

## CHAPTER 4

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### Breaking the Cycle?: Sino-US Relations under George W. Bush Administration

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The history of Sino-US relations after the establishment of diplomatic ties is distinctly influenced by two cycles. The first one is the so-called “small cycle,” as represented by the deliberations over most-favored-nation status for China every year during the early 1990s, and by the anti-China noise regarding the US Department of Defense’s “Report on China’s Military Power” and Congress’s Economic and Security Review Commission reports between March and June after China entered the WTO and achieved permanent normal trade treatment. The other one is the so-called “big cycle,” like the US presidential election held every four years. A kind of “China syndrome” arises almost every time. The candidate from the opposition party always brings out and criticizes the China policy of the incumbent administration and makes Sino-US relations the victim of party politics. After a party change, the curve of Sino-US relations returns to the beginning and rallies to new heights at the end of the term.

From Jimmy Carter to Ronald Reagan in 1981, from George H.W. Bush to Bill Clinton in 1993, there appeared cyclical motions in Sino-US relations, with the exception of the relatively stable transition from Ronald Reagan to George H.W. Bush. The developing curve of Sino-US relations in 2001, which witnessed the transition from Bill Clinton to George W. Bush, once again proved the “big cycle” rule.

#### **From “Constructive Strategic Partner” to “Strategic Competitor”**

After going through the June Fourth (Tiananmen Square) Incident, Milky Way Incident, Lee Teng-hui’s visit to the United States, the Taiwan missile crisis, continual most-favored-nation clause rounds and human rights disagreements, Chinese President Jiang Zemin and US President Clinton finally realized an historic visit. On October 29, 1997, the heads of the two states signed the Sino-US Joint Statement, declaring that they would “work together to set up a constructive strategic partnership.”<sup>1</sup>

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<sup>1</sup> “Work to Set up Sino-US Constructive Strategic Partnership,” *Renmin Ribao* [*People’s Daily*], June 18, 1998.

The improvement of Sino-US relations in the late stages of Clinton's term led to resentful feelings from anti-China groups in the United States. In 1999, the sunshine of Sino-US relations was just coming out but was driven away by heavier clouds: the Kosovo War as humanitarian intervention, the Falun Gong issue, the Li Wenhe Case and the Cox Report attacking China's stealing American military secrets. In April, Premier Zhu Rongji visited the United States under great pressure but achieved nothing on the WTO issue. Not long after, a US airplane bombed the Chinese Embassy in Yugoslavia and lit up the long-standing anti-American sentiment of the Chinese people. Since then, there have been Lee Teng-hui's "two states theory," the Taiwan Security Enhancement Act, and the act to support Taiwan's accession to the World Health Organization (WHO), provoking the One China principle.

On November 15, 1999, China and the US Trade Representative reached a bilateral agreement on China's accession to the World Trade Organization (WTO) in Beijing. The agreement seemed to brighten Sino-US relations which suffered a lot in the spring of 1999. However, hidden behind that was a more powerful cold spell quietly brewing and proliferating.

The core of the cold spell is what is now widely known as "neoconservatism" with the Republican right-wing forces as its ally. After the election failure of the Republicans in 1996, the conservative scholar Martin Anderson believed that the Republican Party needed a new institution for scholars to get a channel to exchange ideas with the high-level party members in Congress. With the support of Newt Gingrich, Speaker of the House of Representatives, Anderson and the Republican Policy Committee Chairman Chris Cox co-founded the "Congress Advisory Board," which brings together Republican officials, congressmen and major conservative think tank scholars from the Hoover Institution, the American Enterprise Institute and the Heritage Foundation.

Since early 1998, the Board convenes conferences almost every three months in Rayburn House Office Building. They are primarily held to help the Republican Congressmen contemplate probable legislation, the subject of public hearings and the objects of investigations. "They enabled Republican leaders to develop their critiques of the Clinton administration, selecting issues and lines of attack, thus

laying the groundwork for the next presidential campaign.”<sup>2</sup> The Board has also become the gathering place for people who are going to take up key positions in the next Republican administration. When it came to foreign policy issues, there were usually four key members participating who later became the core of the Bush Administration: Dick Cheney, Donald Rumsfeld, Paul Wolfowitz and Condoleezza Rice who joined in later.

From the discussions and reports of the Board, some clues to Bush Administration’s policy adjustments, such as the missile defense issue, the threats from North Korea, Iran and Iraq, and so on can be found. China is also a key target. From the Board’s perspective, the Clinton administration made too many concessions to China, and the new Republican administration should adopt a more hard-line policy. The principal of the Board, Cox, took charge of the Special Committee, investigated the US’s transfer of technology to China and issued the “Cox Report.”

On August 20, 1999, the well-known American conservative think tanks, Heritage Foundation and The Project for a New American Century, together launched a policy statement calling for an end to the US’s “strategic ambiguity” policy on Taiwan, openly calling on the US government to “clearly announce that in case of an attack or blockade of Taiwan, the United States will go to defend Taiwan, including Kinmen and Matsu islands along the coast.” This statement has 23 people’s signatures, including Paul Wolfowitz, Lewis Libby (later served as Chief of Staff to the Vice-President), Richard Perle (later was appointed as Chairman of the Defense Policy Board Advisory Committee, Rumsfeld’s main assistant), Richard Armitage (later served as Deputy Secretary of State).

While socializing in the Congress Policy Advisory Board and actively planning the Republican foreign policy agenda, Texas Governor George W. Bush began preparations for the 2000 presidential election. In the spring of 1998, his main political adviser Karl Rove registered a website, [www.Bush2000.org](http://www.Bush2000.org), lifting the curtain of his march into the White House. In August, Rice came over to Bush family’s villa in Maine, had a discussion with Bush about the United States’ relationship with the world and

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<sup>2</sup> James Mann, *Rise of the Vulcans: The History of Bush’s War Cabinet* (New York: Viking, 2004), p. 239.

then became the major foreign policy adviser in Bush's campaign team. Not long after, Wolfowitz also joined Bush's campaign team, and Dick Cheney became Bush's running mate.

Due to a lack of experience, Bush's foreign policy, at least in the initial stage, relied on the assistance of advisors. As a result, it was influenced by others to a large extent. The composition of Bush's foreign policy advisors shows that his world view was from the very beginning infiltrated by the policies of the Congress Advisory Board and its ideas, which decided the direction of the Bush administration's foreign policy just after he took office.

During the campaign and early days of his presidency, Bush pursued a so-called "ABC line" (Anything But Clinton) that was opposed to all that Clinton advocated. In Sino-US relations, Clinton and President Jiang Zemin reached a "common commitment to the establishment of Sino-US constructive strategic partnership," which was the first to be affected. On November 19, 1999, Bush delivered his speech on foreign policy outside the Reagan Library in California. When it came to China, he said, "China should be seen as a competitor, not a partner and treated without ill will but without illusions."<sup>3</sup> In August 2000, the election outline that was adopted by the Republican National Convention once again defined China as a "strategic competitor of the United States" and "key challenge of the United States in Asia."<sup>4</sup>

At the beginning of 2000, Rice published an article in *Foreign Affairs* representing Bush's foreign policy and clearly pointed out that "China is not a 'status quo' power but one that would like to alter Asia's balance of power in its own favor. That alone makes it a strategic competitor, not the 'strategic partner' the Clinton administration once called it."<sup>5</sup> Bush's reference to "strategic competitor" aroused concern about Sino-US relations.

The influence of conservative think tanks and scholars on Bush was best reflected on the Taiwan issue. Following the policy statement by Heritage Foundation and

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<sup>3</sup> "George W. Bush Foreign Policy Speech," November 19, 1999.

<sup>4</sup> Republic National Committee, "Principled American Leadership."

<sup>5</sup> Condoleezza Rice, "Campaign 2000: Promoting the National Interest," *Foreign Affairs*, Vol. 79, No. 1, January/February 2000, p. 57.

the Project for a New American Century, Bush advocated adopting a “clear” policy on Taiwan, one that is opposed to both the use of force by the mainland and the independence of Taiwan. On one hand, he publicly denied that mainland China has the right to impose its rule on Taiwan, saying, “Once the Chinese mainland uses force against Taiwan, the United States will help Taiwan defend itself.” He also expressed clearly that he was in favor of “Taiwan Security Enhancement Act” and involving Taiwan in the Theater Missile Defense system. On the other hand, Bush made it clear cut that he hoped that Taiwan would never declare independence. If the war were provoked by Taiwan, the United States would not intervene.

On December 12, 2000, the United States Supreme Court came to a 5-4 decision denying the recount in Florida, which finally realized Bush’s White House dream. Republicans had been expecting to enter the White House for eight years and were gathering talents and ideas for eight years. With Bush’s presidency, people soon witnessed a conservative group in power with their conservative governance outline.

In terms of Asia-Pacific policy, Bush criticized Clinton ignoring the traditional ally Japan, and thought it was wrong to excessively increase the role of China. Among the officials responsible for Asia-Pacific affairs, Deputy Secretary of State Richard Armitage, Assistant Secretary of State for Asia-Pacific Region James Kelly, and Senior Director for Asian Affairs, National Security Council, Torkel L. Patterson were all Japan experts, while Deputy Defense Secretary Paul Wolfowitz was an Indonesia expert. There were no China experts, which clearly demonstrates the tendency to outweigh Japan against China. In China policy, three views existed in the Bush administration: one represented by Secretary of State Colin Powell advocates engagement with China, “China, though not a strategic partner, is not an inevitable and unconvertible enemy”; one represented by Secretary of Defense Donald Rumsfeld pronounces to take hard-line attitude in dialogues with China, holding the view that China’s military power, strategic intent, Taiwan policy, as well as the proliferation of weapons of mass destruction pose a great threat on the United States; the other, including President Bush himself, sits on the fence. He usually conveys inconsistent information during his speeches.

After going through the 20 years of ups and downs including the impact of the early periods of the Reagan and Clinton administrations, China has deeply realized the

negative effects of the US presidential election and party politics. In order to alleviate the cyclical impact brought about by George W. Bush taking office, the Chinese government adopted a series of active diplomatic initiatives. In February and March of 2001, the former Chinese Ambassador to the United States Li Daoyu, Zhu Qizhen, former Ambassador to Canada Zhang Park, as well as Vice Premier Qian Qichen visited the United States to communicate with the US government and people. Nevertheless, all these diplomatic efforts were soon covered by the sudden crisis. On April 1, 2001, the "aircraft collision incident in the South China Sea" occurred. A Chinese airplane crashed and a US reconnaissance airplane made a forced landing in an airport in China. The incident once again aroused the Chinese people's indignation at the hegemonic act of the United States. Sino-US relations fell into crisis again.

On April 24, 2001, 100 days after he took office, Bush had an interview with ABC. When asked "If Taiwan were attacked, would the United States have an obligation to defend Taiwan," he announced that the US would "do our utmost to help Taiwan defend itself."<sup>6</sup> At the same time, the United States agreed to sell 4 Kidd-class destroyers, eight diesel submarines, and 12 P-3C anti-submarine patrol aircraft to Taiwan, which is the biggest arms deal between the United States and Taiwan at the time of sale. The Bush administration has also accelerated theater missile defense system (TMD) cooperation with Taiwan. The United States and Taiwan plan to lift restrictions on exchanges of visits between government officials and raise the level of exchange of visits.

The hard-line of Republicans and the Bush administration toward China with the "strategic competitor" concept as its core is fully represented in "Quadrennial Defense Review" by the US Department of Defense. The report transfers the strategic security focus of the United States from Europe to the Asia-Pacific and China has become the "most important." "A broad arc of instability stretches from the Middle East to Northeast Asia" and "encompasses a volatile mix of rising and declining regional powers." The so-called "emerging great power" just refers to China. The report specifically mentioned "the coastal district of East Asia," pointing directly to China's coastal areas. The report repeatedly stressed the importance of China in the

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<sup>6</sup> ABC News, "President Bush Discusses His First 100 Days in Office," April 25, 2001; and Embassy of the United States of America, *Washington File*, April 26, 2001, p. 1.

security strategy of the US such as, “to maintain a stable balance in Asia will be a complex task. The possibility exists that a military competitor with a formidable resource base will emerge.”<sup>7</sup> American scholars unambiguously read this as a “China-centric strategy.”<sup>8</sup>

## From “Strategic Competitor” to “Responsible Stakeholder”

After the “aircraft collision incident in the South China Sea” in April 2001, China and the United States Government resisted great pressure to maintain calm and restraint, and sought to resolve the crisis through diplomatic channels. Meanwhile, the Bush administration released goodwill to alleviate the crisis atmosphere on issues such as China’s accession to the WTO, and its bid for the Olympic Games. On July 4, according to the agreement reached by two parties, the United States leased a Russian transport plane to disassemble and ship the EP-3 reconnaissance plane back to the US. The “aircraft collision incident” was basically resolved at this point. The next day, Bush took the initiative to call President Jiang Zemin, reiterated the importance of the two countries establishing “constructive relations,” and expressed his willingness to attend the APEC informal leadership summit held in October in Shanghai. On July 25th, US Secretary of State Colin Powell met Chinese Foreign Minister Tang Jiaxuan at the ASEAN Regional Forum meeting in Hanoi, and then began his visit to China. Powell said he did not choose either “partner” or “enemy.” “US-China relations are too complicated and comprehensive to simply summarize in one word.”<sup>9</sup>

On October 18, Bush made good on his promise and attended the APEC summit in Shanghai. This is the first foreign visit of a US president after 9/11 and the war on terror. At that time, Bush was questioned about the need to attend an international economic conference in China when US was in the security-dominated state of war. However, Bush prevailed over all dissenting views and made his visit to Shanghai. This action, on one hand, demonstrated his commitment to multilateral international cooperation, on the other, showed his determination to further improve Sino-US

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<sup>7</sup> US Department of Defense, *Quadrennial Defense Review*, September 30, 2001.

<sup>8</sup> Jonathan Pollack, “Learning by Doing: The Bush Administration in East Asia,” Robert M. Hathaway and Wilson Lee, eds., *George W. Bush and Asia: A Midterm Assessment* (Washington D.C.: Woodrow Wilson International Center for Scholars, 2003), pp. 57-71.

<sup>9</sup> *Renmin Ribao* [People’s Daily], July 29, 2001; and Embassy of the United States of America, “Powell Stresses US Wants Friendly Ties with China,” *Washington File*, August 1, 2001, p. 3.

relations. During the summit in Shanghai, Jiang and Bush exchanged in-depth views on Sino-US relations, the fight against terrorism and other major issues, and reached a consensus to work together towards “frank and constructive cooperative relations.” This has proposed to move Sino-US relations to a new position, referred to as three Cs; candid, constructive and cooperative.<sup>10</sup>

On February 21-22, 2002, Bush visited China again, and this time the visit to Beijing was postponed due to anti-terrorism. The date of the visit was carefully picked with deep meaning. On February 21, 1972, US President Richard Nixon arrived in Beijing and opened a new era in Sino-US relations. 2002 was the 30th anniversary of Nixon's visit to China. In the Badaling Great Wall tour, Bush made a symbolic step forward in the place where Nixon stopped, meaning continually promoting the progress of Sino-US relations. On May 1, Bush met Chinese Vice President Hu Jintao in Washington. Bush's talk with Hu Jintao raised the attention of United States on the Taiwan issue. US Deputy Secretary of Defense Paul Wolfowitz expressed publicly the United States “does not support Taiwan independence and has no intention to separate Taiwan from mainland China” two times after that.<sup>11</sup> On October 25, Bush and his wife met with Chinese President Jiang Zemin and his wife in his private ranch in Crawford, Texas. In the family-friendly atmosphere, the two leaders had an easy talk, and then President Bush drove to show President Jiang and his wife around the ranch and offered a private banquet.

On December 9, 2003, Premier Wen Jiabao, on his official visit to the United States, had an interview with a reporter together with US President George W. Bush after their talks. They spoke positively of the progress made in Sino-US relations, acknowledged the wide range of common interests of both sides and expressed a willingness to further strengthen mutually beneficial cooperation. When asked for opinions on whether Taiwan should cancel the defensive referendum scheduled to be held in next March, Bush said that the words and deeds of Taiwan leaders indicated that they may make a unilateral decision to change the status quo, which the United States would be against.<sup>12</sup> This declaration has become the turning point of US policy

<sup>10</sup> *Renmin Ribao* [People's Daily], October, 20, 2001; and Embassy of the United States of America, “Bush and Jiang Meet in Shanghai,” *Washington File*, October 22, p. 3.

<sup>11</sup> “Perspective of Bush Administration's Policy towards Taiwan after Hu Jintao's Visit to the United States,” <http://news.sina.com.cn/c/2002-05-17/1545578691.html>.

<sup>12</sup> *Renmin Ribao* [People's Daily], December 10, 2003.

adjustment toward Taiwan. “Anti-independence” has become a common policy position of China and the United States on the Taiwan issue.

After 9/11, heads of state and government of China and the United States partook in five visits, from Bush attending the APEC summit in Shanghai to Premier Wen Jiabao’s visit to the United States. In addition, the leaders of the two countries had talks during the APEC summit in Mexico, October 2002, informal G-8 South-North leaders’ dialogue meeting in Evian, June 2003 as well as the APEC summit in Bangkok, October 2003. In just two years and two months, the leaders of China and the United States had as many as eight meetings and talks, with the frequency and intensity of the exchanges between the two countries unprecedented in history. In the context of counter-terrorism, the leaders of the two countries reached wide consensus in their respective concerns of the most significant international and domestic issues through face-to-face communication and consultations, which laid a solid political foundation for Sino-US relations to enter a new stage.

Firstly, on the issues of anti-terrorism and counter-proliferation, about which the United States was particularly concerned, China has played an irreplaceable role. Although China was against the United States and Britain’s use of force in Iraq in the UN Security Council, China has played a leading role in the North Korean nuclear issue. On October 16, 2002, the North Korean representative admitted to having a nuclear program during talks with the US special envoy James Kelly. On November 14, the United States stopped supplying heavy oil to North Korea over its violation of the “US-North Korea nuclear framework agreement.” The situation in the peninsula suddenly tensed up as a result of the nuclear issue. On April 23-25, 2003, China, North Korea, and the United States held tripartite talks in Beijing under the coordination of China. Later, China presided over the Six-Party Talk mechanism as host country with joint efforts of all parties. On August, 27-29, the first round of the Six-Party Talks was held in Beijing. Although the diplomatic efforts to peacefully resolve the North Korean nuclear crisis are very hard and dangerous, the role China played has been highly appreciated by all countries including the United States. The North Korean nuclear issue has become a promotion factor to continually deepen the constructive and cooperative relations of the two countries.

Secondly, the United States has made a clear “anti-Taiwan independence” commitment

on China's most concerned issue. Democratic Progressive Party's Chen Shui-bian won the election in 2000. He advocates Taiwanese independence, promotes "gradual Taiwan independence," a "legal approach" and continually challenges the basis and bottom line of Sino-US relations on the Taiwan issue. Bush's early policy toward Taiwan greatly encouraged the tendency of Taiwan toward independence. Under this circumstance, Chinese leaders clarified the danger of Taiwanese independence to the United States in a number of ways and urged the United States to stop issuing the "wrong signal" to Taiwan for the sake of the overall situation of Sino-US relations. Due to the needs of electoral politics, Chen Shui-bian promoted the so-called "referendum on reunification or independence" at the end of 2003, which forced the Bush administration to clarify its position against Taiwan independence. President Bush spoke against Taiwanese authorities "unilaterally changing the status quo" during a meeting with reporters together with Premier Wen Jiabao. Bush's speech eliminated the greatest hidden trouble for the stable development of Sino-US relations.

Finally, the Sino-US bilateral dialogue and exchange mechanisms of all forms have been continuously strengthened and deepened. The top leaders of the two countries have built trustful and frank personal relations through face-to-face communication with each other. The personal relations between President Hu Jintao and President Bush made many problems be solved through the highest-level of negotiations. Driven by the top leaders of the two countries, other levels of dialogue and exchange mechanisms have also been developed. For example, President Jiang Zemin and President Bush's meeting in Crawford brought the resumption of exchanges between the militaries of the two countries, the launch of defense consultations on the vice-ministerial level and multilateral arms control talks at the vice-foreign ministerial level. Bush's talk with Premier Wen Jiabao led to the agreement to upgrade the level of the Sino-US Joint Commission on Commerce and to designate Chinese Vice Premier Wu Yi as President from the Chinese side, Secretary of Commerce Donald Evans and Trade Representative Robert Zoellick as co-chairs from US side.

US Vice President Dick Cheney visited China on April 14-15, 2004. He met with Chinese leaders in Beijing and delivered a speech at Fudan University in Shanghai. Cheney has always been considered a "low-key but influential" political figure in the Bush administration. As a representative hard-liner within the Republican

Party, Cheney's record on Sino-US relations is not encouraging, so his visit caused extraordinary concern. During his visit, Cheney had interviews with Chinese leaders covering a wide range of topics, from bilateral concerns such as the Taiwan issue, economic and trade cooperation, to international and regional hot spots such as the North Korean nuclear issue, terrorism and the reconstruction of Iraq. The two sides candidly exchange their views on both "common ground" and "differences." They reached the consensus that "common ground" far outweighed "differences" and were willing to make concerted efforts to promote cooperation.

Bush beat Democratic candidate John Kerry in 2004 in the US presidential election and was re-elected President of the United States, which maintained the continuity of US policy toward China. President George W. Bush attended the APEC informal leadership meeting in Santiago on November 20 just after the campaign. The first activity on his schedule was to meet with President Hu Jintao. Bush first indicated that he knew very well the sensitivity and inevitability of the Taiwan issue in Sino-US relations and was aware that the proper handling of this issue was the key to the stable development of Sino-US relations. Bush said that the United States would ensure not to send misleading signals, so as not to be mistaken for its support of "Taiwan independence." The leaders of the two countries believe that in order to enrich constructive and cooperative Sino-US relations, both China and the United States should strive to maintain the positive tendency of high-level exchanges, strengthen strategic dialogue between the two countries, set up strategic dialogue mechanisms so as to maintain consensus on keeping strategic communication like giving full play to the existing three mechanisms of the Sino-US Joint Commission on Commerce, the Sino-US Joint Commission on economy and the Sino-US Joint Commission on Science and Technology. During the meeting, Bush expressed his willingness to watch the 2008 Beijing Olympic Games. He said that China and Beijing would take on a new look at that time. Hu Jintao sent out the invitation to him immediately.<sup>13</sup>

After entering into 2005, Sino-US relations were rather uneventful in the real level. On one hand, there were constant high-level interactions, from the Secretary of State Condoleezza Rice, Secretary of Commerce Carlos Gutierrez, and Treasury Secretary John Snow to the Secretary of Defense Donald Rumsfeld. The Sino-US dialogue

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<sup>13</sup> *Huanqiu Shibao* [*Global Times*], November 29, 2004.

mechanism was further improved. High-level strategic dialogue of Deputy Secretary of State Robert Zoellick and Chinese Vice Foreign Minister Dai Bingguo achieved satisfactory results. On the other hand, problems, conflicts and friction still existed. The issue of textile quotas, RMB exchange rate, the China National Offshore Oil Corporation (CNOOC) bid for Unocal and the political changes in Central Asia aroused the concern and vigilance of the two countries.

On the cognitive level, Sino-US relations in 2005 set the tone for bilateral and even global strategic structure in the next 10-20 years. The US media started Sino-mania. *Fortune* magazine moved its global annual conference to Beijing, while *Time* and *Newsweek* launched "China Special Issues." At the same time, all major US think tanks held seminars and debates on the theme of China. *Atlantic Monthly* launched a series of articles on China in June with the main article "How do we combat China: another Cold War." *Foreign Affairs's* September-October issue contains "China's 'peaceful rise' to great-power status" by Chinese scholars and Chairman of the Reform and Opening-up Forum Zheng Bijian and "China Seeks Stability in Sino-US relations" by president of the School of International Studies, Peking University, Professor Wang Jisi.<sup>14</sup>

There were a lot of factors leading to the new round of debates on Sino-US relations. From the US point of view, Bush was still busy with internal affairs and the chaotic situation in the Middle East, so he was unwilling and unable to take a comprehensive strategy of containment towards China. From the international point of view, other great powers are rising and accelerating their development. Regional forces in the Asia-Pacific such as Japan, South Korea, North Korea and ASEAN are also planning a "role transition," which may lead to a structural change in the Asia-Pacific, and all these have just began. The key factor that affects Sino-US relations is China's own development and growth. The sustainability of domestic political stability and economic development, the natural expansion of foreign economic interests and the enhancement of international prestige, as well as the gradual initiative seized in the Taiwan Strait all make the United States look at China with new eyes. The "China issue" is deepened to the "rise of China." The theme of Sino-US relations is gradually

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<sup>14</sup> Zheng Bijian, "China's 'Peaceful Rise' to Great-Power Statuses," *Foreign Affairs*, Vol. 84, No. 5, September/October 2005; and Wang Jisi, "China's Search for Stability with America," *Foreign Affairs*, Vol. 84, No. 5, September/October 2005.

focused on how “the rising China” and “existing hegemony” live together.<sup>15</sup>

There are three views on “how to deal with rising China” within the United States. One is the so-called “dragon-slayer,” thinking that as the economy develops and military strengthens, China’s influence in the Asia-Pacific region will rise. Therefore, China posed a strategic threat to the United States, and the United States has to defend and even contain it. One is the so-called “panda-hugger” belief that China is continually integrating into the world order, and China and the United States share many common strategic interests, so the United States and China should reinforce contacts and interaction. The other is referred to as “fence-sitter,” which holds a neutral view. They see the rise of China as both opportunities and challenges, and therefore the United States must hedge its bets.

As United States scholars start debating China policy, Chinese scholars also put forward different views and opinions on Sino-US relations. Chinese scholars by and large hold two different views on US policy toward China. One thinks that US policy toward China has been undergoing “qualitative change.” The United States has recognized that China’s rise cannot be stopped. The United States is prepared to accept and encourage China in the international community to play a “responsible” role. This group can be considered optimists. The other believes that the United States sets off a new round of China threat arguments in the domestic arena to create friction and obstacles in the economic and trade relationship that spread to neighboring countries, and increasingly strengthens its prevention and threat on China. This group can be considered pessimists.

On September 21, 2005, the US Deputy Secretary of State Robert Zoellick announced that “we now need to encourage China to become a ‘responsible stakeholder’ in the international system” in his speech to the National Committee on US-China Relations in New York.<sup>16</sup> Zoellick explained that, “all nations conduct diplomacy to promote their national interests. Responsible stakeholders go further; they recognize that the international system sustains their peaceful prosperity, so they work to sustain

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<sup>15</sup> Yuan Peng, “Sino-US Relations: New Movement and New Challenge,” *Xiandai Guoji Guanxi* [*Contemporary International Relations*], Vol. 5, 2006.

<sup>16</sup> Robert B. Zoellick, “Whither China: From Membership to Responsibility? Remarks to National Committee on US-China Relations,” New York City, September 21, 2005.

that system. In its foreign policy, China has many opportunities to be a responsible stakeholder.”<sup>17</sup> Over the past 30 years, the United States presidents of both parties have been committed to a policy of engagement and worked to integrate China as a full member of the international system. This policy has succeeded remarkably well. Now China is a player at the table and enjoys the benefits of globalization as a member of the international community. As China is peacefully rising, US policy toward China should be shifted to urge China to become a responsible stakeholder for maintaining international stability and prosperity.

The concept of “Responsible stakeholder” triggered a fierce debate. There have been five or six versions on the Chinese translation of “stakeholder” and two views on its connotation.<sup>18</sup> One stresses the term “responsible,” which implies China’s duty to the United States. It is just a trap set by the United States in order to contain China; another focuses on the positive sense of the term “stakeholders,” which has opened up a wider cooperation space for the Sino-US relations. The United States accepts and encourages China to play a more active role in international affairs.

### **From “Responsible Stakeholder” to “Constructive Partner”**

After visiting four countries in East Asia and attending the Asia-Pacific Economic Cooperation (APEC) informal summit, Bush came to Beijing on November 14-21, 2005. Prior to departure, Bush emphasizes that “Sino-US ties are among the most important bilateral relations... But Sino-US relations are very complex” during his interview with Phoenix Satellite TV. Sensitive observers took notice of the fact that in addition to the words originally describing Sino-US relations “candid, constructive cooperation,” Bush added another C; complexity. This word literally includes the meaning of “complicated” and “comprehensive.” US National Security Council senior director for the Asia-Pacific Michael Green says it is not accurate for the media to translate it to “complexity” to emphasize the difficulties and uncertainties. “Comprehensive” would be more in line with Bush’s original use of the term.<sup>19</sup>

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<sup>17</sup> Ibid.

<sup>18</sup> The translation on the US State Department website is different from the translation adopted by China officials.

<sup>19</sup> Chen Dongxiao, “‘Complexity’ and New Structural Change of Sino-US Relations,” *Meiguo Yanjiu [American Studies Quarterly]*, Vol. 2, 2006.

Due to Iraq and Hurricane Katrina, Bush has entered the lame-duck situation in advance. His state visit to China indeed demonstrated his “complexity” to balance domestic political conflicts in the diplomatic agenda. Before departure, Bush met with the Dalai Lama in the White House, praised Taiwan’s democracy in his speech delivered in Japan, which obviously had the purpose of catering to domestic liberal and pro-Taiwan forces. During his stay in Beijing, Bush went to Laoshan national cycling training base, showing friendship to the Chinese people and support for the Beijing Olympic Games. He also went to church to show concern for religious freedom in China. However, Bush received a warm welcome in China, and the two countries embarked on a frank and constructive talk. President Hu Jintao said, “Sino-US relations have gone far beyond bilateral ties, and is increasingly assuming a global meaning.”<sup>20</sup> Actually this declaration positively responded to the “responsible stakeholder” by Zoellick.

President Hu Jintao paid an official visit to the United States on April 20-22, 2006. In the welcome speech delivered by Bush at the White House South Lawn, he said that, “As stakeholders in the international system, our two nations share many strategic interests.” The leaders of the two countries indicated that the concept of “stakeholders” is plural. Bush put an S in stakeholder, which means that the concept is not only for China. It is the same for the United States and China, as they are both “stakeholders in the international system” and both should contribute to peace and prosperity of the world. In the ensuing luncheon, President Hu responded, “China and the United States are not only both stakeholders, they should also be constructive partners.”<sup>21</sup>

President Hu Jintao’s visit to the United States received general appreciation from all circles in the United States. In their viewpoint, the heads of China and the United States conducted a “substantive discussion.” The atmosphere, depth, breadth and result of the talks are worthy of high praise. Before President Hu’s visit, the Sino-US economic and trade issues, the trade deficit, the RMB exchange rate, intellectual property protection were hot issues in the media. However, beyond what’s expected, these problems did not become the focus of the talks. The two leaders spent a lot of time on discussing the key problems of the Iranian nuclear issue, the Six-Party Talks

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<sup>20</sup> *Jiefang Ribao* [Liberation Daily], November 25, 2005.

<sup>21</sup> *Renmin Ribao* [People’s Daily], April 21, 2006. Zoellick delivered his speech in Shanghai after leaving the US State Department, further developing “responsible stakeholder” into “global stakeholder.”

on North Korea and Sudan's humanitarian crisis. The leaders of the two countries enjoy consensus on goals in this series of issues.

With the rapid growth and development of China and the deepening of Sino-US bilateral structural interdependence, the constructive and cooperative relations of China and the United States, which go beyond bilateral, became global-oriented and are constantly consolidated and improved. In fact, the progress and development of Sino-US relations in many areas has exceeded people's subjective perception.

Sino-US relations made through the adverse situation caused by the US mid-term elections, the Democrat's control of Congress, Bush's political authority going further than "lame duck," and maintaining stable development in the bilateral and global level during 2006-2007. On the bilateral level, China and the United States together faced a new round of challenges in Taiwan's legislature and regional leader elections. Bush reiterated his administration's position at the APEC summit in Sydney; "no support for Taiwan independence, no support for the referendum, opposition to the referendum of Taiwan joining the United Nations, opposition to unilateral moves to change the status quo." US officials delivered eight warnings towards Taiwan's situation, with upgrading levels and increasingly severe words, from United States Representative in Taiwan Stephen Young, Chairman of the American Institute in Taiwan Raymond Burghardt, Deputy Assistant Secretary of State Thomas Christensen, Deputy Secretary of State John Negroponte to Secretary of State Condoleezza Rice. The communication between China and the United States reached an unprecedented high level in response to the provocation of Taiwan independence forces.

The politicization of economic and trade issues raised another challenge for Sino-US relations. According to the China statistics, the total amount of Sino-US trade in 2006 was 262.7 billion US dollars, and the United States was China's largest trading partner and overseas export market; according to US statistics, China is the second-largest US trading partner and the third largest export market. However, globalization has brought to the United States the problems of increasing competition, relocation of industries and structural unemployment. Economic and trade issues have become the most troublesome area in Sino-US relations. There are no less than 20 to 30 bills in Congress dealing with the issue of trade imbalance, the RMB exchange rate and intellectual property rights. The governments of the two countries launched a strategic

economic dialogue in 2006 to deal with this challenge. At the meeting, Vice-Premier Wu Yi suggested understanding Sino-US economic and trade relations at the level of long-term strategic cooperation, and opposing the politicization of economic and trade issues.

At the global level, we clearly see the significance of China and the United States being stakeholders, as is represented in the close communication and coordination on North Korea's missile tests, nuclear tests and the substantive breakthrough of the "2/13 statement" reached at the beginning of 2007. On the issue of Darfur, China's role used to cause misunderstanding among the American public. Some human rights organizations even called for a boycott of the Beijing Olympic Games because of this. The principle of non-interference in internal affairs which China follows and the diplomatic way of patient persuasion create a channel for the international community's efforts. The Sudanese government accepted the AU-led international peacekeeping force, which China also took part in. The unique role China played and the unique way China took on the Darfur issue received general appreciation by the international community. Similarly, the United States has also realized the importance of improving coordination and cooperation with China on issues like Myanmar, Pakistan, Iran and others. On September 6, 2007, during the APEC summit in Sydney, President Hu Jintao reiterated, "China and the United States are not only stakeholders but also constructive cooperators."<sup>22</sup>

### **Sino-US Relations Break the Cycle?**

After 9/11, the Sino-US relations have realized a seven year period of stability. Does this mean that Sino-US relations have entered a new phase? Or is this just an exception? Can Sino-US relations break the historical cycle? This proposition probably has to be left to 2008-2009, with a new US presidential election and party change.

However, the stable development of Sino-US relations during this period provides us with confidence for the future. First of all, China and the United States have structural interdependence. There are interests structures and political forces within the two

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<sup>22</sup> *Renmin Ribao* [People's Daily], September 6, 2007.

countries to maintain stability. Dialogue, exchange and communication mechanisms between the two governments will also help to improve mutual understanding, resolve conflicts, and reduce fluctuations. Second, the rise of China and the expansion of its international influence is an objective reality of international politics. Sino-US relations were asymmetric in the past, and China was just an induced variable that passively adapted to the changes of the United States. Today, China has become an independent variable in international politics. The initiatives China takes will also shape the future of Sino-US relations. Therefore, it does not only depend on where the United States will go but also depends on China's own reform and development prospects to break the historical cycle.