

China-U.S. Cooperation: Will It Last?

by
Dr. Qingguo Jia

Qingguo Jia: Thank you very much, Dr. Garrett, and also I'm really delighted and honored to be here to share with you some of my views. Actually I feel very intimidated because Nancy has set up very high standards for me. I have to struggle hard to meet them and to make this talk more interesting.

Also you know, as a Chinese in Washington after 9/11, I feel sandwiched between two levels of political correctness. I don't know how to make people happy, but I'll try. American education has taught me to be honest and I have to be honest and make people happy at the same time, which is a very tall order. So if I make any mistakes, please be more tolerant than usual.

What's in the talk? Well, I think U.S.-China relations have changed for the better since September 11th, as a sort of unintended consequence of the attack. Such a change has generated a lot of euphoria about U.S.-China cooperation. However, an important question lingers. Will such a change last? Will China and U.S. cooperation last?

To answer this question, I think we need to look at three related questions. One is, in what way the relationship has changed? The second question is, why has the relationship changed this way? In other words, what factors have contributed to this change? And finally, we can come back to the question concerning the prospect of the relationship.

Well I'll be very brief to address these questions and hope that this will contribute to a fruitful discussion afterwards. First, in what ways has the relationship changed? Maybe we should begin by first taking a look at the relationship before 9/11. Last year I was commissioned to write a paper on U.S.-China relations since the early 1990s, and I struggled

to figure out what went on over that period of time.

Irony in U.S.-China Relations

And then I found a big irony in U.S.-China relations—that is, the two countries have fewer differences but more tension in their relationship. In the last twenty years, China has changed tremendously and has become more and more American. In fact, China has probably never looked more like the U.S. in its five thousand year history as today. Physically, you can see a lot of American symbols in China: Pizza Hut, McDonald's, Nike shoes, Playboy ties, Microsoft Windows software, *Titanic* advertisements, and we have probably more Michael Jordan fans than you do because of the time lag, not jet lag.

In terms of values, I think the two countries are also sharing more in common. Ten years ago in China you wouldn't mention, you wouldn't want to talk about such things as democracy, human rights, freedom without putting some adjectives before these concepts such as proletarian democracy, bourgeois democracy, or proletarian freedom, bourgeois freedom. Today you don't have to. Our leaders are talking about freedom and democracy and our government has put its signature onto international covenants on human rights including the last two, one on social and economic rights, one on political and civil rights.

So the free market, human rights, rule of law, democracy, are the things that we are struggling for, I think. We want to improve our system to make our country and people happy and also to develop a viable and sustainable system for development. Of course, there are differences, but overall the differences have reduced over time.

Increasing Tensions in China-U.S. Relations

At the same time, of course, we also witnessed increasing tensions in China-U.S. relations. So while we are becoming more similar, we have more tensions, and of course, I could produce a long list here, tensions over human rights, espionage issues, illegal political contributions, trade deficit, embassy bombing, EP3, Taiwan, and etc. And if you look at the last decade, you'll find that the decade is full of tensions between our two countries. Of course at different times, the relationship did improve, but at other times, we have a lot of troubles.

At the popular level, people in the two countries also looked at each other increasingly critically. In China, the U.S. was, especially during the periods of tensions, viewed as an international bully, and in the U.S., China was viewed as a sort of potential threat, at least by some groups of people. As tensions increased, efforts also were increased to reduce the tensions. Especially after EP3, I think the Bush administration made some efforts to reduce the tension and also China tried to reduce it at the same time, and that led to lowered tension in the relationship right before the attack of 9/11. However in general, the relationship was out of balance. And at that time, if you look at U.S.-China relations, the prospect was rather dim.

Changing Relationship after 9/11

After 9/11 the situation has changed to a different direction. China immediately condemned the terrorists and voiced its support for the U.S. Among other things, it bought \$1.6 billion U.S. dollars worth of airplanes from the Boeing Company at a time when the latter's prospects were very bad. If you had Boeing shares, probably you were very happy about this.

And China also has shared intelligence with the U.S., stepped up efforts to identify and

freeze accounts suspicious of terrorist linkage, offered the APEC platform to the U.S. to further its anti-terrorist cause. And China has done all these without conditions. There were a lot of rumors saying that China would attach this condition or that condition at the time, but the Chinese government made sure that it really wanted to help rather than taking advantage of the American weakness at the time. Of course this doesn't mean that China did not want all these things from the U.S., some concessions, some good will in return, but China made it clear that it wanted to be helpful at a time when the U.S. had difficulties.

Chinese efforts eventually evoked some good gestures from Washington. Washington publicly dropped the term "strategic competitor" from its vocabulary in describing China and began to refer to the Chinese leadership, publicly, as sort of an enlightened leadership, and also expressed the intention to develop a candid, constructive, and cooperative relationship with China.

At the APEC meeting in Shanghai, President Bush said, "China is a great power and America wants a constructive relationship with China." That's a very big contrast to what the administration used to say about the U.S. relationship with China.

On the issues, on the problems between the two countries, both sides have tried to manage them in a pragmatic fashion. The problems over human rights, sanction proliferation, related sanctions, arms sales, have not been let loose to rock the relationship.

And some progress has been made in some of these issues. Negotiations have been conducted, for example, over related sanctions and also dialogues on human rights between the two countries have been re-instituted.

Why has the relationship changed this way? I think again, probably we need to answer the question, why the relationship was like that before, what has changed since then? Looking

at the reasons for the state of the relationship prior to 9/11, I think three factors probably deserve special attention. The first is diverging priorities of the two countries. The second is the means adopted by the two countries to attain their security, their respective priorities. And the third is the policy inclination on the part of the Bush administration.

U.S. and China had Different Priorities before 9/11

Before 9/11, the two countries had very different priorities. China, which has been undergoing three drastic transformations for some time, is faced with tremendous challenges at home. The three drastic transitions are respectively modernization, systemic transformation from a central planned economy to a market economy, and leadership transition from a generation of charismatic leaders to a generation of techno-bureaucrats.

Each of these transformations, in theory, can generate a lot of political unrest if not political chaos. It is precisely because of this that the Chinese government has attached tremendous importance to maintaining political stability. The Chinese government has repeatedly argued that without political stability, China would not be in a position to accomplish anything, not economic prosperity let alone political progress. So China must have political stability before it can engage in reforms and economic development.

America Fears a Rising China

But the U.S. has a different priority, watching China developing very fast in the last 20 years, and seeing from a distance the Chinese political system has not changed, some people, at least, became worried. They're worried that China will become stronger economically but remain different from the west politically. And sooner or later it would become such a power that it would challenge American supremacy and try to impose its own political system and way of life onto the U.S.

Accordingly these people began to make changing China as their top priority. They want to change China in a way that it will not pose a threat to the U.S. And such a consideration led to a lot of efforts on the part of the U.S. government to make sure that China would adopt the same system not only economically but also politically, and also in a lot of ways, the same practices in international relations.

As the U.S. tried to change China, China felt threatened because it already had a handful of problems at home. The U.S. efforts to change China threatened to undermine the very political legitimacy of China's government. In response, the Chinese government tried to resist and fight back by saying that, okay, we should respect sovereignty, we should respect the principle of non-intervention in international affairs, and we should observe the principles of the UN Charter etc. In a word, the Chinese government rejected American intervention and refused to do what the U.S. demanded it to do.

But when China refused to change in the way the U.S. wanted, at least at the pace the U.S. wanted, those Americans who are afraid of China as a potential threat became even more worried. What are we going to do with China? Maybe we have not made enough efforts, they concluded. Accordingly, they advised the U.S. government to step up efforts to change China. In the mean time, they argued that the U.S. should try to get ready, if the U.S. cannot change China, for another scenario, like we need the missile defense now. By the way, I don't think BMD is only for the rogue states. To these people, China is the potential enemy and also the main target. It is incredible for the U.S. to spend so much money just to stop an imagined nuclear bomb from a rogue state. There must be more to it and China is the clue.

China and U.S. Means to Address Priorities

The second factor that shaped the relationship was the means that both sides adopted to address their respective priorities. Some means adopted were constructive, such as

private dialogues and consultations between the two sides. Others are not so constructive, such as enhancing military capabilities, the public's denouncement of China, and the U.S. and the BMD programs and also China's imports and development of counter measures, of weapon systems, in anticipation of a greater American threat. These efforts reflected a traditional approach to achieving security, and such an approach also contributed to the tensions between the two countries.

Bush Administration's Policy toward China

The third factor was the policy inclination of the Bush administration. I think you can identify two views within the Bush administration, one is more moderate, which probably is somewhat similar to what Clinton's policy during the second phase of the Clinton administration was.

The other was the hard-line approach, believing that China would become a threat. The people with this approach probably believe or share the view that China is a large country, experiencing rapid economic growth, and would necessarily pose a threat to the U.S. one way or another. The U.S. should not accommodate China in any way to facilitate the latter's challenge to the U.S. international status. Under their influence, the administration had snubbed China in many ways, with one important exception, that is, trade. I will skip the snubbing stories. Suffice to say that these and other factors help explain the essentially sorrowful state of relations between the two countries before the attack.

The 9/11 terrorist attacks on the U.S. had a tremendous impact on this development. First it shows to the Americans that the real threat to American freedom and way of life does not come from China or from any other country in the world, but from terrorism, terrorism that is rooted in the innate problems of the international, political, and economic order. And this has broad implications for U.S. foreign policy.

Changing U.S. Approach to Security

Also, in part because of the 9/11 attacks, the means the way the U.S. approaches security has been changing since the terrorist attack, from one leaning towards unilateralism, to one attaching greater importance to international cooperation, from one relying more on traditional means to attain security, to one with more emphasis on new mechanisms like full international cooperation, to address the causes of terrorism.

The Bush administration's inclination to treat China as a potential enemy has also been changing subtly. The view of the moderates has begun to prevail. As long as the U.S. is not preoccupied with imposing changes on China, as long as the U.S. does not treat China as an enemy, the two countries will find room to manage their relationship in a more constructive way. And this is what has been happening in the last two months.

Of course, the mindset of some people in the administration has not changed. One must recognize that. Maybe they will still have a chance to take over policy. However, I do think that at least, at the moment, the current priority is to fight Bin Laden and not to pick another fight with China, and these people are likely to find it difficult to push for their anti-China cause under the new circumstances.

Will the change last? That's the issue that many people are concerned about. I think it probably will. This is because of the nature of the security threat to the U.S., terrorism. 9/11 is not just another terrorist attack. It is a strong reflection of the deep structural problems of the international system. If you look at how people reacted to the terrorist attack around the world, you will find a lot of people venting their frustration and anger toward the U.S. Therefore, if you really want to tackle the terrorist problem, in the long run, you have to find out why these people are so frustrated, and how you can uproot the terrorism, international terrorism, instead of just fighting

Bin Laden, capturing him and prosecuting him. You have a larger task to do.

I believe that international terrorism is a reflection of a lot of structural problems of the international system such as accelerated international polarization in the age of globalization, and ill-managed regional conflicts, an inadequate level of international cooperation, etc. If the U.S. really wishes to address the root causes of international terrorism, it will need international cooperation and, in that order, China's cooperation.

Positive Cycle from China-U.S. Collaboration

If China cooperates—and I think China will—the U.S. will find China a collaborator rather than an enemy. A positive cycle may begin from here. In the meantime, given time and given the current trend of development in China, more freedom, more rule of law, more democracy and more constructive and responsible behavior in international relations, China is likely to become more attractive to the Americans.

The time will come when even those Americans with a hostile view of China will have to acknowledge that China presents an opportunity rather than a threat to this country. This, of course, does not mean that the two countries are not going to have problems. I think we are going to have a lot of problems between us, just as you have a lot of problems between you and Britain, your staunchest ally. But they will be a different sort of problems; neither of us will pose a threat to the other.

Sixty years ago, despite the vast differences between the two countries, China and the United States fought shoulder-to-shoulder against a common threat, international fascism. Today the differences between the two countries are fewer and more narrow, there is no reason for the two countries not to unite, to fight against international terrorism, and to build toward a better international order.

At the beginning of the new century, building a constructive and cooperative relationship between China and the United States is critical to the interests of the two countries and the world more than at any other time in history. As a helpless optimist, I always believe this will happen. In this regard, I believe the 9/11 attacks have only accelerated this process.

Thank you.

Banning Garrett: Thank you, Dr. Jia, for a very, very stimulating, excellent presentation, and a lot to talk about as we move to questions later. But first, Kurt, whatever you prefer? And I do believe this should be on background, is that right, as no one wants to be directly quoted. So anyone from the press here, I'm sorry but no direct quotes from anyone.

Kurt Campbell: Let me just join in with Banning in saying that I, too, thought this was a fantastic talk, and quite hopeful. It's nice to hear something a little hopeful in a capital that has known nothing but pessimism in the last couple of months.

David knows much more about China and much more about U.S.-Sino relations, and so I suspect he'll talk primarily about the potential associated with September 11th for our overall relationship. I want to talk a little bit about systemic issues, quickly, because I think ultimately, at the root of the analysis here is the proposition of a major systemic change occurring in the wake of September 11th.

I think I was one of those people who believed almost immediately after, that this rupture in American life would be temporary and that if anything, we would return to some aspect of quote, normalcy, that we would regain the stability of the period before and the same issues that were on the agenda on September 10th would slowly but surely reassert themselves, whether it was HIV/AIDS, global warming, problems associated with China.

I'm not so sure now. I've really come around, I do believe that there's the very real prospect of substantial realignment and very positive things associated with that and also some negatives and some things to worry about. As a test, what I think is useful for all of us, both for U.S. and Chinese friends, is look at the world on September 10th, at least from the U.S. perspective, what is conventional wisdom about international relations, about how we conceptualize our role in the world, and then look at September 12th or at least the period thereafter.

And if you will, just sort of as a test or as an examination, I'd like to go through that quickly, in terms of what was the dominant, conventional wisdom, particularly in Washington, again, primarily with this administration, as we sort of confronted a host of international problems.

Washington's Pre-9/11 Concerns

I think the most interesting sort of issues, I'll list them in order. The first is that I think the overriding conventional belief is that what really mattered on September 10th, as you looked at the international arena, was rising states, right? That really, we looked into the future but what we were thinking about, what we were concerned about, was the potential for peer competitors emerging over the transom, and that really failing states, real men don't work on failing states, right?

Real administrations don't really worry about Bosnia or Africa; it's a waste of time. We've got to get rid of that sort of do-gooderism, right, this humanitarian impulse that permeates one aspect of the Democratic Party. So I think there was a really profound sense that realist, whatever that means, I think you could get ten people in a room and have profound disagreement over what realism actually means in the current context. But the real sense that rising powers was where the action was, and that conceptualized basically everything within the context of the Bush approach.

I think a second sort of animating principle was shared, not only in conventional, political circles, but economic circles as well, and that was the very notion that globalization as a process was irreversible, something like, kind of almost a Marxian sense, and that as a consequence, global conflict became almost impossible to imagine, as it is so inefficient.

And that the process was irreversible, in a sense, and could be slowed down in some places, but think of it as a giant wave, sort of moving through the world, washing, touching everything in its way. And I think again, there was a really profound belief among much of the political, the sort of modernists in the West and the United States, that this was a factor that had altered everything in its wake and had completely reshaped international relations as a consequence.

In terms of the world, where are our problem states, I think the abiding belief was that we had two significant problems: one, problems associated with Russia, a profoundly declining, difficult, challenging state, which, the belief was, these problems had been badly mismanaged in the previous decade.

I think more importantly was a sense that was generally not made public but, I think, was shared privately, and I think Dr. Jia has indicated that this is the case, the idea of the inevitability that China and the United States would come to loggerheads at some point in the future, that we were destined, to a certain extent, if not to go to war, to be absolutely at odds.

And I think that among much of the political establishment, there was either that fear or that belief or maybe, in some circumstances, that hope, right? And I think that's a much more dominant view than many people like to acknowledge publicly.

Asia: Where the Action Is

I think there was a sense that in terms of regions, Asia is where the action is, right?

And so indeed, in September 10th, one of the abiding beliefs of the Bush administration, even though what's interesting is that most of the people at senior levels, like the Clinton administration, are Europeanists, primarily. They have at the deputy secretary levels people who know Asia very well, but they have at the very top level of government, primarily Europeanists, who are well versed in understanding of the European issues writ large.

But a real sense that those were the Old World issues, and that really the New World, of balance of power, of issues associated with war and peace, was in Asia. That every major challenge to peace and stability for the first time in modern human history was found in Asia, the Taiwan Straits, difficulties associated with managing the problem of the Korean peninsula, an increasingly dangerous nuclear rivalry between India and Pakistan.

So that was the really fundamental belief, I think, in terms of Asia would be where the action is, almost an inverse—when Clinton used to say, “It's the economy, stupid,” it's almost as if, when thinking about Asia, “It's the military, stupid,” security issues, thinking about Asia through a security paradigm, which, in fact, made some of our Asian friends quite nervous, because I think there was at least a sense of a preference to talk about more hopeful, positive things like economic development, globalization up front, and then sort of deal with security issues behind the scenes. If anything, there had been sort of a reverse, and we had economic issues discussed privately and security, big security issues addressed quite publicly.

If anything, there was a belief that you wanted to be very careful about—not formal alliances, clearly alliances were, at least, at a rhetorical level, thought to be at the center of foreign policy, but coordination and cooperation internationally. You're very careful of formal agreements, I think there's a sort of powerful sense that in most cases, or many cases, we,

the United States, had to be prepared to go it alone, and that unilateralism was not a dirty word, in fact if anything, it was a proud tradition and something that we had to recognize was what a great superpower, a sole superpower had to be prepared to do.

In terms of military threats, and here it gets sort of interesting. If you look back at the famous Bush speech at the Citadel, the real abiding belief was that the United States should be prepared to skip a generation. Skip a generation in investment in military capabilities in anticipation of a potential problem arising at about 15 years from now. I don't know what they were referring to, but investments over the horizon. And the specific belief that we faced no significant military challenges today. And that was a much wider understood, or believed reality on September 10th than many people want to acknowledge.

And I think the last issue was the idea that, if there was a new focus within the hemisphere, it was greater economic integration between the United States and Canada and Mexico, both in terms of energy and trade, the prospect of a fuller trade relationship with much of Latin America. There are others, but I think those are some of the key issues that really focused American political thinking on the international arena prior to September 11th.

Impact of 9/11 on U.S. Foreign Policy

If you look immediately thereafter, I think you're struck by how many of those are fundamentally challenged, perhaps permanently challenged. The first is, and I'll just kind of run through them if I can, is that failing states can hurt you and hurt you badly. Not in a humanitarian sense, but at a strategic level. The threats that we are facing right now in Afghanistan and Somalia, in Sudan in terms of the ability to host and train and mount the kinds of operations from these shadowy Al-Qaeda organization, suggests that it's not just a humanitarian impulse, there is a security and

strategic paradigm associated with dealing with these problems.

And I think President Bush has been courageous in suggesting that that, in fact, is the case. He's been quite open about the fact that we're going to need to address some of these issues, humanitarian, development, and likewise.

The only point I would sort of disagree with my friend about an excellent presentation, when he listed all of the issues associated with what were the problems, what were the root causes, I think you left out the most important one. I think the real issues, the biggest root cause is absolutely failed, illegitimate regimes in the Middle East. The biggest, most troubling collection of failed states, perhaps even worse, in some respects, than some states in sub-Saharan Africa. That's really not the subject of this discussion here but it's something to keep in mind.

Second. Globalization took a major hit, much more profound, if you look at the actual capital damage associated with September 11th, only \$60 billion. Now that doesn't seem—that seems like a large amount of money, but in fact if you look at the secondary and tertiary consequences, as a consequence of reduced confidence, probably a percent loss in global GNP, with the consequence of about \$400 billion over the next year.

Tools of Globalization Used by Terrorists

And what's interesting about globalization is not only did globalization, the tools of globalization were actually used by the terrorists when attacking the United States I think, making clear for once and for all, that globalization is immoral in a sense, that its tools can be used—I mean amoral—either for progress or to undermine the very progress that we've all benefited from.

The interesting thing is now that we go about trying to resurrect confidence and rebuild the

system after September 11th, the worrisome thing will be, globalization has clearly survived, but these very efficiencies that we've come to expect and then, in fact, the development, the rapid productivity increases of the 1990s, will we have to disassemble some of those very things, like rapid ticket check-in, easier access across borders, investments, just-in-time productivity, where things arrive just over the border. Will we have to dismantle some of those things in order to re-establish confidence? So in fact, to take steps to improve the situation will we, in fact, end up undermining the very process of globalization?

I think in terms of Russia and China, Russia, clearly, what we've seen at the Crawford Ranch and over the last couple of days is that we are on the verge of a major transformation in Russian-U.S. relations. Major transformation. I think if we all met at this table a year from now, we would be seriously discussing how Russia would or could enter NATO. I think WTO is clearly possible. This is the most exciting development in international relations that we've seen in many years, and you have to really credit both Putin and Bush for understanding sort of the moment associated with this.

Followed, very closely, by China. I think, Banning and I were talking before, what's interesting is that the three leaders internationally that appreciated immediately the implications of September 11th in this order: Putin, Jiang Zemin, and Tony Blair. Tony Blair has gotten the most attention because he is, essentially, depending on how you see it, the press spokesman or the foreign minister of the Bush Administration, but clearly Jiang Zemin and President Putin have been very strategic in appreciating the potential for dramatic reorganization of strategic relations with the United States.

And I think, in fact, what will happen is that now that we've seen developments between the U.S. and Russia, that China will also be

not forced, but encouraged to move further down this line of improving relations with the United States.

Less American Focus on Asia

I think the interesting thing, and here are some of the downsides, I think that while the previous September 10th sense was that the real focus geographically would be on Asia, I think in terms of American foreign policy, the United States is going to be focused on three regions in the next five years. The first region is the Middle East and South Asia, that's clearly going to be the focus of much of our activity.

Second is going to be Europe, because Europe is where you go if you need true assistance in the international arena. There's obviously a lot of gratitude for what China's done, for what Japan has done and Australia, but fundamentally, Europe is where you go when you need allies, when you need help, and that's the role that, particularly, Britain has played.

The third regional focus, in terms of a foreign policy sense, is the United States. Now when we think about the United States, we think about it in terms of homeland defense, but the reality is that homeland defense has many foreign policy implications, and these three issues are going to take an inordinate amount of time.

So again, if we sit here a year from now and we talk about all these positive things, the one negative thing that I think is going to come to pass is the very real prospect of the United States spending much less time thinking, and worrying, and strategically sort of minding the store when it comes to Asia. And that's going to concern a lot of our friends in the not-too-distant future. I mean there really is a sense already of not as much high-level attention, and I think that will likely be a much more significant development, and not a fleeting one, than people realize.

Powerful Sense that America Must Cooperate with other Nations

I think there's also a powerful sense that you've got to work with the world, you've got to cooperate, even though there are those in the administration who resist that. I think if you look at the initial misstep that the Bush administration made when Deputy Secretary Wolfowitz went to NATO and NATO said look, we want to offer our forces for what we want to do in Afghanistan, we want to put them on the ground with you, something that the United States has always said we wanted, in Bosnia, in Kosovo, you name it. And our response, of course, was, "actually, no thank you, we'll call you and we'll let you know if we need you." And the initial thinking was of course, that if you brought Europeans in, you couldn't bomb Iraq with abandon, right, you couldn't do everything you wanted to do.

Now what did we start to see last week before everything started to happen? The United States asking every European country to participate, suggesting again, as our friend has indicated, that in fact, for at least the time being, those who appreciate the viability and the importance of multilateral cooperation, I think, have prevailed in the short-term.

And then second to last, military challenges are here, September 11th made very clear that asymmetrical capabilities are not just associated with Taiwan or other bizarre Asian scenarios, that they can be used and directed by non-state actors against the United States.

I think the last point is that when you talk about the Americas the most severe shock economically for the United States is for the neighbors. An interesting point about some satellite photography taken about two weeks after September 11th where a satellite was able to see, from about ten miles up, a very long line of cars on the Canadian border, a 22-mile long line of trucks that are stacked up, trying to come into the United States. So

regional integration, all those things that were, I think, much hoped for have not come to pass.

Potential Problems of U.S.-China Relationship

Let me conclude by saying, what can go wrong? I'm with my friend in seeing much more positive things in store for the United States and China in the months and years ahead. What can go wrong? Let me just list them in quick order.

The first is Taiwan. And what's fascinating about this is that I think our Chinese friends have been extremely honest, it's possible, initially, that there may have been a quiet whisper about a quid pro quo in one area or another, but American friends were very quick to explain to our Chinese friends how badly that would play. And so indeed, this has been, I think, a generally sincere set of gestures. Who's the last place to believe any of that, right? So the more you say to Taiwan, no, we're just doing this, Taiwan is absolutely certain there's been some kind of deal, some sort of arrangement.

So first having come to power with an administration which they felt very comfortable with, now they are much more nervous than they were just four or five months ago, and I think that anxiety is playing out on a variety of fronts, and I think the mishandling of APEC only added to this problem and this election that's upcoming. And so the worrisome thing is, one hopes that Taiwan will not do something in this timeframe that is inappropriate or will trigger something that really is not in any of our interests. So the most important thing for the Bush administration to do, probably, is to make clear to our friends in Beijing and Taiwan, this is no time to mess around; this is really not the time.

Secondly is the military dimension associated with the campaign itself. Overall the sentiment in China, on balance, has been favorable,

but there is anxiety about a lingering military operation so close to China's borders, not only for what it means for confidence in the international system, but also the idea and the prospect of long-term American forces stationed near China again, on the opposite side of its border, is threatening and concerning.

I can remember, Banning used to work for a little bit for me when I was in the Pentagon and I was not terribly knowledgeable about many of the issues that animate Chinese strategic thinking, and I remember him coming back in 1996 saying, "You know Kurt, we've picked up tremendous anxiety about a series of military exercises that the United States had been doing with the so-called "Stans," those countries who had basically just come outside of the Soviet yoke.

And, of course, all of that work that was done by the United States, training, was done within the context of the previous Russian or Soviet experience, it was all done to try and develop better relations with these countries, not as some sort of containment exercise. But it was absolutely, fundamentally believed in Beijing that that was one of the central rationale for these military exchanges. What's happening now, their worry about long-term bases, will only come to pass, will only intensify over time.

And then last, something that's not gotten very much attention, but really tremendous movement on the Japanese military side, something that I think, by and large, many Americans support, but it's gone very rapidly. And so you've seen a situation where you've got Japanese warships, much more discussion about an open Japanese military role. I don't think China's friends feel very comfortable about this and I don't think there's been enough dialogue between Tokyo and Beijing, or indeed between Tokyo and Seoul about important security issues. If there's one thing that I would fault our Japanese friends with is that they have really not done their traditional *nemawashi* here.

Third, the real issue in Asia is not going to be security issues, it's going to be economic issues. We're on the verge of a truly horrific, perfect storm where you've got declining U.S. economic capability, much-reduced ability to absorb imports, a decade-long slump from Japan which is not going to ease. I think we just need to acknowledge the tragedy of Japan, it's hard to imagine a situation—it's going to get much worse and I'm not sure we are fully prepared for the consequences of that.

And of course the hope was that Europe would pick up the flack, Europe's fiscal follies have been almost pathetic, and they have been almost completely unable to pick up the slack. The one shining spot we've seen, of late, of course, has been China, the question, of course, is will China be able to sustain really significant growth in the face of really daunting global economic challenges. My sense is not.

Lack of American Economic Leadership

So I think we're going to be very worried during the period ahead, and if I would fault one thing on the administration, what's interesting is that if you turn on the Sunday shows, you'll find that you've got Rumsfeld, you've got Powell, you've got the president, you've got the vice-president, you don't have any economic leaders. And so what's interesting about the Clinton administration, you had the strongest Treasury team probably in the history of the country, Bob Rubin, right, who was unbelievable.

The Bush administration cannot put anyone out there, they can't put anyone out there to talk about the tax cut or economic issues, and that is a significant problem, it is a very significant worry at a time where economic confidence will be absolutely fundamental.

Many Government Officials Anxious about Dealing with China

The last point I would just say, and again, really, I think David will have much more to

say on all of these issues, particularly about China, is this question about whether people in this administration are conservative or liberal or moderate. I take away something quite different and I wonder if others feel the same way. I think many people in government are simply afraid of China. They are afraid of the issue.

I will state quite clearly, I was in that camp by the end of my career in government, one of the reasons I wanted to leave. It is such a burdensome issue bureaucratically, you're constantly worried about where you're going to be attacked from next, that I think in this administration there is a tremendous anxiety about dealing with the China issue. I don't really think there's this huge battle between conservatives and moderates all the time, I think it's hey, if I don't have to deal with it, so much the best.

I think what's fascinating is that you can look high and low and you could basically put the entire China specialist community in the Bush administration behind that pedestal, right, and still have room for a couple of people. You just don't have a strong or extensive group of people in the administration, and I think that suggests tremendous anxieties about addressing the issues straight on.

I have to leave now, and I have to apologize, so I'm going to miss David, but I want to thank you all for coming and I want to thank my friend for an excellent presentation.

Thank you.

Garrett: Thank you, Kurt, I'm especially sorry you're leaving after that incredibly provocative presentation, maybe we should set up another meeting just to discuss that whole set of ideas, it's quite incredible, thank you so much, Kurt. David, please, David Shambaugh.

David Shambaugh: I don't know if it's just the professor in me who likes to stand, or my bad back.

Well it's a pleasure to be here for this session, I'd like to thank the Sasakawa Peace Foundation for convening it and then for inviting me. It's also an honor to comment on Professor Jia's presentation, we're delighted to have Professor Jia here in Washington this year. He's one of China's leading international relations specialists and America watchers, he's here, as you heard, for a year at the Brookings Institution, and if you don't already know him, I encourage you to make contact with him and get to know him.

Professor Jia in his presentation has posed a question that I, too, am going to address, and that is whether the events of 9/11 have qualitatively changed the U.S.-China relationship. The answer is, it's unclear, it's too early to tell, but I would like to submit that my own assessment is a qualified yes.

Now for those of you who know me, you know that I'm usually a cautious pessimist instead of a cautious optimist and I usually look at the glass of water as being half-empty rather than half-full. But for the reasons I'm going to suggest to you now I think that the U.S.-China relationship is turning a corner, a tenuous corner, and there is a qualified, qualitative change in it.

Various Chinese Reactions to 9/11

Let's just start, quickly, with what China has done in the wake of 9/11, some of which Professor Jia has listed, I can add a few things to it. First of all as he indicated, Jiang Zemin was very quick to respond. One is told that Jiang Zemin was watching CNN when the attacks took place and watched the buildings collapse and immediately convened a series of meetings, and the Chinese government responded very quickly and very effectively, and he was the second head of state to telephone President Bush within, I believe, 24 hours of the attack.

There's been, I think, more popular sympathy in China, too, for the attack. Although not

unqualified, there have been various rumblings, you know, the United States deserved it. I was in a taxi about a month ago in Beijing and when he asked where I came from and I told the driver, he told me that he wasn't going to charge me a fare for that ride, which is quite an unusual experience to have happened.

China, too, has been instrumental in the United Nations Security Council, not only voting for the two resolutions that have gone but helped draft both of them, very active there. The Foreign Ministry itself has been very active in its statement all along, including when the military activity started in Afghanistan. The two foreign, shall we say, the two embassies have been very active, in both capitals, dealing with their respective counterparts.

Within a couple of days China dispatched their leading Asia diplomat to Pakistan, Wang Yi to discuss the situation there. Indeed, China has been Pakistan's greatest benefactor for many, many years, its so-called all-weather friend. China has contributed about a million U.S. dollars in humanitarian assistance for the refugees, did that within the first ten days after the attack, closed the border with Afghanistan, has offered to share intelligence. I don't know if that offer has been accepted or if, in fact, any intelligence has been shared. It's one thing to offer to share, it's another to actually have it accepted, because that's presumably a two-way street and I'm not sure the United States wishes to share intelligence with China, and I'm not sure of the quality of Chinese intelligence in Afghanistan, either. And China has offered to investigate the Al-Qaeda financial links in Hong Kong.

So China has done a lot of things. It's also important to note what they haven't done. China is one of the few countries surrounding Afghanistan that has not provided air corridor passage, air bases, or contributed any kind of military assistance to this operation. One wouldn't really expect them to, but it is noticeable when other countries in the region,

India, Pakistan, Central Asian republics, are all involved in a level that China is not.

Improved U.S.-China Relationship

So this has all been very helpful, it certainly has changed the tone of the relationship between the U.S. and China since 9/11. I have not heard American diplomats as positive about China and dealing with China in many, many years, both in the State Department and in our embassy in Beijing.

The APEC summit, also, was a success, I think, on several levels and it helped it solidify this new forward momentum in the relationship, but the real accomplishment of APEC, I think, is that we had a presidential visit to China go forward without a lot of *sturm und drang*, without a lot of exaggerated expectations of the outcomes, without a lot of expectations of the so-called deliverables. There were, in fact, very few deliverables, tangibly, this was all about familiarization, familiarization of the two leaders to each other, familiarization of President Bush with China. And indeed, the APEC process more generally.

So that all went forward and was, I think, another important step. So the tone of the relationship, overall, in the last two months, has clearly been altered. And that's for the better. It's particularly for the better because the domestic focus in this country is off of China and, as Kurt indicated and Dr. Jia has as well, China has been a major source of domestic political contention for the last eight years or, indeed, twelve.

So that's no longer an issue, it also played, China's cooperation has played into this debate. I would agree with Professor Jia that there are debates in the Bush administration over China policy, his characterization I would share.

9/11 Strengthened Hands of Moderate Internationalists

I'm not sure I agree with Kurt's sense that

China is just too difficult to deal with, China's always too difficult to deal with. The question is how do you deal with China, and there are some very clear differences of philosophy, shall we say, if not practical policy within this administration and we can elaborate later. But the 9/11 events strengthened the hands of what I call the moderate internationalists versus the other camp, the hawkish unilateralist. So in a sense I guess I share his view there.

So this is all the good news, the tone has changed and tone can change substance of a relationship in times. But that's the part that is still a bit unclear. This is where the qualified yes comes in. Many of the issues on the U.S.-China agenda are still there, are still unaffected: Missile defense. Taiwan. The American Alliance system in East Asia. The role of Japan in East Asian security. Human rights. Non-proliferation transferred missile components. North Korea's situation, and broadly speaking, the U.S. pre-eminence in the world and whether the United States views China and its military modernization program in particular, in an adversarial light.

One must also note that in the midst of the past two months, the *Quadrennial Defense Review* has come out. One reads it in vain for the word China, it doesn't appear, but China is the dog that doesn't bark throughout the document. There are a number of references, pretty clear about China, the document of course, was drafted in large part prior to 9/11, and China is a major subtext of that document.

So the problems in the relationship are outstanding, it's going to be interesting to see if the tone can actually change the way the two countries deal with these issues. But overall I see some stabilization of the relationship, improved communication, not just at the highest levels but at the working levels, these are embassies that haven't had a lot to do in the last ten years, now they are very engaged with their counterpart foreign ministries. The rhetoric in this country about China has been lowered, and indeed in China about the United

States has been lowered, and I think overall there are more modest, realistic expectations of the relationship. This is all, to my mind, very good news.

Bumpy Road to Smooth Relations

But I don't think we should delude ourselves into thinking that we will have smooth sailing in U.S.-China relations henceforth, for a variety of reasons that both previous speakers have given. I would add just a few to that list.

One is, and Dr. Jia in fact, mentioned it, the American desire for internal change in China. This is a long-standing agenda item of the United States dating to the late 19th century, the missionary complex to change China. And as long as China's political system remains as it is today, the United States is not going to be satisfied. And we will work through various governmental and particularly non-governmental means to alter that.

Secondly, the relationship is embedded now in domestic politics in each country, very deeply and institutionally. It's also embedded in national identity, certainly of China and nationalism in China. In other words, China defines its role in the world in a sense, vis-à-vis the United States. The United States doesn't do that, the United States has a more self-confident identity. I'm not sure the Chinese have achieved that yet.

Another variable is the leadership transition that's underway and is going to take full flower next year in China. This is a big question mark. How will the fourth generation leadership see relationships with the West and the United States in particular? This is a generation with a very different socialization than the third generation, or the fifth generation coming after them. I don't know the answer.

WTO adjustment problems. They've just begun. Good news yesterday, the day before yesterday, very good news. China into the

WTO but hold onto your hats folks, the problems are just beginning, and the WTO, I think, is going to have real difficulty coping with the number of cases brought from China.

And then finally, how does China deal with its neighbors as it grows in strength? And indeed, how do its neighbors deal with the United States in this context? And if the United States is wise, it will anchor its China policy regionally. It has not been terribly good at doing that in the past. We tend to myopically view China in bilateral terms and not within a broader, regional context.

So these are variables that give one pause to not expect too much from the relationship. I don't see a new cooperation of the nature that we saw before 1989 blossoming, nor do I see a de-evolution into a antagonistic relationship that was visible before July of this year, before Secretary Powell went to China.

So I don't think it's just 9/11 that has changed the relationship, I think a couple of things have changed it beyond that. The coincidence of the APEC Summit and the necessity of the American president to visit China changed it, and thirdly, that the Chinese were looking for a more stable U.S. relationship far before 9/11. You recall the visit of Qian Qichen in the spring here, and several other efforts to try to bring some stability to the relationship.

So overall, I don't see it either devolving or improving qualitatively, but I think the tone that has changed is very positive and it's going to help us live with and manage future tensions as they arise.

Q & A

Garrett: Thank you very much, David, for that comprehensive analysis, and it's a good lead-in to the question period here. I think I will forego the moderator's prerogative of asking the first question because the time is very limited. We do try to end these sessions

at exactly eight o'clock, so I think I will turn it over, and please identify yourself when you ask your question, please go ahead.

Questioner: I am with the CATO Institute. A question for Mr. Jia. If Russia is admitted into NATO as has been discussed, then China would be the only permanent member of the Security Council not a member of NATO. And what would be the Chinese reaction to that, would China see this as a threat or think this would be insignificant?

Jia: Well, I think it all depends on how you define NATO's role, NATO's objective. If you define NATO's objective as one that's against China, then China would react negatively. But if you define NATO's role as the Europeans are now defining it, saying that this is not a traditional alliance against anyone, it's an alliance for new functions like dealing with crisis situations, relief, peace-keeping, then probably China would be more understanding and maybe, if you want to make NATO United Nations operations forces at the disposal of the UN Security Council, then probably China would be willing to join.

I don't know, I think it's all a matter of how the relationships, at the political level, evolve, that's the most important thing. Once you have the trust, then I think a lot of things will be seen from very different angles.

Questioner: I want to ask you a difficult question.

Jia: That was an easy one?

Questioner: Given the problems that China is likely to have in the next few years with the leadership transition, with the adjustment to WTO, given the continuing war against terrorism and the preoccupation of the United States with other issues, can we assume that if Taiwan is not provocative, that China will decide to extend its policy of waiting and seeing and put the Taiwan issue back on the shelf and go back to essentially ignoring

what's going on in Taiwan as it used to do? Or will China continue its focus on trying to resolve the Taiwan issue?

Jia: Well I think this is a very good question, the reunification of the country has always been a major objective of the Chinese government. It reflects China's national will.

But, of course, at the same time, how and when China is going to take Taiwan back or reunify the country is subject to a lot of factors. In the eighties we were saying this was one of the three major tasks of the government. Some people began to worry that at the end of the eighties we were going to attack Taiwan because the peaceful reunification process was not going smoothly.

I think if you look at the Chinese government's handling of the Taiwan issue, the main focus is still on peaceful reunification. The main purpose of reunification is to make the process beneficial to the people living on both sides of the Taiwan Strait. So I don't think the Chinese government is going to use force against Taiwan if the Taiwan authorities refrain from moving towards independence in a major way in the days to come.

In addition, I think there is every bit of hope that the reunification process would be accelerated in the days to come, but not with the use of force; rather, given the trend of development across the Taiwan Strait, it would be more likely to occur in a peaceful way. Thank you.

Shambaugh: China says that it has a wait-and-see attitude, and I don't think you were suggesting that that means that they are doing nothing. I would just like to add that, in fact, while they're waiting-and-seeing, they are, in fact, being very pro-active in a variety of realms, to try and move the situation forward for them.

China's Policy toward Taiwan Pro-Active

And I think they're quite satisfied, from what I can pick up, with the general trajectory of

cross-Strait relations. Point one, economic integration, I don't have to belabor that, moving very rapidly by the day, bringing about de facto unification already in that realm. Political united front tactics, very effective. Military deterrence is the stick to go with the two other carrots, but it hasn't been flexed excessively in the last two years.

The fourth part of their policy as far as I see it is international strangulation of the Taipei regime which has been ongoing and is going to continue, and finally, one big change I noticed from about '99 onwards is the sense that the Chinese leadership doesn't think the path to reunification runs through Washington anymore. They are no longer lobbying this city and berating the United States over American policy as much as dealing directly with Taiwan and with the non-governmental entities in Taiwan, and that is producing results, I would suggest.

Questioner: It was mentioned by Dr. Campbell that there is some difficulty for American officials in dealing with China. I guess the question is whether there's a similar difficulty for Chinese officials in dealing with America, especially in the coming year with the succession and the probably difficult adjustment to the entry into WTO, and also the fact that the relationship used to be very much calendar-driven with some events that came along at a certain time of every year, the Taiwan Arms Sales Review, the UN Human Rights Commission, and the MFN debate, and all those have gone away as annual events. There appear to be no summits on the agenda. Would China simply prefer 2002 to be sort of a fairly inactive year in Sino-U.S. relations so it can focus on internal matters, or how do you see the next year developing in Sino-U.S. relations?

Jia: I think it's extremely difficult for the Chinese officials to deal with the U.S. They are dealing with the U.S. from a position of weakness rather than the other way around, Chinese diplomats would probably be much

happier if they were in the position that the U.S. diplomats are in.

China Prefers Less U.S. Pressure

So, U.S.-China relations, especially before 9/11, I would say that the Chinese government would be very happy if the U.S. would ignore China because most of the time, when the U.S. focuses on China, it focuses on it in a very negative way. So if the U.S. did not attach a lot of importance to forcing China to do this, to do that, at the risk of Chinese domestic political stability, then the Chinese government would find it much easier to cope with domestic challenges. But they are caught in between the pressures from both abroad and at home.

Now the U.S. priorities have changed and, in a way, at least the pressures from abroad will be lessened. And this is good news, in a way, for the Chinese government, because now it can concentrate more on what it should do, that is, to focus on how to make economical development sustainable and also how to cope with the problems arising from the transitions I mentioned, including China's economic integration with the outside world like joining the WTO.

The Chinese government will have a handful of issues, problems to deal with. The least they can hope for at the moment is that the U.S. will not put too much pressure on China.

Questioner: In the last few days or few weeks, there's been a lot of official statements about Xinjiang, Uygur in connection with Taliban. Additional sentencing in the last few days, continuing efforts to link violent events inside and outside China with this Taliban-Uygur relationship. I'm wondering is this simply taking advantage of an opportunity here or is this an indicator of Chinese governments plans, efforts, to take advantage of this new relationship at a certain level in a whole series of areas. And David, when he listed everything from military modernization down, are we going to see more and more of this in the future?

Shambaugh: Oh goodness, I'm not sure I'm the best person to comment on this. I'm not aware, to be honest with you, of what's been taking place in Xinjiang in the last period of time, other than to extend the Strike Hard Campaign to that so-called autonomous region.

Crackdown on Separatists

But I guess I suspect that implicit in your question about whether China will use this greater rationale to crack down on separatists, the answer is yes. And that's not unexpected. They came out a few days ago and said they have evidence of a few thousand, I don't remember, did they say Uygurs or a thousand individuals who had been trained in the Al-Qaeda camps in Afghanistan. Where they get that number I have no idea.

But this has been a nagging separatist problem for China for a very long time that has become increasingly violent and violent in terrorist ways. They have carried this, the Xinjiang separatists, to the cities in the East, in Beijing blowing up buses, blowing up buildings, and attacking other civilian targets. So it's a nagging problem for China, in internal security terms, and I suspect that 9/11 gives them greater impetus to prosecute that internal campaign.

Jia: I also want to add that this is not a new thing for the Chinese government, I mean the concern for the Taliban connection with the Uygur separatists. I remember reading some stuff before 9/11, internal stuff talking about the connection of the Uygur separatists with Islamic extremists, and then how best the Chinese government could cope with this situation, so it's not a sort of post-9/11 phenomenon.

Garrett: I'd like to take the prerogative of adding a comment here, I agree with what both of you said and what David said. I was in Beijing just four days after the 9/11 events and spoke with a lot of people who were very deeply concerned about it, and they had held

meetings almost immediately, and looked very worried, I think sincerely worried, about copycat attacks, that the state-of-the-art in terrorism has just been elevated and there were real concerns of the Uygurs stealing aircraft and flying them into buildings in Shanghai.

And they looked at the United States and said, you guys couldn't deal with this and you're way ahead of us in thinking about security and how to deal with all these problems. And they were, I think, quite sincerely worried that the escalation, or the nature of such attacks could be imminent for China.

So I think the concern is quite genuine and I think they'll certainly use the events, they hope to get some empathy from the United States that they do indeed have some real terrorism problems that has its international roots, or at least support, from Bin Laden and the Taliban. And I think they will then try to get some, maybe uses, period, but I don't think it's made up here. I think they do have, whether it's justified to feel this fear or not I don't know, but I think the anxiety is quite genuine.

Questioner: I'd like to ask Professor Jia, does China have a grand vision or scheme or design of the future. It used to be the middle kingdom in the world, but depending on this particular vision, if the Chinese people's aspiration for the future to dominate the whole world as a middle kingdom, or especially when you think one out of every four people in the world is Chinese, does China have this scheme to coordinate the connection with all the Chinese people overseas?

And based on that, U.S. policy, as I see it, is a containment policy or an engagement policy. I think there was engagement and Bush, I think, was trying to go to containment. However after 9/11 that changed somewhat.

But do you see China as having this grand scheme of the future vision, what are they going to do for the world? I think America has

probably the superpower concept, based on what Chinese take a particular aspect, there may be confrontation, or there may be some engagement, as you said. Chinese people like cooperation from the U.S. I wonder if you can comment on this?

Jia: Thank you. The Chinese have grand visions? They used to have, like right after the Opium War, they wanted to restore the Middle Kingdom or the empire or the civilization, in their mind. And then they gave up that vision. Instead they wanted international equality, and they tried, and tried, and failed, because of civil wars and international aggression.

When the Communist Party took over, some Chinese leaders also had grand visions. They wanted to promote Communism throughout the world. But that vision has already become very limited and pragmatic. The Chinese people are very pragmatic. I wish we had grander visions now. However, at least we now know where we are going.

China's Present Limited Objectives

At the moment we have limited objectives. One is to modernize, to develop the economy. The second is to make sure that the country will never be invaded or bullied again. The third is to participate in the world affairs in a way that would contribute to the development of a peaceful, and stable, and also prosperous international order. And also fair international order. I think probably the U.S. still offers the most complete, the most articulated, and probably most appealing grand vision at the moment. No other country has a grand vision that is anywhere near what has been offered by the U.S. in a way. Thank you.

Questioner: I would like to ask a question about the U.S. military presence in Eastern Asia. I think, I would just point out that the Chinese people are not so changed by the last events, I'd like to ask, what is the impact or influence of United States troops in Japan for the Chinese foreign policy or process?

Jia: Well, I think the Chinese government realized, after 9/11, that the situation has changed. And I think it believes that probably the U.S. has a right to attack the Taliban and get Bin Laden in central Asia. And in order to do that, they need to move their military there, you need air support, and so it's something understandable.

But at the same time, of course, people have different views as to the future. Some people are concerned about American presence there, I mean just imagine, if U.S.-China relations do not move in the right direction, then the U.S. Army presence there will be another source of threat to China.

Others are less concerned about the problem, those people who tend to believe that U.S.-China relations will be positive in general. And to them, if the U.S. wants to be there, fine, if you want to maintain order and promote prosperity, it's in the interest of everybody. And of course, the question is, whether the U.S. wants to maintain troops there? Who is going to pay for it? Japan is not, nor is Germany or any other country. So will the American people be willing to pay for American soldiers stationed in a very difficult kind of environment? Will American soldiers want to stay there, far away from the more prosperous areas of the world. I wonder.

So that's the question probably more realistic in a way than whether China wants it or not. Whether China wants it or not has a lot to do with whether the U.S. is determined to stay there or not. We can only say, we don't like it, or we like it, and then the U.S. will decide whether it will be there. That's the way of the world for a long time, fortunately or unfortunately depending on your own perspective.

Questioner: My question is directed to both Professor Jia and Professor Shambaugh. In the seventies, when China was wooed by the United States, the U.S. and Russia, the Soviet Union, were at each other's throats. Now it seems to me the table has been turned. My

question to you is really how, from your perspectives, China feels about the warming up of the relationship between the United States and Russia, and also the growing personal rapport between Presidents Putin and Bush? Does this put pressure on China to also woo the United States in order to compete with Russia so that China will not be left out in the cold?

Shambaugh: Well, I think this is more a question for my colleague to answer. I guess my only response would be that one thing that's changed since the seventies and eighties is that this is not a triangular world anymore. And while all three of these major powers have interests that affect the other, I haven't had a sense that the relationships between them are motivated by the third party, although the Russia-China relationship to some extent has been, particularly over missile defense.

Closer Russia-China Relationship

But I think there are other things that drove Russia and China closer together over the last ten years and it's to American benefit that they have, in many ways, been drawn closer together. They have helped relax tensions in not only Central Asia but also East Asia, when in fact Sino-Russia hostilities used to be a permanent feature of the East Asian landscape during the last three decades.

So I don't think the United States should necessarily review the *détente*, if you will, the closer Russian-Chinese relationship as inimical to its own interests. And I don't see the U.S.-China relationship as necessarily affecting the Sino-Russian relationship that much.

But, having said that, I think that there is probably concern in Beijing, if I were a Chinese leader, over being sold out on missile defense by the Russians and the Americans if indeed such a deal comes to pass. It hasn't come to pass or been proffered in the last 24 hours as we all seemed to think it

was going to. The first step, maybe, reductions have taken place, but no movement on the ABM and no movement on limited testing.

But China's got to watch that warily for its own nuclear deterrent, that doesn't mean that it will be left out in the cold by the Russian-U.S. rapprochement necessarily. The world is just too interdependent now, including the relationships between these three powers, so I don't see it in a zero-sum game any longer.

Jia: I agree with David that the relationship is not a zero-sum game, but I believe that some people are concerned in China, especially on the ABM issue. But I would say that the personal factor, the personal rapport between Bush and Putin, I wouldn't attach too much importance to that. I think countries deal with each other on the basis of interests and also on the basis of shared values. And of course, if you look at the relationship between China and Russia and the United States, probably China and Russia are more closer in political terms, Russia and the U.S. are closer in security terms, and China and the U.S. are much closer in economic terms.

So how is this relationship going to evolve if there is a trilateral dynamic? At the moment, I think, if there is a trilateral dynamic, it's very weak. It is also a very different one from the old days. So I believe that the three countries are going to deal with each other more on the basis of merits than on how the other two sets of relationships are going to evolve.

Garrett: I'll add just a sentence, because I agree with what has been said here, but I think that for China, perhaps, the problem is not that the U.S. and Russia would act against China, like the old days of the zero-sum, and I think even on the missile defense issue, my discussions with Chinese over the last several years, the more knowledgeable people were in Beijing, the more they expected to be sold out by the Russians, so I don't think there was any great hope that they'd be able to stand firm on the missile defense issue.

And I think China is trying to figure out how to make a deal if this administration could ever decide whether or not it's out to capture China's deterrent and decided that it really wasn't, which is what I think people are telling the Chinese, but I'm not sure that's what people in the Pentagon think and in the civilian leadership, then I think it could work a deal with China on missile defense. I think, in fact, that missile defense problem is less likely to be a source of great tension in Sino-American relations now than it would have been prior to 9/11.

Will China Join the World Community?

But I think the interesting question for China is, is China going to join in the world community in the way that Russia is now joining in the world community? And some Chinese leaders are really starting to understand what that involves. But my sense is that the Chinese leadership is a bit cowardly in dealing with its own people and really trying to get a re-evaluation of the United States, the role of the United States, what the world community is, to really take on some of the left-wing attacks and nationalist attacks on the leadership for being weak vis-à-vis the United States, for having all these, for years, portraying the United States as hegemonists, and all that.

Maybe they've got to rethink what the international community looks like and what China's role should be in it and start moving their own population towards accepting a very different view of the world than I think it has right now. So in a lot of sense, I think China could be kind of left out, but not in the sense that people are focusing against China, the U.S. and Russia against China, but that the world is moving in a way that they've got to catch up with and become more a part of.

And I think there are people in China who are starting to realize that and Jiang Zemin, as David pointed out, he saw what happened on

9/11. I was told he turned on the T.V. at nine o'clock and he probably saw the second plane hit live, and he didn't have to wait for the MFA to tell him what happened, what it meant, or the PLA, he saw it himself. I was told he grasped that this was a threat to civilization, this is a threat to bring the U.S. down which will bring everybody down, and acted appropriately.

So some Chinese leaders, I think, really get it, but I'm not sure that's being conveyed internally, and I think that's a very big issue, and even on the Sino-American military presence, Jiang Zemin and Bush discussed it, and the Chinese are telling the United States, we see the U.S. military presence in Asia stabilizing, moving beyond, we accept the alliance as a cold war rhetoric to actually seeing it as a positive benefit, but is China telling its own people that? Is China willing to take on...I mean, that's a big challenge for China, to deal with its own people's perceptions of the outside world and the United States, and the Russians, I think, are moving in a way the Chinese are not.

Jia: I think the Chinese government has been very, very courageous already. Joining the WTO is a tremendous challenge. And also to do all these things for the U.S. since the 9/11, after the U.S., at least from the Chinese perspective, had done so many wrongs to China. That required tremendous courage.

Also, if you look at China's situation, at the moment, any politician, political leader, can only be successful if he or she acts appropriately within a certain, a set of historical, political, and economic structures. There are a lot of limits that constrain leadership, in a way. To manage a country with 1.3 billion people in a world that has not been very benign to China in the past fifty years, and manage to lead this country from a state of sheer backwardness and poverty and hopelessness to a state of relative prosperity and hope, it's really something very, very difficult.

Look at Africa. Just imagine, in fifty years' time, Africa will be like China today. What kind of leadership that will require!

Thank you.

Garrett: Thank you all for coming and please join me in thanking our panelists. A last clap for Kurt Campbell. (End)

All rights reserved. No part of this publication may be reproduced, quoted, stored in a retrieval system, or transmitted in any form by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior permission of the Sasakawa Peace Foundation USA.

About the Panelists

Main Speaker **Dr. Qingguo Jia** is Professor and Associate Dean of the School of International Studies at Peking University and is currently a visiting fellow at the Brookings Institution. He also is Vice President of the China Association for Asia-Pacific Studies, board member of the China Association of American Studies and board member of the National Taiwan Studies Association. Dr. Jia has taught at various universities including Cornell University, the University of Sydney and the University of California at San Diego. He received a B.A. from the Peking Institute of Foreign Languages and a Ph.D. from Cornell University. Dr. Jia has published extensively on U.S.-China relations, relations between the Chinese mainland and Taiwan, Chinese foreign policy and Chinese politics. His book *Unrealized Rapprochement: Sino-American Relations* (1997) was published in Chinese.

Discussants **Dr. Kurt Campbell** is Senior Vice President and Director at the Center for Strategic and International Studies (CSIS). Before joining CSIS, he worked at the Department of Defense as Deputy Assistant Secretary of Defense, at the White House as Deputy Special Counselor to the President for NAFTA and as a member of the National Security Council staff. Dr. Campbell was also an Associate Professor of Public Policy at Harvard's John F. Kennedy School of Government. In addition, he was a fellow at the International Institute for Strategic Studies in London and is a member of the Council on Foreign Relations. He received a B.A. from the University of California, San Diego, a Ph.D. from Oxford University and a certificate in music and political philosophy from the University of Erevan in Soviet Armenia.

Dr. David Shambaugh is Professor of Political Science and International Affairs and Director of the China Policy Program in the Elliott School of International Affairs at The George Washington University. He also is a Non-Resident Senior Fellow at the Brookings Institution. Before joining the faculty at George Washington, he taught at the University of London, School of Oriental and African Studies. Dr. Shambaugh received a B.A. from The George Washington University, an M.A. from the School of Advanced International Studies at the Johns Hopkins University and a Ph.D. from the University of Michigan. Dr. Shambaugh is a contributing author and co-editor of *Making China Policy; Lessons from the Bush and Clinton Administrations* (2001). His newest study, *Modernizing China's Military* will be published next year.

Moderator **Dr. Banning Garrett** has been a consultant to the U.S. government on Asian affairs since 1980. He is a Senior Associate at the Center for Strategic and International Studies and is on the board of directors of the U.S. Committee of the Council for Security Cooperation in the Asia Pacific. He has written extensively on a wide range of issues, including Chinese foreign policy views on the strategic environment, Sino-American relations, U.S. defense policy and Asian security. Dr. Garrett received his B.A. from Stanford University and his Ph.D. from Brandeis University.