

2007 04 06 Dissent

**COUNCIL ON FOREIGN RELATIONS CHINA TASK FORCE REPORT
DISSSENT BY ARTHUR WALDRON FULL TEXT**

Letter of Dissent from Professor Arthur Waldron

Dear Colleagues:

This report is the product of a great deal of hard work and thought, by a serious and very admirable group. It is a document that has some real strengths, including, among others, the discussion of environmental issues, which I applaud. Sadly, however, enough areas about which I have serious reservations that I find myself unable to concur with the text in its entirety. I must therefore respectfully and reluctantly dissent, as follows:

(1) The report is overly centered on Washington, at the expense of China's relations with other countries, and of the internal challenges her government faces.

The report lays far too much emphasis on the role of the United States and our policy in determining China's future and that of Asia, while paying far less attention to Beijing's connections with Tokyo, Teheran, Moscow, New Delhi, and other capitals.

My own view is that, in fact, American influence over China has been becoming more and more limited. Her export markets are diversified as are her sources of imports. Her substantial military industry depends above all on Russia.

Furthermore, the Chinese government has learned that, by and large, influential Americans are relatively easily won over, while the American government (with some important exceptions) has generally shown a willingness to accept whatever China does and find a rationale for doing so. Hence, for example, our immense inattention to human rights issues.

Most importantly, however, the report fails to grasp fully the fact that the future of the U.S.-Chinese relationship will be determined in China. The critical decisions will concern the nation's future political system: whether it will be free and democratic, in which case I think the future will be positive; or whether the Party will attempt to cling to power as an end in itself, as it is doing now, in which case I expect instability and possible trouble.

(2) The report does not face squarely enough the grave weaknesses of the current Chinese regime and the likelihood that it will change, sooner or later, perhaps without warning, and quite possibly catching Washington by surprise.

The current Chinese rulers lack moral legitimacy as that term is understood by most people in the world—though of course they have *de facto* control of China. This point is vital. For the Chinese people understand perfectly well that theirs is not a government of the people, nor even a particularly efficient or honest one, and in a world of free

democracies, they are unlikely to settle for less. This is particularly the case given rapidly rising levels of education, travel, access to information, and so forth.

When and how the end of Chinese communism will come, and what will follow it, cannot be predicted. But we must not take a straight-line projection approach to China as we did to the USSR. Change will come, and, on past performance, I expect that the United States will be surprised, shocked, and utterly unprepared.

(3) The report does not give sufficient weight to the rather worrying implications of China's current military build up.

China at present has no foreign enemies. The threats her government faces are internal. Yet for reasons difficult to fathom, China has been pursuing, with some vigor, a highly sophisticated military build up that threatens her neighbors, our friends and allies, and the continental United States. In particular, she has sought systems that will counter existing U.S. and allied capabilities, such as naval carrier forces, satellite communications, and so forth.

Given that the United States has proved unable to prevail militarily even in Iraq, I find deeply unconvincing the report's affirmation that should things go badly with China the United States will be able, quickly, to prepare itself to respond, and able to secure the interests of our treaty allies, our friends, or our selves, either easily, or even at all.

(4) Nor do I believe that China's current behavior in the Asian region or the world provides much basis for the assessment that, as she joins international organizations and regimes, Beijing is becoming a "responsible stakeholder" in the stability of the world. For both immediate political reasons, and reasons of tradition, China considers herself to be "top country"—at least in Asia, and seeks to act as such.

A Chinese colleague, who regularly visits China, has excellent contacts, and whose judgment I deeply respect analyzes this process as follows: When Hu Jintao and Wen Jiabao came to power they genuinely sought to tackle the fundamental issues of wealth and poverty, corruption, oppression, environmental degradation, and so forth. My colleague believes that the leadership has concluded that this task is impossible: that the corruption and other abuses are simply too deeply entrenched for an increasingly weak central administration, itself implicated in these problems, to change.

Therefore, this colleague concludes, the party leaders have decided that a more nationalistic and assertive approach to foreign policy, designed to turn dissatisfaction outward, is the best short-term means for maintaining the party's prestige.

We have already seen evidence of this approach in an increasingly assertive stance towards Korea, Japan, and other states.

My own expectation is that such Chinese behavior will accelerate an already-emerging arms race in Asia that may well lead to remilitarization and the acquisition of nuclear weapons by Japan and other states.

Finally, I find the report insufficiently probing about China's role in weapons proliferation, to the Middle East, Korea, and elsewhere, and in particular in the proliferation of weapons of mass destruction.

(5) The report appears fundamentally to misstate the official U.S. government position with respect to Taiwan:

The report states (footnote 1) that : “Nixon *asserted that Taiwan was part of China*”—a personal statement that clearly has not bound American policy, which has taken a far more cautious and nuanced tack.¹

The Shanghai communiqué did not “recognize” any such Chinese sovereignty over Taiwan but rather “acknowledged” that it was the Chinese view that they held it. By its choice of words, the United States reserved its position on the ultimate sovereignty of Taiwan, although this fact is often misunderstood..

Because of the importance of the issue of U.S. policy, please permit me to quote rather extensively from the evidence.

It is the case that on first meeting Chinese prime minister Zhou Enlai in 1971 Kissinger affirmed Beijing's formula that the United States did not seek to create “two Chinas, one China one Taiwan, or an independent Taiwan.” (Kissinger omits this fact from his memoirs).² But he did not state that the United States recognized Taiwan was part of China.

Nor does it seem that Kissinger later considered it wise to accept the Chinese view that it held sovereignty over Taiwan, Consider, for example, the discussion at a meeting on October 29, 1976.

The Secretary: “[Dr. Henry Kissinger, Secretary of State] “If Taiwan is recognized by us as part of China, then it may become irresistible for them. Our saying we want a peaceful solution has no force. It is Chinese territory. What are we going to do about it? ?

¹ The statement is found in www.gwu.edu/~nsarchiv/nsa/publications/DOC_readers/kissinger/nixzhou/index.html document 2 page 5, transcript of February 22, 1972 Memorandum of conversation with Zhou Enlai and others.

² Marshall Green, John H. Holdridge, William N. Stokes, *War and Peace With China: First-Hand Experiences in the Foreign Service of the United States* (Bethesda, MD: Dacor-Bacon House, 1995) pp. 117-118

Mr. [William Henry Jr]] **Gleysteen** [Deputy Assistant Secretary of State for East Asian and Pacific Affairs]: The legal position is not tight. We would have recognized Taiwan as “part of China,” not as a “Province of the PRC.”

The Secretary: For us to go to war with a recognized country where we have an ambassador over part of what we would recognize as their country would be preposterous.

Mr. [Arthur] **Hummel** [Assistant Secretary of State for Far Eastern Affairs]: Down the road, perhaps the only solution would be an independent Taiwan.

The Secretary: The ideal solution would be if Taiwan decided to rejoin Beijing. IF they worked out something between themselves; from our point of view this would be absolutely the ideal solution.

Mr. [Oscar Vance] **Armstrong** [director, Bureau of East Asian And Pacific Affairs, People’s Republic of China and Mongolia Affairs]: The likelihood is small.

Mr. Gleysteen.: Yes. Unlikely³

This meeting came five years after Kissinger’s first trip to China and more than two years after Richard Nixon’s resignation as president in April 1974. Therefore it likely represents accurately the thinking of an administration that clearly has *not* recognized Chinese sovereignty. Otherwise what would be the point of the discussion

In April 1982 President Ronald Reagan issued his “Six Assurances” with respect to Taiwan, of which the last two were:

“5. The United States would not alter its position about the sovereignty of Taiwan which was, that the question was one to be decided peacefully by the Chinese themselves, and would not pressure Taiwan to enter into negotiations with China.

6. The United States would not formally recognize Chinese sovereignty over Taiwan⁴.”

In September 1994, Mike McCurry, who served as State Department spokesperson during the Clinton administration was asked if his government considered Taiwan a part of China.

He replied: "Absolutely. That's been a consistent feature of our `one China' policy'."

There was an uproar. The statement was retracted and replaced with the assertion, standard since the Shanghai communiqué, twenty two years before, that the US

³ William Burr, ed. *The Kissinger Transcripts* (New York: The New Press, 1999) pp. 416-417.

⁴ <http://www.fapa.org/generalinfo/sixassurances.htm>

“acknowledged” the PRC's position that there was only "one China."⁵

To the best of my knowledge, the position of non-recognition of Chinese sovereignty over Taiwan, enunciated quietly but clearly by the Nixon administration in all official documents, reaffirmed by the Reagan administration with great clarity, and then more quietly by the Clinton administration, and not repudiated by any successor, administration, has never changed.

Thus, the first premise of this report—that the United States recognizes Chinese sovereignty over Taiwan—would appear to be in error.

Given that we do not recognize such sovereignty, it follows that the highly ambiguous phrase “one China principle” cannot mean (as it is often taken to) that we recognize Taiwan as part of China, since we do not, but rather *that we recognize only one government of China at a time*. In the 1970s, Chiang Kai-shek’s government in Taipei claimed to be, and until 1979 was recognized by the United States as being, the legitimate government of China. Neither Beijing nor Taipei would tolerate recognition of both—in the fashion, for example, that China has recognized both Seoul and Pyongyang, or the United States recognized both East Berlin and Bonn. Today (Taipei no longer makes that claim.)

(6) The report takes a short-term and unimaginative approach to the realities of Taiwan’s future. At the same time, ironically, it pays too much attention to issues regarding the island, to the expense of potentially more serious issues elsewhere around China’s perimeter.

The Nixon China policy that has been followed since the 1970s was premised almost absolutely on the assumption that within a few years of the cutting of relations by Washington, the then-autocratic government of Taiwan would realize it could not continue and therefore come to terms with Beijing. So axiomatic was this assumption that no plans were made for any alternative outcome.

But Taiwan did not come to terms as envisioned. Instead the people of the island re-legitimated their country by making it a free and democratically constituted state. This should be a welcome result to all who value freedom, but because it meant that the “Taiwan issue” did not disappear, as expected, but rather continued, in increasingly vexing ways ways that destroyed both American and Chinese expectations—and without anything more than improvised transitional institutions to manage it—Taiwan’s democratization has been viewed with a certain dissatisfaction by some foreign policy specialists.

Above all, the failure of Taiwan to disappear, has meant that one of the “problems” that the 1970s diplomacy was specifically designed to resolve has in fact remained unresolved

⁵ <http://www.taipeitimes.com/News/editorials/archives/2006/12/21/2003341352>

and grown more difficult. Instead of vanishing at the stroke of an aging autocrat's pen, according to the island Hong Kong like status, the question of Taiwan's *real* future has remained and grown more pressing. Recall that Ambassador Hummel suspected in 1976 that real future would be as an independent state.

In this connection, I note as well that although Hong Kong is discussed, the full importance of developments there to the future of China and Taiwan is not grasped, nor is the degree to which Beijing is attempting to keep the territory from becoming democratic and fully free.

As for the way that focus on Taiwan distracts us: My own view is that China's inland frontiers, with the Muslim and Tibetan worlds most importantly, as well as Russia (no permanent ally in my view) will prove far more challenging to her than will the exhaustively discussed issues with respect to Japan, Taiwan, and so forth.

(7) I find the economic analysis in the report to be misleading and overly positive.

The state is still very much in charge of the economy: to describe it as "market-driven" is perhaps not quite accurate. China's currency is not convertible, interest rates are not determined by market forces, nor are many important prices. No robust legal framework—indeed, to be honest, no legal framework at all—exists for economic development nor do objective and transparent mechanisms exist for the fair resolution of disputes. Property is not well defined or guaranteed, but even under the vague system in place today, most property remains in government hands, as does all agricultural land. Legal redress is by and large unavailable. China's trade policy is fundamentally mercantilist not free trade. Intellectual property rights are not respected or enforced. Finally, much of development depends upon state directed and massive investment by means of loans from state banks, rather than on private investment, productivity increases, or improvements in the allocation of resources. China relies far too much on foreign trade than is appropriate for a country China's size, not enough on domestic demand growth especially from the rural sector, and her economy is shot through with bad debt.

(8) Although China has achieved much, as the report notes, the most challenging problems for Beijing and therefore for Washington in its relationship with Beijing, lie in the future. Neither China's domestic reforms of the last thirty years nor American diplomacy nor that of other countries have really begun to address those questions. The report mentions some of these problems, in some cases providing excellent information and analysis, but nevertheless fails, in my opinion, to address their implications with the seriousness required.

Bear in mind that China's rulers so far have not taken even the smallest steps towards the great reforms that took place in the USSR almost twenty years ago: namely, freeing the press, allowing political parties, adopting democratic and constitutional governance, and making the ruble completely convertible. These actions built a foundation for Russia's future growth that though deeply imperfect, is far better than anything China has created.

To be sure, under Putin Russia has turned back toward autocracy, but she remains far freer than China, and with far more property in private hands.

Given that the big problems of China have not yet been faced, perhaps because they are not the sorts of issues that can be resolved by a cautious and gradualist approach and because these problems *MUST* be solved if China's future is to be bright, it follows that the major and most challenging changes for China still lie in the future.

My sense is many people are so bedazzled by China's current economic rise as to ignore the deep uncertainties that lie ahead. Dealing with these will be *more dramatic and challenging and fraught with uncertainty and danger than anything we have seen in China since Mao's death, even including the Tiananmen massacre.*

(9) As far as the future direction of American policy, I would suggest that we do our best to manage our relations with China calmly and with an eye to our and our allies' interests, and to seek to avoid conflict. But we must not make relations with China the vessel for exaggerated hopes about Asia and the world, or imagine that a China resembling that which exists today, can somehow become a stable and responsible player in international politics and trade-- as I fear many do. Instead, I would urge that as a country we lay our primary stress on strengthening and deepening our trade, and our political intimacy and trust, with states that already share our democratic values and our free market economic system.

Obviously in the short and medium term the most important task for the United States is to avoid conflict and keep our current relationship on track. Doing so successfully will require the highest levels of skill that our most able diplomats and officials can muster. To promote this purpose, I endorse the general policy of engagement of China though I feel it should be more reciprocal, lay greater stress on human rights, and hedge very carefully against Chinese military threats.

A not so small matter is the regular use of visa denial or its threat by China to influence and discipline American journalists, scholars, and others. I would recommend we demand an end to this practice, and reciprocate very clearly in kind if change is not forthcoming.

But certainly we do should not attempt to isolate or confront China.

I would add, however, that I think *a similar approach of active engagement should be taken to other states or "entities" as well, that we currently seek to isolate.* These include North Korea, Iran, Syria, Myanmar, Cuba, Taiwan, Belarus, the Palestinian Authority, and others not fully included today in the international system. If engagement is good for China, as it is, it will be good for them too.

(10) Most importantly, the report provides no guidance that will be of any use whatsoever to policy makers when change in China begins. What should we seek as an

outcome? Whom should we support? What sorts of leverage do we possess? What about our allies and friends? Or should we simply stand aside? Etc,

I do not believe that the United States foreign policy community is remotely prepared to handle change in China. Our response will be bungled at least as badly as was the end of communism in the Soviet Union. (Indeed, many officials and American foreign policy intellectuals believe today that our best interest is the *continuing rule of China by the oppressive Communist Party*)

We should recall that the relatively bloodless transition from Communism in the USSR was almost entirely owed to the wisdom and humanity of Mr. Gorbachev and his colleagues and to the self-restraint of the Russian population and of the occupied nationalities. The United States fundamentally misunderstood the process and made very little contribution to its conclusion. Nor have the Chinese drawn appropriate lessons from it.

Such are my comments. In conclusion may I say that it has been an honor and an education to be a member of this task force, and I congratulate my colleagues on the high quality of the work they have produced.

Respectfully submitted

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Bryn Mawr, PA
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Biography:

Professor Waldron received his Bachelor's Degree in History and Science from Harvard *summa cum laude*, valedictorian in 1971 and his Ph.D, also from Harvard, in 1981. He lived in Asia for four years, studying Chinese and Japanese. Earlier in his career he spent a year in England, a semester in France, and a semester at (then) Leningrad State University, from which he received a certificate in Russian language. He has also taught as visiting professor at the Catholic University of Leuven in Belgium and been a visiting fellow at the Institute for Southeast Asian Studies in Singapore.

He has written three books in English, edited four more books, including two in Chinese, and provided introductions to four others, including one in Chinese. His works have been translated into Chinese, Italian, Korean and Japanese. He has also authored numerous chapters in books, and scholarly articles. He is a regular visitor to China.

Professor Waldron is a member of the board of directors of Freedom House and of the Jamestown Foundation, and vice president of the International Assessment and Strategy Center (www.strategycenter.net) a non-partisan, non-profit 501 (c) 3 research organization based in Alexandria, Virginia. He is a regular consultant to government, having served on the Congressionally-mandated US-China Economic and Security Review Commission and other bodies. He testifies regularly to both House and Senate committees. He has also served as an American representative in “track two” meetings involving India, Korea, China, Taiwan, Japan, and Russia.

Before coming to Penn in 1997, Professor Waldron taught at Harvard, Princeton, Brown, and the Naval War College. He is married and has two sons.