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Interview with Prof. Robert Sutter

U.S.-China relations currently are beset by a broad range of economic, diplomatic, and security challenges. Chinese President Hu Jintao and President Bush proved unable to realize notable progress on many of these issues during Hu's much-anticipated visit to Washington on April 20.

*Prof. Robert G. Sutter of Georgetown University does not foresee major breakthroughs in U.S.-China relations in the near term owing to both countries' intense preoccupations, both internal and external. He sees a period of "marking time," which will enable the United States and China to confront these challenges in a constructive manner. As he also maintains in **China's Rise: Implications for U.S. Leadership in Asia** (East-West Center Washington: 2006), notwithstanding China's rise in Asia, the United States will continue to be the dominant power in the region for at least the next decade, if not longer.*

USAPC: The summit of President Bush and Chinese President Hu Jintao on April 19-20 in Washington was long on symbolism but short on substantive breakthroughs. What did the meeting accomplish, if anything?

Sutter: The summit helped to keep U.S.-China relations constructive. For the past couple of years, the United States has pressed for Chinese cooperation on such issues as the bilateral economic imbalance, human rights, North Korea, Iran, and Sudan. But both leaders currently have other preoccupations, both internal and external, so U.S. officials really did not anticipate that China would give much ground on any of these issues.

The United States, for its part, has major military commitments in Iraq and Afghanistan as well as being engaged in the broader war on terrorism. Consequently, Washington cannot really afford to create a big problem with China—provided that China does not create a problem with us. Both governments want to keep this important bilateral relationship more or less on an even keel, which meant that neither leader pushed too hard on any particular issue at the April summit.

USAPC: With respect to U.S. "preoccupations," the Bush Administration's public approval ratings now are quite low for various reasons. To what extent is the Chinese government taking advantage of this weakness and withholding progress on such issues as United Nations sanctions against Iran or pressure on North Korea to end its nuclear program?

Sutter: China's unwillingness to be more helpful on Iran, North Korea, and the economic imbalance suggests that Beijing is not above exploiting the Bush Administration's political weakness to some degree. But the Chinese leadership also is in a difficult position. Beijing's contradictory foreign policy approaches complicate its efforts to address economic development and other domestic priorities. If the Chinese government does not appear somewhat willing to cooperate with the United States, it runs the risk of galvanizing anti-China sentiments in Congress and at the U.S. grass roots that could create problems.

Congressional opposition last year to the plans of CNOOC [China National Offshore Oil Corporation] to acquire Unocal is indicative of the periodic spasms of anti-China feeling that Beijing must manage carefully if it wants to ensure continued stable relations with the United States. From the Chinese government's point of view, the Bush administration basically is holding the line against domestic forces trying to push U.S. policy in a more extreme direction. Chinese leaders recognize that using confrontational tactics with Washington will not serve their interests. They are willing to take some

steps—albeit not fundamental reforms—that help the Bush Administration to manage these domestic tensions. The Chinese government does what it minimally needs to do to maintain bilateral relations.

USAPC: At one point, it appeared the so-called Six-Party talks aimed at ending North Korea’s nuclear program might serve as a vehicle for U.S.-China cooperation in resolving a problem with both regional and global ramifications. However, the talks have stalled and become a source of friction in U.S.-China relations. Is there another foreign policy challenge the two countries could take on that might serve as a model for diplomatic cooperation?

Sutter: That would depend on the issues we face. Clearly, the Chinese are not prepared to confront the Western-led international community on Iran. In the final analysis, I think China will cooperate in some way or even offer an agreement about how to deal with Iran’s nuclear program.

I am very pessimistic, however, about the extent to which China will use its energy-related and other leverage with North Korea to move the Six-Party talks forward. This is not an issue on which there will be a big breakthrough.

Frankly speaking, I think we should get used to the fact that we will not have big breakthroughs with China in the near term. We are marking time. Beijing recognizes that the Bush administration is not in a strong position. Chinese leaders therefore are reluctant to offer commitments or make a deal with Washington for fear that such agreements would not serve China’s longer term interests—particularly if the U.S. party in power changes in 2008.

So we could use negative terms and describe this as a period in U.S.-China relations of “stagnation” or “marking time.” Alternatively, we could use positive language and say this period is a time to “consolidate our relationship.” At the bottom line, though, things are not bad. We have experienced worse times in U.S.-China relations in recent years. Both sides are trying to manage the challenges confronting the bilateral relationship in a constructive manner.

And these challenges will intensify. The U.S.-China trade deficit will continue to increase and U.S. business will continue to complain about China’s inadequate enforcement of intellectual property rights (IPR) and market access restrictions. The contradictions in China’s foreign policy also undoubtedly will increase. For example, on the one hand, China will endeavor to rise peacefully, but on the other hand, it will also continue to expand its military capabilities. On the one hand, Beijing will try to comply with international laws and norms, but on the other hand, support rogue regimes, such as the current government of Sudan.

The United States will have to find a way to manage these challenges. As I said earlier, the Bush administration currently is not in a position to pick a fight with China. Congress may want to pursue a harder line, but the two countries have become so economically interdependent and American business makes so much money through trade and investment with China that it will be hard for protectionist legislation to gain traction.

We will hear a lot of complaints from Capitol Hill and see spasms of anti-China activity, particularly in the run-up to the mid-term congressional elections, but such “noise” and related legislation will not alter policy in a meaningful way. I cannot see anything as extreme as the bill introduced by Senators Charles Schumer (D., New York) and Lindsey Graham (R., South Carolina) passing Congress. [The Schumer-Graham bill would impose 27.5 percent tariffs on all Chinese imports in retaliation for Beijing’s unwillingness to allow the *yuan* to appreciate against the dollar.]

It is important to remember that as recently as seven to 10 years ago there was far more congressional antipathy toward China in the debate about granting it most-favored nation (MFN) status. However, as long as the White House made clear it would veto bills that denied MFN status to China, Congress could never garner enough votes to ensure a successful override. The anti-China spasms we are seeing today are not as strong or as deep as the groundswell of opposition we experienced in the 1990s.

USAPC: Some regional analysts contend that China seized the opportunity presented by the post-9/11 shift of U.S. diplomatic and strategic priorities to expand its economic and political influence in Asia. Do you think the United States is losing out to China in Asia?

Sutter: The record shows that the Chinese long have been trying to outmaneuver the United States so that eventually there will be an Asian order in which the United States plays a less prominent role. However, Beijing is not prepared to do very much right now to affect that outcome. The Chinese government's actions right now are aimed at maintaining stability, pursuing economic development, reassuring neighbors that China's intentions are peaceful, and creating an atmosphere that excludes Taiwan as an independent nation.

I have been impressed by how the Chinese have pursued this in a very iterative manner. If you go back to the Tiananmen Square protests of 1989 and observe the progression in U.S.-China relations since then, you will notice that the Chinese government was much harder on the United States in the 1995–2001 period. Beijing adamantly and very vocally opposed the U.S. security system in Asia. But the hard-line approach failed. China's neighbors were put off by it. Chinese leaders realized that the nation's interests were better served by pursuing regional leadership in a more moderate manner. That will continue to be their approach in the years ahead.

If you look at the balance of influence in the region, yes, China definitely has enhanced its position. With the exception of Japan, and of course, Taiwan, the policy elites and citizenry of most Asian countries have welcomed China's cooperative approach. However, Asian government officials that I frequently interview take a more calculated, pragmatic view of China's "charm offensive." They understand that it is in their countries' interests to cooperate with China where possible, encourage positive Chinese behavior, and pursue economic opportunities with China, recognizing that such ties also have a downside.

In that context, the United States remains important to Asian nations. It remains important (1) as a security guarantor and (2) as a trading and investment partner. On the security side, the United States is still willing to do the job. Asian leaders want this kind of guarantee because there still is a great deal of uncertainty and some acrimony between and among the regional governments. In general, Asian governments do not trust each other.

Asian nations are uncertain about what to do in the post-Cold War environment, so most of them hedge. They certainly want to develop better relations with a rising China, but they do not want to be under China's sway. They are very assertive, nationalistic governments that are focused on economic development. Yet, several of them worked with each another to make sure that China did not dominate the December 2005 East Asian Summit. They find other ways to hedge, and the United States looms very important in this hedging strategy.

The United States is still the power they count on to ensure regional stability. It does not want their territory. Admittedly, the U.S. government has been a real nag about the war on terrorism. Asian nations do not necessarily like the style of the U.S. diplomacy and national security policy, but they like the substance very much. In the past year or so, the United States has managed the substance of its diplomacy and national security policy with an improved style, which has helped its stature in Asia.

On the economic side, although China has emerged as a center of intra-Asian trade, regional governments also have come to understand that so much of intra-Asian trade depends on good trade and economic relations with the United States. They recognize that not only has the United States been willing to absorb a \$600-700 billion trade deficit with world exporters, notably in Asia, but this imbalance also is essential for their economic well being. And what other country would be willing to assume such an extraordinary economic burden?

So to sum up, China is rising in a regional setting in which the United States still dominates—despite ineffective leadership from the Bush administration. Security and economics are the foundation of U.S. leadership in Asia, and the United States will continue to be the dominant power there for at least the next 10 years, if not longer.

USAPC: Chinese President Hu reportedly devoted a portion of his meeting with President Bush to what China regards as the provocative actions of Taiwan President Chen Shui-bian, in particular, Chen’s January 29 announcement of his intention to abolish the National Unification Council (NUC). Do you think the Bush Administration has upheld the “one China” policy effectively and dealt with Chen appropriately?

Sutter: The Chinese government recognized two years ago that it was not in a very good position to deal with President Chen. It was during this period that the Taiwanese leader was particularly outspoken about taking actions that would move Taiwan toward independence. Chinese leaders could see that pressure on Chen risked making things worse by galvanizing his domestic political support. But if they remained silent, Chen would not hesitate to pursue his pro-independence agenda. Through this experience, they came to understand that they could not control Chen or the pro-democracy/pro-independence forces in Taiwan.

Today, the Chinese government is in a much better position, but that is to a considerable degree because the Bush administration intervened. The White House determined that U.S. interests were not well served by Chen’s provocative behavior so President Bush rebuked the Taiwanese leader during the Washington visit of a high-ranking Chinese official. Washington decided to take this action and subsequent actions, not so much to influence Chen—who was not willing to be influenced by the Bush administration—but to influence the Taiwanese electorate. That strategy worked and since then has served to constrain Chen’s behavior somewhat.

Today, the Bush administration apparently does not see the need to play to the Taiwanese electorate as much as a means of reining in Chen. For one thing, Beijing’s overtures to Taiwan are more effective. In addition, Taiwan’s political opposition, which was very weak and passive in 2003–04, is much stronger. Both factors make it harder for Chen to gain traction for his pro-independence initiatives.

More broadly, though, I think the Bush administration’s approach to the Taiwan question should be reevaluated and probably will be by a future U.S. government. Strong, one-sided strong support for Taiwan has not worked very well for U.S. interests. The next administration, be it Republican or Democratic, will need to pursue a more nuanced approach with less overt, “blank check” support for Taiwan. Taiwan should be compelled to do more for its own defense, and U.S. policy should be better aligned with the realities of cross-straits relations.

In the history of U.S.-China relations since the Nixon administration, there has been a strong proclivity during most of this period for the U.S. administration to favor China at the expense of Taiwan with respect to cross-strait issues. I think proponents of this view will rise to the fore. The Bush administration represents only one side of this issue, one side of the political spectrum. The very asymmetrical, one-sided nature of Bush administration’s approach to the Taiwan question has had very mixed results for U.S. interests, and those results probably will compel the next administration to take another careful look at this issue.

USAPC: Going back to the Six-Party talks—Hu has said that China does not want a nuclear North Korea any more than the United States does. Yet, the Chinese do not appear uncomfortable with the protracted nature of the Six-Party talks and the fact that the stalemate basically enables North Korea to continue developing its nuclear capabilities. Do you think the

Chinese are willing to tolerate a nuclear North Korea in the short term as a means of building goodwill that, hopefully, will lead to the dismantlement of the program in longer term?

Sutter: Yes, I do. I think that has always been their view. China has priorities when it comes to North Korea, and stability seems to be more important than de-nuclearization. The Chinese agreed to participate in the Six-Party process primarily because they were concerned about a U.S.-led war. They saw the talks as a way to manage a nuclear North Korea in a way that maintains stability on the peninsula.

In truth, we have been living with a nuclear North Korea for several years, and I think we will have to get used to it. If North Korea proliferates, however, that would be disastrous. The United States would feel compelled to take strong actions against Pyongyang, which would threaten to destabilize Northeast Asia and cause a real crisis in U.S-China relations. But short of evidence of North Korean proliferation, I think China is prepared to live with the current uneasy balance and will try to keep North Korea from conducting tests or taking other kinds of provocative actions.

China has been developing economic relations with North Korea, leading to suspicions in Seoul that Beijing is trying to solidify a “bumper state.” Respected experts in Seoul maintain that China’s leadership would prefer to have a revitalized, independent North Korea that is attached economically to China rather than a unified Korea. I tend to agree with these experts.

So while the Chinese government says it does not like having a nuclear North Korea, its actions suggest that stability remains the number-one priority and it is willing to live with the consequences of that policy.

USAPC: Japanese Prime Minister Junichiro Koizumi’s insistence on visiting the Yasukuni Shrine has fueled tensions in Sino-Japanese relations. [The shrine serves as a memorial to soldiers who died fighting on behalf of the Japanese emperor, including 1,068 convicted Japanese war criminals. Chinese, Koreans, and other Asians who suffered under Japanese colonial rule in the pre-1945 era take great offense to its presence, which they regard as emblematic of Japan’s refusal to fully atone for its militarist past.]

Koizumi’s term expires in September, but some likely candidates to succeed him already have indicated that they would continue the Yasukuni visits if elected prime minister. Do you think it would be appropriate for the United States to mediate this dispute?

Sutter: The U.S. government should be very careful about this issue, especially as it applies to relations between Japan and China. The past record and U.S. interests in Asia do not argue for any sort of strong U.S. role in mediating this Sino-Japanese dispute. In addition, I think the problem is self-correcting. We have observed the ebb and flow of Sino-Japanese relations before, and they work things out eventually because they have common interests.

Neither Japan nor China wants to fight anyone. Both governments are internally focused, and economics are very important to their respective domestic situations. Economic relations and the need for regional stability motivate them to keep this dispute within bounds. Admittedly, nationalistic sentiments are strong in both countries. But in the final analysis, their interests are not well served by fighting each other.

China’s Asia strategy, in particular, is weakened by a dispute with Japan. China cannot rise peacefully in the region if it is embroiled in conflict with an Asian power like Japan. I think Chinese officials recognize this, as do Japanese officials.

Nevertheless, both nations, but especially China, are looking to the United States to bail them out. But I think it would be very foolish for the United States to intervene on the “Yasukuni” issue. If I am incorrect about the problem being self-correcting or if China and Japan appear to be headed for serious

conflict, say, over territory in the East China Sea, then perhaps the United States should intervene. But ultimately, I think both nations will back away from this dispute because they realize that their interests are not well served by escalating tensions and conflict.

I recognize that I may hold a minority view about U.S. intervention, but I approach this issue as an historian. Basically, the U.S. government and the American people do not have as visceral a reaction to the Yasukuni Shrine as Asians. The attitude of many Americans is: “We occupied Japan, we taught them a lesson they won’t ever forget, so we don’t have to worry about the shrine.” Moreover, the U.S. government has been indirectly involved in and probably bears some responsibility for Japan’s approach to its war record in Asia. In contrast to its approach to post-Nazi Germany, the United States embraced - the Japanese emperor as the nation’s leader, failed to take strong actions against Japan’s subsequent interpretations of its war record, and worked closely with conservative Japanese leaders—some of whom were closely associated with Japan’s negative record in Asia.

Currently, the Yasukuni Shrine is a big issue, especially for China. So should the United States intervene because it is an intense issue for China? I do not think so. In particular, such action would not respect Japan’s role as a loyal ally. The United States has few loyal allies today. Japan, more than most, is doing what the United States wants and needs in various parts of the world and remains very supportive of the United States. Do we say to Japan, “Yes, we know you are a loyal ally, but that doesn’t matter because China is upset.”

Is China the same kind of ally? I would say no. China is partner on some things, but also an adversary and a competitor. For the United States to intervene on the Yasukuni issue might suggest to Japan that Washington can allow itself to be manipulated by Beijing, or worse, that China is more important to the United States than Japan. In this context, I just do not think it serves U.S. interests to mediate the Yasukuni dispute.

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