

**JACOB KOVALIO**

## **Security and Foreign Policy Issues in Chinese-American Relations**

### **Introduction**

The 21st century in Asia Pacific begins under the continuing impact of two major events of the 1990s, which, though different in nature and magnitude, were equally unexpected and thus stunning: the Asian financial crisis and, particularly, the collapse of the Soviet Union. In 1991, suddenly and most surprisingly peacefully, 45 years of inimical bipolarity popularly known as the Cold War ended in a „domino effect“ which liquidated communism in Eastern Europe and then in the Soviet Union and Mongolia. A new world order - in the words of then American President George Bush- began to emerge, the first decade of which was characterized by unipolarity - the United States as the only military and political superpower in the world. The US reinforced its dominant position by a feat of economic recovery in the late 1990s, which was as surprising as it was unexpected. After all, since the late 1980s, prominent individuals as diverse as Canadian labour leader Bob White, Deutsche Bank/ Grenfell- Asia president Kenneth Curtis and Yale University historian Paul Kennedy, referred to the United States as a „falling star,“ a power in inevitable decline due to „imperial overstretch.“

The third millennium starts with Russia, temporarily a disintegrating nuclear and scientific superpower, incompetently led by corrupt politicians, dominated by organized crime and its people desperately waiting for the next „saviour“ with a big whip. Since the European Union is yet to become a self-standing global political and military entity, and India is still groping for ways to realize its inherent capacity, China, by default rather than design, has come to be referred to as a superpower, a challenger to American supremacy. Indeed, two centuries after Napoleon's famous statement about the world trembling once the Middle Kingdom awakens, there has appeared a tendency to consider that eventuality a fact, much before China is actually the entity it may yet become.

October 1<sup>st</sup>, 1999 was the fiftieth anniversary of the founding of the communist People's Republic of China [PRC], in the wake of the victory of Mao Zedong's forces over the nationalists of Generalissimo Jiang Jieshi [Chiang Kaishek] in the twenty-year civil war. Mao's one lasting achievement in his 27 years in power was the reunification and stabilization of continental China, after 110 years of internal decay and external encroachment. However, the PRC would not have reached a point where it is touted as a contender for global economic and political prominence, if not for Deng Xiaoping's „open door“ policy launched in 1978 and continued by Jiang Zemin.

The thrust of that policy is for the PRC to enhance its comprehensive national strength [*zhonghe guoli*] chiefly through economic prosperity and a powerful military.

A decade after the downfall of the Soviet Union, China seems to have been capable of avoiding all the mistakes that destroyed Mikhail Gorbachev's regime and that of his successor. It has done so through policies incorporated in the genial oxymoron of „socialist market economy“ - which some consider a generic term for the communist regime gradually reforming itself into oblivion. Symbolic of the nature of today's China was the fact that while President Jiang Zemin, on October 1<sup>st</sup>, was stating forcefully in Tiananmen Square that socialism is China's only salvation, in Shanghai a posh gathering of some of the world's most prominent capitalists, organized by the magazine Fortune, was taking place.

The revolutionary transformation it has been undergoing economically, socially and selectively, politically as well, since 1980, is the first to occur *peacefully* in China's 3000-year documented history. For the longer term, it is unknown how much time the Chinese leadership has before it is forced to allow a grassroots political thaw to match or at least accompany more closely, the reforms in the economic and social areas and at the top levels of political life. The nomination of a vice-president - Hu Jintao- in early 1999, and his elevation to the post of vice-chairman of the Central Military Commission in September 1999 bear much political importance. The relatively youthful Hu [56] may be the first Chinese leader to peacefully succeed his retiring predecessor -Jiang Zemin- in 2002. Another significant change came in March 1999, when the rule of law and the importance and sanctity of private property and enterprise were enshrined in the Constitution.

China's troubles in modern times have been mainly the result of internal instability. In its continuing march toward reform in the coming century, the PRC's immediate internal problems, despite its achievements over the past two decades are daunting : unemployment [about 100 million, the direct result of the closure of thousands of inefficient state-owned enterprises [SOEs], bureaucratic corruption, urbanization, the People's Liberation Army [ PLA] ceasing involvement in civilian economic activity, ethnic questions in Tibet and Xinjiang, transition to the fourth-generation leaders, environmental degradation and nationalism [when independent of government guidance]

### **The Chinese Foreign and Security Policy**

China is the only nation in the world which at one and the same time is -in the words of a Chinese analyst - „a great developing country and a permanent member of the UN Security Council.“ [Xie Wenqing, „*Views regarding East Asian security*“, **International Strategic Studies [ISS]**, 1998 ] In more demonstrative terms, China is a nation with a per-capita income equal to that of many sub-Saharan nations, but which, at the same time, possesses intercontinental ballistic missiles.

A recent analysis of China's unique international dichotomy goes as far as concluding that it „confuses ...outsiders...and the Chinese themselves“ [Koro Bessho, „*Identities and Security in East Asia*“, **Adelphi Paper** No. 325, International Institute of Strategic Studies (IISS), July 1999]

China's semi-colonial past - mainly attributable to a combination of its own cultural arrogance and internal decay- postponed its genuine modernization. Past indignities it suffered at the hands of Western powers and Japan, for many years have given China a position of de-facto leadership among nations with a similar experience in Africa and Asia. But even though in the past it promoted guerrilla-style „people's war“ strategies throughout the world, Beijing was very careful to regain jurisdiction over Hong Kong and Macau following a process of peaceful negotiations, not because it feared British or Portuguese might, but because that approach was in its best interest. Therefore, since it gains sympathy and is advantageous economically, at present and in the immediate future, the use of past foreign encroachment as a diplomatic tool is going to continue. The nationalistic echo of such an approach is useful at home as well, in helping maintain and reinforce the legitimacy of the present regime while allowing its dramatic departure from communism.

In general, the PRC's basic criteria in foreign policy and security since 1980 are: 1 - The Five Principles of Peaceful Coexistence [first enunciated at the 1955 Bandung Conference] and the UN Charter - both reinforcing sovereignty and non-interference of nations in each other's internal affairs. 2 - Settlement of international disputes by peaceful means. 3 - Anti-hegemonism . 4 - Nations should not seek military capabilities beyond their legitimate needs 5 - Nuclear states should commit themselves not to threaten with nor be the first to use nuclear

weapons 6 - Emphasis on economic cooperation as a positive link even between nations with different political systems.

Among the above principles, Samuel Kim has singled out state sovereignty as the most basic characteristic of Chinese diplomacy and security policy : „no state sovereignty -no world order.“[ „*China in the post-Cold War world*“, in Stuart Harris and Gary Klintworth ed. **China as a Great Power**, New York: St. Martin's Press, 1995, p. 48]

In practical terms, since the collapse of the Soviet Union, China has seen the so-called new world order as multipolar, although the United States, at the end of the 20<sup>th</sup> century achieved a level of international economic and military preponderance it had not had since the 1950s. Multipolarity seems to be the PRC's most convenient and safest diplomatic position from which to challenge American supremacy. Chinese leaders, civilian and military, consistently reiterate the mantra of multipolarity. General Xiong Guangkai, the Deputy Chief of the PLA General Staff, in a speech at Harvard University on December 16, 1997 [„*Gearing toward the international security situation and building of the Chinese armed forces in the 21st century*“, in **International Strategic Studies**, No. 2, 1998, p. 3] mentioned multipolarity as the central component of the post-Cold War international structure, conducive to peace and stability. Next in importance were the need for state-to-state relations to be conducted on the basis of mutual respect, equality and mutual benefit and that dialogue and consultation were the best means for enhancing mutual understanding and trust and resolving disputes.

## US-China Relations

Russia's weakness and Japan's self-imposed restrictions, make the US-China relation the most important in Asia Pacific. It would not be an exaggeration to say that the 1990s were a Chinese decade in Asia Pacific and an American-Chinese decade globally. This state of affairs was achieved under the surprisingly competent leadership of the troika of President Jiang Zemin, Premier Zhu Rongzhi and National People's Congress Chairman, and former prime minister, Li Peng.

Historically speaking, China's relations with the US at present are the most equal ever. In the 18th century China was stronger, in the latter 19th and twentieth centuries the US was dominant. At present there is a natural search for balance between the two, China having a large trade surplus and the US being far ahead in all other fields .

Good Sino-American relations are mandatory for stability in Asia Pacific.

The US and China share common positions and have cooperated on a variety of strategic issues such as the Korean peninsula, preservation of the UN security system, maintenance of regional peace, and, though diverging on interpretation, as will be shown later, even on avoiding reunification of China and Taiwan by military means.

With the exception of the issue of Taiwan, China, more often than not has come to behave as a satisfied power on the international arena .One of the important examples of this is the abandonment of the „people's war“ activities in the developing world. For China, the US is important economically as a source of investment and technology and as a major market. For the United States, China has become an indispensable source of low-cost production capacity and a market of great promise. It is in the best interest of the US that China not be in a situation of significant scarcity, which may trigger a radical change in the latter's political stance as well as increase dramatically refugee arrivals in the US.

The periodical tension between the two powers is not a surprising phenomenon given the nature of contemporary international relations as a contention of national interests. China and the United States have to find a way to conduct a constructive relationship amidst inevitable incompatibilities of strategic, economic and political interests. Because of sovereignty

connotations, China inevitably criticized the US for bypassing the UN in leading the military campaign in Kosovo, and staunchly defended Yugoslav sovereignty as paramount. Farfetched though it sounds, Beijing saw Kosovo as a terrible precedent that might be repeated in Taiwan or Tibet. China also opposed the dispatch of UN forces to East Timor as a violation of the sovereignty of Indonesia. The May 7, 1999 accidental US bombing of the Chinese embassy in Belgrade triggered government-sponsored anti-US demonstrations, the siege of the American embassy in Beijing and the torching of the US consulate in Chengdu. The incident came at a very propitious moment for Beijing in that the approaching anniversary of Tiananmen-1989 attracted less attention.

Knowing the US sophistication in electronic warfare, the Chinese refused to accept American apologies for the Belgrade incident. The Chinese thought that the bombing was in retaliation for their opposition to the Kosovo campaign. Media reports in late 1999 tend to support the Chinese position.

In reaction to the bombing, China suspended mutual military visits, postponed talks on arms control and discontinued talks on human rights. The Chinese government angered the US by not publicizing the repeated attempts by President Clinton to contact President Jiang to apologize. The Chinese demands that the US fulfil four conditions: issue a US/NATO apology; conduct a thorough investigation; publicize the details of the incident and punish those responsible, before a return to normalcy, were not accepted; neither were Chinese attempts to squeeze concessions out of the US. Beijing was also disturbed by the lack of European autonomy on the Kosovo issue.

The release, in May 1999, of the mammoth Cox Report commissioned by the American Congress, on the alleged Chinese stealing of secrets of blueprints of US advanced nuclear and missile guidance technology secrets escalated the tension. Impartial readers of the 800-page report were stunned more by the incredible sloppiness of US security agencies, rather than by the alleged ability of the Chinese to profit from that incompetence. This is particularly shown in statements like „PRC penetration of our national weapon laboratories spans at least the *past several decades* and almost certainly continues today.“ The report also criticized American companies like Hughes Aerospace for selling advanced electronic systems to China, yet concluded that „the United States retains an overwhelming qualitative and quantitative advantage in deployed nuclear forces.“ Taiwan-born scientist Wenho Lee was fired from his position at the Los Alamos nuclear research center although he is yet to be charged with anything, and solid proof for the US allegations is yet to be presented. An inquiry panel led by Admiral M. Jeremiah did not produce any hard evidence either, although it repeated the original accusations.

The inability of the two to reach an agreement on China's accession to the World Trade Organization [WTO] despite dramatic compromises that the Chinese made during the US visit of Premier Zhu Rongji in April 1999, because of the American leader's fears of internal criticism was, according to US analyst Bonnie Glaser, „a colossal blunder by President Clinton.“ [„*Sino-American relations challenged by new crises*“, in Pacific Forum's **Comparative Connections**, July 1999] Clinton was encumbered by criticism from the Republican majority in Congress which would have opposed agreement with China on the WTO against the background of the Chinese espionage scandal that erupted in the US and evidence that the PRC had made donations to the Democratic Party. Premier Zhu was harshly criticized in his own country after the Office of the US Trade Representative publicized a 17-page list of Chinese concessions, causing student demonstrations and comparisons with Japan's insulting 21 demands of 1915....In the wake of the Clinton visit in 1998, the feeling was strong in China that a strategic relationship was emerging between the two countries, mainly based on the personal relationship between the two leaders. All these thoughts

dissipated after Zhu's debacle. „Clinton proved to have no backbone“, a Chinese diplomat observed.

China has often voiced grievances regarding US arms control and disarmament policies. Wang Zhenxi, Senior Adviser to the CISS and Zhao Xiaozhuo, Research Fellow at the Academy of Military Sciences of the PLA, in „*Adjustments of US Arms Control and Disarmament Policy after the Cold War*“, in the **ISS**, No. 2, 1998] are critical of American arms control and disarmament policy which they see as „an important tool in maintaining the US status of ... military superpower, as well as a strategic means to contain the rising of regional powers [i.e. China] which may constitute a threat to the United States“. The writers see the US push for the Comprehensive Test Ban Treaty [CTBT] in similarly suspicious fashion: „Having conducted over half [1030 out of 2044] of all nuclear tests, and thus having achieved the highest nuclear accuracy,“ it now uses the CTBT „to restrain other countries from developing nuclear weapons while quietly improving its own.,and ensure its position as the sole military superpower after the Cold War.“ Ultimately the US wants a situation to emerge in which. the international security order [will] be dominated by the United States.

American containment of China in the past, much based on ideological grounds, did not give good results; therefore the US seems to have opted for engagement. This has been the general trend of the China policy of the Clinton administration since 1995, when it dropped the linkage of human rights issues with the annual renewal of most-favoured nation [MFN] status for Beijing. The US Department of Defense *East Asia Strategy Report* [EASR] of November, 1998, emphasized the need for a comprehensive engagement with China to build the foundation for a long-term regional relationship based on cooperation on major issues, such as stemming the proliferation of weapons of mass destruction, terrorism, drug trafficking, etc. A document of greater importance for its specificity, is a position paper titled *The Content Engagement with China* by former Defense Secretary William Perry and Ashton B. Carter, and published in July 1998. The paper considers two cardinal issues for the future, the first of which is the *peaceful rise of China*. The engagement of China, which the document sees as a central part of the US *preventive defense strategy* should be achieved through various means: the deepening of defense-to-defense relationship, at all military levels, „track two“ talks, joint activities [though the PLA prohibits them], the fostering of nuclear weapon safety through cooperation between the US Strategic Air Command and the Chinese Second Artillery Corps, familiarization briefings, and military, civilian and parliamentary educational exchanges. The second major issue concerns *Taiwan* on which the document reiterates US commitment to One China and to Taiwan as an inter-Chinese problem as well as American disinterest in mediating the dispute. Suggestions for a peaceful solution on Taiwan include: greater cross-strait contact, allowing the island some international representation and other confidence-building measures. The document considers it vital to encourage China to participate in counter-proliferation and other security efforts, while expressing concern about Chinese actions such as the transfer of ring magnets and M-11 short-range missiles to Pakistan.

In an article in the Washington Post [„*All is not quiet on the Eastern front*“] prior to the Clinton-Jiang summit at the APEC conference in New Zealand, in September 1999, Henry Kissinger -against the background of the bombing of the Chinese embassy in Belgrade and the accusations of espionage leveled at Beijing by Washington, marring the relationship - addressed the possibility of war between the US and China over Taiwan. He compared the tension between the two to the situation between Germany and the Entente powers on the eve of the First World War. Dr. Kissinger's inappropriate parallelism may be seen as a symptom of the exaggerated evaluation of China's capacity, based on its potential, not actual capability. At the dawn of the 21<sup>st</sup> century, China simply is no match for the United States militarily. Only the unlikely scenario in which the US would attempt a conventional confrontation on

China's territory would put the latter in an advantageous position. China *does* have a limited nuclear deterrent capacity, nonetheless, given limited US anti-ballistic missile [ABM] defense capacity, thus possibly allowing one or more of China's handful of operational ICBMs to reach American territory.

### **The US-Japan Security Treaty and China**

In general, China supports cooperative multilateral security structures like the ASEAN Regional Forum [ ARF], the Asia-Pacific Security Cooperation Council and the Northeast Asian Cooperation Dialogues, but is suspicious of bilateral alliances, particularly of the US-Japan security treaty. New guidelines governing the US-Japan Security Treaty [ANPO] were promulgated in 1999, after a process that lasted five years, in order to adapt the alliance to the post-Cold War environment. The document refers to China in terms of friendly engagement. Nonetheless, China remains suspicious that the guidelines may actually cause interference by the US and Japan in Taiwan and even in the Spratly area, in the South China Sea, despite repeated attempts by both Tokyo and Washington to allay Beijing's fears. Of particular concern to China is the fact that the guidelines provide for Japan to extend logistical and other non-combatant assistance to US forces in case Japan's security or that of „*areas surrounding Japan*“ is jeopardized.

Xie Wenqing, Senior Research Fellow at the PLA's China International Institute for Strategic Studies [CISS], in an article titled „*Views regarding East Asian security*“, **International Strategic Studies [ISS]** 1998, voices clearly China's concern:

„The [US-Japan] military alliance, meant for the protection of Japan during the Cold War, will be converted [by the new guidelines] into one which has a role to play in the whole Asia-Pacific region ... even with China's Taiwan included.“ Japan is encouraged to change its former military strategy of „exclusive defense“ to one which is to „deal with possible contingencies“ in the Asia Pacific ... [meaning that ] the U S and Japan will take joint actions in case of military conflicts in the Asia Pacific ... Such ... military cooperation will play no positive role in maintaining peace and stability in the Asia-Pacific but, on the contrary, will cause grievous restlessness ... „in the region“.

In a regional sense, in Xie's opinion „... practices of using military alliances as a tool to seek domination ... in regional affairs will only impel the countries concerned in East Asia [i.e. China] to exercise vigilance and take correspondingly precautionary measures ... to the disadvantage of peace and stability in the region.“ A recent development which has been given very little attention is the interpretation the US and the Philippines have given to the Visiting [US] Forces Agreement [replacing former US military presence at Clark and Subic Bay] ratified by the Philippine Senate in May 1999. The two nations consider that the document which deals with military cooperation between them, applies to the Spratly islands which are disputed by Manila, Beijing and other southeast Asian nations, thus creating a new source of potential confrontation between Washington and Beijing.

The *Guidelines for Defense Cooperation between the US and Japan*, ratified in May 1999, were at the core of the agenda of the Jiang-Obuchi summit in Beijing, in July 1999; of particular importance for the Chinese side were the implications for Taiwan. Prime Minister Obuchi stated that Japan was considering very carefully the crucial Japanese-Chinese relations in applying the Guidelines. He tried to convince the Chinese that a conflict over Taiwan that would trigger the Guidelines was very unlikely and that they were defensive and would only be implemented if and when Japan's security would be directly affected. Obuchi took pains to convey to the Chinese the idea that although in theory Taiwan falls within the scope of the Guidelines, in fact the island is not covered. He was trying to get the Chinese to

trust in Japan's good-neighbourly intentions. He also stated that the Peace Constitution does not allow Japan to act directly in a contingency in Taiwan or anywhere else.

The possibility of future competition between China and Japan for leadership in Asia Pacific is mentioned occasionally. In general, as long as the US has the resources and determination to continue its strong involvement in the region, the idea of a Sino-Japanese „race“ for leadership in the area is an academic proposition. It is true that the US presence in the distant future or under unforeseen circumstances may be the catalyst for a Sino-Japanese rapprochement based on cultural and „racial“ elements. At present, and probably in the foreseeable future, Japanese concern regarding China is expressed over the following issues: 1 - Lack of transparency in China's defense policy, even after Beijing's first-ever Defense White Paper of 1998. 2 - The double-digit increase in Chinese defense spending. Tokyo has been considering these issues within the bilateral defense structures with the United States. In 1998 the two allies formed a Bilateral Planning Committee [BPC, under the jurisdiction of the Security Consultative Committee -composed of Japan's Foreign Minister, Defense Agency Chief and the US Defense and State secretaries] that conducts defense planning and considers plans on potential emergencies, together with a Subcommittee on Defense Cooperation [SDC] entrusted with emergency planning.

On the whole, when considering postwar Asia Pacific, one has to remember the region's unprecedented political situation: all the nations are genuinely independent and the US, Japan and China are *all* strong. American preponderance in the political and economic sense is of the *primus inter pares* kind. It is its military supremacy that gives the US a position of leadership for the foreseeable future.

At the start of the 21<sup>st</sup> century, in matters other than security, there exists a de-facto „division of labour“ between the two major Asian powers: China in the UN and related political structures and Japan in the G-7 and mainly in economic spheres. Nonetheless, during the „Asian flu,“ China played a significant role by, for instance, not devaluing the renminbi and extending limited aid to Thailand and South Korea.

The security triangle of the US-China-the Soviet Union in northeast Asia was replaced in the late 1990s by the triangle of US-Japan-China. Notwithstanding the US-Japan alliance in which the latter acts as the junior partner, Tokyo has the capacity to follow its own path when its national interests are at stake. The „strategic partnership“ the Chinese side thought it had forged with the US after the successful exchange of official visits by their respective leaders in 1997-98, practically dissipated in 1999, in the wake of the differences between the two powers over Kosovo, the US bombing of the Chinese embassy in Belgrade and the sensational Cox Report. Jiang Zemin has to reassess his evaluation of Japan, which prior to his official visit to Tokyo, in November 1998, he had bluntly referred to as „strategically worthless.“ Beijing has to find balance and compatibility in its relations with both Washington and Tokyo. Regarding Japan, the PRC may have to follow the example of South Korean leader Kim Daejung who has promoted a stance de-emphasizing the importance of Japan's aggressive past toward his country in order to put the relationship between the two nations on a smoother path, one that is economically beneficial.

Worth mentioning is the recently recurring idea of an anti-American „entente“ - a proposal by former Russian prime minister, Yevgeny Primakov during a visit to India, and taken up again at the Jiang-Yeltsin summit in Kyrgyzstan, in August 1999. Though it is too early to talk about the viability of such a proposition it shouldn't be brushed off altogether. The principle of balance of power is applicable in the Asia Pacific context as anywhere else, and it has potential validity today and in the future, as in the past. In this particular context, the most obvious major obstacles are the weakness of Russia and the absence of common ground between Beijing and Delhi.

## China's Defense Capability

Official Chinese sources contend that defense expenditures as percentage of the GDP decreased constantly, from 4.63% in 1978, to 1.55 in 1988 and 1.03% in 1997.

China's defense budget is said to have increased by more than 10% yearly, on average, since 1989, for 1999-2000 by 11.5%. Official data put it at \$11 billion in 1998/99 vs. \$266.4 billion for the US and \$45 billion for Japan. But unlike those figures, the British International Institute for Strategic Studies [IISS] quotes China's defense budget at around \$37 billion. The significant discrepancy it is believed is due to the fact that foreign military procurement and R&D projects are being funded through other ministries' budget. Japanese sources [**Nihon no boei** (Defense White Paper) 1997] put the increase in annual defense expenditure by China at 11% p.a. since 1989, and 15% in 1997, and the defense expenditure at 9% of the annual budget. The Japanese also refer to defense items such as weapon development not being included in the regular defense budget. Also, the Chinese apparently ignore inflation in their budget calculations. Proceeds from arms exports are being ploughed back into the modernization of the PLA. China manufactures over 90% of its military hardware. Russia has been the top foreign arms supplier to China through its sales of SU-27 and SU-30 warplanes, SAM missiles, Kilo submarines, Sovremenny destroyers and T-80U battle tanks. Beijing has constantly insisted that technology transfer occurs when purchasing arms. Therefore, China assembles SU-27s and in 1998, has signed an agreement on cooperation in weapon building with the US. Israel is said to have made clandestine sales to China totaling around \$2 billion per year; included are not only weapon systems but also technology to build and repair battle tanks, the F-10 fighter, etc. The PLA displayed six new weapon systems at the October 1<sup>st</sup> military parade celebrating the 50 anniversary of the PRC.– including air refueling tankers and long-range strategic missiles, ship-to-ship guided missiles and a ground-to-ground missile system. The PLA – according to the IISS **The Military Balance** 1998/99 – is continuing with force reduction plans of 500,000 – to 2,3 million soldiers- and with its withdrawal from economic activity, to improve professionalism. The survey has the PRC at the top in Asia Pacific in all important categories: defense spending, defense spending as percentage of GDP and in GDP growth.

When the military capacities of the PRC and the US are compared, numbers alone-2,8 vs. 1.4 million soldiers, 5600 vs. 2600 warplanes, 310 vs. 315 naval units, 93 vs. 915 ballistic missiles – tell a very superficial story. In fact, technologically, qualitatively and in non-conventional capacity, quantitatively as well, China is no match for the United States.

In principle, China's strategic policy is one of nuclear and conventional deterrence. The former has as its pivot „firm nuclear retaliation“ although at this moment China lacks the actual capacity for it. Conventional deterrence thus has top priority, emphasizing strategic missiles, special forces and rapid-reaction units

## The Taiwan Question

The February 12, 1972 Shanghai Communique establishing US-PRC official ties, commits the US to „One China“ though nowhere is there any reference to *which* China. The full diplomatic normalization of January 1979 was accompanied by the abrogation of Washington's official recognition of Taiwan and of their security treaty. Both were replaced by the Taiwan Relations Act, imposed by Congress, in which the US undertakes to supply the island with defensive weapons and makes the peaceful future of Taiwan, including reunification, „a matter of grave concern“ for the US.

The PRC's position on Taiwan is well known. In the words of Wang Zhenxi:

„Taiwan is an inalienable part of China's territory. To solve the Taiwan question and realize ... national unification belongs ... to China's internal affairs in which no other country should interfere.“ Therefore, fundamentally, the argument between Washington and Beijing over Taiwan revolves around the latter's position that it is an internal issue – which it can solve even by military force if it so desires – in which no foreign nation has the right to interfere, and the former's insistence on peaceful resolution. The US can accommodate China only so far as the Chinese commit themselves not to use force to reunify the two entities. US business in China is not enough of a „payment“, certainly not when the former is in top shape economically and militarily.

Given Washington's commitment to peaceful reunification, the Americans were disturbed by Taiwanese President Lee Denghui's July 1999 statement describing Taipei's connection with Beijing as „a special state-to-state relationship“, and triggering an unnecessary political row with China. It is now quite clear that the Taiwanese leader made the statement for internal purposes- in order to boost the chances of his Nationalist Party's candidate in the year 2000 presidential election vis-a-vis the independence-prone Democratic Progressive Party [DPP] A period of tension and freezing of contacts between Beijing and Taipei followed.

Taiwan's armed forces are about one fifth the size of China's .Its air force is about one tenth that of the PRC's 5600 planes. However, the quality of its training and equipment is significantly higher than that of China. Taiwan's American F-16C/D and French Mirage 2000-5 fighters, US-made frigates and Patriot anti-missile batteries are considered superior to their Chinese counterparts. Its defense budget for 1999 grew by 4% - to \$13 billion [over one third of that of the PRC] - but was cut by 18% for 2000, though the missile defense program and the purchase of three American frigates were not affected. In the short run, Taiwan's military budget is bound to be affected by the devastating earthquake that hit the island in September 1999.

James H.Anderson of the Washington-based Heritage Foundation, on September, 1999, published an analysis of the Taiwan situation in an article titled „*Tensions across the Strait:China's military options against Taiwan short of war.*“ Relating the present tension to President Lee Denghui's statement, Henderson saw the following as Beijing's options : more provocative military exercises like the ones it had been conducting in Fujian province across the sea from Taiwan and flying jets very close to the centerline dividing the straits; information warfare; harassing merchant shipping; test-firing missiles; seizing Taiwanese islands close to China's shores. As for US policy, if any of the scenarios became reality, Henderson suggested that it unequivocally state its determination to defend Taiwan in case of Chinese military aggression; maintain a robust military presence in the Pacific; increase surveillance of potentially threatening military activity in China, offer to sell more defensive weaponry [including missile defense systems] to Taiwan and guarantee free passage in the Strait by regularly dispatching US naval vessels to the area. The readiness of the American public to support such policies will probably be the key to Washington's moves.

Japanese analyst Okazaki Hisahiko in a piece titled „Can Taiwan's freedom be preserved?“ [Yomiuri Online, September 1999] concluded that „Taiwan may become *the biggest problem in international relations in the 21st century.*“ His evaluation of military capabilities concluded that China 's military capacity was far below Japan's not only America's.Okazaki considers American ambiguity regarding interference in Taiwan, a deterrent for China. In 1996, when they intervened to stop China's attempts to prevent the re-election of Lee Denghui by conducting missile tests around Taiwan, „the US carriers saved Taiwan's freedom of speech“. Okazaki thinks that in the future, China will opt for „psychological warfare through the threat of violence“, since it will not have the capacity to overrun Taiwan before 2010. Okazaki asserts that the greatest difficulty facing China is that Taiwan may declare

independence and force a confrontation while the military balance does not favor China. Thus it tries to use diplomatic means to prevent Taiwan from a unilateral declaration of independence by having the US dissuade the island from such a move, until Beijing has the power to overwhelm it. The situation, though, may change dramatically, if the DPP wins the 2000 presidential elections.

There were rumours that younger Chinese officers proposed the blocking of the Taiwan Strait and the invasion of the island in late 1998 when the relationship with the US seemed very good. In the end it is a combination of US deterrence, Taiwanese capability and PRC limitations that gives the Republic of China a certain level of confidence in its future.

### **Conclusion**

It seems inevitable that China in the future will emerge more and more as a global power. As to the kind of power it will become is a question that cannot be answered. The haphazard forecasts of the 21st century as a Chinese century should be given no more credence than the erroneous predictions in the 1980s and 90s, of the next century being Japanese or Asian. That it starts as an „American“ century is obvious; that China – provided its internal stability remains manageable – will play an increasingly important role is also logical. May the two powers find constructive ways to compete and cooperate with one another, for their own benefit and that of the human family.

Dr. Jacob Kovalio  
Professor of Japanese/Chinese/Asian Studies and History  
Carleton University, Ottawa