Sino–American Relations: A Work in Progress*

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Sino–American Relations: From Competitor to Partner

In the past two years, U.S. relations with China have undergone a dramatic transformation. The war on terror; the reconstruction effort in Afghanistan; simmering tensions in South Asia; the Iraqi weapons of mass destruction (WMD) challenge; and, most recently, the North Korea nuclear surprise have provided a compelling strategic dimension to the bilateral U.S.–Chinese relationship, enabling Washington and Beijing to coordinate and cooperate in ways that few thought possible under the presidency of George W. Bush. Not since the cold war have security issues occupied such a central place in Sino–U.S. ties.

Although the Bush administration came to power condemning its predecessor’s policy of building a constructive, strategic partnership with China, more concrete progress has been made toward that goal under President Bush than was made under President Clinton. This is remarkable given that Bush and his advisers termed China a strategic competitor during the presidential campaign and advocated strengthening American alliances in Asia and developing relations with India to counterbalance China and constrain Beijing’s ability to pursue policies that would negatively affect U.S. interests.

Since the resolution of the EP-3 incident in April 2001, relations between the United States and China have been on a gradual yet certain upward trend. The tragedy of the terrorist attacks on the United States that year provided enormous impetus. In the wake of the September 11 attacks, U.S. policymakers recognized that the potential threat to American interests from China was remote by comparison to the immediate dangers posed by Al Qaeda plots; Iraq’s refusal to disarm; and, more recently, North Korea’s withdrawal from the nonproliferation treaty (NPT) and possible nuclear fuel reprocessing. Bush administration officials—and most important, the president himself—acknowledged the need for Chinese cooperation in the war on terror and related security matters. By early 2002, National Security Adviser Condoleezza Rice listed China publicly among those “major powers” with which the United States would seek to work to fight the common strategic threat of international terrorism. The National Security Strategy of the United States of America, issued in September 2002, listed China among the “potential great powers” concerning which “hope [exists] that a truly global consensus about basic principles is slowly taking shape.” The document also expressed U.S. intention to seek “a constructive relationship with a changing China.”1

September 11 created a positive set of issues on which U.S. and Chinese officials could consult and coordinate, including (a) stemming the pro-

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liferation of WMDs and their means of delivery; 
(b) sharing information on terrorist networks; (c) 
thwarting terrorist money laundering; and (d) 
enhancing protection for shipping through the 
container security initiative, which Beijing is 
poised to join in the coming months. Regular of-
official consultations on these matters—as well as 
on economics and trade, human rights, and stra-
tegic concerns such as the Middle East and North 
Korea—have become the unexceptional norm in 
the bilateral relationship.

China, for its part, quickly seized the oppor-
tunities presented by the reorientation of Ameri-
can strategy precipitated by the September 11 
terrorist attacks. Beijing grasped the vital impor-
tance of an improved Sino–U.S. relationship to 
China’s economic and political future and opted 
to subordinate other policy objectives to that 
larger purpose, at least for the short to medium 
term. Good ties with the United States provide a 
major source of markets, capital investment, tech-
nology, and know-how—all of which help propel 
the Chinese modernization process. Stable U.S.– 
China relations also constitute the key to main-
taining a secure international environment, 
which China requires to focus on its pressing do-
meric challenges—political succession, mitigat-
ing the dangers arising from the massive burden 
of nonperforming loans and a potential banking 
crisis, curbing rising unemployment, ameliorat-
ing growing social and regional inequality, 
combating rampant official corruption, and damp-
ening popular unrest.

Just as important, Chinese leaders concluded 
that a confrontational approach to Washington 
was more likely to provoke tough responses than 
conciliatory gestures. Beijing has determinedly 
sought to avoid friction with the Bush adminis-
tration. This has been evident in its handling of 
bilateral issues, such as proliferation and human 
rights, as well as multilateral issues, such as Iraq. 
Even on Taiwan, about which U.S.–Chinese dif-
ferences remain sharp, China has attempted to 
seek common ground, emphasizing shared inter-
ests in a peaceful solution and opposing Taiwan 
independence. Moreover, Beijing has substantially 
toned down its antihegemony rhetoric, which was 
irksome to Washington. And as part of a new ap-
proach to the United States, China began to take 
the initiative to address American concerns about 
liferation and contribute in meaningful ways 
to the war on terror. This was unprecedented, and 
it facilitated the shift to a more cooperative stance 
in Washington’s policy toward China.

A key judgment of China’s 16th Party Con-
gress held in November 2002 was the need to seize 
the “twenty-year period of strategic opportunity” 
presented in the early twenty-first century to 
promote China’s economic development. This 
conclusion is based on China’s assessment that 
Washington and Beijing share critical and endur-
ing security interests and that the United States 
is willing to accept China into the club of the 
world’s major powers.

The improvement in Sino–American relations 
brought greater benefits to the United States than 
to China in the latter half of 2001 and the begin-
ning of 2002, as Beijing contributed to the war 
on terrorism by sharing intelligence and work-
ing closely with U.S. law enforcement officials to 
halt terrorist financing operations. Cooperation 
has since been more balanced and mutually ad-
vantageous, however. In August 2002, the Bush 
administration endorsed China’s claim that at 
least one separatist group in Xinjiang has links 
to the Al Qaeda terrorist network and froze its 
assets in the United States. The group, called the 
East Turkestan Islamic Movement (ETIM), was 
subsequently officially accorded the designation 
of a foreign terrorist organization.

In October 2002, President Bush hosted then 
Chinese President Jiang Zemin at his Texas 
ranch, an invitation that had been extended to 
only a handful of world leaders such as Russian 
President Putin and Britain’s Prime Minister 
Tony Blair. During their discussions, Bush pro-
vided firm assurances to Jiang that his adminis-
tration would adhere to a “one-China policy” and 
twice stated his opposition to Taiwan indepen-
dence. This was correctly interpreted by Beijing 
as a signal that Washington valued closer stra-
tegic cooperation with China and hoped to avoid
new tensions over Taiwan, especially as it prepared to launch a military operation against Iraq. In March 2003, the Bush administration decided not to sponsor a UN resolution condemning China for its human rights abuses. The State Department spokesman indicated that the U.S. decision “was based on what we believe will best advance the cause of human rights in China with a new government in Beijing,” but there is no doubt that the Bush administration was influenced by Beijing’s cooperation in the war on terrorism and its relatively muted opposition to the war in Iraq.

**America’s New Security Concept and China’s Response**

In the wake of the September 11, 2001, terrorist attacks, the U.S. concept of security changed dramatically, centering on the need to counter threats to the U.S. homeland from terrorism and WMDs. Although China proclaimed its long-standing opposition to terrorism and firmly placed itself on the U.S. side in the war on terror, Beijing’s view of its security environment was not fundamentally altered by the events of 9-11. Rather, it was the Bush administration’s response to the terrorist attacks, including the shift in U.S. global strategy and the reactions of other nations, that greatly affected China’s assessment of regional and global security.

Initially China was worried by the stationing of U.S. troops in Central Asia, the sharp improvement in U.S.–Russian relations, the war in Afghanistan, the deployment of U.S. forces to the Philippines for a unique training mission aimed at supporting Manila’s efforts to combat terrorism, and the dispatch by Japan of a destroyer to protect replenishment ships in support of U.S. troops in Afghanistan. China’s concerns abated during 2002, however. Sustained high-level contact between U.S. and Chinese officials and enhanced cooperation between the two countries balanced Chinese worries about the increased deployment of U.S. forces on China’s periphery and other attendant negative consequences of the war on terrorism. In addition, the release by the White House of *The National Security Strategy of the United States of America* in September 2002 reassured the Chinese that the Bush administration would not pursue a policy of unrestrained unilaterism. The document’s emphasis on the importance of major power cooperation—specifically citing Russia, China, and India along with NATO and U.S. allies in Asia—restored China’s hope that even if a multipolar world could not be created in the near future, a unipolar world would not necessarily be damaging to Chinese interests.

At the same time, China viewed with concern the *National Strategic Security* declaration that the United States “will not hesitate to act alone, if necessary, to exercise our right of self-defense by acting preemptively against such terrorists, to prevent them from doing harm against our people and our country.” The war in Iraq exacerbated Chinese apprehension about the new U.S. strategy of preemption and the continued unilateralist tendencies in Bush administration foreign policy. Officially, Beijing largely muted its criticism of the U.S. conduct of the war in accordance with its overall policy guideline of seeking to expand cooperation and avoid confrontation with the United States. Nevertheless, Chinese institute experts remain worried about the future direction of U.S. foreign policy and military strategy and their impact on Chinese security interests. To cite an example, my copresenter on today’s panel, Yang Jiemian, vice president of the Shanghai Institute of International Studies, recently wrote in Shanghai’s *Jiefang Ribao* that the U.S. attack on Iraq was an “assault on the existing international order” that marginalized the United Nations and NATO. Yang warned that “the positive trend of the benign complementary relations among major powers that was established by the United States after the 11 September incident is now facing possible reversal.” His opinions reflect growing uncertainty among Chinese military strategists and
international relations experts about the post-Iraq world order and rising concern about the prevailing imbalance of power and the limited ability of other countries to restrain the United States from pursuing unilateralism and taking preemptive measures.

Washington and Beijing have come closer in their views on the dangers posed by the proliferation of WMDs and ballistic missiles, although Beijing still does not attach as high a priority to these threats as does Washington. In August and October 2002, China signed into law new regulations controlling the export of missile technology, chemical weapons precursors and technology, and biological agents. The formulation and promulgation of these new export controls demonstrate Beijing’s resolve to cooperate with Washington in the war on terror to bolster bilateral China–U.S. ties. The United States remains skeptical, however, that the Chinese government will follow through and develop the capacity to implement and enforce the new regulations. Thus although there is diminished friction in Sino–U.S. relations on nonproliferation, it remains to be seen whether the two countries will ever share a comparable commitment to control the export of technology that can be used to produce WMDs and associated means of delivery.

For the time being, Beijing has chosen not to challenge directly the prevailing security setup in the region based on U.S. alliances. Indeed, Chinese leaders continue to reassure the United States that China welcomes the U.S. presence in the Asia–Pacific region and does not seek to expel American forces from South Korea or Japan. China periodically touts its new security concept—which emphasizes the need for a mechanism based on mutual trust, mutual benefit, equality, and cooperation—but has ceased criticizing U.S. alliances as “cold-war relics” that should be dissolved.4

Missile defense remains an issue that will need to be wrestled with. The Bush administration is staunchly committed to an early deployment of missile defense systems, beginning in 2004, even though research and development programs are incomplete. China continues to oppose missile defense as destabilizing, and its response to U.S. missile defense plans is as yet unknown. Undoubtedly, Beijing will work to ensure that any U.S. system developed will be unable to negate Beijing’s ability to launch a retaliatory second strike. This will likely include the deployment of a larger numbers of land- and sea-based long-range ballistic missiles with improved range, accuracy, survivability, and penetration against a missile defense system. China also will respond to the deployment of missile defense systems by Japan and elsewhere in the Asia–Pacific region. The possible acquisition by Taiwan of more capable missile defense systems from the United States will inject new friction into Sino–American relations and will pose a challenge to Chinese policymakers.

The North Korean Nuclear Weapons Challenge

North Korea’s nuclear weapons program has emerged as the biggest potential threat to regional security for both Beijing and Washington. Managing this security challenge poses both opportunities and dangers for Sino–American relations. China and the United States undeniably share a vital interest in preserving a nonnuclear North Korea and in avoiding military conflict on the peninsula. Nevertheless, U.S.–Chinese cooperation in assuring the maintenance of a nuclear-free North Korea faces difficulties and challenges. In the initial months after the revelation of Pyongyang’s clandestine uranium-enrichment program, China joined the United States in condemning North Korea’s announced intention to withdraw from the Nuclear Non-Proliferation Treaty and voted in the International Atomic Energy Agency (IAEA) to refer the issue to the UN Security Council. But Beijing remained reluctant to put pressure on Kim Jong Il to agree to Washington’s proposal to hold multilateral talks. Instead, the Chinese opted to carry
Pyongyang’s water, stressing that the crux of the problem was between North Korea and the United States, based on their calculation that it was easier to persuade Washington to back down than it was to convince Pyongyang to agree to join in a multilateral dialogue. After months of high-level consultations with U.S. officials and several phone calls by President Bush to Chinese leaders, Beijing realized U.S. resolve and shifted to trying to persuade North Korea that its interests could be protected in a multilateral setting.

China’s stepped up efforts—combined with the relatively quick and decisive U.S. victory in Iraq, which likely raised North Korean fears that it would be the next target—resulted in Pyongyang’s acceptance of three-way talks among the United States, China, and North Korea. The Bush administration credited Beijing with obtaining North Korea’s acquiescence to engage in multilateral discussions, further boosting Sino–American ties. The next step is the development of a road map by the United States and China that achieves the Bush administration’s objective of the complete and verifiable elimination of North Korea’s nuclear weapons facilities and the removal of all weapons-grade material from the peninsula. That task will not be an easy one. For the time being, U.S. and Chinese interests and approaches seem to converge, but on close examination, Beijing and Washington have differing priorities and divergent perspectives on how to resolve the impending crisis that will complicate, although not necessarily impede, cooperation.

First, Beijing places its highest priority on maintaining a stable North Korea and on avoiding measures that would escalate tensions, possibly provoke more reckless behavior from Pyongyang, and unnecessarily destabilize North Korea and the strategic buffer it provides for Chinese interests. Any action that might cause the collapse of the North Korean regime, producing a flood of refugees into northeast China and chaos on the peninsula, would ring alarm bells in Beijing. The crumbling of the North Korean regime would also bring uncertainty about the strategic alignment of the successor government. China already faces a sizable presence of illegal North Korean economic migrants who seek food and better opportunities across the border in ethnic Korean parts of northeastern China. By some estimates, there may be as many as 300,000 North Koreans illegally residing in China. That number and the challenges these migrants pose to Chinese local and central authorities would rise exponentially were North Korea to devolve further into economic, social, and political chaos.

In Washington, the preservation of stability in North Korea takes a back seat to the goal of removing the threat of WMDs from the peninsula. Since September 11, 2001, there has been acute appreciation of the dangers to the United States posed by both conventional and unconventional weapons, and there is far greater willingness than ever before to undertake risks to eliminate those threats. In some quarters there is even discussion about the need to bring about regime change in North Korea. President Bush speaks often, both publicly and privately, of his loathing and contempt for North Korean leader Kim Jong Il because he starves his people and devotes a vast portion of the country’s limited resources as well as foreign humanitarian assistance to fortifying his military, catering to the elite, and outfitting his personal playboy lifestyle.

As noted, the U.S. preemptive strike strategy and its application to Iraq have heightened concerns in China that once American forces have completed their military objectives in the Middle East, the Bush administration might use force to attack the plutonium production and reprocessing facilities at Yongbyon as well as the suspected HEU production sites. The U.S. reluctance to provide security assurances has fed skepticism in Beijing about America’s peaceful intentions toward North Korea. American officials have quietly warned the Chinese that the United States really is crazy enough to attack North Korea in the hope that by inciting Chinese fears they would...
persuade Beijing to put greater pressure on Pyongyang to come to the multilateral negotiating table. Reports that Chinese officials hardened their stance in discussions with Pyongyang and temporarily suspended oil supplies to North Korea for several days in February, citing “technical problems,” suggest that this tactic may well have been effective.

A second difference between the U.S. and China’s relationships with North and South Korea is the U.S. commitment to its alliance with South Korea. In contrast, it has virtually no relationship with the North and attaches little importance to developing one. Since the normalization of Beijing–Seoul relations in 1992, China has carefully—and largely successfully—balanced its relations between both North and South with the long-term aim of reasserting Chinese influence over the Korean Peninsula. Although ties between Beijing and Pyongyang are nowhere near as close as “lips and teeth,” as leaders of the two countries frequently described them in the years following the Korean War, Sino–North Korean ties remain amicable. Although their bilateral relations have been strained recently over issues such as North Korea’s continued repudiation of Chinese-style economic and political reforms, North Korean refugees flowing across the border in search of a better life, and Pyongyang’s effort to set up a special economic zone close to China’s border without consulting Beijing, the two countries’ leaders have assiduously avoided an open rift.

Third, China believes that coercive pressure on North Korea will be counterproductive; it is more likely to provoke Kim Jong Il to up the ante rather than moderate his behavior. Beijing opposes sanctions in principle. China has been a target of sanctions all too often, does not view North Korea as susceptible to material pressure, and doubts that sanctions will produce more cooperative North Korean behavior. U.S. officials are divided on this issue. Some believe that the imposition of economic sanctions by all of the North’s primary trading partners and benefactors, including China, would send a strong signal of its neighbors’ determination. The Bush administration supports a presidential statement by the members of the UN Security Council condemning North Korea’s withdrawal from the NPT and demanding the return of IAEA inspectors to the Yongbyon facilities. The Chinese have thus far resisted such a step, believing that it would result in a subsequent push for the imposition of economic sanctions.

Fourth, China and the United States disagree about North Korea’s intentions and capabilities. Beijing is dubious of the U.S. assessment that North Korea already has a nuclear device and will soon be capable of producing dozens of nuclear weapons. The Chinese believe Kim Jong II will agree to bargain away his nuclear programs for the right combination of economic assistance, diplomatic acceptance, and security guarantees. The United States is far less sure of North Korea’s intentions. In addition to the possibility that the Democratic People’s Republic of Korea (DPRK) is willing to bargain away its nuclear programs while in reality continuing its efforts covertly. The Bush administration views the 1994 Agreed Framework as a dead letter and will demand intrusive verification measures to ensure the dismantling of North Korea’s known nuclear weapons programs. Beijing continues to value the Agreed Framework as a “hard-won” agreement between the two sides and would readily agree to return to the status quo ante.

A Test of Sino–U.S. Relations

The North Korean nuclear weapons issue may be an important test of U.S.–Chinese relations. Cooperation between Washington and Beijing to remove the threat of nuclear weapons from the Korean Peninsula and chart a course for achieving a permanent peace there would bolster the nascent U.S. partnership with...
China. Although other bilateral problems in the areas of trade, human rights, non-proliferation, and Taiwan would occur, differences on these issues would become easier to manage as a result of increased mutual strategic trust. Beijing’s willingness to take risks in support of shared security objectives would ease American suspicions that China seeks to divide the United States from its allies and expel U.S. forces from Asia. It might set the stage for broader cooperation to establish an enduring multilateral security mechanism in Northeast Asia. Bilateral cooperation in the war on terror would likely flourish. China might even adopt a more flexible posture toward Taipei and take steps to reduce Cross Strait tension.

On the other hand, in their talks with Pyongyang, Washington and Beijing could quickly reach serious disagreement on the difference between carrots and sticks and when to apply either. A failure of the dialogue to produce a road map to resolve the crisis could result in new escalatory steps by Pyongyang. If North Korea follows through on its threat to reprocess spent nuclear fuel rods, that will pose the threat of the proliferation of weapons-grade material by sea or across China by land or air, which would create new friction in Sino–American relations. If North Korea conducts a nuclear test and declares itself a nuclear-armed state, China will be blamed as contributing to or even shouldering responsibility. A push for sanctions or the use of military force by the Bush administration would likely produce a sharp rift between the United States and China. Critics of Beijing, who remain skeptical of the value of Sino–U.S. cooperation, would seize the opportunity to attack the Bush administration’s China policy.

Looking to the Future

In both the United States and China, there are debates about the sustainability of recent progress in Sino–American relations. The optimists believe that the adjustment in Sino–American relations is strategic, not tactical. Proponents of this view assert that the war on terror will endure for many years, if not decades, rendering unlikely the refocusing of the United States on the potential threat from an emerging China. The optimists also contend that effective cooperation between the United States and China in combating terrorism, curbing proliferation of WMDs, preventing the nuclearization of the Korean Peninsula, and on other security matters will assuage doubts that exist in both countries about the other’s long-term intentions. Moreover, those who are confident that good Sino–American relations will endure argue that bilateral economic and trade ties will continue to deepen and that the web of interdependence will expand.

Those who are skeptical that Sino–U.S. relations will remain on an upward trajectory view the adjustment in the bilateral relationship as superficial and transitory. They emphasize the persisting divergence in U.S. and Chinese national interests and doubt that shared concerns about terrorism and other security threats can obscure deeper strategic differences for very long. Differences cited by skeptics include respective U.S. and Chinese views of (a) the international world order, (b) the security mechanism in Asia, (c) the function of U.S. alliances, (d) the deployment and employment of U.S. military force, (e) the basis of deterrence and the role of missile defense, and (f) how to avert conflict in the Taiwan Strait. In addition, these experts say, an unforeseen bilateral, regional, or international crisis could quickly unravel the gains in what remains a fragile relationship.

In my view, the Sino–American relationship is still a work in progress. It is premature to conclude either that nascent cooperation between Beijing and Washington will provide the basis for a long-term strategic partnership or that it will be a short-term tactical arrangement that suited the needs of both countries at a particular point in history. One thing is certain, however. The prerequisite for a true strategic partnership is the building of mutual strategic trust, which is still lacking in Sino–U.S. relations. The steps the
United States and China take in the coming months and years will determine whether suspicions about each other’s long-term strategy diminish or intensify—which, in turn, will decide the future of the bilateral relationship.

About the Author

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Notes

2. Ibid.