

# **Bridging the Sino-American Divide**

## **China's Peaceful Rise and the Sino-American Relationship**

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Under the backdrop of China's peaceful rise, there appear some new features of Sino-American relations. Is China's rise a threat to U.S. interests? Does China's rise bring new challenges as well as new opportunities? Will China's peaceful rise create more differences or more common grounds?

### **1. China's peaceful rise will not impose a threat to the U.S.**

For the past 26 years since the ending of the culture revolution, China has been adopting the policy of reform and opening and has been focusing on the economic construction and its economy has been developing rapidly with an annual growth rate of 9.4%. In 2004, the GDP of China was 1931.7 billion U.S. dollars, ranking the No.6 in the world; and the foreign trade was 1154.8 billion U.S. dollars, occupying the No.3 position; the foreign currency reserve was 609.9 billion, the No. 2 in the world. In 2005, the GDP was 2225.7 billion U.S. Dollars ranking the No.5 and the foreign trade was 1422.1 billion U.S. dollars and the foreign currency reserve was 818.9 billion, jumping to the No. 3 and then 2. these are really amazing figures and show China is growing daily. We Chinese are proud of it and the others are viewing it with mixed feelings.

But even so, China's GDP is just the 5<sup>th</sup> of the U.S. and half of Japan's GDP and not to say the per capita GDP( 5% of Japan's ) , which was the 1490 U.S. dollars in 2004, No. 107 in the world. For China has a 1.3 billion population, every huge figure divided by that big sum becomes nickel and dime. At present, China is still very backward in economic power and there remain more than 50 millions of people living still under the poverty line, especially in the rural and west area. So there is a long way to go for China to catch up with the advanced countries and even to go into the middle developed countries and at least it needs 50 years.

Diplomatically China has been carrying out a peaceful and independent policy. We are now upholding the banner of peace, development and cooperation. The newest slogan is typifying China's diplomacy, i.e. to build a harmonious world of sustained peace and common prosperity. That is to say China needs a peaceful environment to develop itself and we cherish the strategic period of opportunity without world war and we need a peaceful peripheral border and we respect the current world system, though it is not perfect. We fully realize that for the past 30 years, we have been developing under that system and we are the beneficiary of that system. In turn, we will safeguard the role of the U.N and implement the right and responsibility of the WTO and we will be more integrated into the world system after joining in more than 100 world organizations. So all in all, China is a responsible contributor of the current world order and will do more later on since China is one of the P5.with growing national power and regional influence.

Militarily, China's armed forces are undergoing the modernization process of military revolution. It is developing in a scale commensurate with the growth of our economy and need of national defense for we are a big country with more than a dozen of neighboring countries, we have a vast territorial sea water to defend, especially we need to guard against Taiwan independence. So to have more budget for

replacement of the outdated weapons, to raise the wages of the military personnel is absolutely necessary. Even we increase our defense budget with a more than 10 % growth rate, we are far behind of the U.S. and only the one 77th of the total of U.S. budget of half trillion U.S. dollars. In sum, China does not have the capacity nor intention to launch a war against the U.S. except that the U.S. should involve itself in the cross strait war, a pure civil war of China.

Culturally, China has a long history of over 5000 years and a vast culture heritage and background and we value our eastern civilization while at the same time we are learning from the western civilization. We respect the variety of all kinds of civilizations and promoting the process of learning from other's strong points and offset one's weakness. In our view, it is not inevitable for civilization clashes and on the contrary all kinds of civilizations could live in harmony and mutually develop.

The past 30 years, especially the years after the cold war and after 9.11, have witnessed that China is not only a peaceful force but also a positive promoting force to world peace and prosperity. China is a big market and we import many foreign goods and investments. We also are serving a world economic engine, though China's share in world economy is only 4% but the contributing rate to world economic growth is about 15%. So China is another world economy engine. For example, the 13.6% of Japan's total export was to China and 20.5% of ROK total export was to China (2003) so China has contributed a lot to Japan economy's recovery after it suffered 10 years recession and now China is ROK's No.1 trading partner.

## **2. How does the U.S. and China view the new relationship under this new situation**

With this new background of China's peaceful rise, many strategists and experts in and out of the two governments are now seeing the relationship in a new light and new angle. The most famous one is the new term by the former Deputy Secretary Zoellick. He gave a speech in New York in Sept of 2005. In that speech," he spoke of the vision and the hope of China as a responsible stakeholder in the global system" ( Thomas J.Chrisensen, deputy assistant secretary for East Asian and Pacific Affairs, August 3, 2006). President Bush also said that the U.S. welcomes the emergence of a China that is peaceful and prosperous and that actively participates in and contributes to international institutions. ( April 2006 in the welcome speech for President Hu). Mr. Thomas J. Chrisensen further explains that the U.S. does not see today's China as a responsible stakeholder but the U.S. policy should focus on urging China to become such one with a combination of active engagement to maximize areas of common interests and cooperation and also help channel China 's growing influence in that positive direction. In the new QDR, it defines China as the most important country still at a cross road.

President Hu in his speech in Washington said that the Sino-U.S relationship has surpassed the scope of bilateral relationship and has more and more global influence and strategic implication. China and the U.S. have broad and important common strategic interests and shoulder common responsibilities in safeguarding world peace and promoting common development. So both sides of China and the U.S. are not only stakeholders but should be constructive cooperators. Both sides should join in efforts to promote over all Sino-U.S. constructive cooperative relationship in the 21<sup>st</sup> century. ( Shanghai Jiefang Daily 21<sup>st</sup> of April 2006).

From the speeches of both government officials, we could see that both countries do see the common strategic interests in economy, security, energy, environmental protection, public health as well as

safeguarding peace, fighting against terror and promoting global economic cooperation. In fact, we could see more and more cooperation on the issue of North Korean nuclear issue, on Iran nuclear issue, in rebuilding of Iraq and Afghanistan, in global health, on energy security and so on and so forth. This is one side of the story.

The other side of the story is we still have many differences on many aspects of the bilateral relationship as well as on international issues. Take for example, on human rights and religious freedom, on trade and economic imbalance and on nonproliferation and on ways of how to deal with the North Korean nuclear issue and other international disputes. There are certainly other problems we differ with each other from time to time. The question is how to solve it and how to bridge the divide.

The principles of bridging the divide is as President Hu says in his April speech as “ We should take a foothold at present with a long point of view in the future and consistently see and deal with the Sino-U.S. relationship from a long perspective and at a strategic height, on the basis of three joint communiqués between U.S. and China. We should respect each other and treat each other on equal footing and we should promote exchange and deepen cooperation and promote new development of constructive cooperative relationship and contribute more to the peoples of both countries and the whole world “( 21<sup>st</sup> April 2006, Jiefang daily Page1.)

The U.S. side also have some principles of dealing with the difference as stated in his speech of August 3: we are working closely with China , engaging on an extremely broad range of issues in which we believe China and the U.S. have common interests. This includes many issues in which there are readily identifiable common objectives and we work cooperatively with China to create the means to achieve those objectives. It also includes issues we do not see eye to eye. On these issues we also engage , and we do so in a frank and candid manner that ensures that U.S. views are made clear. Our engagement with China takes places in many different forums, both bilateral and at many different levels. But it always has the same objective: seek to identify and maximize the areas in which we have common interests, build upon those interests to mutual benefit, and in those areas in which we differ, encourage China to understand our concerns and change its behavior in ways that will advance not only our interests, but also its own.( the testimony of August 3 2006 by Thomas Christensen).

### **3. The five major divided issues and how to solve them**

These principles could guide us in meeting problems and solving them. But the words are easy to be said and hard to be well done. In carrying out those principles we could meet many concrete tough issues. Here are five major divided issues:

**Issue one: on human right.** The U.S. sees “ China’s record on human rights and religious freedom remains extremely poor”( see the testimony of Thomas Christensen August 3.2006). We do not agree with this assessment at all. We think China has achieved great progress in this aspect, we have solved the basic rights of living of 1.3 billion people and we are more free than any times in Chinese history to express our own opinion, choosing our own way of life and enjoying more freedom and democracy in the political life. So it’s not “extremely poor” but rather good, better than the past. Of course there remains room to be improved. It’s partly due to the different production and living standard level and in today’s China we need more of social stability. So to simply transplant U.S. formula of democracy to China is detrimental to China’s burgeoning democracy. To solve this divided issue, we should have more dialogue

to understand each other and in my view the U.S. should put its foot in China's shoe and China should adopt the international standard of human rights and accelerate its democratic process.

**Issue two: on Taiwan** .One major problem between U.S. and China is Taiwan issue. China sees it as the most important and sensible issue with key national interests. China has been urging the U.S. to implement the three communiqués and stick to the one China principle and reduce the arms sale to Taiwan to none gradually, while the U.S. is insisting on the Taiwan Relation Act and sell more and more weapons in order to keep the balance of power . We could see at the beginning of the first Bush administration how sharply divided those two nations were on the Taiwan issue. At that time, President Bush stated that the U.S. would do whatever to defend Taiwan and issued the largest arms sale package of 4 billion to Taiwan including the offensive submarines. Is the Taiwan question the major block of the U.S.-China relations without any common ground? With this question in mind, I discussed with many U.S. officials in the earlier days of the Bush administration. We found even on this sharply divided question there are at least five common grounds: one, both countries maintain the one –China principle; two both countries have expressed that we should stick to the three communiques; three, both countries want to maintain the stability and security of cross strait; four, both countries want to solve the question by peaceful means; five, both countries want to promote the economic exchanges. With passing of time, both countries have more common language on Taiwan, that is both countries are against Taiwan independence. So in the Dec. of 2003, when Premier Wen visited the U.S., President Bush said some harsh words against Chen Sui Bin and then asked him to pledge four Noes time and again. Now it seems that the U.S. has realized that Taiwan question is our core interests that China will never compromise on the question of Taiwan legal independence and China too realizes that the key position of the U.S. is both sides should keep the status quo. With this consensus, the Taiwan issue is not on the top of the talking list of April summit. It seems a tacit agreement that both sides should not touch on the redlines of the other.

**Issue three is on trade.** The U.S. always complains about the China's trade surplus, the intellectual right protection and the RMB exchange rate. I think the trade issue is a very complicated question and there are many articles and papers about it. From the perspective of international relationship, we hold the view that the economic relationship is the basis of the two nations and the more of integration between the two countries economically, the better and the firmer of the two countries relationship. We should not be afraid of trade disputes. Any two counties could have trade disputes if they do business and the key is to handle it properly and in a way of mutual benefit or two wins. The good news is the new minister of finance of the U.S. government while visiting Beijing said we should view the economic relationship from a long term view of generations. It's really a very good point and in my understanding, a strong and prosperous China will be in the interests of the U.S. in the end and vice verse. We could see the bill of buying become longer and the more emphasis of the protection of the IPR in China and we also could see the RMB exchange rate is falling, approaching to 7.8. per dollar.

**Issue four is on non-proliferation.** U.S. accuses some China companies to proliferate some nuclear related material and tech or dual use material to some irresponsible countries. I think since China Government has now firmly adopted the policy of non-proliferation, such things could be curbed and prohibited if it is true and most importantly, China and the U.S. is cooperating well on the North Korean nuclear issue and Iran nuclear issue and we are contributing a lot to the opening of the 6 party talk. While I visited the U.S. recently, one senior U.S. official said to me: “ we are not losing hope on the North Korean nuclear issue, it's because we, U.S. and China are cooperating well on this issue and we are

making progress and it's the hope of resolving the issue. And the 6 party talk could resume in the end.“ Of course, the recent nuclear test has made new trouble for the resumption of the 6 party talk but I am still optimistic to solve the question by diplomatic means if the U.S. and China could join in hand in hand to deal with this new challenge.

**Issue five is on China's military build up.** The U.S. worries about its transparency and wants “to press China to be more forthcoming about its military budget, doctrine and strategy in order to build confidence and improve U.S.-China military relationship”(Remarks before the U.S.-China economic and Security Review Commission by Thomas Christensen on August 3<sup>rd</sup>). In my view, there is a strategic culture difference on this issue. Military tends to be more conservative on transparency and they tend to keep everything in secret. The famous Chinese slogan that “ Military is never tired of deception” is typical of such a Chinese strategic thinking. I think with the political relationship improving between the two countries and more exchange of the military personnel on all levels, there come the natural results of more understanding and confidence building. Imaging two armies are highly antagonizing, how could they come to believe in each other and transparent to one another?

#### **4. Conclusions**

In conclusion, I still want to quote the two important sentences of Mr. Thomas J Christensen, the Deputy Assistant Secretary for East Asian and Pacific Affairs, “First, China's global emergence is a natural consequence of its economic growth and development, need not to be seen as a threat to the United States. It does present challenges as well as opportunities” “ Second, we must build on the foundation of cooperation while continuing to talk about those areas where we do not agree. We have already seen that the areas of mutual interest have grown over the past 27 years. I would argue that they will continue to grow” (ibid). I think these two observations are true and objective and I agree with him and I also might add that the U.S.-China could solve these divided issues and when old one disappears, there will be new one and finally there will be a curve of up and down relationship and surely we will have a brighter future in the years ahead.