



# ANALYSIS ANALYSIS

## NO RUSH INTO MARRIAGE CHINA'S RESPONSE TO THE G2

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Strategic culture, power balances and the analysis of geopolitical shifts are a long-standing Chinese obsession. Academic institutions, think-tanks, journals and web-based debate are growing in number and quality. They underpin the breadth and depth of Chinese foreign policies.

China Analysis introduces European audiences to the debates inside China's expert and think-tank world, and helps the European policy community understand how China's leadership thinks about domestic and foreign policy issues. While freedom of expression and information remain restricted in China's media, these published sources and debates are the only available access we have to understand emerging trends within China.

China Analysis mainly draws on Chinese mainland sources, but also monitors content in Chinese-language publications from Hong Kong and Taiwan. Reports from Hong Kong and Taiwan reflect the diversity of Chinese thinking, with occasional news and analysis unpublished in the mainland.

Each issue of China Analysis in English is focused on a specific theme, and presents policy debates which are relevant to Europeans,. It is available at www.ecfr.eu. A French version of China Analysis exists since 2005 and can be accessed at www.centreasia.org.

#### **Introduction by Francois Godement**

As the Obama administration proceeds through its long list of issues that require immediate attention, China keeps popping up as an indispensable, and often the indispensable, partner. The US needs a steady infusion of cash from China's external surpluses. It needs Chinese help in containing North Korea after its second nuclear test. The crisis zone now defined as "Afpak" lies at China's borders. After his initial overture to Iran, President Obama will now also need Chinese co-operation to achieve results there: China is not only a permanent member of the UN Security Council but also has a local economic presence. Finally, if Obama hopes to go down as the president who began to reverse global warming, he will need China to make an unprecedented commitment to take action.

The US therefore urgently needs a closer partnership with China, dubbed the G2 by Zbiginew Brzezinski. The prospect of such a partnership revives fears within Europe that it could be sidelined in a new world order that exploits its weakness. However, no one in the Obama administration has yet used the term G2 and even its author does not mention the obvious: that it is a relationship that is first and foremost the product of a runaway entanglement of the trade, financial and monetary relationship between the world's largest and the world's fastest growing economy.

Neither has the G2 caught on as a buzzword in China – in fact it is seldom even mentioned there. China's needs have

mainly to do with the management of the financial crisis by the Treasury and the Federal Reserve. The Chinese are almost obsessively worried that the US might "monetize" its ballooning public debt at the expense of holders of dollar-denominated reserves. China, which is able to shift its reserves only incrementally, is at the top of that list. The course of Sino-American relations may well be defined by the answer the US gives to this pre-eminent Chinese worry.

Characteristically, China is waiting for its opponent to show its cards. But it is also listening intently. This issue of China Analysis shows how carefully, even at this public level, Chinese experts are combing through American views and probing the potential for a new strategic equilibrium. To say, for example, that the "three communiqués" that have defined the limits of conflict between China and the US are now "outdated" is to assert that the issue of Taiwan is now beyond America's grasp. To complain about the "multiple channels of co-operation" between the two countries (a description that would also fit EU-China relations very well, as shown by ECFR's recent report on the subject) is to propose moving the process to the centre of political decision-making. And, finally, to suggest a Chinese-American partnership in Latin America that could include the military stabilization of third countries is to show that China's global ambitions extend to the US's traditional backyard.

These views are dryly strategic, in keeping with China's unabashed realism, and make few concessions to international harmony. Yet China's dean of China-US studies, Wang Jisi, shows rather subtly that he is also thinking along completely different lines. What if America's core belief in democracy and rights, renewed and extended by the respect for others that President Obama has come to symbolize, was to prove a major international asset? In other words, what if the United States was to prove more adept at the management of a multicultural world than any other system, including China?

#### 1. Looking for a new sino-american framework

#### by Mathieu Duchâtel

#### Based on:

Wu Xinbo<sup>1</sup>, "The United States and China are working out the rules of the game", Huanqiu Shibao, 20 February 2009.

Sun Zhe, Zhao Kejin, Li Wei<sup>2</sup>, "The United States and China need to build a risk management mechanism", Huanqiu Shibao, 4 March 2009.

US-China relations require a new framework, probably in the form of a fourth joint communiqué: That is the message from analyses by four influential researchers within the Chinese strategic community, published to coincide both with the 30th anniversary of the establishment of diplomatic relations between the two countries and the start of the Obama administration. At the moment, Beijing remains wary of the Obama administration's calls for increased involvement by China in global governance at the expense of medium-sized powers. These analyses suggest that, although the Chinese see much that is positive in Obama's approach to China, they believe such positive developments need to be made more permanent. In particular, they are keen to prevent any disruption to the US-China relationship, which is becoming the central geopolitical axis in the world today.

The Chinese academics begin their analysis with a sociological observation. The Obama administration includes more people with knowledge of China (知華派, zhihuapai) than any other since the Second World War. Last year's presidential election was, unlike previous ones, not characterised by a spike in anti-Chinese rhetoric by the candidates. Barack Obama has no anti-Chinese ideology; Joseph Biden and Hillary Clinton have much experience in managing US-China relations; and Timothy Geithner, whose father lived in China, is the first treasury secretary to speak Chinese. There are also several Chinese-Americans in key positions in the administration, including Steven Chu at Energy, Garry Locke at Trade and Chris Lu as Cabinet Secretary.

According to Sun Zhe, Zhao Kejin and Li Wei, three 1 Wu Xinbo is Vice-President of the College of International Relations and Public Affairs at the Fudan University in Shanghai.

2 Sun Zhe, Zhao Kejin and Li Wei are researchers in the Centre for Research on US-China Relations at Tsinghua University in Beijing. Their article in Huanqiu Shibao summarises a recent research report, "The strategy of the new Obama Administration and US-China relations" (奥巴馬新政府的戰略走向與中美關係, Oubama xinzhengfu de zhanlue zouxiang yu zhongmei guanxi). The research centre was established in September 2007 (http://zhongmei.zongbu.shushang-z.cn/index.html).

researchers at Tsinghua University, the composition of the Obama administration makes it less likely that the United States will repeat the errors that have been committed during previous handovers. In the past, US-China relations have followed a pattern of diplomatic conflict at the beginning of each new US administration followed by a normalisation and strengthening of US engagement with China as the administration gains more experience.

Today, the buzzword in Washington in relation to China is "risk management" (危險管理, weixian guanli). On the one hand, Washington is trying to develop a global partnership with Beijing and to share responsibility for dealing with specific global issues. On the other hand, according to these three Chinese researchers, the United States is still hedging against the risks of China's strategic expansion, in particular by using public diplomacy to change China from within and adjusting US strategy on a regional and global scale. On the whole, however, Obama's China policy stresses increased cooperation. The Chinese researchers describe this approach as a "deeper responsible partnership relationship" (更深的 負責人的全球夥伴關係, geng shen de fuzeren de quanqiu huoban guanxi) than that of the Bush administration.

Admittedly, the Democrats have complex motives for adopting this new China policy, which, moreover, is not without dangers for China. But on the whole, the Tsinghua University professors say, it represents an opportunity for China. They suggest that Beijing will have to modify its own policy towards the United States rapidly to take advantage of it.

It remains possible, however, that the Obama administration might fail to win support for its new approach to China. The conservative think tanks, Congress, the right wing of the Republican Party, the military-industrial lobby and some elements within the Pentagon have the ability to influence Obama's China policy negatively. There is also no shortage of issues that could create conflict between China and the United States, including divergent political ideologies, security in space, Taiwan, economic and trade relations, energy security or even environmental protection.

There are three particular issues that could trigger an "explosion" (爆炸點, baozhadian) in bilateral relations. The first relates to strategic rivalry and the tendency of the United States to encircle China by means of arms sales to Taiwan, military co-operation with Japan and its other allies in the region and "balancing" efforts intended to slow the process of regionalisation in Asia. Some members of Congress will be sure to use their influence to push American policy in this direction and even to encourage tensions in East Asia. However, the authors do not mention the role of the Pentagon, even though the Defense Department, which is in charge of the hedging part of the US policy towards China, could have different goals than the president or the State Department.

The second issue relates to what the authors refer to as the "pride and prejudice" (傲慢與偏見, aoman yu pianjian) of many Democrats in Congress or in the executive towards Chinese society. Anti-communism and American claims that its values are universal remain fundamental obstacles to the development of a global partnership between the two great powers. Seen from this perspective, it is likely that the Obama administration will step up public diplomacy in order to change the Chinese regime from the bottom up. If this Democrat activism exceeds an acceptable level (過於冒進, guoyu maojin), it could destabilise US-China relations.

Finally, other lobbies such as the unions, environmental protection NGOs and organisations representing industry are

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likely to push the US government towards protectionism. They will also demand that Washington forces China to accept environmental

protection standards and rights for workers. Although Obama may not personally want to take such steps, he will need these groups for his re-election in 2012. He is likely at some point to sacrifice the development of US-China relations for the benefit of his electoral interests.

The authors say the highest priority for US-China relations is to strengthen communication between the two countries by involving more senior officials in bilateral dialogue and making it more professional. Numerous channels for communication already exist, including the Strategic Economic Dialogue set up by US treasury secretary Henry Paulson and Chinese vice-premier Wu Yi in 2006. On global matters, however, discussions between the US and China suffer from a certain compartmentalisation. According to the Chinese scholars, different channels overlap (復合型, fuhexing) and are poorly co-ordinated on both sides. Bilateral relations therefore need to be institutionalised in a more effective way.

Co-operation in global governance may have replaced cooperation in responding to the Soviet threat as the main strategic dynamic in strengthening bilateral relations between the United States and China. However, the authors suggest, China should nevertheless be wary of attempts by the United States to "emotionally move" (感動, gandong) the Chinese in order to achieve its objectives. Washington hopes to coax China to accede to its demands (sustaining the dollar, moving on intellectual property rights and on human rights) by holding out the prospect of jointly managing international affairs. The authors therefore urge China not to underestimate the United States. Beijing must always be ready to "pit flexibility against strength" (以柔克剛, yirou kegang) and to take up the challenge of the power struggle (以剛克剛, vigang kegang) at any time. Nevertheless, they suggest, Beijing's best chance of influencing the US and preventing it from acting irrationally is through persuasion.

The authors conclude their analysis with a series of recommendations for the Chinese government that will enable it to seize the opportunity presented by the Obama administration's new approach to China. Firstly, since the three communiqués previously agreed<sup>3</sup> no longer provide an adequate framework for the bilateral relationship, China should seek to agree a new joint communiqué with the US. Secondly, China should establish a system of co-ordination between the various government agencies responsible for its US policy. This would replace the existing horizontal relationships between the Chinese and US administrations with a more transversal approach. Thirdly, the Chinese government should review its crisis management procedures. At present, the Ministry of Foreign Affairs deals with crises, but the definition should be broadened so that signs of deterioration of bilateral relations can be detected and dealt with as soon as they appear. Finally, the authors emphasise China's need to co-ordinate its own analysis of the United States more effectively so that the government is able to react more quickly.

Wu Xinbo of Fudan University in Shanghai also emphasises the obsolete nature of the three joint communiqués. In his opinion, the development of US-China relations requires a three-stage process: firstly the establishment of intensive interactions based on the two sides' mutual interests; secondly, the creation of mechanisms that can align their interests when they diverge; and, finally, a definition of the "rules of the game" (遊戲規則, youxi guize) for bilateral relations. The first two stages of the process have already been largely completed, but more precise rules are now required.

The three communiqués include some rules but they lack relevance today, or at least no longer reflect the issues currently at stake in the bilateral relationship. Key principles such as respect for a single China, territorial integrity, nonaggression towards third countries, non-interference by each country in the other's internal affairs and equality, reciprocity and peaceful coexistence should therefore be reviewed in the light of a changed international environment and a new context in China and the United States.

Similarly, concepts used in the previous communiqués such as "responsible partner" (負責人的利益攸關方, fuzeren de liyi youguanfang) and "constructive co-operation" (建設性的合作者, jianshexing de hezuo zhe) are now too vague to provide a useful framework for the further development of the US-China relationship. How should the spectrum of interests at stake be defined? How and in which areas should co-operation proceed? What relevance does the notion of "responsibility" now have?

According to Wu Xinbo, there is an even greater need for a new framework because the US-China relationship differs from

traditional relationships between great powers. The extent of economic interdependence and strategic disagreement, the differences in political system and ideology, and the mix of competition and co-operation in East Asia have all helped to build a relationship of unprecedented complexity. However, despite this complexity, the interactions between the two countries have continued to deepen over the last thirty years. As a result, people in the US and China have acquired real experience of each other that should be used today to improve the relationship between the two countries.

The new framework should not, however, be limited to bilateral interactions alone. It must also seek to find common answers to the great global challenges of our time: the financial crisis and the creation of a new international financial system, the strengthening of the World Trade Organisation

The three communiqués include some rules but they lack relevance today, or at least no longer reflect the issues currently at stake in the bilateral relationship. (WTO), climate change, the search for greater strategic stability between major powers and even "assistance to countries plagued by

instability" (內政不修, neizheng buxiu). How, in the 21st century, should limits to the exercise of sovereignty be defined?

The new framework for US-China interaction could also be a kind of "model" (示範作用, shifan zuoyong) for the rest of the world. If, as Henry Kissinger has argued, the US-China relationship made global stability over the course of the last thirty years possible, it could also now play a key part in rebuilding the international system for the next century. If, on the other hand, we are to expect a process of complex negotiation between the United States and China, punctuated by extensive bargaining, the game will not be worth the effort. In the end, it is not just US-China strategic stability that is at stake, but also the future of the whole world.

<sup>3</sup> The Shanghai Joint Communiqué, signed on 28 February 1972; the Communiqué on the Establishment of Diplomatic Relations, signed on 1 January 1979; and the Communiqué of 17 August 1982.

#### 2. The prospects for climate change cooperation remain cloudy

#### by Thibaud Voïta

Based on:

Zhang Ruidan, Li Zhengxin, "Concerns over the green 'win-win' between China and the United States", Caijing, 16 February 2009.

"US-China energy cooperation: 'Better late than never'", Guoji Jinrongbao, 24 February 2009.

Zhang Guoqing, "Environmental issues in US-China relations", point of view posted on Renminwang, 2 March 2009.

The environment and climate change are now key issues in US-China relations. During the Bush era, the US and China came into conflict over these issues. However, the prospects for bilateral cooperation in 2009 are very good.

The articles discussed here suggest that the Chinese were rather disappointed by the Bush administration's policy on climate change. For example, in 2003, the Department of Energy (DoE) launched the Future Gen programme, which was aimed at reducing emissions in electricity production. The Chinese Huaneng company signed up to the programme. But in 2008, financial support for the programme came to an end. Even Zhang Guoqing, a researcher at the Chinese Academy of Social Sciences (CASS) who is fairly positive about the achievements of the previous US administration<sup>4</sup>, expects President Obama to strengthen environmental cooperation with Beijing. (On the other hand, although this is not mentioned in the articles discussed here, President Bush justified his refusal to sign the Kyoto Protocol on the basis of China and India's failure to impose restrictions on CO2 emissions.5)

China and the United States are the two largest emitters of CO2 on the planet, largely because of their historic use of coal<sup>6</sup>. However, the dialogue between the two countries on climate change is often eclipsed by other issues (such as the current financial crisis) and problems (such as tensions in the South China Sea). In particular, the dialogue between the two countries suffers from a lack of financial commitment. Numerous joint projects currently exist but their execution leaves much to be desired, at least according to the Chinese, who perhaps expect a little too much financial support and technology transfers from Washington.

Co-operation between the United States and China in the area of energy and the environment dates back to 1979, when Jimmy Carter and Deng Xiaoping signed a US-China technological co-operation agreement. That agreement served as the basis for the thirty years of co-operation. In the same year, the two countries also signed a Memorandum of Understanding (MOU) on energy. Co-operation increased during the early years of the 21st century. In June 2008, US treasury secretary Henry Paulson and Chinese vice-premier Wang Qishan agreed a ten-year partnership in the energy sector. There are now a total of 19 agreements relating to petrochemicals, climate change, renewable energies, etc. About 40 separate programmes involving about 30,000 projects have been launched.

President Obama considers the creation of a "win-win" relationship with China in the energy sector to be one of the great challenges of his presidency. Several signs already point to the likelihood of stronger co-operation between the two countries. In February, the Pew Center on Global Climate Change and the Asia Society published a study, "Common Challenge, Collaborative Response: A Roadmap for US-China Cooperation on Energy and Climate Change", which is quoted in the article discussed here in Caijing, a liberal magazine. The study, which is the result of a collaboration between eminent US and Chinese specialists, including Steven Chu (whom Obama has since named as Secretary of State for Energy), John Thornton, Cheng Siwei, Zhou Dadi, Wu Jianmin and Jiang Kejun, will probably form the basis of the Obama administration's policy. The new US secretary of state, Hillary Clinton, visited China immediately after the publication of the study. Energy matters were discussed at length during her visit8.

However, despite these positive signs from Washington, most of the Chinese press remains sceptical. Guoji Jinrongbao (International Finance News), a Shanghai daily owned by the state-owned People's Daily group, presented a relatively positive assessment of Clinton's visit but also voiced subtle doubts. Energy co-operation may be underway, but is it already too late? The slightly ironic title of the article in Guoji Jinrongbao suggests so: it used a Chinese expression that is difficult to translate but literally means "to wait until you are thirsty before digging a well" (临渴掘井, linkejuejjing).

Caijing interviewed several Chinese and American specialists involved in drafting the Pew Center's roadmap, all of whom called for greater co-operation between the US and China. According to Zhou Dadi, a very influential researcher and adviser to the Chinese government who was also involved in drafting the roadmap, existing co-operation is limited to dialogue and exchanges and lacks substance. Zhou criticises

<sup>4</sup> Zhang's surprising perspective does not seem to reflect Beijing's official position; CASS has little influence with the central powers.
5 See the letter of 13 March 2001 by President Bush, available at http://www.whitehouse.gov.

<sup>6</sup> China overtook the United States in 2007 as the world's largest emitter of CO2. See John Vidal and David Adam, "China Overtakes US as World's Biggest CO2 Emitter", The Guardian, 19 June 2007.

<sup>7</sup> The study can be downloaded at http://www.pewclimate.org/US-China

<sup>8</sup> Alexis Hooi, "Clinton pushes green message online", China Daily, 22 February 2009.

the US government in particular for its reluctance to invest in these programmes. Elizabeth Economy, a fellow at the Council on Foreign Relations who also contributed to the roadmap, agrees that this type of co-operation is in general poorly funded.

Caijing also diagnoses a deeper problem: the United States hopes to deal with the problem of climate change through the market, which Caijing regards as an inadequate mechanism<sup>9</sup>. The magazine calls on the US government to increase its investment in research and development and to promote innovation. The magazine's model is Europe, which allocates public money for long-term co-operation. Caijing also says that the United States has a duty to facilitate access to clean technologies in China. It says the lack of co-operation could have consequences over several generations.

So what is to be done on the Chinese side? For a long time, the Chinese administration and Chinese companies were limited to a passive role in relation to the West. In the 1980s, for example, they hoped for an influx of foreign technology and funds that would allow the Chinese economy to grow. Caijing emphasises that this era is now over: Chinese companies are now able to innovate by themselves. Yet the articles discussed here suggest that China remains in a passive role, this time hoping the United States will share its green technology. Guoji Jinrongbao quotes Hillary Clinton: "We hope that China will not commit the same errors we did in the past." But will Chinese good intentions be enough to promote the kind of technological co-operation that will be politically and economically desirable for Washington?

Zhang Guoqing remains sceptical. He acknowledges that Hillary Clinton's visit went well, but invites the Chinese to be wary of the Americans in everyday relations between the two countries. He does not, however, explain or justify this position: evidence, perhaps, of latent Chinese anti-Americanism?

As noted earlier, Guoji Jinrong Bao suggests that cooperation between the United States and China on climate change has come too late. Jiang Jiasi of the Environment Fund at Peking University, who was interviewed by Caijing, believes there is an urgent need for the two countries to co-operate in a more constructive way. "There will not be another chance," (不再有机会了 buzaiyou jihuile), he says.

#### 3. New soft power: debating Obama's attraction

#### by François Godement

#### Based on:

Wang Jisi, "Hengdingtun tiaoqi de lunzhan chaoyue shikong" (The debate over Huntington's thesis transcends time and space), Shijie zhishi, No. 3, 2009.

In a paper on Samuel Huntington, who died in 2008, Wang Jisi, the best-known Chinese international relations specialist, discusses Barack Obama and reflects on current trends in US thinking on international relations in terms of their relationship to the question of national or cultural identities. Wang Jisi suggests that whereas a western society like the US may be able to integrate recent immigrant intellectuals, authoritarian or illiberal regimes meet with numerous political obstacles in attempting to do the same. Wang Jisi discusses the figure of Barack Obama and suggests a new liberal and multicultural "soft power" is emerging in the United States that contradicts Huntington's pessimism about American society and power.

Wang Jisi's paper begins with a discussion of Huntington's "clash of civilizations" thesis (1973) and of some criticisms of it by those who claim that Western values are universal. Famously, Huntington predicted a competition between political systems based on Christian, Islamic and Confucian values. For this paper, Wang Jisi uses two foils, Fouad Ajami and Fareed Zakaria.

Ajami<sup>10</sup> had criticised Huntington in an article in Foreign Affairs in 1993. Ajami's view at that time was that modernisation occurred by way of westernisation and anti-western sentiments were therefore first and foremost a rejection of modernisation. However, in January 2008, Ajami acknowledged that he had been wrong and Huntington right: different beliefs and religions did, in fact, result in widespread conflict. The war in Iraq, which Ajami supported, illustrated a clash of religions and beliefs. So, too, did the rise to power of the radical Islamic AK party in Turkey (albeit in tandem with the army) and the country's subsequent turn away from Europe towards Central Asia. The Islamic world in general has abandoned modernisation along Western lines in favour of an Islamic version of modernisation, while the West continues to atone for its past sins.

Wang Jisi then turns to Fareed Zakaria, a liberal editor of Newsweek International and a former student not only of Huntington but also of Stanley Hoffmann at Harvard. Zakaria has pointed out that in 1968 Huntington had himself identified examples of countries that had previously

<sup>9</sup> President Bush justified his opposition to the Kyoto Protocol by suggesting that the state should not intervene in the market to reduce greenhouse gas emissions. He aimed instead to optimise the management of greenhouse gas emissions by increasing R&D in non-polluting energy sources. President Bush thus rejected any restrictive policy that could affect US industry. However, some US states have implemented their own emissions reduction programmes. For example, in August 2006, Governor Arnold Schwarzenegger signed an agreement with the California legislature that in effect applied the provisions of the Kyoto Protocol in that state.

<sup>10</sup> Fouad Ajami is a professor at Johns Hopkins University and a well-known Middle East specialist. He was a supporter of the war in Iraq and is considered a neo-Conservative.

adopted the American model for rapid economic growth but subsequently turned away from modernisation. Zakaria added another group of countries that he called "illiberal democracies" - countries that did not have a mature civil society or a developed political system and in which democratisation resulted in chaos. Wang Jisi quotes Zakaria's views on China and his argument that a "democracy" without individual liberty leads inevitably to populism.

The fact that Ajami and Zakaria subscribe to Huntington's "clash of civilizations" thesis illustrates what Wang Jisi calls an "American antinomy". Wang says that Ajami and Zakaria, both recent immigrants to the US who are Muslim and come from non-European backgrounds, joined in the defence of the "articles of American faith" (Meiguo xintiao) as preached by Huntington. He says that this Anglo-American compact, inherited from both Christianity and the philosophy of individual rights, exerts a powerful attraction on new immigrants, whether conservative or liberal, who then absorb mainstream American culture. Married for fifty-one years to an Armenian, Huntington had himself overcome any supremacism.

At this point in his paper, Wang Jisi has, without saying so explicitly, juxtaposed the debate about the "clash of civilisations" with the superior capacity of American civilisation to integrate immigrants. Huntington then becomes the pretext for a discussion of Barack Obama. Obama, a Christian with African roots who is perfectly integrated into American society, is a liberal Democrat who, like Huntington, was opposed to the war in Iraq. As such, Obama is a paragon of the "American faith" whose virtues Huntington extols. Like Huntington, Obama has often taken a stand against the kind of globalisation that the Clinton administration supported. However, Obama was also supported by the multiculturalists, while whites and conservatives preferred John McCain. What would Huntington have made of this? In his last book11, he predicted, for the first time, the decline of the United States, beginning with the dissolution of its identity within multiculturalism. Can the US still return to Huntington's golden age?

Will Obama turn out to be a realist supporter of Western values along Huntingtonian lines? Or will he take a different line by acknowledging different cultures and value systems? By way of an answer, Wang Jisi mentions the recent interventions by two commentators on international relations who reject Huntington's pessimism. Anne-Marie Slaughter<sup>12</sup> argues that the openness and malleability of the United States is a source of influence and renewal

that is far greater than any traditional criterion of power. John Ikenberry and Daniel Deudney<sup>13</sup>, on the other hand, argue that authoritarian states like China and Russia have sufficient internal problems of their own for the United States and other liberal democracies to base their foreign policy on an assumption that such states will slowly convert, from within, to democratic values.

It is possible that the liberal tendency exemplified by Slaughter and Ikenberry will gain the upper hand in the Obamaadministration, which would jeopardise Huntington's

Whereas a western society like the US may be able to integrate recent immigrant intellectuals, authoritarian or illiberal regimes meet with numerous political obstacles in attempting to do the same. vision of a United States sure of its own identity and founded on the defence of its unique interests in the world. Somewhat curiously,

however, Wang Jisi does not reveal his preference for either of these different tendencies, in other words for a realist policy founded on a strong sense of national identity and power or for an idealist policy of openness and democratic proselytising.

Wang Jisi concludes instead by attacking the new generation of international relations experts in China. Obsessed with being "scientific" in an American sense, he says that this new generation can no longer write without quoting rational choices theory, or referring to institutionalism and constructivism, nor can they do without statistics and graphs. To him it seems as if no one may speak unless he subscribes to post-modernism and refers to the transactionalist school, or at least to constructivism.

Wang Jisi points out that, although he is not generally regarded as a political theorist, Huntington is known for, among other things, his belief that ideas and perceptions shape international relations as much as "rational choices" do. In China today, he says, people ape American ways without even understanding them; they use American ways of thinking to paper over contradictions they cannot face. Huntington is an antidote to this dull and uninteresting style of writing. At least, Wang Jisi says in conclusion, the three authors quoted above — Deudney, Ikenberry and Slaughter — think and speak clearly and are committed, like Obama, to a renewal of American liberalism.

<sup>11</sup> Samuel Huntington, Who are we? The Challenges to America's National Identity, Simon & Schuster, New York, 2004.
12 Anne-Marie Slaughter, "America's Edge", Foreign Affairs, January-February 2009. Slaughter was dean of the Woodrow Wilson School at Princeton. She stayed in Shanghai in 2007-2008 and is now head of the Policy Planning Office of the State Department, as noted by Wang Jisi.

<sup>13</sup> Daniel Deudney and G. John Ikenberry, "The Myth of the Autocratic Revival", Foreign Affairs, January-February 2009. Ikenberry led the National Intelligence Council project on "The World in 2025", published in 2008.

## June 2009

#### 4. A Chinese challenge to the Monroe doctrine?

#### by Mathieu Duchâtel

Based on:

Wu Hongying<sup>14</sup>, "Latin America, China's backyard? A commentary", Xiandai guoji guanxi, No. 3, March 2009, pp. 36-42.

The United States is once again concerned about an intrusion by China into its own backyard: Latin America<sup>15</sup>. Recent Chinese diplomatic activism has renewed the debate over a possible expansion of Chinese power in a region that is slipping increasingly from US influence, even though it is supposed to be subject to the Monroe doctrine<sup>16</sup>. In particular, many people in the United States have noted the increasing number of visits to Latin America by highlevel representatives of the CCP. In fact, three senior Chinese politicians have visited the region in the last four months<sup>17</sup>. It is as if the US president, the vice-president and the secretary of state had all visited Latin America within the space of a few months.

Wu Hongying's paper, which compares US-China relations in 2004 and 2009 through the prism of Latin America, emphasises the extent to which the balance of power has shifted and to which China uses co-operation with the United States to move forward its own diplomatic pawns and advance its interests. In this respect, Latin America seems to be a good barometer of US-China relations. Indeed, the recommendations made by Wu Hongying are themselves indicative of a significant change. Prompted by discussions of a possible G2 grouping of the United States and China and by the deafening silence with which the theory of the joint management by the US and China of international security has been met in the world, he proposes comprehensive US-China co-operation in Latin America as a de facto G2 for this part of the world.

In the past few years, the tone of China's foreign policy has been defensive, primarily as a reaction against fears of a Chinese threat. Now, however, China tends to emphasise 14 Wu Hongying is the head of the Latin America Bureau of the China Institute for Contemporary International Relations.

15 An article in the Washington Post, highlighting Chinese activism in Jamaica, attracted Hillary Clinton's attention. "China Uses global crisis to assert its influence", Washington Post, 23 April 2009. See also "Slow foreign aid risks loss of US clout to China", AFP, 24 April 2009.

16 Enunciated in 1830 by President Monroe, the Doctrine states that instances of interference in Latin America will be viewed as threats to the security of the United States. The Monroe Doctrine has since been a cornerstone of US foreign policy.

17 In November 2008, Hu Jintao visited Costa Rica, Cuba and Peru on the occasion of the APEC Summit. In February 2009, Xi Jinping travelled to Mexico, Colombia, Jamaica, Venezuela and Brazil, while Vice Premier Hui Liangyu was on a trip to Argentina, Ecuador, Barbados and the Bahamas.

that its rise represents an "opportunity" for stability and development around the world. In a move that displays great strategic awareness, Beijing has turned calls for it to become a "responsible partner" into a rhetorical basis to support its diplomatic expansion.

In 2004-2005, Washington was taken by surprise by the increase in contacts between China and Latin America. For example, China dispatched troops to Haiti as part of a UN peacekeeping force, Hu Jintao made two state visits to the region, the Chinese vice-president Zeng Qinghong also visited Haiti, and China obtained the status of observer to the Organization of American States. These developments prompted concerns within US foreign policy circles about "the expansion of the Chinese threat in the United States' backyard" (中国威胁美国后院论, zhongguo weixie meiguo houyuan lun). Subsequently, as high-level meetings became less frequent in 2006 and 2007, American fears lessened.

In 2009, American discourse is very different. Some conservatives within the media and the military-industrial establishment have begun to speak of Latin America's transformation into "China's backyard". This is a significant shift in vocabulary. Co-operation between China and Latin America has diversified and expanded in the last five years on the basis of an increasingly close economic and trade relationship<sup>18</sup>. Some in Washington fear that the relationship is becoming a true strategic partnership. The nightmare scenario for the US would be an anti-American alliance between China, the left-leaning countries of Latin America, Russia and Iran. The context for these concerns is well-known: people in Washington, as in every other capital city around the world, are wondering about how the financial crisis and in particular China's recovery from it will affect the global balance of power.

According to Wu Hongying, American fears may be exaggerated but are not entirely without foundation. Her analysis subtly suggests that China has in recent years broken with the past. Latin America's shift to the left and the associated trend towards greater regionalisation have allowed the region's governments to distance themselves from the United States. The Bush administration's policy began well with a proposal for an alliance with the countries of Latin America that would have put them almost on a par with the United Kingdom and Canada as US allies. But after 9/11, the countries of Latin America were relegated to a marginal role in the US foreign policy agenda. The 2004 APEC Summit in Chile illustrated the differences between the American and Chinese approaches. While Hu Jintao committed China to investing nearly \$100 bn in the region, the US delegation drew up an agenda focused on counterterrorism and counter-proliferation that was quite at odds

<sup>18</sup> In 2008, China was Latin America's second-largest trade partner. Bilateral trade, which had exceeded \$100 bn for the first time in 2007, reached \$140 bn, and Latin America in 2008 represented 6.8% of China's overseas trade. In comparison, US-China trade is \$400 bn, and trade between China and South Korea is almost \$200 bn.

with the concerns of its partners in dialogue<sup>19</sup>.

President Obama considers adjusting US policy in relation to Latin America a foreign policy priority. Some American experts have criticised the way the United States has distanced itself from its traditional sphere of influence and have called for it to reassert itself in this sphere<sup>20</sup>. According to Wu Hongying, Washington is preparing a full diplomatic offensive in Latin America, using all the resources it has: trade, investment, promotion of American values, military co-operation and assistance in the fight against non-traditional threats. Even if China's overtures to Latin America are not the immediate cause of this, its initiatives have certainly contributed to the resurgence of American interest in the region and to the review of its Latin American policy. Will the United States be able to disregard Chinese interests and regain its influence in the region, or will it be forced to co-operate with China, as some in Washington already believe it must?

Wu Hongying sees China as being in a position of strength and emphasises that China and the United States have a mutual interest in achieving stability in Latin America. The two countries are seeking to export different models of governance and obviously have very different views on Venezuela, Cuba and the continent's other left-leaning regimes. Nevertheless,

Will the United States be able to disregard Chinese interests and regain its influence in the region, or will it be forced to co-operate with China, as some in Washington already believe it must? she says, their c o m m o n i n t e r e s t s are greater than their differences. It should be possible for them to cooperate to promote stable

development in the region and to increase opportunities for trade and investment.

Stability is particularly essential in order for China to secure its energy supplies. Wu Hongying envisages US-Chinese cooperation to stabilise the price of raw materials and energy resources and proposes a way of regulating competition between the two countries for Latin America's resources. In conclusion, Wu Hongying says that the United States and China have a common interest in maintaining peace and stability in Latin America. Is it for example conceivable, she asks, that Washington and Beijing could in future confer on ways to maintain military stability between Colombia and Venezuela?

According to Wu Hongying, the United States and China should broaden their strategic dialogue on Latin America 19 R. Evan Ellis, US National Security Implications of Chinese Involvement in Latin America, Carlisle, Strategic Studies Institute, June 2005. 20 See for example US Policy toward Latin America in 2009 and Beyond, Congressional Hearing, 4 February 2009. Available at http://foreignaffairs.house.gov/111/47233.pdf.

to include all of these areas. In April 2006, the State Department and the Chinese Ministry of Foreign Affairs included matters relating to Latin America on the agenda of their strategic dialogue. As of October 2008, three such dialogues have been held. The talks allowed Washington to assess the extent of China's presence in the region. The Chinese, meanwhile, were able to reassure their American counterparts by persuading them that Chinese expansion into the region was not a threat to US interests but rather a contribution to social and political development in Latin America. In addition, the bilateral dialogue enabled both Washington and Beijing to gain a better understanding of the socio-economic changes taking place in the region. Wu Hongying believes that these achievements should be consolidated and extended. In particular, the United States and China should create transversal communication channels that could be used to increase co-operation on specific issues such as trade, energy and finance. In other words, strategic US-China dialogue should be broken down into areas that better encompass the reality of these two countries' presence in Latin America.

In addition, Wu Hongying suggests Beijing and Washington should create a new forum for trilateral discussions with the countries of Latin America (中美拉三方会谈机制, zhongmeila sanfang huitan jizhi) themselves. Currently, Latin American countries feel excluded from a bilateral dialogue that does not involve them even though it directly concerns them. The initial aim of such discussions would therefore be to reassure Latin American countries. However, Wu Hongying suggests, this forum could evolve into a basis for trilateral co-operation to promote stability and development in the region.

Wu Hongying makes two final recommendations. Firstly, she suggests that the United States and China use the Inter-American Development Bank as a platform for cooperation. Since China obtained full member status on 12 January, 2009, this forum can now be used for bilateral dialogue between Beijing and Washington on questions of infrastructure, investment, technical development assistance and even social issues. Secondly, she suggests that the various communication channels could be used to promote bilateral and trilateral commercial projects.

It is apparent from this set of recommendations that the Chinese strategic community is thinking about how to align China's strategy of international expansion with the foreign policy of the Obama administration. As in other areas of US-China relations, one can see a Chinese willingness to co-operate with the United States alongside a desire to acquire equality with the United States. Despite the election of President Obama, China remains intent on expanding its influence around the world. Latin America will continue to be an important example of this expansion.

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