals, these advocates urge Washington to play a leadership role in preventing China from developing into a larger threat to international peace and stability. Although their specific policy prescriptions vary, they share two basic features: First, they assume that China's internal and external behavior is driven by an evil ambition to dominate Asia and the world; and, second, they lead to the conclusion that by putting pressure on the People's Republic, the United States can change China's basic course of development.

The adoption of a U.S. strategy toward China that emphasizes containment or constraint would be both mistaken and dangerous. It is mistaken because it shows no understanding of the basic fact that China's course of development has been, and will continue to be, shaped by primarily internal concerns and that, therefore, the United States will have limited leverage in changing that course by exerting external pressure. It is dangerous because, without an appreciation of the tremendous positive changes that have occurred in China in the past two decades and the frustration in furthering the reform-and-opening process, it automatically defines China's ongoing economic and political development as a vital threat to the United States. Such a strategy will only serve to strengthen China's victim mentality and enhance its people's reciprocal suspicion of America's evil intentions. China certainly is not an enemy of the United States today and will not automatically become one in the foreseeable future, but the "China threat" notion and the corresponding policy prescriptions of containment could change it into one.

With a basic understanding of China's importance in international affairs and the fundamental flaws of the containment approach, the Clinton administration has recently decided to adopt a "constructive engagement" strategy in dealing with China. The main assumption of this approach is that by actively engaging China and maintaining a dialogue with Beijing's leaders, China will eventually integrate itself economically and politically into the international community.

The constructive-engagement approach is undoubtedly correct. Most important, it demonstrates a desire to understand China, to trust the Chinese people, and to live in peace with China in the next century. The question is, however, how to make it work. The key here lies in two crucial adjectives that should be used to define U.S. strategy toward China: long-range and consistent.

Constructive engagement will not succeed unless it is supported by a long-range vision. This is due, first and foremost, to the nature of the approach itself: It is based on the assumption that the process of engagement will promote mutual understanding, enhance perceptions of mutual interests, and, consequently, create an irreversible condition of mutual dependence. The truth of this approach can be tested only by time. As discussed previously, considering that it will also take time for the Chinese to develop successful responses to the "China challenge," it is even more important to the United States to adopt a long-range vision in dealing with China.

How far into the future should this long-range vision look? Based on the anticipated results of two crucial developments in the People's Republic, such a vision should span at least fifteen to twenty years. First, in formulating plans for China's economic, social, and political reforms, the country's political leaders, as well as the majority of its scholars, consider the next fifteen to twenty years crucial, targeting 2010–15 as a period for achieving a series of major goals in improving China's economy, polity, environment,

and quality of life.<sup>21</sup> Second, in terms of China's democratization prospects—a key aim of the constructive-engagement approach—within fifteen to twenty years the last generation of Chinese leaders who grew up in the revolutionary era will have withdrawn completely from the central stage of Chinese politics. It will be much less difficult for a new generation of Chinese leaders, who have gained their education and political experience in a more open environment, to commit themselves to transforming China into a true democracy.

Regarding the "consistent" aspect of constructive engagement, the central question is how to establish a mutual understanding and trust that is essential for China and the United States to establish an enduring partnership. In this context, such a framework will require consistent efforts by both sides to create, step by step, a U.S.-China agenda dominated by positive themes.

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Establishing such an agenda is both necessary and possible. There are substantial differences between the U.S. and China, and all kinds of negative issues will enter their agenda of bilateral relations from time to time. But the two countries have many more common concerns and shared interests that will serve as the basis for creating and maintaining a positive U.S.-China relations agenda. In a global sense, China's gradual integration into the world economic system makes it share with the United States a concern over the stable development of the world economy and, correspondingly, a lasting world peace. Similarly, in a long-range view, China has common interests with the United States on such global issues as environmental protection, population growth control, and a stable food supply. As far as regional issues are concerned, neither China nor the United States is willing to see tension on the Korean peninsula develop into open military confrontation, or Muslim fundamentalist movements to prevail in central and western Asia, or militarism to dominate Japanese politics. More important, both the Chinese and the American people are pragmatic and at the same time ideal-

istic, and they both have a strong sense of mission and consciousness of historical responsibility. These shared traditions will prove to be invaluable as a basis for Sino-American cooperation.

Yet creating a positive agenda for U.S.-China relations as a central part of constructive engagement requires an understanding of how to deal with several important issues that are now complicating U.S.-China relations.

### **The Taiwan Issue**

Taiwan has been the single most important issue causing tension in U.S.-China relations in the past five decades. In 1954 and 1958, the Taiwan issue twice brought the United States and China to the verge of direct military confrontation. After the normalization of U.S.-China diplomatic relations in 1979, Taiwan repeatedly became the subject of diplomatic disputes between Washington and Beijing. In March 1996, on the eve of Taiwan's presidential election, Beijing conducted armed missile "tests" aimed at areas off two of Taiwan's main seaports. In response, Washington dispatched two aircraft carrier battle groups to the area, again causing severe tensions in Sino-American relations. The Taiwan

issue, before its final settlement, will continue to present major challenges to policymakers in both Washington and Beijing.

The Taiwan issue is basically a Chinese one, and it should and can be resolved peacefully. Beijing's leaders have repeatedly claimed that they will resort to force if Taiwan declares independence or if they find evidence of foreign forces' involvement in detaching Taiwan from China; nevertheless, there are reasons to argue that Beijing may not use force to resolve the Taiwan issue.

Despite the episodes of intense confrontation across the Taiwan Strait, it is not war, but relative peace, that has historically dominated PRC-Taiwan relations over the past four decades. Even during the 1958 Taiwan Strait crisis, when Mao Zedong ordered large-scale shelling of Jinmen, Mao's main purpose was to use the shelling to create the internal tension necessary to promote the "Great Leap Forward," as well as to make it clear to the international community that Taiwan was part of Chinese territory. Mao had no intention of invading Jinmen; rather, to maintain a "special linkage" between the mainland and Taiwan (Jinmen Island is only two miles from the mainland, while Taiwan is close to one-hundred miles away), Mao let the Nationalists control it.<sup>22</sup> The history of Beijing's Taiwan policy reveals that the People's Republic was not wary of using force if necessary, but Beijing's leaders preferred to refrain if possible.

The regime in Beijing today has many reasons not to use military means to resolve the Taiwan issue. If a war were to erupt between mainland China and Taiwan, it would have grave consequences in addition to its disastrous effects on the Asia-Pacific region and worldwide peace and stability: China's coastal areas (the country's most economically developed) are exposed to a retaliatory attack from Taiwan and allied forces; international financial and trade ties, which are crucial to mainland China's continued development, would be severely damaged; and the Communist regime would risk its own existence, especially if the People's Liberation Army failed to win a clear-cut victory. Even if Beijing were able to crush Taiwan's military resistance, winning the "hearts and minds" of the people on the island would remain a tremendous challenge. Taiwan could thus become "China's Northern Ireland." In sum, Beijing's leaders would probably find that the reunification of mainland China and Taiwan, no matter how desirable in their view, could not be properly achieved by military means.

Thus the focus of U.S. policy should be on preventing a worst-case scenario from happening. Washington should vigorously promote direct communications between Beijing's and Taiwan's authorities and political parties, as well as between the people across the strait. While doing so, Washington should continue to advise Beijing that China's development and prosperity depend upon the country's connections with the outside world, which would be fundamentally jeopardized if it were to fight a war over Taiwan. In the meantime, it is even more important for Washington not to encourage, let alone support, Taiwan's push for independence. Specifically, Washington should not support Taiwan's bid for UN membership and should discourage Taipei's self-styled "pragmatic diplomacy" efforts. While providing Taiwan with a conditional security guarantee, Washington should not give Taipei's officials the illusion that the United States will defend Taiwan in any circumstance. To be sure, there is an extremely subtle and delicate balance that Washington must maintain in handling relations with mainland China and Taiwan.

## Human Rights

Profound differences exist between the United States and the PRC on the human rights issue. While Washington emphasizes the rights of individual citizens, such free expression (including political dissidence), Beijing argues that the most important human rights concern survival and security, and that individual rights should not prevail at the expense of collective interests. Moreover, Beijing considers China’s human rights to be within its purview alone, claiming that the criticism of China’s human rights violations by the United States and other Western countries shows an ongoing tendency of Western interference in China’s internal affairs.

The differences between American and Chinese approaches toward the human rights issue are substantive. However, it is also important to note that such differences are not always insurmountable and, in actuality, have diminished somewhat over the past two decades.

To be fair, China’s overall human rights situation has improved dramatically since the adoption of the reform-and-opening policies in the late 1970s. In a society that was once characterized by the tightest state control over all aspects of individual activities, Chinese now enjoy, among other things, more freedom in such rights as travel, career selection, and expression (so long as their opinions do not oppose the government directly)—rights they did not have two decades ago. More important, although the current government does not embrace the international human rights regime completely, it does acknowledge that China’s human rights status has flaws (by saying that it is “not perfect”) and needs to be improved; this means that, at least in theory, there exists the possibility, even under Communist rule, that China may accept more conditions of the international human rights regime.

China’s human rights practices have fluctuated in recent years. The most outrageous is the sentencing of Wei Jingsheng and Wang Dan, two prominent political dissidents, to lengthy imprisonment on highly dubious charges in 1995. While the two have been released (both around the times of the recent U.S.-China state visits), China still has a long way to go before it becomes a civil society. Therefore, Washington should continue to make the human rights issue an integral part of an ongoing U.S.-China dialogue. In dealing with specific cases, Washington should make it clear to Beijing that its human rights violations will substantially reduce public support in the United States for a constructive and cooperative relationship with China. However, Washington should understand that regardless of its efforts, the United States is not in a position to transform China’s human rights situation overnight. Thus it should not assign its human rights diplomacy toward China with the task of creating a fundamental change in China’s human rights policy and status. If Washington’s overall constructive-engagement strategy toward China succeeds in the long-run, it can be anticipated that Beijing’s attitude toward human rights will also change substantially on its own.

## Hong Kong

A British colony for more than 150 years, Hong Kong became part of the PRC on July 1, 1997. While Western attention on Hong Kong’s postcolonial fate has focused on the period



immediately following the Chinese takeover, as well as on whether or not Beijing will allow Hong Kong to retain its freedom of expression, Beijing faces a more profound challenge in the absence of a well-coordinated strategy to handle the Hong Kong problem.

Indeed, Beijing's basic aims in Hong Kong are contradictory. On the one hand, Beijing's leaders certainly understand that Hong Kong's continued prosperity will be crucial for the PRC to sustain its long-range plans of nationwide economic development, and that Hong Kong will serve as the single most important example in carrying out Beijing's "one country, two system" policy toward Taiwan. On the other hand, however, Beijing's leaders also understand that Hong Kong has such a distinctive political culture from that of the mainland and are worried that Hong Kong's tradition of free political expression will not only make their rule over Hong Kong difficult but also have an adverse impact on the mainland's political development. Hence, from Beijing's perspective, the development of Hong Kong's political situation should not elude the PRC's control.

Beijing will try to balance the two aims, with the hope that it will achieve both. At some point, though, it will have to choose between the two aims. Despite its desire to control autonomous economic and political institutions in the former colony, if Beijing fails to maintain prosperity in Hong Kong, profound negative consequences will extend far beyond the region. It will endanger China's overall reform-and-opening process, create a new source of crisis between the mainland and Taiwan, and, consequently, worsen the prospects for improved Chinese-American relations.

Therefore, Washington should do everything possible to encourage Beijing to emphasize the maintenance and promotion of prosperity as the top priority of its Hong Kong policy. Washington should also make the Hong Kong issue a central part of its strategic dialogue with China, emphasizing to Beijing's leaders that their proper handling of the Hong Kong issue will help create and enhance an important positive theme in U.S.-China relations. In the meantime, Washington should not do anything that may reduce Hong Kong's capacity to remain a key international commercial and financial center. For example, Washington should always remember that revoking China's MFN status will directly jeopardize Hong Kong's trading power. Although the United States does not have direct control over Hong Kong's fate, there are many constructive and positive ways it can influence Hong Kong's development.

### **Bilateral Trade and MFN**

It is in the realm of bilateral trade that Washington may possess the most effective bargaining power to influence Beijing's behavior. But this power is not the result of the much publicized and politicized U.S. trade deficit with China. In actuality, the increasing deficit reflects to a large extent the fact that many Taiwanese, Hong Kong, South Korean, and Japanese companies, attracted by China's low labor costs, have moved their businesses to China, bringing their trade surpluses with them. Washington's bargaining power over U.S.-China trade lies in the fact that, from a Chinese perspective, trade with the U.S. occupies a central position in China's entire economic network with the outside world. By contrast, from an American perspective, trade with China is by no means unimportant, but its position in America's overall trade relations is much less crucial.

*Using China's MFN status as a bargaining chip, Washington has failed—and will continue to fail—to force Beijing to change any of its important established policies.*

The question for the United States is how to use this bargaining power. After 1989, Washington began to link China's MFN trade status to the issue of Beijing's alleged human rights violations. Yet it gradually became clear that Washington's threat of economic sanctions had failed to change Beijing's overall human rights record and had only served to undermine the foundation of economic cooperation between the two countries. As a result, in 1994 the Clinton administration decided to de-link the MFN issue with China's human rights progress. Beginning in 1997, triggered by the suspicion that China had illegally funded U.S. political parties during the 1996 presidential campaign, congressional pressure to use MFN as a means to regulate China's human rights policy and external behavior has gained new momentum.

MFN is not the right issue for Washington to collide with China. Contrary to its name, most-favored-nation status is not an American favor to China; by using MFN as a means to pressure Beijing, Washington has only adversely affected both Chinese and American business interests. Furthermore, this strategy is a mistake in a moral sense. Its adoption can be so easily misunderstood, not just by the Chinese government but by the Chinese people as well, as an indication of continued American arrogance. Using China's MFN status as a bargaining chip, Washington has failed—and will continue to fail—to force Beijing to change any of its important established policies.

Rather, it is China's accession to the World Trade Organization (WTO, the successor organization to the General Agreement on Tariffs and Trade) that may give the United States, together with other industrial countries, more of a positive impact on Beijing's overall economic policy. Over the past four or five years, Beijing has made real efforts to conform to WTO membership criteria; its entry into the organization thus should be used to further promote its opening to the outside world as well as its embrace of free-trade rules and regulations. In addition, Washington should also seriously consider inviting China to attend meetings of the leading industrial democracies in the Group of Eight, which will enhance Beijing's sense of being a responsible member of the international community.

In the meantime, it is also important for Washington to understand that China's economic development has already created, and will continue to create, decentralization of its political institutions and economic system. The Chinese government will continue to lose its ability to control local authorities over trade issues. Thus Washington should demonstrate a comprehension of, and sensitivity toward, frictions in U.S.-China trade over which Beijing has no real control and avoid blaming the Chinese government accordingly.

There are many ways America's bargaining power on bilateral trade relations can create positive developments in U.S.-China relations. For example, the United States is in a strong position to consult with the Chinese government about financial and insurance policies, legal reform, customs services, and other important aspects of China's efforts to transform its trade system and, more important, the old philosophy underlying it. If



properly exercised, America's bargaining power on trade relations with China can promote significantly China's integration into the international community.

Given the extent of Asia's current financial crisis, China will find it necessary to rely more heavily on sources of trade and investment outside the region to sustain its export-led growth, and WTO membership would certainly boost China's prospects for broadening its trade network. With its considerable influence in the new trade organization, the United States surely will be tempted to push Beijing into making concessions on other contentious issues that are on their bilateral agenda. Missile proliferation is one such issue.

### Arms Control

Beijing and Washington have disagreements on arms control and nonproliferation issues. China has transferred weapons and nuclear technology to foreign countries, some of which (such as Iran) Washington believes to be responsible for sponsoring international terrorism. However, the United States has sold F-16 fighters to Taiwan, an act Beijing believes to have created a serious threat to China's national security interests. And yet U.S.-China differences on arms control are much less significant than problems in other realms, since the former usually do not involve policy principles. Indeed, unlike its attitude toward human rights, Beijing seldom challenges the nonproliferation principles Washington adheres to (although it often cites U.S. arms sales and its proliferation record to cast doubt on the sincerity of Washington's belief in these principles).

In the past several years, Beijing has made substantial efforts to accommodate Washington's arms control agenda. For example, China announced in 1992 that it would abide by the Missile Technology Control Regime restrictions on missile exports. In 1995, it suspended its nuclear energy cooperation agreement with Iran and stopped providing Tehran with Silkworm missiles. It has also placed its nuclear energy cooperation program with Algeria under the inspection of the International Atomic Energy Agency. These cases indicate that Beijing is willing to act responsibly on the arms control issue.

It is true that in some cases, such as the continual transfer of nuclear technology to Pakistan and, more recently, the sale of tactical missiles to Iran, China has not acted in accordance with U.S. expectations. However, this is a reflection of the normal difference in the two countries' specific national security concerns. Just as it is difficult for the U.S. to cut off its supply of arms to Taiwan, it is difficult for China to stop its arms shipments to Pakistan.

Washington should continue to persuade Beijing to restrict its arms exports that have the potential of damaging regional and global stability, and should continue to emphasize that it is in the fundamental interests of the U.S., China and other countries in the Asia-Pacific region, and the world to prevent arms proliferation. But Washington should make its aims reasonable and realistic. More important, Washington should acknowledge that Beijing's attitude toward the arms control issue has been responsible and cooperative in general, while at the same time making every effort to inform the American public of such. In carrying out Washington's constructive-engagement strategy, there is every reason to make the arms control issue a positive part of the U.S.-China relations agenda.

## Five

### Conclusion: Living Peacefully with China in the Twenty-First Century

**T**oward the end of the twentieth century, both China's development and the development of Sino-American relations have reached a crossroads. Opportunities for the two countries to establish a relationship of positive cooperation in the twenty-first century are tremendous, yet the danger for them to fall into unnecessary confrontation cannot be excluded completely (especially if the "China threat" notion dominates U.S. strategic thinking). This is the time that the United States should reexamine its basic perceptions of China, reconsider the underlying meanings of its policies and strategies toward Beijing, and reemphasize its determination to live with China in peace and cooperation in the twenty-first century.

It is essential for the United States to understand that China is not an enemy and is not destined to become one on its own. The period of total confrontation between the United States and China was a special episode of the Cold War that ended long before the end of the Cold War itself. Even during Mao's era, when China was a revolutionary country openly challenging "U.S. imperialism," Beijing did not make the pursuit of its own regional, let alone global, dominance a fundamental foreign policy goal. In an overall sense, the reform-and-opening process in China during the post-Mao age has further incorporated China into the international community. There exist no historical grounds to claim that China, with the growth of its economic power, will necessarily develop into a force bent on regional and global hegemony and thus clash with the United States. Indeed, history tells us quite the opposite: China was not an expansionist power in the past and is even less likely to become one in the future.

China is experiencing the greatest transformation—political, economic, social, and cultural—in its history, which imposes tremendous challenges for the Chinese people and causes profound frustrations for China's intellectuals. The triumph of this transformation process may open the way for China to emerge as a nation of prosperity, modernity, and democracy, necessary conditions for the age-old Central Kingdom to become an equal member and genuine "insider" of the international community. The failure of the process, by contrast, may lead to a disintegrated China, creating all kinds of security, environmental, and other serious problems for the Asia-Pacific region and the world as a whole. Indeed, nothing else will constitute a more valuable contribution to international peace and stability than the wholehearted embrace of those goals by the nation with the largest population and one of the oldest civilizations in the world. The United States has no reason to fear China's rise as a strong and prosperous country. Rather, Washington should make the support of China's modernization efforts a long-range, high-priority goal in its post-Cold War global strategy, and should demonstrate patience and goodwill when China seems to fall short of, or be different from, American expectations.

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The United States certainly is in a position to influence China's development; this is particularly true because China needs U.S. support and cooperation in promoting its modernization programs, and because Beijing has thus made maintaining a good relationship with Washington a cornerstone of its foreign policy during the post-Cold War era.<sup>23</sup> But in the final analysis, the orientation of China's development will be determined by domestic forces, and the United States needs to remember that there are limits in its ability to influence the course and consequences of development in another nation—especially one that once called itself the Central Kingdom. In dealing with China, the United States should be extremely sensitive to China's lingering victim mentality and should avoid doing things that may be interpreted as ongoing "American arrogance." Only when the Chinese feel that they are treated as equals will they be more willing to accept advice from the outside world.

In a deeper sense, China's integration into the international system will not succeed if China is treated as a passive actor. During such an integration process, transformation will occur not only in China, but in the international system as well (by incorporating China's values). With its long history and rich civilization, China certainly is capable of contributing substantially to making the world a safer and better place for the human race to live. It is here, probably, that Americans and Chinese, both motivated by high moral expectations in their innermost worlds, will find a fundamental foundation on which to establish mutual trust and respect. With any hope, such motivation will become one of the best guarantors for them, as well as the rest of the world, to live in peace and cooperation in the twenty-first century.

## Notes

1. According to a 1993 International Monetary Fund report, by using the Purchasing Power Parity method—not the regular exchange-rate method—China’s GNP was already the third-largest in the world.
2. Arthur Waldron, “Eight Steps toward a New China Policy,” *Orbis* 41, no. 1 (Winter 1997): 77.
3. Richard Bernstein and Ross H. Munro, *The Coming Conflict with China* (New York: Norton, 1997), 70. This estimation of China’s military budget, though, is questionable. For a recent plausible study on China’s military expenditure, see Wang Shaoguang, “Estimating China’s Defence Expenditure: Some Evidence from Chinese Sources,” *China Quarterly*, no. 147 (September 1996): 889–911.
4. Quoted in Alastair Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History* (Princeton, N.J.: Princeton University Press, 1996).
5. Warren I. Cohen, “China’s Strategic Culture,” *Atlantic Monthly*, March 1997, 104–105.
6. The evidence the authors use to form their conclusions is, however, questionable. For example, the book quotes a General Mi Zhenyu, vice commandant of the Academy of Military Science in Beijing, to support the book’s main thesis. According to the authors, Mi claims in a book entitled *The Megatrend in China* that “[As for the United States] for a relatively long time it will be absolutely necessary that we quietly nurse our sense of vengeance. . . . We must conceal our ability and bide our time.” However, nowhere in the book can I find the statement as quoted.
7. A statement made by former assistant secretary of defense Richard Perle, quoted in *The Washington Post*, May 18, 1997, C4.
8. I believe that “Central Kingdom” is a more accurate translation for “Zhong Guo” (China) than “Middle Kingdom.” While the term “Middle Kingdom” does not have the meaning that China is superior to other peoples and nations around it—it is simply by chance that China is located in the middle in a geographical sense—the term “Central Kingdom” implies that China is superior to any other people and nation “under the heaven” and thus occupies a “central” position in the universe.
9. This certainly was the case when Mao and other top-level leaders made the decision to enter the Korean War. I have argued elsewhere that, in addition to defending the safety of the Chinese-Korean border, Mao made the decision to dispatch Chinese troops to Korea to promote revolutionary China’s international prestige and reputation, to promote an “East revolution” that would follow the Chinese model, and to promote the domestic mobilization that would enhance the CCP’s new regime at home. See Chen Jian, *China’s Road to the Korean War: The Making of the Sino-American Confrontation* (New York: Columbia University Press, 1994).
10. For a convincing discussion of China’s military downsizing in the 1980s, see Wang, “Estimating China’s Defence Expenditure,” esp. 909–11.
11. See, for example, Tian Zengpei et al., *Gaige kaifang yilai de zhongguo waijiao* (“Chinese Diplomacy during the Age of Reform and Opening to the Outside World”) (Beijing: World Knowledge Press, 1994), 2–4.
12. It should be pointed out that from Beijing’s perspective, Tibet and Taiwan are both parts of China’s territory, and that the problems concerning them, therefore, are not foreign policy issues, but belong to China’s internal affairs.

13. For a Chinese view of the issue, see Tian et al., *Gaige kaifang*, chapter 11.

14. A revealing recent example of this priority concern is a widely noted book written by a group of young Chinese scholars and policy practitioners, Xu Ming et al., *Guanjian shike: Dangdai zhongguo jidai jieyue de 27ge wenti* ("Crucial Juncture: Twenty-seven Problems that Are in Urgent Need to Be Solved in Contemporary China") (Beijing: China Today Press, 1997). These twenty-seven problems are: international strategy, social system, ideology, sustaining development, market economy, distribution of national resources, finance, population control, food production, state-owned enterprises, peasants, unemployment, science development strategy, political system, environment, rural economy, regional division, small township development, floating population, social classes, ethical crisis, education, cultural shock, literature crisis, arts, the young generation, and increasing crime rates.

15. Thomas J. Christensen, "Chinese Realpolitik," *Foreign Affairs*, September/October 1996, 46.

16. This is the theme of an officially endorsed popular song in the PRC.

17. For an excellent discussion of the historical and philosophical origins of the moral crisis in China, see Ci Jiwei, *Dialectic of the Chinese Revolution* (Stanford, Calif.: Stanford University Press, 1994).

18. In a broader sense, this is not just a question involving the relations between the mainland and Taiwan. This is also a question with implications involving, to name a few of the most obvious, Tibet, Xinjiang, and Inner Mongolia. If Taiwan is to achieve independence in accordance with the principle of self-determination, these areas, all of which are now the PRC's "autonomous regions," may also, at least in theory, ask for their own opportunity of self-determination.

19. Xu Ming et al., *Guanjian shike*, 64.

20. Beginning in the early 1980s, with the collapse of the "People's Commune" system of local governance in China, a new "Village Residents Committee" system was adopted in the country's rural areas, according to which village residents directly elect village officials. By 1996, about 90 percent of Chinese villages had adopted this system, which many areas have modified to elect officials at the district and county levels as well. For a more detailed discussion, see M. Kent Jennings, "Political Participation in the Chinese Countryside," *American Political Science Review* 91, no. 2 (June 1997): 361–72; Wang Xu, "Grass-Roots Democracy in Rural Areas of China: Mutual-Empowerment of State and Society," *Ershiyi shiji* 40 (April 1997): 147–58; Minxin Pei, "'Creeping Democratization' in China," *Journal of Democracy* 6, no. 4 (October 1995): 65–79; Susan Lawrence, "Democracy, Chinese Style," *The Australian Journal of Chinese Affairs* 32 (July 1994): 61–68; Kevin O'Brien, "Implementing Political Reform in China's Villages," *The Australian Journal of Chinese Affairs* 32 (July 1994): 33–59.

21. See, for example, CCP General Secretary Jiang Zemin's report to the Fifth Plenary Session of the party's Fourteenth Central Committee, "Correctly Handling Several Important Relationships in Building Socialist Modernization," *People's Daily* (Beijing), October 9, 1995. See also Xu Ming et al., *Guanjian shike*, esp. 224–25.

22. See "Mao Zedong's Handling of the Taiwan Straits Crisis of 1958: Chinese Recollections and Documents," (trans. Chen Jian, Li Xiaobing, and David Wilson), *Cold War International History Project Bulletin*, nos. 6–7 (Winter 1995/96): 208–18.

23. This was most explicitly demonstrated by Beijing's handling of President Jiang Zemin's official visit to the United States in late October 1997. Indeed, this visit was given such a priority that the CCP leaders even decided to move the date of the party's Fifteenth National Congress from early October to mid-September so that the convening of the congress would not in any way conflict with Jiang's U.S. trip.

## About the Author



**Chen Jian** is an associate professor of history at Southern Illinois University, focusing on Chinese and East Asian history and Chinese-American relations. He was the editor of the journal *Chinese Historians* and associate editor of the *Journal of American–East Asian Relations*. The recipient of several major academic awards in China, Chen has also received two grants from the Woodrow Wilson International Center for Scholars and was awarded a fellowship at the Norwegian Nobel Institute in 1993. Chen’s extensive publications in English and Chinese include articles in *China Quarterly* and *Diplomatic History*. He is the author of *China’s Road to the Korean War: The Making of the Sino-American Confrontation* (1994) and co-editor of *Chinese Communist Foreign Policy and the Cold War in Asia* (1996). He received his Ph.D. from Southern Illinois University. During 1996–97, Chen was a senior fellow in the Jennings Randolph Program for International Peace at the United States Institute of Peace.

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