

CHINA'S NARRATIVES REGARDING NATIONAL SECURITY POLICY

HEARING

BEFORE THE

U.S.-CHINA ECONOMIC AND SECURITY
REVIEW COMMISSION

ONE HUNDRED TWELFTH CONGRESS

FIRST SESSION

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UNITED STATES-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

WASHINGTON : MAY 2011

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The Commission's full charter is available at www.uscc.gov.

March 18, 2011

The Honorable Daniel Inouye
President Pro Tempore of the Senate, Washington, D.C. 20510
The Honorable John A. Boehner
Speaker of the House of Representatives, Washington, D.C. 20515

DEAR SENATOR INOUE AND SPEAKER BOEHNER:

We are pleased to notify you of our March 10, 2011 public hearing on *“China’s Narratives Regarding National Security Policy.”* The Floyd D. Spence National Defense Authorization Act (amended by Pub. L. No. 109-108, section 635(a)) provides the basis for this hearing.

The Commissioners heard from the following witnesses: Dr. David Lampton, Dr. Gilbert Rozman, Dr. Christopher Ford, Dr. Ashley Esarey, Dr. Jacqueline Newmyer, Mr. Mark Stokes, Dr. John Park, and Mr. Abraham Denmark. The subjects covered included the future intentions of China as an emerging power, the formulation and propagation of China’s narratives to international audiences, and the role of the PLA in China’s foreign policy.

The full transcript of the hearing will be posted to the Commission’s website when completed. The prepared statements and supporting documents submitted by the witnesses are now posted on the Commission’s website at www.uscc.gov. Members and the staff of the Commission are available to provide more detailed briefings. We hope these materials will be helpful to the Congress as it continues its assessment of U.S.-China relations and their impact on U.S. security.

The Commission will examine in greater depth these and other issues enumerated in its statutory mandate, in its Annual Report that will be submitted to Congress in November 2011. Should you have any questions regarding this hearing or any other issue related to China, please do not hesitate to have your staff contact our Congressional Liaison, Jonathan Weston, at 202-624-1487 or jweston@uscc.gov.

Sincerely yours,



William A. Reinsch
Chairman



Daniel M. Slane
Vice Chairman

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CHINA'S NARRATIVES REGARDING NATIONAL SECURITY POLICY

THURSDAY MARCH 10, 2011

U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Washington, D.C.

The Commission met in Room 106, Dirksen Senate Office Building, at 9:18 a.m., Chairman William A. Reinsch, and Commissioners Jeffrey L. Fiedler and Dennis C. Shea (Hearing Co-Chairs), presiding.

OPENING STATEMENT OF COMMISSIONER DENNIS C. SHEA HEARING CO-CHAIR

HEARING CO-CHAIR SHEA: Good morning, everyone. I would like to thank all of you, our witnesses and our assembled guests in the public gallery, for joining us for today's hearing.

Today's topic is one that is of critical importance to future American economic and national security: that of the messages that the Chinese government promotes about its national security goals and what they may reveal about China's course as an emerging great power. This dramatic story has not yet fully played out, and many questions remain surrounding China's rise to great power status.

It is not yet entirely clear how the Chinese state will choose to make use of its dramatically increased economic and diplomatic clout. It is also not clear what role China's rapidly modernizing and professionalizing armed forces will come to play in Chinese foreign policy.

The Chinese government's response to concerns that have been raised about PLA activity and military budgets has been a campaign of reassuring messages offered through leadership speeches, official documents, government spokespeople, and the state-controlled media.

These narratives have tended to stress the same general theme: that China is a peaceful country interested primarily in its own domestic economic development with no appetite for either foreign military adventures or confrontations with other powers.

Such reassurances have been called into question, however, by deeds that don't always appear to match the governing narrative. The Chinese government's more aggressive efforts to assert sovereignty over disputed territories in the South and East China seas, as well as its continued backing of North Korea in the face of unprovoked attacks against South Korea, have seemed to counteract much of its official rhetoric.

Furthermore, the emergence of more nationalistic voices within China, many of them linked to the military establishment, provide a glimpse into viewpoints that stand starkly at odds with reassuring statements about peaceful and mutually beneficial economic development.

These apparent contradictions leave U.S. policymakers facing a number of questions: what does the future hold for China's national security policy; what will be the role of the PLA in securing Chinese interests abroad; and which of Chinese competing narratives will ultimately emerge as the true expression of China's course and intentions as a great power?

We look forward to the testimony of our distinguished witnesses today as we seek to gain a better understanding of these issues that will better enable us to fulfill our responsibilities as an advisory body to the Congress.

I once more thank all of you for joining us here this morning, and with that, I'll turn the floor over to my colleague and co-chair for today's hearing, Commissioner Jeffrey Fiedler.

[The statement follows:]

**PREPARED STATEMENT OF COMMISSIONER DENNIS C. SHEA
(HEARING CO-CHAIR)**

Good morning, everyone. I would like to thank all of you, both our witnesses and our assembled guests in the public gallery, for joining us for today's hearing. Today's topic is one that is of critical importance to future American economic and national security: that of the messages that the Chinese government promotes about its national security goals, and what they may reveal about China's course as an emerging great power. China's rise over the past three decades – from an isolated and impoverished nation devastated by the Cultural Revolution, to one of the world's strongest industrial powers – has truly been an epochal event, and one that will shape U.S. foreign policy for decades to come.

This dramatic story has not yet fully played out, however, and many questions remain surrounding China's rise to great power status. It is not yet entirely clear how the Chinese state will choose to make use of its dramatically increased economic and diplomatic clout. It is also not clear what role China's rapidly modernizing and professionalizing armed forces will come to play in Chinese foreign policy. The Chinese government insists that the

People's Liberation Army will only be used for defensive purposes, but year-on-year increases in its military budget, as well as a steady expansion of its capabilities for power projection, have generated cause for concern among many of China's neighbors in East Asia.

The Chinese government's response to such concerns has been a campaign of reassuring messages offered through leadership speeches, official documents, government spokespeople, and the state-controlled media. These narratives have tended to stress the same general theme: that China is a peaceful country interested primarily in its own domestic economic development, with no appetite for either foreign military adventures or confrontations with other powers. These messages have also stressed China's interest in making positive contributions to world security and the world economy, through measures such as overseas investment and greater participation in peacekeeping and counter-terrorism initiatives.

Such reassurances have been called into question, however, by deeds that don't always appear to match the governing narrative. The Chinese government's more aggressive efforts to assert sovereignty over disputed territories in the South China Sea and East China Sea – as well as its continued staunch backing of North Korea in the face of unprovoked attacks against South Korea – have seemed to counteract much of its official rhetoric. Furthermore, the emergence of more nationalistic voices within China, many of them linked to the military establishment provide a glimpse into viewpoints that stand starkly at odds with reassuring statements about peaceful and mutually beneficial economic development.

These apparent contradictions leave U.S. policymakers facing a number of questions: What does the future hold for China's national security policy? What will be the role of the PLA in securing China's interests abroad? And which of China's competing narratives will ultimately emerge as the true expression of China's course and intentions as a great power?

We look forward to the testimony of our distinguished witnesses today, as we seek to gain a greater understanding of these issues that will better enable us to fulfill our responsibilities as an advisory body to the Congress. I once more thank all of you for joining us here this morning – and with that, I'll turn the floor over to my colleague and co-chair for today's hearing, Commissioner Jeffrey Fiedler.

OPENING STATEMENT OF COMMISSIONER JEFFREY L. FIEDLER HEARING CO-CHAIR

HEARING CO-CHAIR FIEDLER: Thank you, Commissioner Shea. I'd like to also welcome you.

Today, we'll be discussing a topic that has not received attention equal to its importance: understanding the policy implications of the messages that the Chinese government promotes to international audiences regarding its own national security policies.

As has been pointed out by Commissioner Shea, the Chinese government has invested great effort in providing reassuring messages to foreign audiences: particularly, that its fundamental concern lies in the peaceful development of its own domestic economy, and that China will never pose a threat to its neighbors.

While it's certainly the hope of all sensible people that this will prove to be true, prudence demands a more careful examination of China's course as an emerging world power.

Underlying this is a simple question, but one that has no easy answer: can China's reassurances be taken at face value?

This is not to assume that the narratives promoted by China's information bureaucracy are necessarily false. In many cases, they may be accurate expressions of policy intent. However, the Chinese government's manipulation of information does mean that its narrative should not be taken uncritically at face value, and that these narratives must be subject to a comparison of the Chinese government's words against its deeds.

This is particularly true in the case of China's narratives regarding its foreign and national security policies, for either successful deception or simply the spread of mutual misunderstanding both could have a severely detrimental impact on future U.S. national security.

It's imperative that U.S. policymakers and the U.S. public have an accurate understanding of China's future intentions.

It's our hope that today's hearing and the testimony of our distinguished speakers who have joined us here today will make a modest contribution towards this goal.

With that, I will introduce our first panel. Dr. David Lampton is Director of China Studies at Johns Hopkins-SAIS.

Dr. Lampton was the former President of the National Committee on United States-China Relations; past Director of China Policy Studies at the American Enterprise Institute and the Nixon Center.

His testimony addresses policy debates that lie behind the sometimes seemingly contradictory narratives emerging from China.

Our second witness is Dr. Gilbert Rozman, Professor of Sociology at Princeton University. Dr. Rozman has taught at Princeton for the past 40 years and is currently--I'm sorry that they wrote that.

[Laughter.]

HEARING CO-CHAIR FIEDLER: I'm increasingly sensitive to time--

DR. ROZMAN: I'm not.

COMMISSIONER BARTHOLOMEW: Very young when he started.

HEARING CO-CHAIR FIEDLER: He is currently a Woodrow Wilson International Center Scholar. He has also served as an Associate of the National Intelligence Council since 2006 and a Senior Fellow at the Foreign Policy Research Institute since 1998.

His testimony addresses recent PRC political science writing pertaining to China's place in the world and China's sense of national identity as it relates to foreign policy behavior.

Dr. Christopher Ford is a Senior Fellow at the Hudson Institute. He served as the United States Representative for Nuclear Nonproliferation until September of 2008, and prior to that as Principal Deputy Assistant Secretary of State responsible for arms control, nonproliferation, and disarmament verification and compliance policy.

His research focuses on topics ranging from nonproliferation and

disarmament to comparative law, from Chinese strategic culture to intelligence oversight, and his testimony will present his views that modern Chinese statecraft continues to be shaped by a Sinocentric hierarchical outlook on power relationships in Asia.

One moment about the rules. Each of the witnesses will be given seven minutes to testify. Do we have timers on there? Push to talk or it will not be recorded and she can't hear you.

Then we will go for a round of questioning by the Commissioners, five minutes apiece, and hopefully we'll have sufficient time for a second round.

Dr. Lampton.

[The statement follows:]

**Prepared Statement of Commissioner Jeffrey L. Fiedler
(Hearing Co-Chair)**

Thank you, Commissioner Shea. I would like to second that warm welcome to all of you who have joined us here this morning, and particularly to the witnesses who will be sharing with us their expertise and insights on these issues. Today we will be discussing a topic that has not received attention equal to its importance: understanding the policy implications of the messages that the Chinese government promotes to international audiences regarding its own national security policies.

As has been pointed out by Commissioner Shea the Chinese government has invested great effort in providing reassuring messages to foreign audiences: particularly, that its fundamental concern lies in the peaceful development of its own domestic economy, and that China will never pose a threat to its neighbors. While it is certainly the hope of all sensible people that this will prove to be true, prudence demands a more careful examination of China's course as an emerging world power. Underlying this is a simple question, but one that has no easy answer: Can China's reassurances be taken at face value?

This is not to assume that the narratives promoted by China's informational bureaucracy are necessarily false – in many cases, they may be accurate expressions of policy intent. However, the Chinese government's manipulation of information does mean that its narratives should not be taken uncritically at face value, and that these narratives must be made subject to a comparison of the Chinese government's words against its deeds. This is particularly true in the case of China's narratives regarding its foreign and national security policies – for either successful deception, or simply the spread of mutual misunderstanding, could both have a severely detrimental impact on future U.S. national security.

It is imperative that U.S. policymakers and the U.S. public have an accurate understanding of China's future intentions. It is our hope that today's hearing, and the testimony of the distinguished speakers who have joined us here today, will make a modest contribution towards this goal. With that, we will now turn to our first panel.

**PANEL I: CHINESE NARRATIVES AND POLICY DEBATES SURROUNDING
GEOPOLITICS IN EAST ASIA AND CHINA'S EMERGENCE AS A GREAT POWER**

**STATEMENT OF DR. DAVID M. LAMPTON
PROFESSOR, DEAN OF FACULTY, AND DIRECTOR OF CHINA STUDIES, JOHNS
HOPKINS SCHOOL OF ADVANCED INTERNATIONAL STUDIES, WASHINGTON,
DC**

DR. LAMPTON: Well, thank you, Co-Chairs Shea and Fiedler, and all the other Commissioners, many of whom I know. It's good to be with you.

You have my written testimony. I'm not going to read it. I'm going to try to package essentially the same ideas in a briefer and more user-friendly way than perhaps the writing.

I really want to make three points. While China does have its narratives of foreign affairs and national security policy we're all familiar with, the sort of China as the bullied power of the 19th and much of the 20th century, the victim mentality, the Americans are containing us--all those narratives have not vanished--what I want to emphasize is that I think there are some new drivers of Chinese foreign policy, and they can go in a number of directions. I'm not a determinist on this. I'm hopeful. I'm optimistic, but things could go wrong from both a Chinese perspective and ours. So that's sort of the framework I have.

I think the first big driver that I would want to talk about is what I would call the fragmentation of both Chinese society and the Chinese bureaucracy. I think as Americans, we all recognize that pluralism is an essential social and political characteristic for democracies, but pluralism in and of itself has dangers as well as providing the soil in which a more representative society can grow up.

Reform has had the consequence in China of fragmenting society and the bureaucracy maybe even more than it was in the past. I've felt for a long time China is less coherent than we think, but I think it's becoming more fragmented in important ways I want to describe.

One way to put it is that Chinese leaders are becoming weaker as Chinese society becomes stronger. You could look at Mao and Deng as strong leaders; Jiang Zemin I think was fairly strong but certainly not in the Deng/Mao league; and you now look at the fourth generation and I would say impending fifth generation, and in comparison to society, I think they're weaker leaders. That doesn't mean they're weak; they can deal with opposition in ruthless ways. The long and the short of it is stronger society, weaker leaders.

And this allows many elements of Chinese society to act and articulate their thoughts, their preferences, their values, their interests, and that's leaving us with the problem of trying to discern who speaks for China or in what policy domain? It's not so obvious now who speaks for China, and my written testimony tries to lay out a little, but there's an increasing literature, both in China itself and in analysis by foreigners of China, about this. Just a few examples to give you a glimpse of what I mean.

Chinese multinational corporations in many senses are--certainly the big ones--still part of the state apparatus, state-owned enterprises, and so forth, but corporations are getting increasing degrees of freedom of action in the world, partly because it's delegated to them, partly because they have

resources and a capacity to act beyond the vision of the state.

And I think we shouldn't underestimate the degree to which the Chinese state finds out that actors like corporations are acting in the world and reads about it in the global press, and suddenly the leadership is presented with a problem they didn't either fully anticipate or maybe in even some cases know about.

Provinces have always, of course, been important in China, but in foreign policy I think they're becoming more and more important actors. I tried to explain, for instance, how the northeast provinces of China might help us understand why China is so resistant to pushing the North Koreans as hard on multiple fronts as we might like them to do.

Also, we have the rise, I don't want to say of an independent media, but I would say an increasingly commercially-driven media. More voices in China have access to that, and you find some very, let us put it this way, immoderate voices even in the official media and the quasi-official media, and, of course, the Internet itself draws many even more immoderate views.

I also think that reform and open in a kind of funny way has empowered the security apparatus and propaganda apparatus, and we can in our discussion talk about that. But the point is there are now a lot more actors in Chinese foreign policy, and the Chinese institutional structure is not very good, in my view, in coordinating these various actors.

So we can't assume that everything that China does is an intentional act of the state. That doesn't mean we like it. It doesn't mean it's in our interests. It doesn't mean a lot of things. But it's going to be very difficult for us to discern who's speaking for China; who's acting for China; how do you get control of the situation?

A second aspect of this in China is a view of the United States that we are declining, though not so much the U.S. compared to Japan and the Europeans, but as a whole, the Western world or the Western big powers I think are seen by China as certainly less dominant now than in the past and likely to be less dominant in the future than they are now.

I think the Chinese have relatively more optimism, if that's the word, that the U.S. is going to be on a gradual, I don't want to say decline, but reduced dominance in the world. But when they look at the Europeans and when they look at the Japanese, I think they see them on a steeper gradient of declining dominance.

And this is fed by much of the discussion in the United States. If you look at Gallup polls, you'll find there are a plurality of Americans who think China is the world's leading economic power now. And, of course, they look at what Secretary Gates said the other day--and I said in my written testimony--I broadly agreed with his statement--but he basically said we'd have to be out of our mind to commit ground troops in the Middle East, in Asia, and so forth.

Well, the Chinese are listening to this, and it's reinforcing their view

that if our capacity is declining and theirs is going up, they're entitled to renegotiate a lot of the arrangements we've had for the last 30 years that they haven't been so comfortable with. So I think that's another whole area we need to think about.

Another driver for this is what I would call the action-reaction cycle, and we were familiar with that in the Cold War. That is, technology is driving a lot of this. As China is becoming more dependent on space assets, it wants to protect them, and we see their efforts to protect them (as indeed they could be) as a threat to our own assets. We see the same thing with missile defense and so forth.

Cyber is the area I'm actually, I don't want to say the most worried about, very worried about. There's essentially an arms race of sorts going on in the cyber world, and this seems to me intrinsically a much more complicated world than even the nuclear standoff and negotiations we had with the Soviet Union.

So there are these objective factors driving the situation, fragmentation, a sense that power relations in the world are changing, and technology is driving a lot of this behavior.

The second point I'd like to make here is that China is having a debate. Just like we're sitting here talking about what our policy should be, how coherent is our policy, is it in our interests, China is having this debate about its own policy. And quite frankly they've had debates similar to this before. In 1999, after we bombed the embassy in Yugoslavia, they went through a whole reassessment--should we change our fundamental foreign policy?

Then they decided after a debate not to fundamentally change their policy, and that accounted for the next decade. I think China is in a period now of similar debate, and it's not foreordained how that debate is going to come out, but I think on balance--maybe this is my optimism--that the internationalists there will generally prevail, but I'm not certain of that, and the battle is ongoing, and it suggests to me that we ought to do what we can within our limits not to empower the most destructive elements in Chinese society, recognizing that's not fully within our power.

I guess the final thing I would say is that the irreducible minimum needed to effectively manage the U.S.-China relationship is only partly dependent on what China does. They're looking at us and our national capabilities and asking themselves what are we doing [the U.S.] to get our house in order. I think the Chinese are realists. I think if they see us dealing effectively with our fiscal problems, our social problems of various sorts, our schools, these are the bases of national power that I think the Chinese are looking at. And, from their point--well, from our point of view--not all the signals are terrific here.

So I think if we're going to effectively deal with China, we need to get our own house in order.

[The statement follows:]

Testimony before the U.S.-China Economic and Security Review Commission

By David M. Lampton¹
Professor, Dean of Faculty, and Director of China Studies
Johns Hopkins School of Advanced International Studies

Hearing: China's Narratives Regarding National Security Policy
March 10, 2011, 9:30-11:00 AM
Room 106 Dirksen Senate Office Building

I want to thank members of the Commission for inviting me to share my thoughts with you on this important subject. I look forward to hearing your questions and responses and those of my distinguished fellow panelists.

The United States and China must have a productive relationship if stability, broad human welfare, and reasonable global growth are to be secured and sustained. Achieving a productive relationship is entirely possible. However, it will not be easy and will require protracted, joint efforts between not only the two governments, but our two societies as well. The indispensable foundation for such ties is a clear-eyed recognition of where the difficulties and frictions lie. I further believe that there are no fewer people at the top echelons of intellectual and policy leadership in China who share these beliefs and aspirations than there are in our own government and society. As "exhibit one," I would direct the Commission's attention to the most recent issue of Foreign Affairs (March/April 2011) and an article written by the Dean of the School of International Studies at Peking University, Professor Wang Jisi.

A principal subject of current foreign policy-related debate both in the People's Republic of China (PRC) and in the rest of the world simply is this: "After arguably twenty-plus years of generally deft foreign policy in which China's comprehensive national power has grown much faster than the perceived threat posed by Beijing's growing strength, what accounts for the last two years' periodically counterproductive, less deft Chinese foreign and security policy?" This less deft, less reassuring foreign and security policy has been manifested in an unannounced and troublesome anti-satellite test in January 2007 that littered satellite orbits with debris; in China's muted response to the North Korean nuclear test of May 2009, Beijing's failure until possibly recently to visibly and helpfully react to North Korean provocations in the sinking of a South Korean warship in March 2010 or the killing of ROK civilians in a late 2010 artillery barrage, and in the feeble response to North Korea's revelation of an active and advanced uranium enrichment program in late 2010; China's more assertive postures in the Yellow, East China, and South China seas (affecting the Republic of Korea, the United States, Japan, ASEAN, and others); its overreaction at the July 2010 ASEAN meetings when China reminded its smaller southern neighbors that, well, they were smaller and should draw appropriate conclusions from that fact; and, the almost inexplicably intense overreaction to last year's awarding of the Nobel Peace Prize to Liu Xiaobo, and, for that matter, the overreaction to the low-key Obama meeting with the Dalai Lama of January 2010. All in all, this has not been reassuring to China's neighbors or bigger powers at greater distance. Incidentally, many analysts in China would say, and are saying, much the same.

In all fairness, there also have been positive entries on the ledger, though some initiatives could usefully go much farther. Among those I would include: modest, but not trivial, upward adjustment of the exchange rate²; some

¹ DAVID M. LAMPTON, dean of faculty and director of China Studies at Johns Hopkins—SAIS, has written widely on Chinese foreign and domestic policy, his most recent book is The Three Faces of Chinese Power: Might, Money, and Minds (2008), and he is former president of the National Committee on U.S.-China Relations.

² This is true particularly if one considers inflation in the PRC.

apparent PRC (People's Republic of China) pressure on North Korea not to escalate the dangerous situation on the Korean Peninsula in the wake of the November 2010 shelling of Yeonpyeong Island; reluctant acquiescence in sanctions on Iran, albeit watered down; China's contributions to global economic stability and growth, stemming from its drive to keep its own economic growth rate high; Beijing's more conciliatory and constructive stance on climate and energy issues (though neither Beijing or Washington is doing enough, given the scale of the challenges); and China's contributions to anti-piracy duty in the Gulf of Aden and thus far cooperative posture in the crisis involving Libya.

Nonetheless, the question remains: "What are the considerations that account for Beijing's recently less deft foreign and security policy?" There are doubtless a number of contributing factors that are important and that will not be the focus of my Testimony. Among those are: the still palpable and important "victim," "containment," and "domestic interference" narratives coming from China's modern and contemporary history; what Beijing University's Wang Jisi refers to as a "surge in China" of "nationalist feelings;"³ developments in the external world that feed elite insecurity in the PRC such as the "color revolutions" of the 2000s (e.g., Serbia, Georgia, Ukraine, and Kyrgyzstan) and the more recent Middle East and North African wave of instability in autocratic regimes; U.S. alliances and friendships that are becoming stronger on China's periphery (in part due to Beijing's behavior and policies); heightened sensitivity to internal security threats whether they stem from restive ethnic minorities in Tibet or Xinjiang, popular resentment of corruption, inequality, and environmental deterioration, inflationary pressures, or from the waves of rural-to-urban migration that are creating city dwellers at a rapid pace, people who have a volatile combination of rising aspirations and feelings of vulnerability; and, last but not least, there is the pending succession from Fourth Generation Leaders (Hu Jintao) to Fifth Generation leaders, with contestants for jobs at all levels positioning themselves not to be seen as soft on foreigners.

These considerations have been commented upon frequently by others and will not receive further elaboration here. I wish to focus on three developments that I believe to be key: 1) The pluralization of Chinese society and the policy process; 2) Chinese views of U.S. national strength and their own, against the backdrop of an unusually negative assessment by Americans of their own national circumstance; and 3), Expanding Chinese interests and capabilities into new spaces.

The pluralization of Chinese society and the policy process. Chinese government and society is becoming more complex, with new social and bureaucratic actors in the policy process.⁴ Broadly speaking, leaders are becoming weaker and society stronger. With respect to society, we have the rise of increasingly "normal" multi-national corporations, albeit with heavy state involvement, and they have resources somewhat beyond the reach of the central state (assets abroad, for instance), they have interests that may diverge from that of the Foreign Ministry on occasion, and most of all, they have growing freedom of action, meaning that the central state may not know about some of their actions until they read about it in the global press or on the Internet.

In the bureaucracy more narrowly defined, particular institutions have been relatively empowered by the open and reform policy (trade, externally related economic ministries, and the military) and others have been the loser of their monopoly status in the old system—here I would identify the Foreign Ministry—no longer do Foreign Affairs Offices control the gateways to the outside world as they once did. The domestic security and propaganda organizations have gained strength as the Party reacts to the increasing permeability of the state and nation—look at the new Public Security Headquarters along Chang An Jie (Beijing's main East-West Boulevard) if you want a physical expression of this. The Great (cyber) Fire Wall is a virtual expression of this. Quite naturally, as China's defense establishment has gained budget, if not percentage of GDP, and as China's arms industry becomes a more capable job creator, economic stakes increasingly will energize new constituencies in China's internal security

³ Wang Jisi, "China's Search for a Grand Strategy," *Foreign Affairs* (March/April 2011), p. 73.

⁴ See, David M. Lampton, "China's Foreign and National Security Policy-Making Process: Is It Changing and Does It Matter?," in David M. Lampton, ed., *The Making of Chinese Foreign and Security Policy in the Era of Reform* (Stanford, CA: Stanford University Press, 2001), pp. 1-36; See Linda Jakobson and Dean Knox, *New Foreign Policy Actors in China*, SIPRI Policy Paper, No. 26 (September 2010).

policy debate. In short, within the bureaucracy, pluralization has bred stronger advocates, and stronger skeptics, of international cooperation. I believe that constituencies more cosmopolitan in impulse often will prevail, but it will not be easy or inevitable.

More foreign policy actors, with greater degrees of freedom to act and more resources at their disposal, mean that even if the Center wants to control Chinese security and foreign policy behavior in detail, it may not always be able to do so, at least until it discovers problems in the global press. At a minimum, all this suggests that foreign and security policy may become an increasingly contentious issue in China, as it indeed is today. The way the current foreign and security policy debate is being framed domestically is: Should we continue with Deng Xiaoping's "low profile policy" (*tao guang yang hui*) or should China become more vigorously involved in contentious international issues and be more assertive in pressing its interests?⁵

At the sub-national government level, one has more uniformly open and cooperative impulses, driven by aspirations for economic development, but the Party chiefs along China's sometime fragile periphery (e.g., Tibet, Xinjiang, and the three northeastern provinces near North Korea) often have complex interests represented by the desire for both security and stability, on the one hand, and economic advancement on the other. Coastal provinces thus far have an even bigger interest in international cooperation than many interior areas. But, the point is, localities increasingly have varied interests in the foreign and security policy realm. If one is looking for some of the sources of Beijing's resistance to pressuring North Korea, for example, some of that reluctance reflects the economic and security interests of China's three northern-most provinces—Liaoning, Jilin, and Heilongjiang. These provinces have unemployment problems, they have South Koreans coming into sensitive border areas promoting religious and humanitarian objectives, they have local Korean ethnic populations with relatives across the border in the DPRK, and they simply fear being overrun in the event of an implosion in the DPRK, as Carla Freeman notes in her work.⁶ Similarly, with respect to Burma (Myanmar), China's Yunnan Province wants to assure a permeable border and unfettered business access (both legal and illegal) while at the same time wanting a sufficiently effective central government in the Burmese capital to prevent civil conflict from spilling into China itself. These considerations do not lead either Beijing or Yunnan's provincial authorities to prioritize Burmese human rights as does Washington.

And, at the societal level, as Andrew Mertha notes,⁷ China is developing a class of "policy entrepreneurs," think tanks, university centers, solitary dissenting voices and more generalized public opinion, interest groups, and social organizations that are becoming increasingly adept at using mass media (formal and informal) as megaphones for their ideas and concerns, many of which have popular resonance and which the central government sometimes fears to ignore—relations with Japan and sovereignty claims are examples. As the China Institute of Contemporary International Relations' Professor Da Wei put it in a recent article, "[I]n all countries, controversial views or even extreme viewpoints are more marketable than moderate ones."⁸

Therefore, the recent messiness, sometimes clumsiness, of Chinese foreign and security policy reflects the pluralization of China's government and society. China's leaders are getting weaker in relationship to society. China's leaders are becoming more overloaded with issues. Put bluntly, in today's China one hears a lot of ideas, good and bad, that are not "made in" the PRC government or Communist Party as a whole, but rather by pieces of a splintering society and fragmented bureaucracy. This creates a situation in which Americans and others must

⁵ Zhu Weilie, "On Diplomatic Strategy of 'Keeping a Low Profile and Taking a Proactive Role When Feasible,'" Global Review (May/June 2010), pp. 1-11.

⁶ Carla Freeman, "Fragile Edges Between Security and Insecurity: China's Border Regions," in Rongxing Guo and Carla Freeman, eds., Managing Fragile Regions (New York: Springer, 2011), pp. 23-46; see also, Carla P. Freeman, "Neighborly Relations: the Tumen development project and China's security strategy," Journal of Contemporary China (2010), 19 (63), pp. 137-157.

⁷ Andrew Mertha, China's Water Warriors: Citizen Action and Policy Change (Ithaca, NY: Cornell University Press, 2008).

⁸ Da Wei, "Has China Become 'Tough'?" China Security, Vol. 6, No. 3, p. 100.

both discern “who to listen to” and realize that not all good things come with pluralization and higher degrees of social initiative. Pluralization is a requirement for a freer society, but it is not a guarantee of either responsible behavior, much less behavior the United States necessarily will find palatable. Again, as Da Wei put it in China Security,⁹ “Looking at recent changes in Chinese foreign affairs policies through the lens of this pluralism has much greater explanatory ability than simple criticisms of China’s supposedly toughened stance.”

Views of national strength. China is to a considerable extent a bargaining culture in which prior bargains are open for renegotiation whenever the underlying power positions, or broader circumstances, of the two (or more) parties shift. China, meaning its government and its people, has been chafing at some of the implicit or explicit bargains struck in the past with the United States, most notably regarding Taiwan, the U.S. military’s close-in surveillance of the Mainland, visits to the White House by the Dalai Lama, vulnerability of the PRC’s nuclear deterrent, and so forth. Now that China perceives itself stronger, and America and its allies on a trajectory of decreased dominance, it is no surprise Beijing is asking to “renegotiate” the prior bargains it finds most unsatisfactory.

The Chinese hardly can be blamed for seeing themselves with enhanced strength when a 2009 Gallup Poll found that 39 percent of Americans thought China was “the leading economic power in the world today,” as compared to 37 percent of polled Americans who still saw the United States in this light.¹⁰ Indeed, the U.S. Intelligence Community in its Global Trends report of late 2008 said that it anticipated the United States would be less dominant in the future. One needs only to look at global shares of GDP to see China rising and U.S. allies declining, although the United States still enjoys an enormous lead.¹¹ This mode of analysis is not unique to today’s Chinese leadership—in an earlier age, Mao and his traditional forbearers saw history and international relations as the interplay of rising and declining powers.

As far as I can detect, different parts of the Chinese Government and Party apparatus have somewhat different assessments of both China’s current power and the gradient of change in U.S. strength and will. The top of the Chinese political hierarchy seems relatively realistic in assessing China’s own capabilities and in recognizing that the United States has a resilience they should not underestimate. But, in some corners of the foreign and security policy apparatus, not least the People’s Liberation Army (especially among retired officers), there is a more robust interpretation of China’s strengths and less deference given to American strength and will. Secretary Gates’ recent (and in my view correct) statement that: “In my opinion, any future defense secretary who advises the president to again send a big American land army into Asia or into the Middle East or Africa should ‘have his head examined,’ as General MacArthur so delicately put it,” certainly fits in with a view already prevalent in China. Indeed, one Chinese strategic analyst in 2003 said the following to me that indicates the dynamic view of power that many security analysts in China seemingly have:

China has been deterred by the U.S. military in [regarding] Taiwan. The U.S. is lucky we do [are deterred] and are not like the DPRK. Now [we, the PRC] currently acknowledge spending \$20 billion [on defense], 5 percent of the U.S., and in 20 years it will be 20 percent of the U.S. This will make the U.S. and China reassess their relative military strengths. So then, what is the U.S. option? “The U.S. would have no military option. Would not be able to honor its TRA [Taiwan Relations Act]. At the same time the PRC’s soft power will also grow. So, the PRC [will be] stronger in both hard and soft power. Will the PRC flex its muscles? Can’t say we would because of huge domestic problems, we have more soft power, and more confident.” “We want peaceful coexistence with the Taiwan side.”¹²

⁹ Da Wei, “Has China Become ‘Tough’?” China Security, Vol. 6, No. 3, p. 98.

¹⁰ Lydia Saad, “U.S. Surpasses China in Forecast for Economic Powerhouse,” *Gallup Poll*, February 16, 2009, <http://www.gallup.com/poll/114658/Surpasses-China-Forecast-Economic-Powerhouse.aspx>.

¹¹ “Real Historical Gross Domestic Product (GDP) Shares and Growth Rates of GDP Shares for Baseline Countries/Regions (in percent) 1969-2009,” U.S. Department of Agriculture, Economic Research Service, November 2, 2009.

¹² David M. Lampton, Notes of Conversation with Chinese Security Analyst, January 18-22, 2003, pp. 5-6.

To just carry the military budget story forward to this month, China's March 2011 session of the National People's Congress is expected to, as of this writing, approve an increase of 12.7 percent in its official defense budget, which does not include a significant fraction of defense-related spending; the U.S. Defense budget, incidentally, omits significant items from this line item in the U.S. federal budget. This year's percentage increase contrasts to the last budget year's increase of 7.5 percent. To gain a broader perspective, however, in the years prior to 2010 the rate of increase averaged about 19 percent.¹³ Translated into U.S. dollars, the anticipated 2011 PRC military budget would be in excess of US\$91 billion, and the informant cited above was talking about a world (2002-2003) of \$20 billion in Chinese military expenditures. The informant's projections have proven not too far off.

Turning to society, generally speaking, less moderate views are aired on the Internet (450 million Netizens) and in increasingly commercialized media than one hears from responsible, active officials. Nonetheless, the principal pillars of elite legitimacy are economic growth, citizen satisfaction, and standing up for national dignity. Reasonable officials, therefore, must listen to unreasonable popular and other views. The Chinese man on the street just doesn't see why a China that is regaining its historic role in the world needs to put up with ongoing indignities. The combination of perceived national strength and popular resentment that strikes anxiety in the heart of China's neighbors also is of concern to the many moderates in China's leadership.

The best thing the United States could do for these misperceptions and resulting misjudgments is to put its own national house in order, to be seen on a trajectory of growth, comprehensive national strength, and good governance. The Chinese look at power and determination, not rhetoric. If America changes in positive directions in these respects, we will see a positive response from the PRC. And by power I do not have in mind principally military power—I mean the economic and intellectual foundations of state power. Indeed, over expenditure on military capacity, while ignoring the need to educate our children adequately, is the biggest security risk we face—bar none. The United States needs to be subtle, increasing its comprehensive strength and friendship with nations throughout the region, without feeding Chinese concern that the outside world is ganging up on it.

Expanding Chinese interests and capabilities into new spaces. In the mid-1980s, China made the strategic decision to slice away the fat in its bloated land army and increase its air, naval, missile, and space capabilities. Deng Xiaoping made the strategic decision (accurate it turns out) that China had time to lower its guard to effect this shift inasmuch as the danger of big power war being imposed on China was slight for the next twenty or so years. Moreover, Deng's modernization program moved China's economic center of gravity toward the coast. Under this new circumstance, with modernized China on the vulnerable coast in big cities, unlike Mao Zedong, Deng was no longer willing to fight a war on Chinese territory. Deng and his strategic thinkers reasonably decided to move the zone of potential conflict off China's landmass—that meant into the air, sea, and space beyond Chinese shores.

In turn, this meant that the focus of China's military modernization was moving Chinese security policy away from an insular, continental focus to a more regional (eventually global) and power projection focus, albeit over decades. This necessarily meant, and means, that China is moving into zones of strategic space where the United States was, and remains, overwhelmingly dominant. Irrespective of intentions by either side, this energizes anxieties in both security establishments.

This bilateral anxiety is further compounded by China's growing dependence on, and involvement in, the world economy—the sea and air lines of communication, not to mention space-based communications, all are new strategic interests and concerns for Beijing. For example, thirty years ago, China would not have had tens of thousands of workers in Libya and North Africa and, therefore, it would not then have had the concerns Beijing now has about how to safely extract its citizens from a distant zone that is falling apart. To extract these Chinese citizens abroad requires independent air or sea lift capacity, unless the PRC is prepared to rely on others. Of course, long-range ships and planes used for humanitarian purposes can also be put to other uses.

¹³ Jason Dean, "China Defense Budget to Increase by 12.7%," ASIA NEWS, March 4, 2011, 12:02 AM ET.

China has for a considerable time been worried about the security of its small nuclear deterrent, as we would be if we only had a small number of vulnerable strategic weapons. Just like us, China is building diversified platforms, including nuclear subs and aircraft carriers, **in part** to make a devastating preemptive attack less possible by a hostile power. China, like the United States, depends increasingly on space-based communications, sensing, and navigation. China is not satisfied with being vulnerable to U.S. ground or space-based systems, and it will try (is trying) to protect its own assets. If the United States builds ABM systems, we need to expect a similar impulse in China, as was demonstrated in early 2010 with the PRC's ABM test. In a similar vein, China's 2007 anti-satellite test was to be expected, if not then, eventually. In the cyber world of offense and defense, we already see a worrisome competition between China and the United States.

All this points to an action-reaction cycle with a dynamic akin to that of the Cold War, a dynamic in which each side's moves, understandable in their own context, set off an expensive, and ultimately security-reducing response from the other side, producing a potentially endless upward spiral.

The key challenges, therefore, are twofold: First, we must develop rules of the road through bilateral and multilateral negotiations so that zones where we increasingly come into contact are "governed" by shared norms, rules, and procedures. Our two navies, for instance, need much more cooperation and norm building than currently is the case, though some progress has been made. Space is another area, with a significant area of opportunity being Chinese participation in the International Space Station. Second, on the strategic front, Washington needs to acknowledge that it accepts the fact that the PRC will have a strategic deterrent that is "adequate" for China's perceived needs. Our joint task is to create a stable equilibrium at the lowest possible levels and create a situation in which both sides think minimal strategic force levels are all that is required. The action-reaction-cycle is generating not only an image of a more assertive China in Washington, American actions/reactions are fueling Chinese perceptions of an increasingly assertive America.

HEARING CO-CHAIR FIEDLER: Thank you very much.
Dr. Rozman.

**STATEMENT OF DR. GILBERT ROZMAN
PROFESSOR OF SOCIOLOGY, PRINCETON UNIVERSITY
PRINCETON, NEW JERSEY**

DR. ROZMAN: I welcome this opportunity to speak about the Chinese narratives on security and geopolitics. I have followed them closely over three decades, and I believe there is consistency, coherence, and top-down organization. I have essentially immersed myself in them in recent months. They go way beyond international relations studies. There are elements of history and culture and, far more, a broad social science approach.

I don't think the message in this narrative is reassuring anymore. I heard Commissioner Shea and Commissioner Fiedler indicate that there has been some reassurance, and, yes, State Councilor Dai Bingguo in December made a statement that was a throwback to an old Chinese narrative, but that's not the narrative I've been reading from a great variety of sources.

There are many academics in China whose views I respect a great deal. When I was previously allowed to go to China (I haven't received a visa in six years.) I used to yearly interview these people and examine their views,

and I had the impression that they were very sharp. Their views are not being heard these days or they are marginalized. I think the Security and Propaganda Departments have always dominated, and now views that were somewhat concealed have come much more into the open, and therefore I regard this as a transformation of the Chinese narrative, particularly accelerating in the last two to three years, with a clear message. It doesn't mean that there aren't debates in China, but this message really is demonization of the United States in many, many respects.

And so let me indicate why I'm not optimistic. I'm at least cautiously pessimistic with the understanding that there is interaction between narratives, we can have some influence on what happens, and there's still debate going on in China.

But through my inductive approach, not trying to assume a particular outlook, but just immersing myself in these sources, I argue that this narrative is really part of a national identity statement, and there's a reemergence of a strong ideological component, including a reassertion about the struggle between socialism and capitalism, reassertion of the anti-imperialist, anti-hegemonist rhetoric, and also a very strong element of Sinocentric Confucian tradition. The Confucianism and socialism seemed totally contradictory in the Maoist era. They're not allowing it to be contradictory at all these days.

I would also add that there's a long-term historical outlook which has changed, and China is always in the right in all these periods, and reinterpreting the Korean War, reasserting that the Korean War was glorious is just one part of that overall statement. The Cold War period is no longer so much the United States versus the Soviet Union as anti-communism versus China and others--so the United States is really being blamed and the Soviet Union not, much more than before.

The post-Cold War period is looked at much more negatively. They don't see 1989 or 1990 as a turning point, but rather as a period where the hegemonic tendencies of the U.S. actually were accelerated, and that only now is there an opportunity for a real turning point, and that would mean the rise of Eastern civilization with China at the center. There's a lot on Eastern versus Western civilization going back centuries, and Western civilization's faults in the way it organized the world community, created imperialism, and so on.

So there is a very sharp dichotomy including demonization not only of the United States but, to a degree, of U.S. leaders. Obama, I think, is treated worse than George W. Bush, and also Hillary Clinton is particularly criticized.

In Japan, they've really gone after Prime Minister Kan Naoto, and of course retiring Foreign Minister Maehara, and in South Korea, President Lee Myung-bak. So there's a kind of consistency in this criticism which has intensified.

I look at two particular issues as evidence of this changed worldview. I'm not drawing out the policy implications of this. I'm talking about what the narrative is and how I'm looking for all the evidence in the narrative, and I find not a lot contradictory.

The first theme that I've followed very closely over the last ten years is the Korean Peninsula and the Six-Party Talks, trying to understand the internal debates in China on these issues, and I conclude that there was a dramatic change in the last two years in analyzing that situation with much more criticism of the United States, as well as South Korea, and much less of North Korea, despite the provocative belligerent behavior of North Korea.

That is a tell-tell sign. It's a kind of litmus test. We've got to find a way to get them back towards not just policy but in narrative to understand we have a common approach to what are the challenges on the Korean Peninsula.

South Korea now is being demonized historically, culturally and a lot of ways that are striking, and North Korea, despite the fact we know that at times when there's a nuclear test, there are a few articles that appear in China that have a more critical approach, but basically North Korea is not being criticized in the main literature in China. It's mainly the United States that's to blame for the failure of not resuming the Six-Party Talks.

The other issue is the so-called "return to Asia" theme. That is regarded in China as a very serious change in U.S. policy that threatens the natural course of Asian regionalism with China, ASEAN Plus 3, ASEAN Plus 1. We are blamed. Japan is heavily blamed. South Korea is blamed. And it's linked to what's going on in Southeast Asia. It's linked to Japan policy.

And so it used to be that China tried to differentiate and divide the United States from Japan at various points in the last 20 years. There's not much of that anymore. They had a promising prime minister in Hatoyama who wanted really to improve relations with China, and they didn't take him seriously. They minimized the possibility of working with him, and they didn't meet Japan even partway, and that ended up as one factor in making it more difficult for Sino-Japanese relations to improve, and, in fact, they've deteriorated considerably.

But basically this view of regionalism has all of the elements of national identity that I consider. It sees the Western countries arriving in Asia as imperialists, and "hegemonic" replaces the word "imperialists." There's cultural affinity between Chinese civilization and others.

There's a general Eastern civilization although that is contradicted by the fact that they aren't able to find cultural commonality with Japan, not only because of history--actually history is no longer the central issue in Sino-Japanese areas--and not with South Korea. So they are talking about cultural affinity, but really there is no effort to bridge the cultural gaps in East Asia. It's really China's Eastern culture and a Sinocentric notion of that culture versus Western culture, which doesn't really have a role in this

regionalism.

There's a sharp differentiation between regionalism and internationalism. And so the statements in 2009 about how the U.S. is going to be more active in East Asian institutions, the decision to join the TAC, to be part of the East Asian Summit, the effort to build up APEC, including the meeting in Hawaii this year, the effort to create a free trade agreement on a trans-Pacific scale, all of these are seen as a challenge.

My paper goes into other dimensions. I also have other work I've been doing on the broader themes of national identity, reviewing and citing a good many of these Chinese sources. I will be glad to convey that information should you want that.

[The statement follows:]

**Prepared Statement of Dr. Gilbert Rozman
Professor, Princeton University and Visiting Scholar, Woodrow Wilson Center
"Testimony before the U.S.-China Economy and Security Review Commission"
"China's Narratives Regarding National Security Policy"**

The Chinese narrative emerges most clearly from Chinese-language publications on the great powers, including the United States, and on challenges in East Asia, notably in 2010 those related to North Korean belligerence and regionalism involving both Northeast and Southeast Asia. It is part of an orchestrated, top-down expression of Chinese national identity. There are divergent views, but not direct contradictions.

The diversity in 2009 was greater than in 2010, suggesting that scholars sought to forestall the new narrative and its negative consequences. The drumbeat of a one-sided narrative reached its peak intensity in the fall of 2010. There was some sign it was waning afterwards. State Councilor Dai Bingguo in December restated an older narrative as if it still prevailed, but in early 2011 Dai's remarks have not displaced the predominant narrative of 2010. Indeed, the mainstream narrative of 2010 is the culmination of earlier trends, not a sharp break from them, and it is likely to endure.

The narrative demonizes the United States. Compared to earlier Chinese writings, it places the entire responsibility on Washington for wrecking the Six-Party Talks and taking a cold war, ideological approach to North Korea. Allegedly, Washington found a willing partner in Seoul for this destabilizing behavior. Rather than criticizing the regime in Pyongyang for attacking and sinking the Cheonan or for shelling an island under the administration of South Korea, Beijing puts the onus on Washington for its dangerous escalation of tensions, such as in military exercises in the Yellow Sea, supposedly directed against China. Seeking resumption of the Six-Party Talks, China seeks to transform them into a security framework to diminish the U.S. alliances.

Another target of Chinese criticism is the so-called U.S. "return" to Asia. It is treated as containment, directed against the natural course of regionalism. To appreciate the disappointment expressed at the new U.S. policy toward Asia, we must recognize the expectations that somehow had been growing about the United States pulling back from East Asia. Many writers treated ASEAN + 3 as if it was firmly on course to establish a true East Asian community, economically integrated while marginalizing outsider states and, in stages, adding political and cultural ties that draw ASEAN ever closer to China if not Japan and South Korea. U.S. entry into the East Asian Summit is widely criticized as a threat to regionalism, as is U.S. support for Southeast Asian states in the dispute over sovereignty in the South China Sea.

One feature of demonization is unqualified attacks on foreign leaders. President Barack Obama and Secretary of State Hillary Clinton are repeatedly criticized in the Chinese narrative. I have seen nothing like it in the treatment of prior U.S. leaders. President George W. Bush was treated better. In the case of Japanese leaders, Prime Minister

Naoto Kan and Foreign Minister Seiji Maehara are treated with even more venom. Even when leaders seek to engage China more vigorously, as previous Prime Minister Yuichi Hatoyama did, the emphasis is placed on how far short they fall of what China requires. That is also the case for President Obama. Of all leaders, the one who has been treated as a villain the longest is President Lee Myung-bak of the Republic of Korea. The security narrative warns against the growing threat to China from the behavior of each of these leaders, who purportedly have cold war thinking.

The recent security narrative is the culmination of an emerging narrative since the 1980s. It is part of a broader reconstruction of national identity by China's leaders. That identity has many dimensions, including a reinterpretation of history to favor China in all stages of the struggle against the United States and the West. Two main themes in 2010 that revealed the essence of the security narrative are treatment of the North Korean threat and assessments of challenges in maritime security.

The Transformation of China's Security Narrative

In 2007 and early 2008 Chinese proudly pointed to positive and improving relations with each of the great powers and to successful multilateralism in all directions. There was much talk that Sino-U.S. relations were better than ever, as coordination extended even to the Taiwan issue. Memories of the 2003 "new thinking" toward Japan were revived in three successive summits with Japan, culminating in Hu Jintao's trip to Japan in the spring of 2008. China had pride in hosting "successful" Six-Party Talks concerning the Korean peninsula, and optimism about the course of regionalism with ASEAN and through ASEAN + 3. Sino-South Korean relations were still forward-looking despite some distrust due to interpretations of ancient history. Many had the impression that China, if not a status quo power, was ready to act in accord with the U.S. appeal for it to be a "responsible stakeholder." There was no outside impetus to anger China into changing direction. It came from within.

Was this the actual security narrative in those years? The answer is definitely not. There was a calculated duality to Chinese writings. The security narrative most prominent in 2010 already was visible in many publications. Critiques of U.S. hegemonism and alliances were widespread. Coverage of the Six-Party Talks often was tougher on the United States than on North Korea. Beneath the surface of feigned optimism about Sino-Japanese relations, criticism of Japan persisted. Vague wording on sensitive themes obscured China's growing challenge to the status quo.

Has the Chinese narrative been intentionally deceptive? I think so, although serious research can easily uncover the contradictions. One source of deception is the role of internal circulation (*neibu*) publications for sensitive discussions that are to be kept from foreigners. Another factor is the Central Propaganda Department's role in managing perceptions with an eye to enhancing China's soft power and steering ties with designated states in a desired direction. Having closely followed Chinese works on the Korean peninsula, I am persuaded that the positions taken in 2010 that are at variance with earlier positions are a result of prior concealment of China's attitudes.

A message may be delivered for particular short-term effect, as in the case of Dai Bingguo's December statement, without explaining how it coexists with a clashing narrative. Chinese writings fall short of the standards of scholarship, which require analysis of changes or discrepancies on the Chinese side. This is a sign of censorship, which serves the purpose of propaganda and deception and has been tightening.

The assertive, at times belligerent, narrative of 2010 was connected to changes in foreign policy. Increasingly confident, China's leaders revealed attitudes that had earlier been concealed. Military voices became more prominent. Some respected scholars wrote less or expressed themselves more indirectly without endorsing the new line. The new narrative was a combination of more forthright expression of the views hidden earlier due to the duality of messages and the *neibu* system, and of the logical extension of arguments that earlier were tempered by Deng Xiaoping's clear advice to keep a low profile until China's comprehensive national power had risen.

The Broad National Identity Framework for China's Security Narrative

The specifics of the Chinese narrative are easy to find. What is more interesting is to identify the driving forces of the narrative. I see them as the various dimensions of national identity, as constructed by China's leaders. The first force is ideology. After three decades of downplaying ideology, Chinese affirmed that ideology remains an important factor in national identity. First, as confidence in socialism rose in Party circles, particularly after the world financial crisis was blamed on capitalism, some sources revived claims that socialism will prevail over capitalism. Second, a sharp reversal occurred in assessments of imperial history; Confucianism emerged as the centerpiece in an ideologically tinged narrative about what has made China superior to other civilizations over thousands of years and will enable it to prevail again in the future. Finally, in contrast to the admiring tone of many writings on the West in the 1980s, the perennial theme of anti-imperialism and anti-hegemonism gained force with more intense attacks on Western civilization. To the extent that the new amalgam became unassailable, repeated in ever more declarative forms and not openly contradicted, an ideology, although not proclaimed as such, was reinstated.

Why does this matter for security? Chinese stress the importance of culture as one element of comprehensive national power. They attribute the collapse of the Soviet Union to ideological failure. Warning that Western culture is a threat to sovereignty, they regard ideology as a bulwark protecting the state. In turn, accusations against the United States, Japan, and South Korea center on their anti-communist and other cold war thinking that targets China. This outlook is behind the security threat to China, which was increasingly emphasized in recent publications. Pretending that foreign leaders are driven by ideology to contain China, Chinese hide the reality that it is their Communist Party leadership that is increasingly under ideological sway.

A second force is what I call the horizontal dimension of national identity or the way Chinese perceive the outside world. Showing little faith in the international system and rejecting U.S. relations as they have evolved over the past four decades, China only embraces regionalism to the extent that it confirms China's rise and revives sinocentrism. China is obsessed with great power relations in ostensible pursuit of multipolarity. Yet, as the others potential poles have lost significance in Chinese calculations, the bilateral gap with the United States has come clearly to the fore. By widening it and exposing the bankruptcy of U.S. claims to leadership, Chinese have sought to narrow the horizontal dimension to a two-way competition, marginalizing others. Delegitimizing the U.S. role undermines the international system and creates a vacuum for China to fill as sources argue that the United States not only is not essential for security, it is now a source of instability. Many argue that U.S. financial leadership and the dollar are no longer necessary after their negative effect in the world financial crisis. East Asian states are pressed to choose between two poles.

Writings in China in 2009-10 were obsessed with the threat of U.S. interference in the natural course of closed East Asian regionalism. They attribute this involvement to three factors: 1) hegemonism, based on stereotypical cold war thinking about the U.S. right to be in control of not only the international community but also regions such as East Asia; 2) containment, rooted in refusal to accept any rising power as a challenger for regional leadership; and 3) cultural imperialism, centered on the belief that Western civilization must continue to have ascendancy and undermine other civilizations. The United States is accused of being behind Japan's rejection of ASEAN + 3 as the natural unit for the healthy growth of regionalism and the decision in ASEAN to support the expansion of the East Asian Summit. Both moves are deemed harmful to cooperation in East Asia and deliberate steps to deny China its anticipated leadership status. Chinese depict the U.S. stand as that of an outsider prepared to undermine long-term regional stability for selfish desire to maintain its own leadership even as conditions no longer are conducive to that. If most outside observers are focused on the clash between Chinese and U.S. hard power as a natural dispute over a rising power, they miss the clash centered on an identity gap.

Chinese point to an upsurge in warnings of a China threat, attributing it to failings in other countries. First, it is based on alarm over China's rising power, which has grown sharply since the financial crisis as the "China model"

casts doubt on the future of capitalism and the West's venerated trio of democracy, freedom, and human rights. China's growing appeal endangers U.S. and other identities. Second, Western psychology is programmed through a history of colonialism to predicate the rise of a new power on wars, assuming that China will prove expansionist too. Third, China's relative weakness and passivity has emboldened Western states to press their warnings, which they soon will not dare to do. In this perspective, China is being demonized unjustly due to U.S. national identity, and it must respond.

Chinese analysis of identity gaps is essentially a propagandistic effort to steer states into its orbit while turning them against each other. Coverage of U.S.-Japan relations reveals this pattern. When Hatoyama took office, Chinese insisted that Japan's search for normal identity requires merging with Asia and insisting on equality with the United States and that the Futenma base dispute exposes a shaky alliance as U.S. influence declines. Absent in the discussion are what draws Japan to the United States and what makes it suspicious of China. Chinese sources generally cast choices in zero-sum terms. An East Asian community is contrasted to U.S. hegemonism, bringing equality and the end of cold war mentality. At a time when Hatoyama was eager to foster an East Asian community and Barack Obama sought cooperation with China to address regional and global problems, China vilified the U.S.-Japan alliance, pretended that Obama's hegemonism was the same as earlier U.S. leadership demands, and put Japan on notice that it had to go much further in distancing itself from its ally in order to win Chinese trust. Missing an opportunity to find common ground on security and values necessary for community building, Chinese spokespersons left an impression of Chinese national identity unbent in the quest for regionalism and in the challenge of facing increasing global challenges. By depicting a U.S. trick to co-opt China into serving its interests and charging that the balance of power has changed in China's favor by 2010, they argue that the rivalry is intensifying and that increased U.S. dependence means China can take the lead.

The Narrative Regarding China's Past, Present, and Future Roles in East Asia

Whereas in the Cultural Revolution China may have had the worst self-image of its own history of any major state, by 2010 it boasted what has likely become the most positive self-image. Whether its Confucian past, struggle against imperialism over a century, sinification of Marxism under Mao, astute reforms under Deng, or post cold war rise in the face of containment, this is now a history of success with only pro forma mention of mistakes of the Cultural Revolution or regret over the delayed resistance to the West and delayed borrowing of the essentials for modernization.

Reinterpretations of premodern history and the transition to 1949 parallel support for cold war Chinese policies and pointed resentment toward later containment of China. The combined narrative posits an idealized past interrupted by antagonistic forces that still stand in the way of a promising future. Instead of ambiguity about its Confucian past, hesitancy in praising much of the Mao era, and an upbeat approach to the post cold war era as positive for China's rise as relations with all of the great powers favored cooperation over competition, this recently altered narrative puts the stress on victimization and takes unbridled pride in all phases of China's history.

The villains of earlier Chinese history have largely been transformed into patriots, whether the Mongols and Manchus or the Nationalists under Chiang Kai-shek. Ambivalence about the nature of the Korean War has shifted to celebration with North Korea of this just conflict. Fixing primary blame on the Soviet Union for the continuation of the cold war during the second half of its existence has yielded to emphasizing U.S. cold war and anti-communist thinking that carried over to the post cold war period. Looking back, Chinese sources have simplified history into a struggle between a virtuous Chinese nation under all forms of rule and predatory Western and Japanese intrusions that humiliated and victimized the Chinese.

This historical narrative has acquired greater potency in recent years. The struggle is widely depicted as between Western and Eastern civilizations, the latter best represented by Chinese civilization. While China strove for harmony with ethnic minorities at home and developed a system of relations with nearby states based on mutual respect and non-interference in internal affairs, Western states were prone to expansionism and intent on imposing their own civilization. In this contrast there is no mention of the Enlightenment and humanist traditions

that emerged in the West nor of blemishes in Chinese history. The national identity thrust is to widen the gap between two irreconcilable forces, not to find common ground. In the 1980s-90s there was much talk about the need to borrow from the West, but of late the notion of borrowing has been sharply narrowed. The rise of Asia with China at the center is now heralded as bringing non-Western traditions to the forefront and ending centuries of cultural imperialism among other evils. Loss of self-confidence as cultures were transformed under pressure from the West is seen as an insidious consequence of the world order that China insists on changing. The civilizational narrative is now deeply embedded in historical contrasts reaching far back in the past but also extending to today and claims for future world relations.

Plans for the future include East Asian regionalism, which after centuries of outside interference, excludes the Western powers and enables Eastern civilization under the leadership of China to thrive. The U.S. alliances will be gone, Taiwan will be part of China. The enormous economic clout of China will be used to reward countries that do not interfere in its sovereignty, as in criticism of human rights problems. Features of past sinocentrism will reemerge, stressing deference and benevolence.

The Korean Security Narrative

North Korea is the litmus test of China's intentions and its narrative. Its response to the sinking of the Cheonan was to insist that the evidence was insufficient to blame North Korea. Yet, the narrative on the Korean peninsula is much more provocative than just passively withholding judgment. China has shifted from neutrality to clear preference for North Korea's position in opposition to those of the United States and South Korea. No longer is China a reluctant convener of the Six-Party Talks or a state attracted to South Korea but wary of isolating the North. Instead, it lambasts the end of Roh Moo-hyun's unconditional engagement of the North, pretends that U.S. policy is still uncompromising due to determination to use the North as a pretext to contain China, and advocates an entirely different direction for the Six-Party Talks. In 2010 the thrust of Chinese rhetoric was to take advantage of the North Korean threat to regional security without even, in print at least, warning the North against further acts of aggression. Only through such threats did it seem possible that South Korea would lose confidence in the U.S. alliance and the United States, mired in conflict elsewhere, might out-source management of North Korea to China. Yet, unrealistic expectations abound in these superficial writings on the peninsula.

Korea is the prime example of the sinocentric imperial order, and in 2004 was more inclined than any other middle power to draw closer to China. Yet, China's security thinking and reconstruction of national identity to strengthen sovereignty at almost any cost sacrificed South Korean goodwill. Finding Lee Myung-bak insufficiently deferential and thinking that the United States is vulnerable to North Korea, China has cast doubt on its repeated insistence that it stands for peace and stability. In shaping the future of the peninsula, it stands instead for influence and regional transformation at the expense of the United States and its alliances. Sinocentrism is most blatant in the narrative about Korean issues. While in 2003-08 Sino-U.S. cooperation in the Six-Party Talks was considered the best evidence that the two countries could be partners in security, the best evidence in 2010 that China would be driven by hostility to hegemony came from its Korean narrative and policies.

Not only China's policy but its narrative about the Korean peninsula will continue to be a test of its readiness to cooperate to manage a dangerous situation. If China fails to reassure South Korea as well as Japan about its intentions in the region, then the narrative on the United States and the West is even more unlikely to be promising.

The Maritime Security Narrative

Chinese coverage of tensions in the three seas to the east follows a similar pattern. It argues that these issues should be handled bilaterally without interference from the United States. While the incidents that elicited U.S. involvement in 2010 provoked states in the region to seek support from Washington, Beijing ignores the context in

an attempt to blame Washington for finding pretexts to strengthen alliances, rally other states against China, and deepen containment. Maritime security was popular in writings of 2010 with little indication of dissenting voices. Treated as matters of sovereignty or core interests, maritime controversies are covered simplistically, even if they affect relations with most of China's neighbors.

The military voice is particularly strong on maritime matters. While scholars known for trying to find ways to bolster ties with neighbors, especially ASEAN, concentrate on other themes, writers who vehemently object to U.S. military exercises or moves to counter China and North Korea gravitate to the subject of tensions at sea. Having alarmed Japan and South Korea as well as Southeast Asian states in 2010, China may for a time tone down its rhetoric on maritime disputes. Yet, there is no backtracking in sight. While Taiwan has not been a major theme in the recent narrative, apart from U.S. arms sales, it is likely to reemerge and reinforce the assertive tone.

No less than the shift in tone toward the Korean peninsula, the change in attitude toward Southeast Asia occurred abruptly and likely with considerable forethought. Whereas in Northeast Asia there are multiple villains, ASEAN is generally targeted more obliquely, leaving only the United States as the true villain. Its hostility is seen as stretching broadly through the Indian Ocean, drawing in India and Australia. If ASEAN is still depicted as cooperative, other U.S. partners are directly targeted.

The Actors Who Shape China's Narrative

Foreign observers gain most of their information from the writings of academic experts and through interviews with them and officials, many from the Foreign Ministry. These persons are expected to follow guidelines devised by others. When sensitive information is revealed, they may be arrested and sentenced to long terms in prison. The marginalization of the academic and diplomatic experts was never more apparent than in 2010. When their advice of many years was disregarded, they had no recourse to continue to make their old arguments in print. Those who most boldly persisted could easily get in trouble.

In contrast to the quieting of the experts, the year 2010 witnessed more outspoken remarks by military officers than ever before. If not the driver of the new policies on North Korea and maritime security, the People's Liberation Army and the Navy have emerged as its most ardent supporters. Economic interests do not appear to play a large role on security questions except energy. The policy debate in China has often been quite vigorous when leaders invite small groups of experts for timely input, but after decisions are taken about the overall narrative or foreign policies are set, the debate is stifled. Only a small leadership group is seen as acting in the interest of the state, whose identity is paramount, preventing those who may pursue other interests from undercutting the rapid build-up of comprehensive national power.

Overview

Adopting a much more assertive posture, China was emboldened by new military advances and increased economic leverage. Relevant too was a growing sense of entitlement, rooted in a national identity narrative that had been submerged to a degree, but finally was bursting forth. Repudiating the "integrationist" notion of peaceful incorporation into the world order as yielding to the West as the center of the order, which would mean changing the values and also the ideology of China's political system, Chinese sought a new international order. In many publications the concept of "responsible stakeholder" was derided as a trick to get China to assist the United States in preserving an unjust international order. China is leaving no doubt that it is a revisionist power impatient to change not only the existing order, but also the way the world perceives the recent centuries of Western ascendancy. Whether it focuses on the rise of the East vs. the West or of the South vs. the North—both are dichotomies found in Chinese writings--, a very different world order is anticipated.

We should be careful to distinguish China's narrative from its strategic thinking. In the three decades prior to 2009,

strategic thinking was generally successful because China's leaders had a long time frame and recognized that China's national power needed to be increased incrementally. They spent a lot of energy drawing lessons from the collapse of the Soviet Union. Regular reassessments of strategic results and changing international relations have led to timely adjustments. Engagement with the United States and other powers remains the preferred means to realize China's rise and its strategic narrative. In 2011 following the Obama-Hu summit positive statements about the prospects of cooperation are common. However important it is to understand the Chinese narrative clearly, it is also essential to recognize where cooperation is possible to achieve U.S. strategic objectives. The Chinese side sees itself as more adept at balancing competition and cooperation and successful in its strategic thinking at least until 2010. Only flexibility based on clear awareness of its thinking is likely to produce an effective, long-term strategic response.

The danger of North Korean aggression against South Korea is the primary strategic issue in the near future that will test whether China's narrative is changing and how much it influences policies. There are signs that public opinion is not supportive of North Korea. Many in the academic community apparently do not subscribe to the 2010 narrative on that country. Although Russia continues to be deferential to China on Northeast Asian matters, its position is more critical of North Korea. Impatient belligerence by the North will lead to intense diplomatic discussions as well as sharp retaliatory measures, and China's interpretations will reveal whether Dai Bingguo's December 2010 article represents a return to the softer line that led to cooperation through 2008 or whether the narrative of 2010 is now unequivocally supported.

The Obama-Hu summit of late 2009 accompanied a shift toward a more negative view of the United States. Their summit 14 months later saw some adjustment in the other direction. Sino-U.S. relations matter; yet they do not drive China's narrative. In the year before the first of these summits the Chinese were already widening the national identity gap with the United States, and in the months after the January 2011 summit the essence of the narrative remained. It is not clear what U.S. moves within the realm of realistic possibility would lead China to narrow the gap. Instead, the possibility is growing that China's behavior and rhetoric will lead to a vicious cycle of a U.S. security narrative growing more critical of China and, in turn, China seizing on that and on U.S. policies to intensify its own rhetoric. Even without a cold war in reality, clashing narratives reminiscent of the cold war may be difficult to avoid if China persists in the direction it has taken during the past few years.

HEARING CO-CHAIR FIEDLER: Thank you. Thank you very much.
Dr. Ford.

**STATEMENT DR. CHRISTOPHER A. FORD
SENIOR FELLOW, HUDSON INSTITUTE, WASHINGTON, DC**

DR. FORD: Thank you, Mr. Chairman. Mr. Chairman, Commissioners, thanks for the opportunity to be part of these deliberations and to contribute to your excellent work, which I have followed for many years.

I'd be grateful if you could enter my prepared statement into the record. I will try to be brief now.

As I see it, the nature and extent of China's role in the emerging world is a critical issue for global politics and U.S. policy. That much is certainly not a surprise. In fact, I think it could be said that uncertainty about where China is going is itself influencing strategic and geopolitical planning around the Pacific Rim, and we're seeing a great deal more interest in what you might call strategic hedging strategies in approaching dealings with China, which are driven in large part by this very uncertainty.

I suppose a pessimistic interpretation would also support some of the

same choices, but even in the absence of knowing where China or thinking one knows where China is going, I think you're seeing a lot of pressure to adopt strategic hedges that tend to assume grave problems ahead.

But as China and the world around it struggle to find narratives with which to understand China's rise, I'd like to draw attention to a couple of things. Actually I thought I was going to be the pessimistic one today, but clearly I'm in good company.

[Laughter.]

DR. FORD: But let me draw attention to what I think was for centuries an enduring element in China's relationship with the outside world. China, as I see it, seems traditionally to have conceived of the world in essentially hierarchical terms. In its ideology of order, political authority emanated from a virtuous ruler in concentric circles, if you will, according to the extent of that virtue.

There was no geographic, no necessary geographic limit to the extent of those circles, I should add, and that's an important wrinkle. Domestically, of course, this was the basis of "Mandate of Heaven" thinking, but abroad it also anchored a fairly coherent conception of order, one in which China was the civilizational monopole of the human community and existed in a hierarchical relationship with the rest of the known world.

So I think a critical question for the future is, thus, to what degree do the ancient hierarchic notions of order that I'm referring to still influence Chinese elites? And if so, how they will shape Beijing's behavior in the years ahead?

There are certainly those who argue that China has now internalized fundamentally non-hierarchic ideals, and that Beijing has thus become a fully-socialized--I use that in academic or behavioral sense rather than the political sense--member of what you might call the Westphalian system.

Others, however, suspect that hierarchic inclinations still exist and persist, and that as China's relative power grows, it will increasingly be inclined to nudge the global system into a more Sinocentric form of the sort that its history and ancient conceptions may teach it in fact to desire and to expect.

In light of Beijing's apparent recent interest in much more muscular sorts of sphere of influence approaches to East Asia, I fear that the pessimists in recent years are getting the better of this argument.

Now the message that China is sending, as I see it—and I would agree with my colleagues here--has been changing, has evolved significantly. Not that long ago, Beijing still focused upon promoting what you might call a sort of "benign rise" thesis. It was probably designed to avoid provoking just the kind of countervailing alliances against a rising power that China's own ancient statecraft literature would teach it, in fact, to expect and to fear.

Today, however, China, is more openly assertive, promoting the idea

of it having its own special prerogatives in East Asia, and featuring emerging military capabilities that are designed to deter our intervention in whatever future conflicts might arise there--and thus to convince our friends and allies in the region that if push really came to shove, we would not be there for them.

Now, what's less clear is what counter-narrative we will choose, or be in a position, to offer. But it's clear, I think, that how the United States is viewed in China is indeed important to how China approaches the future.

There was a period in the 1990s when Chinese thinkers looked at U.S. power with anger and alarm. These fears seem to have subsided, I think, in recent years, to be replaced by an attitude that sees opportunity for China in an era when the sun of the United States is perceived to be setting.

I hope you'll forgive me for editorializing a bit, but I doubt there is any simple connection between China's views of the United States and its policy choices. Yet there is, in a sense, an important debate underway. There have been those for years who regard the Sino-American relationship as being so fundamentally fragile that for us to prepare or even talk about preparing for certain types of unpleasant China-related contingencies is to do something very dangerous because such talk and preparations may, in fact, help make those contingencies come true.

For them, for such thinkers, the best response to China's rise is essentially to welcome it--to offer only welcome, I should say. Now, while I agree that it's certainly important to avoid undue provocation, I suspect that that particular analysis relies upon an oversimplified view of China's narrative of America, and over makes the case for passivity.

It certainly matters whether Beijing views us as being fundamentally hostile, and I hope that we can forestall them thinking so because we aren't. But at least as important in how things turn out is the degree to which Chinese leaders view us as being likely to remain a key player in the region over the long term.

To put it another way, the issue is perhaps less whether we are specifically liked than how Chinese leaders perceive it to be in China's interests to treat us, our friends, and other states within the system of global order.

Deng Xiaoping is said to have admonished his colleagues at one point years ago not to stick out their head before China was ready to handle the consequences. And I think it's clear that Beijing is clearly capable of tempering how it pursues its long-term goals in light of the geopolitical realities of the moment.

So it may actually be that Chinese threat perceptions of the late 1990s, for instance, contributed to China's geopolitical moderation at the time. Not necessarily by affecting its long-term aspirations, mind you, but by encouraging it, at least, to continue a less provocative and lower-profile approach to policy that was in keeping with Deng's cautionary dictum.

By the same token, current perceptions--that we are, in fact, a declining power--may be contributing to Beijing's regional and global truculence. It's not always the case, in other words, that strong policies destabilize. Sometimes, at least in my view, it works quite the other way around.

So there may, therefore, be much value in a firm strategy aiming to persuade Beijing that it is not, in fact--yet and perhaps may never be--an appropriate time for China to "stick out its head," as it were, in particularly problematic ways.

So as we seek to influence Chinese choices, I think it's important to make clear that while we have no problem with growing Chinese power per se, we care greatly about its behavior and its role in the region and the world, its relationships with its neighbors, and its commitment to global norms.

If China wishes to continue its rise without provoking more international opposition and countervailing strategies, I hope it remembers this distinction.

America's global eclipse, of course, has been declared many times before, thus far mistakenly. But because the future is murky, I would suggest that we need to test our approaches against a broad range of possible outcomes. Between the various competing narratives of U.S.-China policy, I would submit that principled firmness offers the best chance of--the best balance, I should say--of risk and reward across that landscape of possibilities.

And since Beijing's planners must themselves also worry about possible landscape of different alternative futures, we should do what we can to ensure that they cannot bank upon our decrepitude, particularly in areas that are likely to present them with the greatest trouble if our interests at some point, God forbid, should really come to clash.

So perhaps, in this fashion, we could encourage a sort of cooperative and constructive cautiousness in each other. I think it's possible, but I fear that it is getting harder rather than easier. Thank you for having me here today. I look forward to our discussions.

[The statement follows:]

March 10, 2011

Testimony of Dr. Christopher A. Ford, Senior Fellow, Hudson Institute

Testimony Before the U.S.-China Economic & Security Review Commission Hearing on "China's Narratives Regarding National Security Policy"

Thank you for the opportunity to contribute to the Commission's deliberations.

I am a Senior Fellow at Hudson Institute here in Washington, D.C., a think tank founded by the seminal nuclear strategist and futurist Herman Kahn, and that this year celebrates its 50th year of scholarship on the interplay

among culture, demography, technology, markets, and political leadership in addressing the challenges of the future. I am grateful for the chance to discuss Chinese narratives regarding national security policy.

I. *China's Narrative of China*

The precise nature and implications of China's role in the emerging 21st Century world is one of the most important questions for global politics and U.S. policy. It is very hard, however, for outsiders and Chinese alike, to know quite where Chinese policy is going. For one thing, it is not a given that the current Chinese government – or even China's present territorial unity, based upon the historically idiosyncratic high-water mark of Qing Dynasty conquest – will actually *last* as long in the 21st Century as it did in the 20th.

This is a question that study of China's long history certainly highlights, since by some accounts it has existed as a unitary *and Chinese* entity for perhaps only *half* of the entire period since the fall of the Han Dynasty some 1,800 years ago. There have been too many long and tumultuous periods of *disunity* in Chinese history for us to ignore the possibility of there being more. Nor is it by any means a law of history that the current government's attempt to combine state-managed capitalism with heavy-handed political authoritarianism will remain a viable response to the aspirations of China's people – particularly as new demographic challenges materialize or the government fails to provide the economic growth rates upon which it has staked its legitimacy since the Tiananmen Massacre in 1989. One of China's most persistent and pervasive narratives of itself over the last 2,500 years has been that there *is* a "China" the natural state of which is in some form of unified rule. Over the centuries, however, this has sometimes been as much an aspirational statement as a descriptive one.

But even within the landscape of alternative Chinese futures involving continued unity – and especially futures that involve linear projections from China's recent rates of growth and its continued rise as a global power – there is still much uncertainty about what its role in world will or should be. Outsiders are divided about what to make of China's rise, policymakers are divided about what to do in response, and as my Hudson Institute colleague Charles Horner has written, even the Chinese themselves seem to be in the middle of an ongoing and sharply contested process of imagining and reimagining themselves. It is possible, in fact, that Chinese leaders do not themselves have or agree upon answers to these questions. (They are said to *try* to think deeply about long-term strategy, but the outside world has so far gotten little window upon whatever thinking has taken place, and it is not possible to say too much about either its seriousness or the degree to which Beijing's leadership is *itself* divided between competing approaches.)

There seem to be, in other words, *many* narratives of China and its rise, and much hangs upon which of them ends up approximating its evolving reality.

Today, this very *uncertainty* about where China is going and what this will mean is *itself* emerging as a major factor in Beijing's geopolitical relations. Whether with respect to strategic force limits or the issue of non-strategic weapons, for instance, nuclear arms control between the United States and Russia seems to be nearing the asymptote of what can be achieved on a purely bilateral basis, because both powers fret increasingly about China's trajectory and the implications of *its* strategic nuclear modernization.

Particularly in the context of Beijing's growing willingness to throw its weight around in regional and even global affairs in ways that are sometimes notably undiplomatic, China's neighbors also worry about the implications of its rise – a dynamic which could, of course, affect other countries' strategic policy, alliance relationships, military spending and procurement, and even nonproliferation choices. Beijing, however, still remains resolutely uninterested in arms control or in strategic dialogue or transparency of the sort that could help allay concerns if indeed China's intentions are indeed as good, and its emerging role as benign, as its leaders have claimed.

As China and the world around it struggle to find narratives with which to understand China's rise and role in the world, let me draw attention to what I think may be an enduring element in China's encounters with the outside world that bears upon these questions. In my recent book, *The Mind of Empire: China's History and Modern*

Foreign Relations (University Press of Kentucky, 2010), I try to trace themes of what one might call moralist Sinic universalism over the past couple of thousand years.

One of the most interesting aspects of this ideology is that it conceives of the world in essentially hierarchical terms. It is a discourse in which political authority is in a sense “secreted” by a virtuous leader, as order and harmony naturally and inevitably *selforganize* around him in concentric circles. Within what we might call China itself, of course, this is the basis of “Mandate of Heaven” theory, by which rulers rule according to their virtue, and in which *defects* in political order can be read backwards, as it were, as *indictments* of the virtue and thus the legitimacy of a leader.

More broadly, however, this virtue-hierarchic conception can also be seen as the anchor of a distinctive conception of global order. Such ostensibly virtue-based authority is without inherent geographical limit, and is proportionate to the extent of a leader’s virtue: a perfectly virtuous leader will see the entire world pay homage to him in awestruck submissiveness. Through this prism, China was viewed as the civilizational monopole of the human community, naturally existing in a hierarchical relationship with the rest of the known world because of the axiomatic virtue of its leaders. There was essentially no space, within this schema, for the Western notion – so important to modern international law – of separate and coequal sovereign powers existing legitimately and indefinitely alongside each other. Among other things, my book tries to chronicle the clash of these competing conceptions of order from the mid-19th Century to the present day.

In my view, a critical question for 21st-Century geopolitics is the degree to which the ancient hierarchic notion of order still influences Chinese elites, and whether it will thus help shape Beijing’s behavior in the years ahead. I do not know the answer to this question, and perhaps no one really does – but we’d be remiss not to ask it.

There are certainly those who argue that China has come to internalize nonhierarchic coequal-sovereignty notions – that is, what one might call the Westphalian conception of global order – to such a degree that they have now become the dominant framework for interaction with the non-Chinese world. This has long been, in effect, the public position of the Chinese government itself. (For years, Beijing has tried to forestall foreign moves that might imperil its return to global prominence by claiming that its rise is benign and offers the West in general – and the United States in particular – only positive-sum, “winwin” opportunities.) By this view, one might say, China is *not* civilizationally exceptional in any way that should convey special global influence or authority, or elicit special foreign deference or respect, beyond whatever is due to sheer size.

Others, however, suspect that hierarchic themes have not entirely evaporated, and that as China’s relative power grows it will be increasingly inclined to nudge the global system into a more hierarchic and Sinocentric form of order of the sort that its history and ancient conceptual frameworks encourage it to desire and expect. Such thinkers do *not* necessarily expect some Chinese drive for direct control, conquest, or any other kind of *formal* hegemony too much beyond its present borders. (Historically, Chinese rulers have often been fairly pragmatic about how far to extend their bureaucratic reach, and have sometimes been willing to treat non-Chinese as *functional* equals when left with no alternative.) The more interesting question may be what sort of informal, political, or even merely symbolic deference China may come to expect or choose to demand.

When I wrote my book, my feeling was that this issue of *what China will do as its power grows and it feels itself to have more freedom of action* was a vital but still largely unanswered question. Since then, one may be forgiven for suspecting, on the basis of Beijing’s recent resurgence of interest in muscle-flexing, sphere-of-influence approaches to East Asia, that the pessimists are getting the better of the argument. History is not destiny, of course, and nothing preordains that ancient hierarchic reflexes will determine future Chinese behavior in rigid ways, or at all. Nevertheless, there is cause for concern.

II. *China’s Narrative of America*

In light of this, let me say a word about the narrative of China’s relationship with the United States. How we are

viewed in China, of course, is important to how China approaches a range of issues where its interests may rub up against ours in the years ahead. My impression is that what America looks like through the Chinese lens is *also* a work in progress, and this question would certainly reward much more study.

There was a period in the late 1990s when Chinese military and strategic writers, at least, looked at U.S. power through a distinctly unhappy lens, seeing in our post-Cold War “unipolar moment” a great threat to China’s rise, fearing possible American-led efforts to check Chinese power, feeling alarm at the rise of a “China threat” literature here in the United States, and interpreting events such as NATO’s Kosovo campaign in the worst possible light. These fears seem to have subsided somewhat after we became distracted by our relationship with the Islamic world in the early 2000s, and have been replaced more recently – with the advent of U.S. economic problems, catastrophic federal deficits, and domestic political preoccupations – with an attitude that sees opportunity for China in a new era in which the American global sun is felt to be well on the way to setting.

Let me stress, however, that there is no simple or automatic connection between broad Chinese perceptions of the United States and Beijing’s foreign and security policy choices. There is a school of thought which regards the nature of the Sino-American geopolitical relationship as being so conceptually and politically fragile that for us to prepare for China-related contingencies – or even to *talk* about the possibility of a serious clash of interests – is likely to help make such things come true. Chinese views are entirely up for grabs, the reasoning seems to be, and any such U.S. hedging would “prove” our hostility and help *make* China into an enemy. To such thinkers, therefore, the best response to China’s rise is essentially to offer *no* response.

While I would agree that it is imperative to avoid undue provocation, I think the “noresponse” analysis relies upon an oversimplified view of China’s narrative of the United States and overmakes the case for passivity in potentially dangerous ways. It certainly matters whether Beijing views us as fundamentally hostile, and I hope we can forestall this, because we aren’t. Another critical variable, however, is the degree to which Chinese leaders view the United States as being interested in – and capable of – remaining a key player in East Asian and indeed global geopolitics over the long term.

To put it another way, the issue is perhaps less whether we are actually *liked* than how Chinese leaders perceive it to be in China’s interest to treat us, our friends, and other states within the system of global order. Years ago, Deng Xiaoping famously admonished his colleagues not to “stick your head out” before China was ready to handle any consequences that such boldness might elicit. As this suggests, Beijing clearly has a well-developed capacity to temper the long-term pursuit of its ideal preferences in light of the geopolitical realities of the moment. Indeed, the whole debate over whether or not China has internalized Westphalian notions of global order and been “socialized” to contemporary international norms to some degree presupposes that Beijing at least *began* to honor nonhierarchic norms for merely instrumental and tactical reasons.

This is why I’m skeptical of the deceptively simple syllogism of “never do anything that might provoke China.” It might be, for instance, that the apparently intense Chinese threat perceptions of the late 1990s actually contributed to Beijing’s geopolitical *moderation* – insofar as the unwelcome perception that the United States remained a tremendously powerful hyperpower hegemon may have encouraged China to maintain a less provocative and lower-profile international role in keeping with Deng’s cautionary dictum. By the same token, *current* perceptions that we are a weakening and declining power are arguably contributing to Beijing’s growing regional and global truculence. It is not always the case, in other words, that “strong” policies are destabilizing.

The future, of course, is notoriously hard to predict. It might yet be that being entirely welcoming and non-provocative remains the best response to China’s rise, in the hope of eliciting benign behavior from an emerging titan whose interests fundamentally do *not* clash in any significant way with our own, and from whom such warmth will induce reciprocity. I emphasize, however, that even if one rejects – as I do – approaches to China that assume a deep, inherent, and irreducible hostility between our two countries, there still exists a plausible counter-narrative of how to approach Sino-American dynamics. This narrative is one that does not take utter congruence of interest for granted, and while it tries to avoid unnecessary provocation, it nonetheless aims to

persuade Beijing that it is *not* yet – and may *never* be – an appropriate time for China to “stick out its head” in particularly problematic ways. This need not entail insisting upon U.S. global “hegemony,” nor any disrespect for the ancient, rich, and sophisticated civilization of China. But neither would it be an entirely non-confrontational approach.

Clearly our approaches to China and to the region will powerfully shape – though by no means entirely or even directly determine – the dominant narrative in Beijing about *us* and *our* future role in the world. It is our challenge to posture ourselves in ways that are firm enough to discourage arrogance, opportunism, and the resurgence of some neoimperial proprietary interest in East Asia – yet not so reckless that we “confirm” the worst suspicions of those in the Chinese system inclined to see us as a threat against which Chinese policy should ever more directly be focused.

One might even suggest that it is our challenge to make it clear that we have no particular problem with growing Chinese power *per se*, but that we care *greatly* about its *behavior* and its *role* in the region and the world, its relationships with its neighbors, and its commitment to global norms such as freedom of the seas, freedom of access to outer space, nuclear nonproliferation, and respect for human rights and democracy. I don’t believe America has much problem with any other country’s power in and of itself, or even with the notion that someone might someday replace us at the top of the geopolitical totem pole. We do, however, care about how the possessor of such power behaves, and about what this would mean for global order. Many years ago, a declining Britain did not *too* much mind its role as a provider of global public security goods being taken over by a kindred democracy committed to similar international goals, but it was clearly willing to take up arms in order to forestall such a key global role being seized by a predatory dictatorship. Perhaps planners in Beijing can learn something from this history.

America’s global decline has been periodically forecast for many years, but such prior prognostications have proven false. Nor is it preordained that if we do decline, China will be in a position to replace us. (Beijing, after all, faces domestic challenges that are in some ways *more* formidable than ours.) We shall simply have to see. Precisely because this future is murky, however, we need to be testing our approaches against a broad range of possible futures. Between the various competing narratives of Sino-American relations, my instinct is that a policy of principled firmness offers the best balance of risk and reward across the landscape of possibilities.

III. *China’s Conception of “Core Interests”*

I understand that the Commission is interested in China’s conception of its “core interests.” If I am right to suspect a continuing salience for Confucian-infused notions of Sinic universalism, I’d wager that territorial unity is considered such an interest.

Despite the ancient roots of the Chinese empire, China *as a nation-state* is a relatively recent idea. In centuries past, after all, Imperial influence was exercised in core regions directly and bureaucratically, in other areas through vaguely defined buffer regions, and further afield through complicated tributary relationships. China’s development of an attitude more akin to Western – and indeed specifically European – conceptions of the nation-state as an indissoluble conjunction of a people, its associated territory, and that land’s administration largely dates from the late 19th or early 20th Century.

Nevertheless, China’s modern narrative of itself has seized upon the idea that China is and must remain a single, unified state under centralized administration – and that the extent of its territory must in its key respects be coextensive with the extent of empire at the height of the Qing. There is no reason why this *has* to be the case, of course, and in some sense such a conclusion is quite ironic, for the Qing was a dynasty imposed by “barbarian” outsiders who *conquered* China: the Manchus. (Basing regional territorial claims upon Qing precedents, therefore – or upon those of the earlier Yuan Dynasty, which was similarly imposed by foreign “barbarians,” this time by the Mongols – thus seems a bit like France claiming Belgium because both were at one point conquered by Germany.) Regardless of its idiosyncrasy as applied to areas outside the traditional ethnically Han core of the empire,

however, this concept of Qing-keyed territorialism seems to have become a powerful part of the modern Chinese regime's self-identity.

At any rate, whatever the extent of the "natural" unity this schema assumes, it seems pretty clear that unity *itself* is sacrosanct – a feeling that I think is strongly encouraged by ancient attitudes toward political authority. In the old Confucian conception, as I noted earlier, political authority is the outgrowth of moral authority, or virtue. In modern times, a marriage has been arranged between a territorialist nation-state conception of "China" and the ancient ethic of political authority grounded in assumed virtue.

This marriage has potentially significant implications. In years past, the empire could acquire, or slough off, sizeable territories without any necessary peril to its legitimating ideology. With respect to barbarian or semi-barbarian areas – and to some extent even with respect to the ethno-cultural core of China, which Zhou-era precedents suggest *could* in principle exist as multiple semi-independent feudatory proto-states, so long as all offered at least notional homage to the center – more important than direct bureaucratic control was the notion of civilizational hierarchy, which insisted that everyone still pay respects to the notional monopole in at least moral and symbolic terms. Even when China found itself weaker than outside barbarians – which it hated being, but sometimes could not avoid – trouble was taken to ensure the proper gradient of *theoretical* status wherever possible. Actual control, *per se*, was sometimes almost a secondary consideration; old China, one might say, conceived of itself as a cultural and civilizational empire as much (or more) than as a specifically territorial one.

One corollary of today's marriage of Chinese virtuocracy and European "national" territorialism, however, is that questioning *any* aspect of political authority over *any* particular part of what has been declared to be "naturally" a part of China is gravely subversive of government legitimacy. Chinese elites have long had a profound phobia of disunity, a fear of situations in which there is more than one claimant to supreme politicomoral authority within whatever territory is deemed civilizational Chinese. With these attitudes now entangled with an expansive and rigid "national" territorialism, questioning the government's right to rule the full extent of the territory China has come to imagine for itself is taken inherently to undermine the regime's right to rule *anywhere*.

This, I think, helps explain the intensity of the government's defensiveness about continued control of Tibet and Xinjiang, the "naturalness" of Beijing's possession of which is, interestingly, rooted primarily in the precedents of *non-Chinese* conquest under the Yuan and Qing. It also helps one understand Beijing's peculiar neuralgia about Taiwan – a territory with the temerity to be civilizational Chinese, beyond Beijing's control, prosperous, *and* democratic all at the same time, thus by its very existence calling into question the Communist government's legitimacy in multiple respects. Modern China's entanglement of virtocratic political theory with territorialism also gives special reason to worry about its increasing interest in identifying far-flung islands and great expanses of nearby ocean as intrinsic parts of China's territorial birthright.

IV. *The Cast of Characters*

I can offer you no particular insight when it comes modern Chinese analogues to the arcane Cold War discipline of "Kremlinology," but one hears it said in policy analytical circles – and privately from U.S. government officials – that there does indeed seem to be a profound debate underway in Chinese leadership circles over how to approach relations with the rest of the world, and with the United States in particular.

On one side, it is said, are those who are more inclined to adhere, for now at least, to Deng's "don't stick your head out" philosophy, content to continue pursuing growth and development behind as seemingly placid a geopolitical veneer as can be arranged. On the other side are those more inclined toward assertive and nationalistic approaches, perhaps reasoning that the time has now finally come for China to stick out its head.

The military is reportedly to be increasingly of the latter view, which is said generally to be gaining ground, with the People's Liberation Army (PLA) steadily becoming more influential in policymaking circles. Many analysts seem also to believe that China's air force and naval staffs are on the ascendant *within* the PLA, at the expense – both with

regard to resources and policy influence – of the ground forces. (This development, if true, would certainly be consistent with Beijing’s increased emphasis upon high technology warfare and regional power projection.)

It is also widely believed that the government in Beijing is increasingly influenced by the views of a new generation of chauvinistic Chinese nationalists – fire-breathers whom it has indulged to bolster its political legitimacy now that Communist ideology is so thoroughly discredited, but whose enthusiasms are proving easier to inflame than control.

The well-informed people with whom I have spoken see the overall direction of China’s approach to the United States as being sharply contested in Chinese leadership circles, with more assertive and confrontational elements gaining strength in recent years.

V. *China’s Message*

Perhaps as a result of such shifts, the message China is sending to the world has evolved significantly. Once, China’s perception management effort focused upon promoting what might be called the “benign rise” thesis. This was an approach probably rooted in Deng’s “don’t stick your head out” maxim, and it was powerfully consonant with ancient statecraft writings warning that other states will tend to form countervailing alliances against a rising power, as well as with venerable virtocratic notions pursuant to which the ruler cannot admit to moral defect without calling into question his own mandate to rule. (How could such a leader concede his ascendancy to be anything *but* “benign”?)

Today, however, China seems more openly assertive. The narrative promoted by Beijing seems now to be one of power by birthright: the assertion of special prerogatives in East Asia, coupled with an ostentatious show of emerging military capabilities focused upon denying U.S. military forces access to the region, thereby deterring our intervention in whatever future conflicts might erupt there involving China.

On the heels of the recent global financial crisis, Chinese officials were quick to begin speaking in terms suggestive of a definitive U.S. eclipse, and perhaps indeed our replacement by China as the hub of the international system. Officials in Beijing have mused publicly about replacing the U.S. dollar as the benchmark global currency, and seem to have seen the crisis as offering an “historic opportunity” for Beijing to increase its strategic influence – apparently trying, as *The Economist* put it, to turn the financial collapse into “a kind of induction ceremony for China as a world power.”

China’s security posture also seems to be shifting, particularly in the messages it has been sending. Having demonstrated an emergent space-denial capability in 2007 by testing an anti-satellite weapon, China is also expanding and upgrading its submarine fleet – not to mention showing it off in visible forward deployments of attack boats to places such as Hainan Island – and has kept rumors bubbling for years about developing the classic tool (and symbol) of modern power projection, a nuclear-powered aircraft carrier. China has also reveled in media coverage of a new ballistic missile variant designed to target *American* carriers, and released photographs of a new “stealthy” aircraft earlier this year just as the U.S. Defense Secretary visited Beijing.

China is also believed to be the source of significant cyber-espionage activity, and seems to be developing advanced cyber-attack capabilities. Among other things, the PLA has formed special information warfare units, and some of its officials have spoken of “information deterrence” as acquiring a status comparable to that of *nuclear* deterrence. China seems to be making a big show of cyber power as part of what one report prepared for your Commission has described as a “sweeping military modernization program that has fundamentally transformed [China’s] ability to fight high tech wars.”

After years of quiet and relatively non-provocative deployments that some commentators labeled merely “minimal deterrence,” moreover, Beijing is today steadily increasing the size of its nuclear arsenal – the only nuclear weapons state under the Treaty on the Non-Proliferation of Nuclear Weapons to be doing so. Recent media

reports suggest that China has rebuffed U.S. efforts to engender strategic dialogue and reciprocal nuclear transparency, with senior PLA officers replying that such tension-ameliorative transparency is “impossible,” that the growth of Beijing’s nuclear force is an “objective reality,” and that China will accept “no limit” on its technical progress.

All in all, therefore, there seems indeed to be a shift in messaging strategy. One may suspect that the reality of China’s effective military power vis-à-vis the United States is still somewhat – and perhaps significantly – behind the appearance it now seems keen to project, but Beijing’s intended *political* and *strategic* signaling seems clear enough.

We are being offered a narrative in which it is becoming untenably dangerous for us to maintain air and naval freedom of action in the Western Pacific. China apparently aims to convince us and our friends that a serious forward military presence in the region is unsustainable, thereby deterring our involvement in future conflicts and convincing our allies that if push really came to shove, we wouldn’t be there for them. A cynic might suspect, perhaps, that the groundwork is thus being laid – in East Asia, at any rate – for some possible future return to a more psychologically, politically, and symbolically hierarchic and Sinocentric approach to international order. What is less clear is precisely what counter-narrative the United States will now choose to offer.

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Panel I: Discussion, Questions and Answers

HEARING CO-CHAIR FIEDLER: Thank you very much, and I think we are going to have an interesting discussion.

We'll start with Commissioner Shea.

HEARING CO-CHAIR SHEA: Thank you all for being here. I agree, it was very, very interesting.

I have a couple of questions. I'll start with the first. It would appear that the three of you are saying different things. Dr. Lampton mentions the pluralization of Chinese society, and that it is not so obvious who's speaking for China. Stronger society/weaker leaders is a major development.

Dr. Rozman, you say, no, there's a consistency of message; it's top down. Demonization of the U.S. is a prominent part of that message. I think, Dr. Ford, you'd be to the left of Dr. Rozman, so to speak, but just a little bit, but I don't think what you're saying is contradictory. I think on its surface it may appear to be contradictory.

So I was hoping if the three of you could reflect on what the others have said and see if there are overlapping points of view and whether there is really a conflict in what you're all saying.

Dr. Lampton.

DR. LAMPTON: Well, I think there's broad consistency at one level:

we're all worried, we all have genuine concerns. So I think that is consistent across the lines. I think we all would recognize that there have been some very, I would say, negative messages not only with respect to attitudes towards the U.S., but messages with respect to China's relationship to its region. And so, I think we all see some what we just broadly call "negative messaging" here.

But, I think where we differ, or let's say where I would differ from what I've heard, and the question that interests me, is why does China behave the way it does? Now, this hearing is dealing with one part of that; that is the narrative and line of thinking that the Chinese have.

The narrative and how people conceive of themselves and us is an important part of behavior. But it's not the only part, and so where I differ is not so much that I'm not worried about some of the narrative themes, I am, but I think there are lots of other things shaping Chinese behavior, and so how all these factors are going to relate to how China behaves in the world I think is the question.

And I guess I don't think the narrative is quite as homogeneous as I understood Gil, Professor Rozman, to say. I think it's more mixed. I would just call your attention, as I did in my written testimony, to a Wang Jisi article in Foreign Affairs that's just in the process of, I guess, hitting the newsstands now.

Now, you can say, well, Wang's article is written in English by a very special person in the Chinese system, and it's aimed at a foreign audience with a particular purpose--all probably undoubtedly true. But, it is, I think, if you read it, a very, a relatively reassuring view of Chinese motivation.

It says essentially China has the objective of regime longevity. It has an interest in international stability, and it has an interest in becoming developed, meaning stronger economically. So I think the message is mixed, and then I think there are many other factors that shape Chinese policy so I'm more optimistic about where this ends up.

HEARING CO-CHAIR SHEA: Before Dr. Rozman responds, in that article, Wang Jisi calls the statements that South China Sea is a core interest of China as reckless.

DR. LAMPTON: Right.

HEARING CO-CHAIR SHEA: Which struck me as quite extraordinary.

DR. LAMPTON: Yes.

HEARING CO-CHAIR SHEA: I don't know what to make of that. But, Dr. Rozman--

DR. LAMPTON: Well, I can just say on that he is an advisor to Hu Jintao, and for him to, he's, in effect, going to the rest of the world and saying if we ever said the South China Sea is a core interest, that was not policy.

HEARING CO-CHAIR FIEDLER: It's not.

HEARING CO-CHAIR SHEA: Okay.

DR. LAMPTON: So I think there is a reassuring thing right there.

HEARING CO-CHAIR SHEA: Dr. Rozman.

DR. ROZMAN: I have great respect for Wang Jisi. He's one of the people whose views I regard as important, dissenting from the mainstream narrative. His colleague Zhu Feng is another. I can name others. I don't think his views matter that much. But he was authorized with Dai Bingguo's statement in December to convey a different message to hopefully improve the summit. I think he was encouraged to write this sort of thing.

But I've seen repeated mention of the South China Sea as a core interest in Chinese sources, and I don't think it's a stray comment. Instead, it's part of the mainstream thinking these days in the narrative

I regard the source of all of this as going back to elements of Confucianism and Communism, and with a great emphasis on soft power and an effort to draw the lessons from the collapse of the Soviet Union and the very serious criticisms of glasnost under Gorbachev and a great effort to try to say what kind of information control and shaping of the thinking of the Chinese people and of the Chinese place in the world would serve China's interests most effectively.

So I see a very powerful central Propaganda Department with censorship drawing on a long-established tradition and a pluralist society being seen as a challenge, as a problem, and they're trying to figure out how to control it, and certain interests are allowed to express themselves, and we do see variation on some themes, and others are carefully monitored and suppressed.

I think the academics we respect the most, and here I agree with Professor Lampton, people like Wang Jisi are really people who present a view that suggests how we can get along better and that cooperation exceeds competition in relation between the United States and Japan, as well, and China, but I don't regard that as the mainstream. I think it changed dramatically in the last two years, at least, and those views are dissenting views that have been allowed to reemerge to a degree in a kind of duality. But they're not the mainstream views in this narrative.

HEARING CO-CHAIR FIEDLER: Let's give Dr. Ford a chance before we cut this off.

DR. FORD: Thank you.

I'll just be very quick. When I wrote my book on ancient Chinese historical themes that I mentioned referring earlier, the manuscript took shape over a number of years. My thinking at the outset was it was very much an undecided question whether the continuities that I saw in prior Chinese history, in fact, could be said to carry through to the present day.

As I indicated in my remarks, however, I think more recently--say in the last two years, for instance--the more pessimistic interpretations are, I'm sorry to say, gaining ground in terms of their plausibility. But I'll certainly agree with my colleagues here that this history is very important to

modern narratives as a powerful shaper of how the future is approached.

But history isn't destiny, of course. I mean there's no rigid determinism here, and I would agree that, to some extent, China's own narrative of China is in very important ways still a work in progress. Just the fact that Beijing's behavior can change so much over the past two years is perhaps testament to that.

So I think, just as our narrative of China and our narrative of ourself is very much a work in progress, there are all sorts of complicated feedback relationships here, and I wouldn't begin to predict where it's likely to come out. That said, I think it is striking the degree to which my worries about historical continuities potentially shaping Chinese behavior as its relative power grows are in fact remarkably consistent with the contemporary narrative that Dr. Rozman identifies as developing.

HEARING CO-CHAIR SHEA: Thank you very much, and it is a good book, *The Mind of Empire*.

HEARING CO-CHAIR FIEDLER: Let me ask a question of Dr. Lampton. You were raising early on the issue of weak leaders. I want to stay away from the substance of the narrative to address the decision-making about the narratives, and I would understand that there would be different decision-making processes depending on the narrative.

And I want you to comment on the speed with which they can make decisions, whether the leading groups have more to say, and whether or not the People's Liberation Army has more to say about narratives that are not narrowly military?

DR. LAMPTON: Those are all good questions, and I'll just briefly flash what I think.

First of all, on the weak leaders, I'll give you an example. I'm just working on a bunch of interviews I've had over the last 40 years, and I was the other day on the incident with the bombing of the Yugoslav embassy, and one informant was telling me how they decided to take a very hostile line, as you will remember, in the wake of that, comparing Clinton to Nazis and all sorts of things.

It was a meeting of the Politburo, and they invited in the head of the propaganda apparatus at that particular time who wasn't necessarily entitled to be at the meeting, but they thought he ought to be invited. He didn't have a vote, didn't apparently participate in the discussion, but he listened to it, and of course the Chinese leaders were absolutely irate.

He left the meeting and interpreted that as a decision to have the first propaganda barrage be extremely hostile to the U.S. Then the Politburo saw that and tried to reel back in the policy. So all I'm suggesting is the things we see about people reacting to what they hear, having a domain of bureaucratic action, pursuing it, and then the leadership seeing it's gone too far, that strikes me as how human societies and bureaucracies work.

So I'm always on the analytic end of seeing leaders giving impulses to

the system, and then the system runs with it, and then they have to try to pull back some of the excessive implementation, and I think that's often the process we see. So that's one thing.

Second structural problem is that they've got different bureaucracies that go up in stove-pipe fashion. If you look at the diplomatic bureaucracy, it goes through the State Council Ministries up to the Leading Small Group on Foreign Affairs, to Hu Jintao.

The military has an absolutely independent reporting route that once again ends at Hu Jintao, but no very adequate horizontal communication. So I think the Chinese bureaucracy really needs something like an effective National Security Council to (a) figure out what bureaucracies are doing, distill sensitive options for the leadership, and then make sure the bureaucracy does it. And, if you talk to Chinese analysts of their own policymaking system, they all talk about the need for more coordination.

The Foreign Ministry, everybody that I talk to that has any knowledge of this says that the Foreign Ministry is a lot weaker now than it used to be. It used to be stronger under Zhou Enlai and Qian Qichen, but anyway the Foreign Ministry is widely perceived to be less salient now.

This gets us to the army or the PLA, and broadly speaking, I think the PLA within its domain of broad security has become more vocal, feels more free to articulate its interest, and it's becoming more economically important to the Chinese system. It's got a bigger budget if nothing else and more employment effects, and also within the military, you have the retired officers, which are considerable in number because they've been downsizing the military, and who, in fact, are the most extreme element within the military.

You can hear very liberal views in the People's Liberation Army, and you can hear views that make your blood run cold.

HEARING CO-CHAIR FIEDLER: Thank you.

Commissioner D'Amato.

COMMISSIONER D'AMATO: Thank you very much, Mr. Chairman, and I want to thank the panel for very interesting testimony.

It does reflect a serious attempt to try and understand the changing relationship we are having with the Chinese and a reshuffling or changing composition of the Chinese leadership, in the run-up to the new leadership that's going to be selected there soon. Some of this may reflect a jockeying for power there to which we have little access and understanding.

DR. LAMPTON: Right.

COMMISSIONER D'AMATO: But what I'm interested in, in the discussions of the narrative that all three of you have articulated is the startling lack of a discussion or narrative dealing with the support for globalization per se.

It was us, I suppose, that tried to insist on globalization a few years ago with the Chinese, and the Chinese seemed to be very interested in

playing along with that, but I don't see any discussion by them now of the importance of globalization. Instead, I see a lot of discussion about national identity, national interest, maritime power, and that sort of thing.

So the question is to what extent do you think there is some kind of consensus at all in the leadership about the importance of globalization as opposed to traditional nation state issues?

In addition, I wanted to mention that Dr. Lampton testified before this Commission once before, 2004, in San Diego, and I did have a chance to review his testimony of that time and to compare it to today's testimony, and I will say that you validated a theme Ralph Waldo Emerson has stated on occasion, and that is "a foolish consistency is the hobgoblin of little minds."

So you are not guilty of "foolish consistency," but it's very interesting that in earlier testimony you talked about the growing importance of cooperation between the Chinese and the U.S. on nuclear matters, and the growing friendliness of the Chinese with the South Koreans, partly displacing the United States, and their support for U.S.-China, and a U.S.-Japan alliance, for example.

There's been quite a dramatic shift since that time, as you point out in your current testimony, which we are now trying to understand.

DR. LAMPTON: Right.

COMMISSIONER D'AMATO: In any case, I wish you'd comment on the question of globalization and whether or not we are misplacing our efforts on globalization given the Chinese, the seeming Chinese attitude toward it?

And secondly, in the debates, looking at maritime behavior of the Chinese recently in the South China Sea, what does that tell you about the strength of civilian control over the military in the Chinese system?

HEARING CO-CHAIR FIEDLER: Dr. Rozman.

DR. ROZMAN: I will respond on globalization. I'll allow others to proceed on the other issue without my involvement. The Chinese repeatedly have interpreted globalization differently from the Western community.

It was overwhelmingly seen as an economic concept. The concept is used widely in China, and they still remain firmly in favor of globalization based on the current economic arrangements of the world. So they think they're working to China's advantage. However, China may manipulate them. I won't get into that. That's for others with a different background.

The concept that came up in the last five years was "responsible stakeholder" as a way of understanding support for the international community, and I've noticed in the last two years or more a changing response to that concept. Although it's still used in a positive sense by some, the more reform-oriented academics whom we meet and like to cite, it is harshly criticized as a ploy, a trick, by many others.

I don't think this concept is the mainstream concept anymore, that China agrees that becoming a responsible stakeholder is a good idea. I think

that the mainstream material that I've been seeing, and it's not just Global Times and some of the other pieces that are seen as most nationalistic, I think it's all over the place in the academic literature and in the journals, is that this, the joining the international system as is, is bad.

China has to reform it, and the idea is how to reform it, and there you get an incomplete debate, but clearly with an emphasis on more critical of the system, more impatient about changing, more keen on saying it's a Western system and now the East is rising, and it has to be a system that more reflects the attitudes in the East, and particularly the contrast between the traditional, all under heaven, Chinese Confucian international system for parts of Asia, and the current world system arguing that there is a great deal to learn from the way Chinese manage relations, and certainly they were very hierarchical, and that is not criticized in that discussion.

HEARING CO-CHAIR FIEDLER: Thank you.

Dr. Ford.

DR. FORD: Thank you.

Just to follow up on that point a little bit, I think the key question with respect to what globalization means through the Chinese lens, as it were, depends upon what sort of "globalization" you're talking about.

If you mean globalization on the post-Cold War model in the way that we customarily use the term in the West, I think there's a great tension. Clearly, on the one hand, for an export-driven economy that has become enormously wealthy and powerful, in part, by taking advantage of that very same globalization, there's a lot to be liked about this kind of globalization, and I would agree with Dr. Rozman on that.

On the other hand, I would also agree that the non-economic aspects of globalization have proven particularly troublesome to China. You can see that most obviously, for example, with the Internet which has become sort of the icon of globalization from a Western perspective. China's relationship with the Internet, shall we say, is somewhat mixed.

And so it matters what you mean by globalization, as interpreted in some regards, I think, there certainly is tension, and it will be very interesting to see how it plays out. I should point out, furthermore, that there's nothing inherently anti-"globalist" about the traditional themes that I try to write about in Chinese thinking about world order. Indeed, such a model of order represents in its own terms to some extent a form of globalization all its own.

It's a different kind of "global" thinking, but the traditional Sinocentric view is not a geographically-bounded system. It's not a system in which separate co-equal players react on morally and politically, psychologically, and civilizationally equal terms in a system that reaches to the edges of the human world.

It's a system that is much more pyramidal, if you will, in its structure, but it's plenty "global." People close in have to respond to the moral and

virtue-based centrality of the celestial kingdom by sort of awestruck submission. As you get farther and farther away, direct control is less important, but in all cases, a degree of deference and respect and awestruck hat-tipping, if you will, is an important part of it, and that is a global view. And that is a "globalized view." It's just a very different global view from what we usually mean.

HEARING CO-CHAIR FIEDLER: Thank you.

I'm going to let you answer, Mike, but we're way over time. I would like, I want to get around to everybody before we're done. So perhaps the Commissioners could direct one question, and we don't have all three of you answer every time necessarily although you were called out so I'll--

DR. LAMPTON: I'm glad to pass. I agree with much that was said, but I guess if I was to say 20 seconds on this topic it is that conflating globalization and responsible stakeholder are two somewhat different but not unrelated concepts, and I would say the Chinese are ambivalent. In some respects, they're very conservative.

If you ask about reforming the U.N. Security Council and should there be more veto power, they have no interest in having that so they're very status quo in some respects. They like the IMF and the World Bank. They'd like to have a little bigger voting share, and over time they'll probably want more, but I'd say in the international financial institutions, they've been extremely conservative, broadly good citizens. In other ways, I think there's more problematic behavior.

You look at they're in the Gulf of Aden, I think we can argue about how relevant their force is there, and how much it's doing, but I think we mostly think that's a good thing.

So I think the record is mixed. I hate to say it, but I think we're a little pessimistic. We ought to be trying to see the things that are positive from our point of view and encourage that as well as seeing all of the negativity which is substantial.

HEARING CO-CHAIR FIEDLER: Thank you.

Commissioner Mulloy.

COMMISSIONER MULLOY: Thank you, Mr. Chairman, and thank each of you for the very interesting testimony that you've offered.

Dr. Ford, I saw you on a panel at the Center for National Policy with Commissioner Blumenthal, I think last November, and I heard you talk about your book so I went out and got it and read it. I found it very, very helpful the way you structured that.

And Dr. Lampton, you wrote that book *The Three Faces of Chinese Power*, as I saw it, economic, political, military, and that was also helpful.

But I want to focus in on that issue. Dr. Denmark, who is going to be on a later panel, talks about how China in the last 30 years rose from a GDP of 428 billion to 2.9 trillion, and he says this, of course, was made possible with the trade-friendly international environment created and sustained by

the United States.

On page six of your testimony, you talk about as China gets stronger, they might want to renegotiate the bargain, and you say the best thing the United States needs to do is to get its own national house in order so that we're not in the decline that they may think we're in right now.

And you mention our fiscal situation and education and the other things. It just seems to me the United States in the last ten years has run \$6 trillion worth of trade deficits, two trillion with China. There's been an enormous transfer of wealth and power out of this country to China, but yet that doesn't seem to get into the academic debate on something we need to change.

And I just want to get the view of the panel, maybe with Dr. Lampton. Isn't that a key part of changing this? Shouldn't the United States adopt a goal of balancing its trade? The Obama administration has adopted a goal of doubling exports. Exports may be increasing, but imports are increasing faster. So the hole just gets deeper.

So I want to get your views on that because I think that's something this Commission has been after. The imbalance in this economic relationship is not a healthy one.

DR. LAMPTON: Well, first of all, balance, yes, and that should be an objective, but balance using what accounting units? I think most economists would say if you try to balance trade bilaterally, that's not an economically wise thing to do, but overall this persistent large trade global deficit I take to be unsustainable and therefore will not be sustained, and so, yes, I would say broadly speaking we should seek balance, and then there's the question of how you seek to balance?

Do you do it by increasing your productivity in exports or limiting somebody else? I'd prefer us increasing our productivity and having national policies to do it.

But I thought the figure used was really interesting and revealing. Yes, I'll accept your figures broadly of that. Six trillion in deficit over time. Two trillion are China. But that means two-thirds is with the rest of the world. Unfortunately, we're out of balance with the whole world.

Now, China may be the single-biggest part of that, and I'm not trying to downplay--but you still got to account for the other two-thirds, and that's what I mean. We have a systemic problem.

COMMISSIONER MULLOY: One-third is energy and the other third is with the rest of the world. So you got one-third with China, and the bulk of your manufacturing trade deficit is with China.

DR. LAMPTON: I'm not disputing that, but certainly you can't just say the energy portion is unimportant. There's a whole other area where we've got to get straightened out--so all I'm saying is, yes, balance, yes, at the global level, but let's do it by becoming more productive, more competitive, have in place competitive policies that will do that, and deal with China in

the context of that broader policy.

But even if you pound on China, it's going to be like "Whack-a-Mole." It's going somewhere else unless we have in place fundamentally sound policies on a global basis, not just a bilateral basis.

COMMISSIONER MULLOY: Dr. Rozman? Dr. Ford?

DR. ROZMAN: You've asked a question that an economist should answer, and it doesn't center on China's narrative. They don't have any critical comments on that so I'm passing.

DR. FORD: I'd just like to associate myself with Dr. Rozman's remarks.

COMMISSIONER MULLOY: Thank you both.

HEARING CO-CHAIR FIEDLER: Commissioner Wortzel.

COMMISSIONER WORTZEL: Thank you all for being here and for your thoughtful testimony.

Dr. Rozman, in your oral statement, you spoke of a Chinese policy that has consistency, coherence, and top-down organization. And on page eight of your testimony, you write that the People's Liberation Army and the PLA Navy are the most ardent supporters of maritime security issues.

But I tell you when we were in--as a group--in Beijing on a trip last July, the most forceful positions on the South China Sea and maritime interests as core interests of China and as indisputable sovereign territory came out of the Foreign Ministry.

At the National Defense University and at the Military Intelligence Department of the PLA, they were relatively moderate about this stuff. So if policy is consistent, coherent and top down, from where in the Chinese Communist Party does this narrative on core interests come?

And if Dai Bingguo overstated, is there a debate among the Propaganda Department, the Foreign Ministry, and the military on what ought to be core interests and how forcefully they should be stated?

DR. ROZMAN: Last July was the time of the meeting where Foreign Minister Yang spoke out very vehemently, out of character, I would say, in response to Secretary of State Clinton's remarks at the ARF session.

I think that was a time the Foreign Ministry was under special pressure. I doubt that the Foreign Ministry initiated that kind of vehement language towards your visitors. I assume that they were responding to the pressure put on them, and that that period, I think it went all the way until November or so, when there was some countermove, retrenchment, and reassessment.

We do see that, and the academics are brought in for the debates. China has one of the most extensive systematic processes of airing opinions. That doesn't mean, though, that the academics who do have an impact are really influential on many of these issues.

So I regard the forcefulness in 2010 as being reflected in what you heard, and the Foreign Ministry as echoing what they were instructed to say. There are certainly people in the PLA who feel a little bit more comfortable

about being able to be cautious about that, just as some in the academic community indirectly at least express their caution.

But if you find any Chinese source that says the South China Sea isn't a core interest, isn't very important, except this Wang Jisi piece that I've just heard about, I'd like to see it because the South China Sea controversy was treated all of last year in everything that I saw as vital, and the United States was demonized for its conduct.

COMMISSIONER WORTZEL: There is a minute left if Dr. Lampton and Dr. Ford want to disagree or add anything.

DR. FORD: I just wanted to actually raise a question because I couldn't, in thinking about this, come up with this specific answer in my head. But there was a law passed, in 1992, as I recall, defining as Chinese national territory specific areas of near-by oceans and islands and that sort of thing.

Sitting here, I don't recall precisely what the geographic contours were of what was claimed. But that territorial legal claim clearly has some bearing upon this as well.

COMMISSIONER WORTZEL: It's the 9-dash line that extends all the way around the Spratly Islands.

DR. LAMPTON: Considerably south of that even.

COMMISSIONER WORTZEL: Yes.

DR. LAMPTON: It goes way down almost to Indonesia. It sort of, just on the face of it, doesn't look very sensible.

DR. FORD: But if, in fact, that's claimed to be national territory, it's a big deal. Presumably preservation of national territory is necessarily--

HEARING CO-CHAIR FIEDLER: A core interest.

DR. FORD: --a core interest; right.

DR. LAMPTON: I would just say talking about the Foreign Ministry and its combination of reasonable people, I would say that it private and public expressions that are not moderate in character, such as the Foreign Minister's outburst in July of last year with Secretary Clinton in ASEAN, I guess I would say the Foreign Ministry, in some sense, like state departments elsewhere or foreign ministries, the fact that they're continually charged with dealing with foreigners always has them suspect in society as to whose interests they represent.

So I discount a lot of what I hear from the Foreign Ministry as domestic self-protection, quite frankly.

HEARING CO-CHAIR FIEDLER: Thank you.

Commissioner Reinsch.

CHAIRMAN REINSCH: Thank you.

I have to say this brings back memories of a century ago when I was at SAIS. I wrote my master's thesis on this subject, and if I could remember what I said, I'd test out my hypotheses with you, but I can't, so I have a couple different questions, and I want to focus largely on the contrast

between several of the witnesses.

Essentially, I have two questions. Dr. Rozman, you've articulated very well what the official line is, if you will, what the narrative is. Have you looked at all at the question of whether anybody believes it?

DR. ROZMAN: I think that is difficult. We have public opinion polls in China suggesting substantial nationalism and support for issues like sovereignty and that lead us to think that large numbers do believe the mainstream rhetoric. On the maritime issues, for instance, and the view that the United States is trying to contain China or has a threat view and the United States is at fault, there's a good deal of support. But I can't comment on that from my knowledge.

CHAIRMAN REINSCH: What about you, Dr. Ford?

DR. FORD: I would have to defer to the people here who actually read and speak Chinese. I have been reliant upon secondary sources.

But let's look at revealed preferences and behavior. Presumably one acts on the basis of one's beliefs, whatever one says that they are, and actions generally do speak louder than words in this regard. On this point, the last few years have been disappointing, recent Chinese behavior has added, as I said before, credence to the pessimistic interpretation.

CHAIRMAN REINSCH: Now looking at Dr. Lampton's comments about fragmentation, it seems to me that that implies if not competing narratives then at least a potential for competing narratives or at least other people out there that are looking at these issues or have the capacity to look at these issues more independently, which suggests going forward that there may be more of an ideological competition in the society than there has been before.

I infer from Dr. Lampton that that is what he said. So my two questions are: one, Dr. Lampton, correct me if I've got it wrong; and, two, Dr. Rozman, do you think that's true, meaning do you think that the narrative, if you will, whatever it is, is going to be less widely accepted and be a much more diverse process going forward than it has been so far?

DR. LAMPTON: Well, first of all, I think your idea that fragmentation implies different narratives and potential debate about it, I think is absolutely true. The earlier question was do you believe everything you hear the Chinese saying? And the answer is no. And any of us who have dealt with China knows often what people will say publicly and what they'll say privately is rather different.

I want to call your attention to one thing I think is very interesting because I think Commissioner Wortzel and others have mentioned the succession. I think you did as well.

I look at the person who's moving along in the Chinese system, looks like he's going to be the next General Secretary, Xi Jinping. He's a very interesting person. What we don't know would fill volumes. But we do know where he's been, and we know, first of all, his father was central to

building the Special Economic Zones in Guangdong. We know he's been the leader in Zhejiang, Fujian, and Shanghai, the most trade-oriented, cosmopolitan places in China.

So now ask yourself this: why would the Chinese be promoting a person of that character? And he's been a pusher on the free trade, "free trade" in quotes, but I mean a more liberal, internationalist kind of view.

I see that we're in a period of struggle among different groups for not only who's going to be General Secretary. That's decided. And maybe Premier. Maybe that's decided. But who's going to be on the Politburo and who's going to be in all these second and third and fourth tier jobs is all under competition.

So I see the system now sort of bloviating and people adopting self-protective strategies. But I'm left with this irreducible fact or what seems to be a fact, is who are they proposing to promote? If we had to have a kind of generic who, with what kind of characteristics would we like the system to promote, given a realistic assessment of what is possible, is there somebody better from our point of view?

So I'm left just looking at what looks like the emerging character of the elite and asking if it is consistent with this negative narrative trend. In fact, as an American political campaign and talking about China in the midst of congressional campaign a very good indicator of how the U.S. is going to behave when we sort out after the election? Well, not really.

CHAIRMAN REINSCH: We've wandered just a bit. Dr. Rozman, can we come back to my question, and let me get your comments? And then we'll stop.

DR. ROZMAN: Yes. I think what you've pinpointed is the Chinese government Party strategy to try to control the process of pluralization, which they regard as very dangerous, and they see this as what happened in the Soviet Union.

They see this as the U.S. effort at spiritual pollution, or other terms that came up later, and they're controlling it by manipulating the blogs, by censoring the Internet, by managing the overall narrative, and so on.

I don't know where that goes, and I think there are possibilities that mutual demonization between the United States and China can be worse. Each side then becomes more and more critical of the other. However, I also don't think theories of convergence and modernization, how China is transformed, are borne out by what's happened over the last few decades.

I think we're seeing a more sophisticated control apparatus trying to shape that message rather than pluralization altering that message, and when we see good academics fighting against it, I find them experiencing more frustration than satisfaction.

CHAIRMAN REINSCH: Thank you.

HEARING CO-CHAIR FIEDLER: Thank you very much.
Commissioner Bartholomew.

COMMISSIONER BARTHOLOMEW: Thanks very much, and thanks to all of you, gentlemen, both for coming today and for the years of work that you have put into focusing on the issue, and I say years of work because we all seem to be feeling old today with Bill mentioning a century ago being at SAIS, and I thought that I heard Commissioner D'Amato say that Ralph Waldo Emerson was a friend of the Commission. I hope that I heard wrong. We're old, but we're not quite that old.

Dr. Ford, in particular, I'd like to say I'm sorry that I didn't know of your interest in China ten years ago when you were on the Senate Intelligence Committee and I was on the staff of the House Intelligence Committee. Had we not been tied up with some more pressing issues, I think we could have had some very interesting discussions.

I have a lot of questions, but I think the one I'm going to focus on in this round, and hope we get a second, is, Dr. Rozman, you were talking about the Chinese government managing the narrative, and there has been a tendency in U.S. policy circles, of course, that a publication comes out by a Chinese scholar in Foreign Policy or Foreign Affairs or any of these sources and everybody goes scurrying to it to see what it means.

I'm wondering if you could, all of you, talk a little bit more. The Chinese universities and the Chinese think tanks are controlled by the Party. How much academic freedom is there and how much should we see these commentaries as efforts to shape the foreign views, the U.S. views and other foreign views of China's actions and China's narratives?

Are people free to actually publish something outside of China that would completely disagree with what's going on? Is the Party controlling this to the extent that some of these things are trial balloons? I'm just curious about that. How much academic freedom is there?

DR. ROZMAN: I cut my teeth on Soviet debates in the 1970s and '80s, and so I've been following the presence of academic diversity for a long time.

It's clearly easier in China--I know some scholars have told me this--to publish in English, publish outside of the country. That doesn't mean, though, that you can publish something that contradicts the established line.

You can publish something that stretches it, and there are subjects you can work on that give you more freedom to express your views honestly rather than coming out and contradicting one of the statements that is regarded as fundamental policy.

So it is of that nature. I always have seen a kind of duality to Chinese narratives. I argued this in a book that came out last year, tracing the last 25 years, in which I argued for one audience, they've been saying the positive side, that great power relations with each of the great powers were better than ever up through 2007. That was the standard message: things are getting better.

But that there was another side that you could read extensively in Chinese publications, and even more in the internal circulation publications, which I always valued as my best sources on China, which you could find in Chinese reading rooms and elsewhere, but they don't export out of the country.

So this information control really makes it dubious if you read an article in English, and you say that represents Chinese policy.

COMMISSIONER BARTHOLOMEW: Dr. Lampton? Dr. Ford?

DR. LAMPTON: Well, first of all, when there's a solid Party line, that's one thing, and when there's debate about a Party line, you can hear more diversity. So all policies aren't equally clear even internally, and where it's less clear, there's more room for debate, and I would say, as I said, that I think China is in the middle of a debate, and I'll just give you an example.

First of all, the Chinese--I won't mention the think tank here, but I'm glad to privately talk to people--but I was invited to spend as long as I wanted--it turned out to be two weeks--in a think tank and give a set of lectures that were, in fact, very, I think, welcomed by the people in the think tank, and that's what they wanted to tell the Center, and they invited me because they knew I'd do it, and they were speaking to their leaders through the mouths of foreigners.

But what was interesting to me is that they immediately translated into Chinese and published in English and Chinese, and did it faithfully, those views, and it was circulated. It was put out in a journal. I don't think it was neibu. It wasn't internal circulation. It's available internally in China widely and abroad.

But I was struck by the degree to which the debate was over whether or not we should continue the low profile reassuring policy or should we not? And in fact, the headline article in the journal before that was about this debate going on in China, and this think tank clearly was signing on. Deng Xiaoping was right: we shouldn't be picking enemies in the world, the Soviet Union had too many enemies to bear, and so on.

So I'm struck by if you just listen and look hard enough, there are a lot of views there. Now I don't know who's going to win this argument. I'm hopeful, but I don't know who's going to win this argument, but I just don't think there's the uniformity of negativity in fact in the debate that we're hearing. I'm hearing lots of things I don't like and are very worrisome.

COMMISSIONER BARTHOLOMEW: Dr. Ford.

DR. FORD: There's a colleague of mine at Hudson Institute by the name of Charles Horner who has written a good book about China's imagining of itself, and one of the points that I think he makes very plausibly is that same one: to some extent China's view even of itself and its own history is very much a work in progress.

One of the most fascinating things that I have heard is currently underway is sort of an official history--I don't want to call it a dynastic

history, but it's more or less that--of the Qing, which was never before written because it was the last dynasty and a sort of general collapse ensued with its fall.

So there's apparently an effort underway in historiographical circles to write an official history of the Qing. This, of course, could be a profound philosophical and political importance, because it will in a sense codify how China interprets its own encounter with the Western world—not just with British imperialism and that sort of thing, but indeed with the entire modern international system. So this is apparently a work in progress, and I think how it comes out is a very important question.

I would agree that it's very hard for the government to control the details and the nuance of how a narrative runs in its own, you know, within China, notwithstanding the existence of a very well-developed institution for controlling opinion. It's hard to control such things in a large and vibrant society.

But I want to make the point also that it is clearly possible to control a lot. There's a permissible space in which discourses can run inside China. And there are clearly boundaries to that space. When the potential narratives cross that boundary, the system still seems pretty capable of shutting them down entirely. There is thus what you might call an exclusion-of-narrative capability in China which is very well developed.

For example, look at any effort to discuss in China issues of Tibet that are different from the official line, Xinjiang or issues of democratization and political freedom more generally, and for God sake, don't mention Falun Gong. One also hears about the suppression of news of North African revolutions in recent weeks. Clearly some things are out of bounds, and can be utterly kept out of the discourse.

COMMISSIONER BARTHOLOMEW: Thank you.

DR. FORD: So, therefore, the inference is that all this nasty stuff that one hears of late is clearly within the bounds of permissible discourse.

HEARING CO-CHAIR FIEDLER: Commissioner Blumenthal.

COMMISSIONER BLUMENTHAL: Yes. Thank you all very much for testifying today. Very interesting testimony. I want to flip this a little bit and say, ask whether Chinese are getting the full panoply of American narratives about China? The sort of issue that dare not speak its name is the visa control policy.

So we have Wang Jisi who comes here. We all like him. Nice guy. Mike Lampton and others, nice optimistic people, go to China and give their points of view and so on, but if I had to guess about people on this, just here, on this Commission, Larry Wortzel with his nationalistic Army background, and Jeff Fiedler with his desire to organize labor unions, and Carolyn Bartholomew with her human rights, and Dan Blumenthal with his skepticism, and I don't know about Peter Brookes.

But, there was a revolution in the United States essentially, a political

movement called the Tea Party movement, and just as an example, do the Chinese have a clue about what this means? Do they have a clue of the panoply of nationalistic views about China about how they're perceived, of how skeptical various people within the American body politic are?

And, one thing that really scares me is somebody mentioned this feedback loop of people who are optimistic about U.S.-China relations in China and optimistic about U.S.-China relations in the United States only talking to each other. And so the way the Chinese would actually perceive and therefore perhaps even propagate its narratives would be very, very limited.

And, again, I don't know if there is anything that can be done about that. I'm not looking for a trip to China. God knows I travel enough, but, it just seems to me to be very dangerous.

So the Chinese propagate these narratives. They speak to people in the United States who are mostly optimistic about Sino-U.S. relations. I gather most people in the United States are not optimistic about U.S.-China relations, and I just wonder if they have any idea of what the actual American narratives about China are?

DR. LAMPTON: Well, I think they pay careful attention to our public opinion polls so I think they know, however detailed you think that is, I think they have a view.

I think they also have a mental framework, however, that Americans are motivated by economic interests, and so they kind of have a framework they put on this and filter all that information through, but I want to deal with the second part of what you said.

I think it's true. People tend on balance to talk to people they agree with, and certainly the Chinese system channels things in that direction, but I would call your attention to page five of my testimony where I actually give an extended quotation of one person.

As I mentioned, I'm looking back through all my years of interviews with people, and if you look at that long quotation, the guy is essentially saying over the period of 2003 to 2010-11, we're going to rapidly increase our military budget, and at some point, the United States is going to have to take into account a whole new set of Chinese capabilities, and maybe they're going to rethink the TRA when we get to that point; right?

So I mean this is probably more in the narrative that Gil is talking about. So I think if you have integrity, you can find people in China that are going to tell you things you don't want to hear.

COMMISSIONER BLUMENTHAL: No, I understand that.

DR. LAMPTON: Yes.

COMMISSIONER BLUMENTHAL: My concern is that people who are starting to feel--so if they think the U.S. is motivated by economic issues and economic issues alone, that scares me. That's a complete misreading of the U.S. body politic, the patriotism, the nationalism, that's embodied in our

system, or the care for universal ideals and these sorts of things.

So my question is a little bit different, which is people with those views don't get into China so, you know, that must have an effect on what they propagate back.

DR. ROZMAN: I actually think it's the opposite effect. I think that there's this emphasis on U.S. views that see China as a threat. Your views are covered much more widely in China than many others.

COMMISSIONER BLUMENTHAL: That's good to know.

[Laughter.]

DR. ROZMAN: And they're not, this emphasis on optimism. They blame the U.S. for demonizing China when they are actually doing much more of that.

They have a lot of able experts now, a lot of people trained in U.S. programs who are there. But when you see the overall narrative, they seem to be framing it for particular purposes, and therefore I don't think real insight into the United States comes through very well.

COMMISSIONER BLUMENTHAL: Thank you.

DR. FORD: I think it's worth noting that in the late 1990s, there was something of a bloom in so-called "China threat" literature here in the West.

And my impression is, from the work of Michael Pillsbury and others, that that literature got a lot of attention in China in sort of shock and alarm, "My God, look what they're saying about us" sort of way. This was a subject of great concern.

So I think they clearly do try to pay attention to what we're saying on both sides, the many sides of U.S. China policy debates. But truth be told, I would not envy the position of someone tasked in Beijing with following U.S. narratives of China. There's a huge signal-to-noise problem: perhaps our cacophony is more a problem for their analysts than obscurity of information. We're not hiding anything—but it's hard to figure out where we "really" are.

There is so much out there, and so much debate, that I think in some sense the most important question for understanding Chinese narratives of America is what sort of algorithms they use to filter what they think is the signal from the noise? With so much data the overwhelming amount of back-and-forth debate and political to and fro that one hears in the West--it's probably very hard to figure out what sense one to make of the United States.

And so America through the Chinese mirror is a huge variable, but in some sense, the most important factor is the conceptual filter that the Chinese themselves use to try to draw out strands that tell a coherent narrative about us. We probably should be making a much more careful, deliberate, systematic and sustained effort of trying to figure out how it is that we can shape that filtering algorithm.

COMMISSIONER BLUMENTHAL: Yes. I would just submit as a final--

that a country that doesn't allow people into the country because of what they say, because of their visas, they would deny them a visa, are actually going to have even more of a problem filtering signal from noise. So that's just my own statement on that.

HEARING CO-CHAIR FIEDLER: Commissioner Wessel.

COMMISSIONER WESSEL: Thank you, gentlemen, for being here today, and what's been a very interesting panel.

I'd like to ask a question, expanding the narrative as it relates to national security and, in fact, going to what is the core mandate for this Commission because we were actually renamed early in our--luckily--in our life to make it the National and Economic Security Commission, in wondering how economic policies integrate into their national security agenda, in their national security comments and narrative?

Dr. Lampton, you indicated that you thought, for example, and correct me if I'm wrong, that SOEs should not be viewed as part of an integrated communication outlet, that I think you said that, in fact, sometimes the government is surprised, where--and you describe fragmentation, et cetera--from my point of view I see a much more consistent narrative and a much more consistent approach.

If one reads what's happening in the National People's Congress now, the 12th Five Year Plan, et cetera, there seems to be a pretty consistent, integrated narrative that looks at national power in its broadest sense of not only the traditional national security but also economic security issues.

And the activities of SOEs, for example, when you mentioned the activities of heavyweight activities, all of the activities of China as it relates to economic policy are connected to national strength, national power, and the enhancement thereof. Am I wrong?

I mean shouldn't we view all of these actions, again, both national security and economic security, as linked, and until proven otherwise, an SOE that is engaged in part of the go-out strategy is there to enhance the outcomes for China's national interests, not truly acting as a commercial partner?

Can each of the panelists comment briefly on that?

DR. LAMPTON: Well, I think you've put your finger on something that's very important, and certainly what I said I will stick with, but I think it deserves the supplement that you're, in effect, giving, and that is that China and SOEs and their relationship to the Chinese government. China is complicated, and almost every statement you make in one direction, you must correct it with something in another direction.

Yes, I think if you take the state oil companies, minerals companies, and strategic commodities, it's clearest what the relationship is--high technology and so forth--and that you have a coordination between the Ministry of Foreign Affairs and the Ministry of Commerce that provides foreign assistance, development assistance, and they have package deals

where all of the different components, the corporation, the diplomatic and the commercial bureaucracies are all dealing in coordinated deals.

So that's the kind of strategic coordination that you're speaking to, and it exists, so I think that's the fact. But there is an on-the-other-hand, and that is that these corporations increasingly are led by ambitious people.

I'll take the well-known case in 2005 of Unocal. The chairman at that time was a man who wanted to be known as the guy who did the first big deal merger with an American oil company, and he got way out there. The Foreign Ministry didn't even know about it until the whole thing was totally off the rails.

So there are these zones where you have the capacity to go-out, but it hasn't been specified what the limits of policy are, and these people have their own ambitions, they have their own resources, they want to be a big player in the international system. They have international bank accounts that I'm sure we all only have the vaguest inkling of, and resources and corruption, and so forth. So all I'm saying is there's this mix of strategic coordination and kind of freelance behavior, and that's really all I'm saying.

But frequently we're most concerned by the freelance behavior or, I mean, sometimes we are concerned there. So I agree with you. It's not an absence of coordination in so many important respects, but sometimes I would hypothesize that as these companies become bigger and their operations more complex—the more autonomous behavior you will see—I mean how often do we find our multinational corporations sometimes running afoul of what we would prefer our policy to be?

COMMISSIONER WESSEL: Everyday.

[Laughter.]

COMMISSIONER WESSEL: Dr. Rozman.

DR. ROZMAN: Professor Lampton has a much better handle on the policies and the actors, but I want to come back to the narrative, and here I want to stress that there is this compelling narrative about comprehensive national power. How does it get to be built up as fast as possible?

And that has a huge economic component and technology component, and it's seen within the framework of the nation. What is the nation's level? How much technology do they have access to, the highest levels of technology, and how fast are they catching up?

So even when individual firms are making their own decisions, the leaders of so many of these firms, especially state-owned firms, are vetted and nominated and chosen through central official arrangements and the old nomenklatura system, and they are interested in what those firms are doing in order to build up Chinese national power. So I think that is an element that it appears in the narrative even if what the firms are doing individually has a different dynamic.

COMMISSIONER WESSEL: Thank you.

Dr. Ford.

DR. FORD: Yes. I would agree with that analysis. I think you raised a very good point, and to a great extent the intention of these steps probably has always been to serve the broader interests of China's rising power as a state, if you will.

I think these ideas of comprehensive national power probably are fed and cemented in place by a number of other things that run very much along the same lines: old traditional Marxist ideas of the "correlation of forces" in terms of how one interprets the geopolitical community, as well as ancient Confucian ideas of power growing out of moral bases. Together these things can easily be read to support and reinforce a really, really broad conception of what it is that makes countries powerful, and it's the many axes of that which I think it's worth drawing attention to.

Historically, the narrative has not been "we should do things because we want our citizenry to be prosperous and happy and so forth." That's nice, but the pursuit of growth seems first and foremost to have been an instrumentality of China's return to the kind of geopolitical stature that it regards as its birthright.

Now that doesn't mean everything will turn out the way it's planned. It doesn't mean that these steps cannot have set in place dynamics which may actually lead in somewhat different directions, and I think that's where the empirical question lies. But in terms of the intention, I think you're absolutely spot on, sir.

COMMISSIONER WESSEL: Thank you.

HEARING CO-CHAIR FIEDLER: Commissioner Slane.

VICE CHAIRMAN SLANE: I find it painfully ironic that we entered into or promoted China's entry into the WTO in 2000, in the hope that we would develop a responsible stakeholder. It seems to me that just the reverse has occurred here, and as we decline economically, I think that we should expect more belligerent and difficult behavior on the part of China.

Would you agree with that?

DR. LAMPTON: Who is that directed at?

VICE CHAIRMAN SLANE: All three.

DR. LAMPTON: Well, I'll just stick with what I said in the testimony, and that is I think the Chinese are realists. They base much of their activity on a firm concept of their interest and how much power they have to achieve it, and what's the capacity of others to promote or resist, and that if the U.S. is both perceived, much less is, less dominant in the future, the Chinese are going to want to renegotiate the deals that they found most unwelcome in the past, and that's the way it is, and the solution is for us to increase primarily our economic and intellectual power and competitiveness, and I think the Chinese will draw the conclusions.

But in the absence of a power relationship that gives the Chinese interests I think they will push.

DR. ROZMAN: I would just point to two dates. At the end of the

1990s, the Chinese had a very thorough assessment of the balance of power and they said we overreached. The United States is doing pretty well, we misunderstood the process of multipolarity, and we have to pull back.

2008-2009, they had a follow-up assessment, and--roughly once a decade they have the biggest assessments--and they said we've underestimated. We can go much further forward. The balance has shifted much more in our direction. So if the United States manages itself in such a way that the Chinese see the balance as favorable, I agree with what Mike said--they will be more realistic about it and temper their own expectations.

This is a strict competition for them, and they see this as an opportunity to achieve their interests based upon the balance of power.

DR. FORD: Should we, in your words, expect more belligerence? Maybe. Not necessarily. I think I agree with both Dr. Rozman and Dr. Lampton here in the sense that I think we should expect some testing of limits. I think we should expect exploration of what the boundaries of the envelope are a testing how far behavior can be pushed in ways that still comport with China's own interests. It will matter whether testing of limits is met by an open door. If so, I would expect that such testing would continue, and perhaps worsen.

But rather than expecting belligerence per se, I would suggest that since we probably expect some testing of what is acceptable behavior, we should be prepared for that and do to send the right careful but firm message in response. We can also think in a more serious and sustained way about how it is we can shape China's narratives of us, precisely so that those calculations can be weighted more in the direction of prudence. Even if we just succeed in getting Beijing further to defer long cherished goals, you know, how one acts in the present term is very important. But I think we can shape behavior even if we can't necessarily change the ultimate direction in which they perceive themselves to be moving. And, over the long run, who knows? No system is immune to change.

HEARING CO-CHAIR FIEDLER: We only have a few more minutes. And I will give it to Commissioner D'Amato for the last question.

COMMISSIONER D'AMATO: Thank you very much, Mr. Chairman.

I want to direct this to Dr. Lampton. You mentioned in your testimony the question of an independent media. I'm thinking here mainly of the Internet. We had some testimony a little while ago from someone we all respect about what she called "virtual political reality" developing in China and talking about the Internet in that regard, and she discussed the so-called "Jasmine Revolution."

There was some discussion on the Internet just after the Egyptian events about whatever a "Jasmine Revolution" means. That lasted a little while, and then the regime cracked down pretty hard across the Internet. You had the feeling that the Internet was their most important intelligence source at the time. Let that go for awhile, and they got the information

they needed and went ahead and cracked down.

And there has been some commentary about the severity of the crackdown. So my question is, in observing this reaction by the security forces, what is your assessment of the strength of the development, the nascent development, of an independent media Internet at this stage of the game?

DR. LAMPTON: Well, the word "independent" gets thinking in a direction I wouldn't want to subscribe to. I think I generally meant commercialized, and that you have less subsidy coming from the central state, and therefore you have more commercial motivation for what's published, particularly locally, and so forth.

And there is more, you've moved from pre-censorship to post-publication censorship. That is, everything that's printed or circulated censored beforehand to here are the rules, and if you go over the boundary, you're going to get post-hoc punishment. So this is not what you call a free or independent press, but it is changing I think the media in a more commercial direction. Just look at Chinese TV and all of the advertisements and sort of popular culture kinds of directions.

The Internet, I think it's fair to say, their capacity to regulate the Internet has exceeded, I think, our initial expectations for their capacity to do it. I had a student write a study--it was for RAND--called--it was about dissent on the Internet, an interesting study, and I think the Chinese have just consistently outperformed our notion that this is a kind of unstoppable, permeable enterprise.

But I think capable people can get around some of these obstacles that the security bureaucracies are trying to impose, but it's been pretty impressive, not endorsing it, their effort on the Internet.

DR. FORD: If I might say, I would suggest you shouldn't hold your breath for any sort of an Internet-facilitated "Oolong Revolution." The system is still quite good at keeping things under control there. Actually, in terms of the Internet's role itself, I think China is probably one of the best case studies along the line of reasoning suggested by Evgeny Morozov in a recent book on how authoritarian regimes have used the Internet as a tool for tracking dissident behavior, monitoring what elements are up to within one's society, and as a tool of maintaining authoritarian control.

So we shouldn't assume that there is necessarily a really simple equation between Internet access and there being more independent political activity and so forth. I mean that can happen clearly happen, but the Web is not a democratization "silver bullet" by any means.

HEARING CO-CHAIR FIEDLER: Dr. Rozman, you want the last word?

DR. ROZMAN: Okay. The trend over time is for China to find more sophisticated ways to control and manage the flow of information and the message that gets to its population, and the understanding it sees right now of what's happening in northern Africa and the Middle East is that it needs

even better controls. It's tightening further.

Its lessons have come over a long period of time and have been reinforced, and the direction is clear. The challenge for others inside China and outside of China is how to get other messages across; how to find more common ground so we have shared messages. And we are doing that with the understanding that there are some forces in China that will try to obstruct us, and that their overall position of late has been more demonization of the United States, to draw a firmer line between these countries, and yet there are forces in China that would like to change that, and we need to find ways to overcome that. Otherwise, it's bound to be a mutually reinforcing downward spiral.

HEARING CO-CHAIR FIEDLER: Gentlemen, thank you very much. It's been both provocative and illuminating, and we will have our next panel at 11:15. Wish we had more time.

[Whereupon, a short break was taken.]

PANEL II: THE CHINESE GOVERNMENT'S FORMULATION OF NATIONAL SECURITY NARRATIVES IN MEDIA AND PUBLIC DIPLOMACY

HEARING CO-CHAIR SHEA: If we could all please sit down, we're going to begin our second panel momentarily.

The second panel is entitled "The Chinese Government's Formulation of National Security Narratives in Media and Public Diplomacy," and we have two witnesses, both of whom I think have testified before the Commission in the past.

Our first witness is Dr. Jacqueline Newmyer Deal, who is the President and CEO of Long Term Strategy Group.

Dr. Newmyer Deal is also a Senior Fellow at the Foreign Policy Research Institute in Philadelphia and an Affiliate of the Weatherhead Center for International Affairs at Harvard University.

Dr. Ashley Esarey is the Professor of Politics at Whitman College. He was a Postdoctoral Fellow at Harvard's Fairbank Center for Chinese Studies in 2009, and his publications and research concern perceptions of Chinese propaganda, state control of information in the People's Republic, and the impact of digital forms of communication on Chinese politics.

As both of you know, we've asked that each witness limit his or her testimony to seven minutes, and then following that, we will have questions from the Commissioners for about five minutes each and then maybe a second round.

We're scheduled to end at 12:30. So Dr. Newmyer Deal, could you please begin? Welcome and thank you.

**STATEMENT OF DR. JACQUELINE A. NEWMYER DEAL
PRESIDENT AND CEO OF THE LONG TERM STRATEGY GROUP (LTSG), SENIOR
FELLOW AT THE FOREIGN POLICY RESEARCH INSTITUTE (FPRI), AFFILIATE OF
THE WEATHERHEAD CENTER FOR INTERNATIONAL AFFAIRS, HARVARD
UNIVERSITY, CAMBRIDGE, MASSACHUSETTS**

DR. NEWMYER DEAL: Thank you very much to the chairs and to the whole Commission.

I appreciate the opportunity to speak this morning at a hearing on what I think is a very important, somewhat understudied, subject. I'm going to deviate a little bit from the words, not the spirit but the letter of my written statement, but I'd appreciate your submitting that for the record.

HEARING CO-CHAIR SHEA: Sure thing.

DR. NEWMYER DEAL: I want to look at three themes that I've observed that have been present in China's narratives regarding national security policy over the past two decades, and the three themes are slightly contradictory, you'll notice. I think they stand in tension with one another somewhat, but I'm going to discuss that.

And to give you a preview of the bottom lines, the first bottom line is we actually should look more than we do, I think, at the difference between what's said at home in China domestically for Chinese audiences and what's said for foreign audiences abroad in foreign-directed publications and in statements by representatives of the Chinese regimes to foreigners.

Second bottom line is that despite the contradictions in the three narrative themes that I'm going to talk about, there is an overall trend that we should observe, and--this is the third bottom line--suggests a policy implication.

I think the implications is we actually have opportunities in the United States to shape China's narratives and its behavior by our actions, and I think the choice that we confront really is whether to embolden what we would consider to be behavior that is too assertive or whether we engage in actions that have the effect of stabilizing the situation?

So that's where I'm going. And I want to say up-front that I'm focusing on foreign-directed Chinese narratives regarding national security policy as opposed to narratives regarding national security policy in general, and I think it's important to underscore that the emphasis on information management, I think what Commission Fiedler called China's "informational bureaucracy" in his opening remarks, actually gives us an opportunity in the United States.

If we focus on what this apparatus, which is pretty elite and pretty expensive--the investment is significant by the Chinese regime in information management or information control--if we look closely and try to reverse engineer what's said for foreign audiences versus what's said at home, I think we actually can gain great insight into China's insecurities,

China's fears domestically, and China's agenda or attentions vis-a-vis foreign audiences.

It's almost as though we should treat messages coming out of Chinese sources that seem clearly directed at foreign audiences as motivated in the same way that we would treat information coming from a presidential campaign or a U.S. political campaign. So it's not generic information and it's not generic intellectual opining; it's motivated.

In my written submission I begin with a hypothetical about what would have happened if China had been the victim of a WikiLeaks leak of foreign policy cables such as the one that we suffered in the United States, and I'm not going to go into the details, but that's a thought experiment to bring out that I think the reaction would have been quite different from ours, and it would have been different in the vein of trying to push for concessions as a result of that attack.

It would have been different in the vein of casting China not only as similar to the rest of the world and suffering from information theft, but also as distinctly the victim of a Western motivated attack, and that would have helped, I think, in China's, I guess, hypothetical effort to extract concessions.

The reason that I mention that is I think that would have been consistent with the three themes I want to talk about today. The first theme is probing assertiveness. The second theme is reassuring similarity, and the third theme is nationalist cultural difference, and I think that they're all present in China's narratives regarding national security policy over the last two decades that have been directed at foreign audiences.

So let me give some examples. The first theme: probing assertiveness. I think there's been probing assertiveness, that this theme has been brought out in both word and deeds, and you can see it as a kind of pushing of the boundaries of what China's currently entitled to in terms of territory, resources, influence, the ability to influence the actions even of other states, other governments.

Most recently we have seen this in the reputed assertions of the South China Sea as a core Chinese interest, but you can go back to the '90s, the late '90s, and the early 2000s, the references to China's Malacca dilemma, and the need for energy security, the fact that China faces a critical vulnerability, and the fact that the Malacca Strait could be a chokehold. If it were closed off, China or East Asian powers would be deprived of their energy resources.

I think that this is an important example because like more recent examples which include references to China's need to be able to have the military capabilities to conduct non-combat evacuation operations, or NEOs, or China's need for overseas bases that would help them attain energy resources in the Middle East, there are actually U.S. sources of inspiration that you can trace for some of these statements.

In 1997, former Secretary of State Brzezinski went to China and published a book in which he talked about the Malacca Strait as an important chokepoint, and then in the early 2000s the then new General Secretary of the Communist Party Hu Jintao came to power. He said this is a very important priority for the Chinese regime.

So what does that mean? I think that it means that in part we can sometimes be the inspiration for China's new assertions of claims for capabilities that serve their national interests, and because Americans have sometimes been the source of inspiration or a source of inspiration for these assertions, they seem kind of familiar to us.

And that brings us to the second theme of reassuring stability, and I think this theme seems to come out in China's narratives when China detects that maybe its behavior has gone too far in assertiveness, and that China has provoked fear, engendered fear, in Western audiences and American audiences, and a chief kind of methodology of the reassuring similarity theme I would say is to liken the Chinese political system and the Chinese state to that of the United States.

So we either hear that China is a lot like the United States or that it's on the way to becoming a lot like the United States, and this is supposed to reassure us. In the 1990s, we heard this in many references to experiments with local elections so I think that many hopeful optimistic people in the United States, thought to themselves, well, if China is conducting elections at the local level, at the village level, this means that democracy is in train.

Now, the talk of elections and democratization has kind of subsided, but we do hear about intra-Party democracy. That's a little less reassuring because it seems to be more about improving the efficiency of the Communist Party regime rather than moving toward democracy.

So the new form of reassuring similarity, the new form of this narrative, I think, is to say there are many, just like in the United States, there are many competing voices in China. So we may hear things from hawks that scare us, but we should know that there are doves or friends of the United States who are advocating for more conciliatory policies, and this should reassure us.

We hear often that because of China's modernization and growth, there's more pluralism. China's bureaucracy has grown so there are the same problems that we face in the United States of information sharing, of stovepiping, and again, this is supposed to be reassuring to us.

But I think here it's interesting to note, if you look at examples where this theme has come out, it's been said for foreign audiences but not at home in China, so we heard this line in January of 2007 when China's ASAT test generated an unexpectedly negative response abroad.

We were told that perhaps the Foreign Ministry wasn't informed, and that's why there was silence for several days after the test. Well, that was not reported within China. That was not in domestically-directed Chinese

media sources.

The same thing when Secretary Gates was recently in Beijing and China conducted a test flight of the J-20. Hu Jintao reportedly told Secretary Gates--this is what was reported in the West--that he did not know about the timing of that test; that he was surprised. That was not reported in Chinese domestic sources. That was not the explanation given.

In fact, the only mentions of that explanation came on some bulletin board comments where Chinese posters to the bulletin boards were saying Western media sources are saying that what happened was Hu Jintao didn't know that this test was going to occur. How can the U.S. believe this? They must be incredibly naive. Or this is a Western plot to try to sow divisions within the political military elite in China. So I think there the differences between what's said at home and abroad are very revealing.

And then on the third theme of nationalist cultural difference--I think I'm running out of time; am I not?

HEARING CO-CHAIR SHEA: If you could just wrap up, that will be all right.

DR. NEWMYER DEAL: Okay. This theme is very familiar to all of you who have ever heard that we have hurt the feelings of 1.3 billion Chinese people, or if anybody who has ever been subjected to what we would consider, I think, intemperate remarks on Taiwan, people who tuned in when Xi Jinping was in Mexico a few years ago and launched into a tirade against overweight critics of China, people who noted Sha Zhukang's outburst at a United Nations dinner in December of 2010 when he attacked the Secretary General and the United States.

So these kinds of outbursts of nationalist cultural difference, I think, are also a consistent part of the narrative and obviously stand in tension with the reassuring similarity part, but I think the overall effect is if you put these together, foreign audiences are being subjected to increasing acts of assertion in words and deed, and we're being subtly influenced or deterred from responding in a positive way.

And just to sum up, I think we should remember that if we want to respond, we actually have superior military capabilities and power at this point. For the future, as China's capabilities increase, we might want to think about a different allocation of our defense resources if we're going to be able to continue to respond in a way that's stabilizing and not emboldening.

[The statement follows:]

Testimony before the U.S.-China Economic and Security Review Commission
Hearing on "China's Narratives Regarding National Security Policy"
10 March 2011

Jacqueline A. Newmyer¹⁴
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I appreciate the opportunity to appear before the Commission at this hearing on an important and under-studied subject. The Chinese government prioritizes manipulating information more than most Americans realize and perhaps more than any other major power. My analysis indicates that Chinese elites manage to deliver a range of messages tailored to American audiences that could have the effect of encouraging us to act, or in some cases refrain from acting, in ways that serve Chinese interests at the expense of U.S. interests or broader international norms. This is the case despite the fact that China's messages to the United States are often contradictory. Some narratives promote expanding Chinese claims to territory or other goods. Others portray China as reassuringly similar to the United States – not revanchist but pragmatic. Finally, still others reveal an underlying, aggressive Chinese nationalism. An implication is that American defense planners should pay more attention to the contradictions among various Chinese national security policy statements; we should also note and analyze any differences between messages conveyed to domestic Chinese versus foreign audiences. If we do, we discover a disturbing overall trend toward revising the current status quo in ways that would compromise the sovereignty and freedom of action of other states, including democratic American friends and allies. Finally, Chinese assertions of expanding claims are often designed to test our responses, so how we react matters.

My testimony focuses on Chinese national security policy narratives that are specifically directed at Americans. China's propaganda – or, "information management" – officials craft different narratives for domestic and foreign audiences, respectively.¹⁵ The information management apparatus is well-funded and occupies an elite position within the Chinese party-state. It has authority to dictate media coverage priorities within China and to coordinate with the Chinese policy experts who speak frequently to foreign media outlets and intellectuals. In addition, the propaganda overseers take advantage of technological tools that enable, for instance, selective denial of access to websites within China. Finally, they benefit from the language barrier that prevents many Chinese people from reading news from other countries.¹⁶ We should consider what Chinese authorities are trying to achieve whenever there are disjunctions between what is said at home and abroad on national security policy.

This testimony begins with a suggestive hypothetical and proceeds to a discussion of three persistent themes of Chinese foreign-directed national security policy narratives. The three themes, identified through a survey of relevant Chinese statements over the past two decades, are: *probing assertiveness*, *reassuring similarity*, and *nationalist cultural difference*. For each theme, a range of examples is offered, along with an analysis of the theme's origin and its impact. The testimony concludes with an assessment of the broader pattern and evolution of Chinese foreign-directed national security policy narratives over the past two decades. On this basis, the conclusion also offers potential implications for American policy. Namely, the United States should recognize and respond to China's emerging challenge to the current order in terms of both other states' territory and their sovereign freedom of action.

¹⁴ The author thanks Nathan Picarsic and Seth Warren from LTSG for research assistance.

¹⁵ Scholars such as Anne-Marie Brady and David Shambaugh have written extensively about the institutions within China responsible for managing the information that domestic and foreign audiences receive. The China Digital Times website, cited in footnote 3 below, now regularly publishes documents leaked from Chinese propaganda authorities.

¹⁶ Despite a highly active censorship apparatus, internet-savvy Chinese people seem increasingly able to gain access to information from foreign sources, which could erode the Chinese Communist Party leadership's ability to push different lines abroad and at home. Similarly, perhaps as more Americans learn Chinese, we will be increasingly likely to compare the lines that are propagated by Chinese officials in Chinese domestic media outlets with their statements for foreign media.

A Suggestive Hypothetical: If WikiLeaks Struck China...

Imagine how China would react if it suffered a WikiLeaks attack that exposed its diplomatic cables. Instead of acknowledging the breach and launching an extended debate over Julian Assange's susceptibility to prosecution, the members of the Politburo Standing Committee of the Chinese Communist Party (CCP) would likely be most concerned with stanching the flow of precious, secret materials. We can infer this from the emphasis on controlling information in China's strategic tradition and in the operations of the CCP from Mao to the present. In the real world, Chinese political elites have reacted to WikiLeaks by suppressing all China-related content at home.¹⁷ The list of topics about which the CPP sees fit, or finds it necessary, to conceal basic data from both the Chinese people and the outside world ranges from the decision-making processes of the Politburo Standing Committee and the size of China's domestic security budget to the propaganda directives imposed on all Chinese media outlets and the criteria for selecting China's top leaders.¹⁸

If WikiLeaks attacked China, then, political elites would be keen to use their information management tools to prevent the Chinese population from gaining access to the leaked information. At the same time, the propaganda apparatus might disseminate something like the following messages abroad:

- The cables that have appeared include many forgeries. In order to protect national security, the Chinese government will not identify which cables are authentic.
- Information theft is an international problem. China, like all nations, must act to protect itself against violations of its right to secure information.
- The perpetrators of this attack, Julian Assange and his associates, tools of human rights-obsessed Western governments, are enemies of China.
- In an environment of heightened information security risks, new measures are necessary. The Chinese government is considering requiring all personnel from Western firms operating within China to submit to Chinese security officers the personal login and password data for any information systems that they use. Similar requirements would be applied to Western students and Westerners working for Chinese firms in China.

Note that these messages are not particularly consistent with one another. Again, in the real world, China has broadcast contradictory messages about WikiLeaks to foreign audiences – on the one hand attacking Assange and on the other criticizing the United States for condemning him.¹⁹

In the absence of a concern with consistency, the hypothesized messages above could accomplish a range of ends. The first message would be intended to raise doubts about the integrity of the leaked materials, potentially limiting their exposure. Even as they released this message, Chinese officials could secretly authorize the creation of conflicting accounts of which cables were real, and these accounts could mysteriously fall into foreign media hands. The themes of the other hypothesized messages are in keeping with the pattern of Chinese foreign-

¹⁷ On censorship of WikiLeaks-related news in China see Katherine Hill, "China censors itself in WikiLeaks," *Financial Times* beyondbrics blog (30 Nov. 2010): <http://blogs.ft.com/beyond-brics/2010/11/30/china-censors-its-own-wikileaks-presence/>; see also: <http://chinadigitaltimes.net/2010/12/latest-directives-from-the-ministry-of-truth-november-29-december-6-2010> and <http://chinadigitaltimes.net/2011/02/latest-directives-from-the-ministry-of-truth-february-17-21-2011/>.

¹⁸ An illuminating discussion of Chinese officials' concern to preventing leaks can be found in Perry Link, "Waiting for WikiLeaks: Beijing's Seven Secrets," NYR Blog, 19 Aug. 2010: <http://www.nybooks.com/blogs/nyrblog/2010/aug/19/waiting-wikileaks-beijings-seven-secrets/>.

¹⁹ See, for example, Song Shengxia, "Clinton threatens WikiLeaks prosecutions," *Global Times* (1 Dec. 2010): <http://world.globaltimes.cn/americas/2010-12/597900.html>.

directed national security policy narratives covered in the rest of this testimony:

Probing assertiveness: The putative new security policy would exploit the situation to push for valuable additional information about foreign nationals in China. By stating that the policy is under review, Chinese decision-makers are putting out a feeler that will help them gauge whether they can get away with such a move.

Reassuring similarity: Characterizing information theft as a global problem and information security as a right of all states has the effect of situating China as a fellow victim, in a position comparable to that of the United States. The statement effectively downplays the striking differences between the United States and China where information management is concerned.

Nationalist cultural difference: In the face of the evidence that attacking the United States was WikiLeaks' first priority, Americans would be surprised to hear Assange and his associates described as inimical tools of Western governments. We would have to ascribe the statement to a paranoid strain of Chinese nationalism. A plausible American reaction would be to try to reassure China by any feasible means. We would thus be on the defensive, primed to offer concessions.

To be sure, the aggressive nationalism on display in the statement about enemies of China stands in tension with the reassuring quality of the statement about information security as a universal concern. But as we will now see from a discussion of real-world examples, contradictory themes have been a hallmark of Chinese foreign-directed national security policy narratives over the last two decades.

Theme One: Probing Assertiveness

Probing assertiveness encapsulates a pattern of Chinese efforts to advance new national security policy lines that, if successful, would allow China to exceed existing limits on its territory or behavior. Chinese statements of this kind tend to appear in foreign-directed channels before they appear in domestic Chinese media outlets. Representatives of China have recently extended sovereignty claims over disputed areas of the East and South China Seas in ways that have struck international observers as particularly "assertive."²⁰ At least one foreign-directed statement even characterized the whole South China Sea as a "core interest" of China's. The world is now responding to this assertion, and Chinese elites may be surprised by the backlash. If they had not pushed this line and raised threat perception levels, China may have been more likely to make substantive gains. On the other hand, they have laid down a marker, and their preferences are now known.

A review of the past two decades suggests that the latest acts of assertiveness are only the most recent additions to a long record of incidents. Perhaps surprisingly, statements by Americans about China have often appeared to inspire Chinese *probing assertiveness* narratives. To take a prominent example from the 1990s, when China was firing missiles over the Taiwan Strait in 1995 and 1996, Chinese officials repeatedly told American interlocutors that the United States was trying to "hold down" or "contain" China.²¹ They cited commentary in American "hegemonist" media outlets such as *Time Magazine*, the *Washington Post*, and the *New York Times* to make their case, even though these publications clearly did not reflect official policy. In this instance, the deployment of two U.S. carrier battle groups to the region seems to have curtailed the assertiveness. At the same time, the episode may have discouraged Americans skeptical of China's intentions from expressing their views in public forums lest such arguments provoke another round of brinkmanship.

Other examples show how the *probing assertiveness* theme has paid dividends for China in the military sphere. Beijing has been able to justify investment in power projection capabilities suitable for military endeavors beyond a crisis in the Taiwan Strait under the banner of a "Malacca dilemma," or energy security requirements. The term

²⁰ Michael D. Swaine, "Perceptions of an Assertive China," *China Leadership Monitor*, No. 32 (May 2010).

²¹ Robert G. Sutter, Congressional Research Service Issue Brief, "China Policy: Crisis Over Taiwan, 1995 – A Post-Mortem," 5 Dec. 1995.

“Malacca Dilemma” was first used by Hu Jintao, the newly appointed head of the CCP, in 2003 and was subsequently explained in Chinese sources as resulting from the fact that whichever nation controls the Strait of Malacca has a “stranglehold” on the energy resources available to East Asia. Zbigniew Brzezinski, the former secretary of state and persistent advocate of closer relations with China,²² made this very point in a book called *The Grand Chessboard* published in 1997, the year of one of Brzezinski’s many trips to Beijing, from which he returned to opine that the United States should not see China as a long-term threat. Again, it seems likely that an American statement served as at least partial inspiration for the Chinese narrative. A similar dynamic applies to the new Chinese concern with the need for capabilities suitable for noncombatant evacuation operations from locations that turn out to be dangerous, and to speculation about Chinese overseas bases in the Middle East.²³ It is hard to know whether Americans thought of these issues before they occurred to Chinese analysts, but American defense analysts seem to have raised them before Chinese officials spoke of them in foreign-directed media outlets.

When Chinese officials, military officers, or public intellectuals echo the sentiments of American observers of China, they are often addressing legitimate requirements of China’s emerging situation – e.g., the need to be able to evacuate far-flung Chinese nationals. At the same time, Americans are in the habit of speculating freely and openly about a range of potential future possibilities. This is not the same as legitimating Chinese assertiveness. China’s new capabilities will impede our ability to meet their aggressive probes with firm responses. Serious American defense planning is warranted, and it may be past time to think more strategically about our expressed expectations of future Chinese forces.

Theme Two: Reassuring Similarity

Reassuring similarity encapsulates a pattern of Chinese efforts to cast the Chinese political system as equivalent to, or on the road to becoming equivalent to, the American political system. Hostile behavior can then be blamed on bureaucratic competition or on an independent, internal rogue Chinese actor, while China’s status as an under-developed but well-intentioned state is emphasized. Overall, this theme has a disarming effect on foreign critics. Recent *reassuring similarity* narratives have tended to appear exclusively in foreign-directed media channels.

In the 1990s, Chinese discussions of experiments with village and township elections conveyed the *reassuring similarity* theme; more recently, the emphasis has turned to “intra-party democracy.” By trumpeting the intent to democratize, eventually, Chinese elites have been able to endear themselves to Western audiences. Patience, not anger or fear, is counseled when China engages in crackdowns or other repressive behavior. But where experimentation with local-level elections was packaged as a step toward democracy in the 1990s, sometime in the 2000s, this narrative shifted. Now, the only talk of democracy is of the intra-party variety, an innovation to improve the efficiency of the current Chinese political system, not to reform it.

Sometime in the early to mid-2000s, the *reassuring similarity* theme of democratization faded and was replaced by a set of themes involving such familiar Western scourges as bureaucratic stove-piping and rivalry among different government or military service branches. Thus, after the January 2007 Chinese anti-satellite test (ASAT), Chinese authorities eventually attributed their silence in the face of an unexpected international uproar to a failure of coordination among different Chinese ministries.²⁴ This explanation was only delivered in foreign-directed media channels and did not appear in domestic, Chinese-language outlets.

More recently, U.S. Secretary of Defense Robert Gates was told that the first flight test of China’s new advanced J-20 fighter, which occurred while he was in Beijing in January 2011, was conducted without Hu Jintao’s knowledge. If Hu had not protested ignorance, Secretary Gates might easily have interpreted the event as a snub or a threat. Hu thus deflected American anger by invoking a bureaucratic or “civil-military” breakdown of communication.

²² James Mann, *About Face* (New York: Vintage, 2000) pp. 80, 84-86, *passim*.

²³ See Andrew Erickson and Gabe Collins, “Looking After China’s Own: Pressure to Protect PRC Citizens Working Overseas Likely to Rise,” *China Signpost* (17 Aug. 2010): available at <http://www.andrewerickson.com>.

²⁴ “Chinese deny participation in outer space arms race,” *Deutsche Presse-Agentur*, 19 Jan. 2007.

Again, domestic Chinese media sources did not cover Hu's line to Secretary Gates about being caught unaware. The lone exception is a Chinese online web portal that featured an article discussing whether Hu could possibly not have known about the test. Its conclusion was, "As Chinese Communist Party General Secretary and Chairman of the Central Military Commission, it seems hard to imagine that Hu would have not known about the test."²⁵ In addition, contributors to various Chinese online bulletin boards discussed Western media coverage of Hu's explanation, including speculation in the United States that Hu's power might be waning. The bulletin board comments dismissed such interpretations as evidence of American naivete; some went so far as to hypothesize that Americans could not actually believe such a thing, so we must have made the story up in a clumsy effort to foment division within the class of Chinese political-military elites.²⁶

The sentiment on Chinese bulletin boards underscores the eagerness of Americans to flesh out Hu's statement and interpret it according to U.S. standards. In the United States, the President might not be briefed on the timing of the testing of a new military platform. But in the Chinese case, the fact that other senior Politburo members had visited the plane on the runway in the run-up to the test, which was widely anticipated and a major national event, would seem to belie Hu's claim. We risk fundamental misunderstanding when we succumb to the American temptation to assume that other countries are like the United States or on the way to becoming like the United States.

Theme Three: Nationalist Cultural Difference

This final theme encapsulates the experiences of the many foreigners who have been told, "You have hurt the feelings of 1.3 billion Chinese people."²⁷ Peculiar to American ears, the line is an example of an appeal to the theme of Chinese *nationalist cultural difference*. It is a way of saying, "We Chinese have our own ways of acting properly, and you have transgressed." This theme has a venerable history. For decades, when representatives of China in the United States have been provoked to deliver angry tirades on the subject of Taiwan, they have done so in a way that maximizes our sense of the differences between the Chinese and American worldviews. Perhaps the latest well-known example came in January 2010 when the Obama administration introduced a largely defensive arms sales package for Taiwan. A Chinese embassy official was keen to register his "indignation" quickly and in no uncertain terms with a *New York Times* reporter,²⁸ while other Chinese officials threatened to impose sanctions on U.S. defense firms and emphasized that the sale would reduce Chinese cooperation with the United States on "relevant and important international and regional issues."²⁹ From an American perspective, given the context and the contents of the arms package, this was an overwrought reaction.

Other recent expressions of the *nationalist cultural difference* theme include:

- the colorful attack on China's critics delivered by Hu Jintao's likely successor Xi Jinping in Mexico in February 2009;
- the snubs that U.S. President Barack Obama received from a relatively low-level Chinese official at the international climate conference in Copenhagen in December 2009;

²⁵ See <http://www.warchina.com/news/ent/2011-01-27/126416.html>.

²⁶ There was also a strain of commentary in support of a rumor that Hu's presumptive successor Xi Jinping dictated the timing of the test flight, however.

This rumor was printed in a Korean newspaper story that was widely posted on Chinese websites: http://chn.chosun.com/site/data/html_dir/2011/01/14/20110114000003.html.

²⁷ Evan Osnos, "Why Is China Harassing Foreign Reporters?" *New Yorker*, 7 March 2011, available at: <http://www.newyorker.com/online/blogs/evanosnos/2011/03/china-is-not-egypt-so-why-is-it-harassing-reporters.html>.

²⁸ Helene Cooper, "U.S. Approval of Taiwan Arms Sale Angers China," *The New York Times*, 29 Jan. 2010.

²⁹ See Bonnie Glaser and David Szerlip, "U.S.-China Relations: The Honeymoon Ends," *Comparative Connections* (April 2010): http://csis.org/files/publication/1001qus_china.pdf.

- the drunken anti-American rant that Chinese diplomat Sha Zhukang delivered at a United Nations dinner in September 2010; and
- a Chinese pianist's performance at a January 2011 White House state dinner of a well-known song from an anti-American Chinese Korean War movie.³⁰

None of the high-ranking offenders on the above list has been demoted. One or two of these episodes may have been spontaneous, but it seems more likely that China's elite information management apparatus played a coordinating role. If so, the aim could only be to impress foreigners with the depth of Chinese nationalism and cultural chauvinism. Chinese officials loudly proclaim their peaceful intentions and China's record of peace even as they threaten those who would contest its pursuit of its interests – from repression at home to control over disputed territory and attempts to intimidate other claimants. The record shows that rulers of China have resorted to the use of force frequently while attempting to project a pacifist image.³¹ For a major power that is increasing its defense spending, the gap between image and reality, then, is unnerving. In a game of chicken, it is desirable to be seen as crazy. Thus, this third theme could be a wake-up call to those who would lazily assume that China is just like the United States. It could also be a trump card if one of China's *probing assertiveness* feelers is rejected but China finds it necessary to assert itself militarily nonetheless.

Conclusion

Overall, my findings include:

- The Chinese national security policy narratives that appear in the United States are often tailored by the Chinese government for American audiences.
- *Probing assertiveness* narratives promote expanding Chinese claims; *reassuring similarity* narratives portray China as like the United States and therefore not threatening; finally, *nationalist cultural difference* narratives reveal an underlying, aggressive Chinese nationalism.
- Together, they could have the effect of encouraging us to act, or in some cases refrain from acting, in ways that serve Chinese interests at the expense of U.S. interests or broader international norms.

An implication is that American defense planners should pay more attention to the contradictions among various Chinese national security policy statements and to the gaps between the narratives tailored for Americans and those that are conveyed to the domestic Chinese population. Finally, Chinese assertions of expanding claims are often designed to test our responses, so how we react matters. As China continues its military build-up and efforts to acquire influence in other parts of Asia, the Middle East, and beyond, its challenges to the existing order will be

³⁰ Malcolm Moore, "China's 'next leader' in hardline rant," *The Telegraph*, 16 Feb. 2009: <http://www.telegraph.co.uk/news/worldnews/asia/china/4637039/Chinas-next-leader-in-hardline-rant.html>; Mark Lynas, "How do I know China wrecked the Copenhagen deal? I was in the room," *The Guardian*, 22 Dec. 2009: <http://www.guardian.co.uk/environment/2009/dec/22/copenhagen-climate-change-mark-lynas>; John Lee, "How China Stiffed the World in Copenhagen," *foreignpolicy.com*, 21 Dec. 2009: http://www.foreignpolicy.com/articles/2009/12/21/how_china_stiffed_the_world_in_copenhagen; Peter Foster, "China's UN diplomat in drunken rant against Americans," *The Telegraph*, 9 Sep. 2010: <http://www.telegraph.co.uk/news/worldnews/asia/china/7991414/Chinas-UN-diplomat-in-drunken-rant-against-Americans.html>; Matthew Robertson, "Chinese Pianist Plays Propaganda Tune at White House," *Epoch Times*, 22 Jan. 2011: <http://www.theepochtimes.com/n2/content/view/49822/>.

³¹ See Iain Johnston, "China's Militarized Interstate Dispute Behaviour 1949-1992: A First Cut at the Data," *China Quarterly* (March 1998), and Iain Johnston, *Cultural Realism: Strategic Culture and Grand Strategy in Chinese History* (Princeton U P, 1995), respectively.

more difficult to discourage. Deploying two carrier battle groups as we did in 1996 is unlikely to be sufficient to signal American resolve. More thought, and possibly a different allocation of U.S. defense resources, is therefore necessary.

HEARING CO-CHAIR SHEA: Great. Thank you very much.
Dr. Esarey.

**STATEMENT OF DR. ASHLEY ESAREY, VISITING ASSISTANT PROFESSOR OF
POLITICS, WHITMAN COLLEGE ASSOCIATE IN RESEARCH, FAIRBANK CENTER
FOR CHINESE STUDIES, HARVARD UNIVERSITY**

DR. ESAREY: I'm very honored to appear before this Commission again to share my thoughts on China's narratives concerning national security policy.

The experts who spoke earlier on the first panel were very authoritative, and I have great respect for Professor Mike Lampton, in particular.

China is seeking to remake its international image. The leaders of the country's ruling Chinese Communist Party have tired of being portrayed in international media reports as dubious dictators, human rights violators, media censors, and the enemies of democracy.

Beijing's top propagandists have determined that the answer is to repackage the country's global brand, as it were. China's leaders are enhancing the PRC's "communication capacity," in Chinese, chuanbo nengli, with the goal of increasing the country's "soft power," or persuasive influence in foreign affairs.

Despite the negative connotation associated with the word "propaganda" in the United States, all modern governments utilize some form of political communication that is one-sided, occasionally polemical, and designed to influence the thoughts and actions of citizens.

China's use of propaganda is noteworthy because it's commonplace, reasonably effective, and generally accepted by the citizenry of the People's Republic. Chinese citizens, thus, do not usually view negatively or cynically propaganda meant for internal or external consumption.

"Foreign propaganda"--a term I'll be using--represents the attempt to influence perspectives of China through cross-national and cross-cultural communication.

In China, numerous interrelated institutions and leaders are involved in the crafting of Chinese propaganda, in general, and foreign policy narratives specifically, and like Jackie, I love the expression "information bureaucracy" used earlier today by Commissioner Fiedler. That's a wonderful term, and I'm going to use it in the future.

At any rate, at the top of the political hierarchy that creates propaganda, you have the Politburo Standing Committee member, Li

Changchun, who is generally in charge of propaganda activities. Li serves as the chairman of an important and understudied body called the Guidance Committee on Building Spiritual Civilization Construction. It's a central-level organization involved in production of propaganda for domestic audiences.

Another key figure in the propaganda system that you guys should be thinking about is named Liu Yunshan. He heads the Central Propaganda Department. This is the CCP organization in charge of the country's ideological, educational, cultural and artistic activities, including, among many other things, like supervision of sports teams, the control of China's mass media.

Efforts to promote foreign propaganda in particular are managed by the CCP Central Committee Foreign Propaganda Office. This is headed by Wang Chen, who concurrently serves as the Deputy Director of the Central Propaganda Department and Director of the State Council Information Office.

Day-to-day supervision of foreign propaganda is handled by the State Council Information Office, which pays attention to media coverage of salient issues in foreign affairs and interacts with foreign journalists in China.

As Anne-Marie Brady noted in her April 30, 2009 testimony before this Commission, quote, "The CCP has a longstanding policy of utilizing foreigners in its foreign propaganda work. This is called 'using foreign strength to promote China,' (liyong waili wei wo xuanchuan)."

And I think it's because of the use of foreigners in propaganda that foreign journalists are now being treated so roughly in China. They're more difficult to control. Democracy in the Middle East seems very threatening to China. Therefore, I think the regime is using more pressure against foreign journalists that it's less able to control.

Since 2003, China's central government has responded to criticism that it's mishandled information about such issues as Severe Acute Respiratory Syndrome by creating a spokesperson system. This system extends throughout the Chinese government, and it's designed to handle the outward flow of information. The Party is also establishing a similar system to represent Party committees at the level of ministries and provincial and municipal governments.

Across China you also have many municipal and provincial governments that have what are called Foreign Propaganda Leading Small Groups (duiwai xuanchuan lingdao xiaozu), and these are in charge of supervising foreign propaganda within various organizations and administrative districts.

So, as you can imagine, with all of these different actors involved in dealing with information going outside of China, its important foreigners, and dealing with foreign propaganda, some things need to be done to

standardize political messages.

One strategy to achieve this is the holding of national forum propaganda meetings. The most recent such meeting was hosted in early January by the CCP Central Committee Foreign Propaganda Office.

The director of that office, Wang Chen, emphasized at the meeting the need for those engaged in foreign propaganda "to more openly face the world, take advantage of strategic opportunities, promote the scientific development of foreign propaganda, boost the nation's cultural soft power, struggle for an objective and friendly environment for international public opinion, demonstrate China's prosperous economic development," promote--my word, not his--"economic progress and open civilization and produce a peaceful, harmonious and positive national image."

He also indicated that he sees China's foreign propaganda as increasingly effective.

How does China disseminate propaganda? For the Chinese central government, the establishment of global media that can rival the appeal of Western media, such as the Associated Press, CNN or BBC, has become a national aspiration. New policies designed to expand the reach of Chinese media to larger foreign audiences stem from the belief that the CCP's capability to influence international perspectives regarding China is weak, and this is a source of concern for the CCP.

In recent years, the People's Republic has budgeted more than \$6 billion to increase the overseas reach of state media and expand the operations of Xinhua News Agency, in particular. This is the mouthpiece of the Chinese central government domestically. It is getting more resources for its international activities. In 2010, Xinhua launched a 24-hour television news station that broadcasts in Chinese and English called "CNC World."

Other efforts to boost China's communication capacity include the expansion of foreign-language programming by China Central Television. China Radio International is also a source of foreign propaganda and news production. It's very active abroad.

Not surprisingly, a very rapid expansion of the above-media platforms has necessitated the training of a vast new cohort of personnel with foreign language skills that is taking place on major universities around China. If you want to see more details on this, I would refer you to my written testimony, which I hope can be submitted for the record.

I want to spend my remaining time commenting on a foreign policy narrative that earlier panelists have discussed, but which I think is becoming the important foreign policy narrative now, and this is the narrative of peaceful development, and we see it coming out in speeches by such people as the Vice Premier Li Keqiang, who many people believe may be the successor to Wen Jiabao as the PRC's future premier.

Li Keqiang has asserted that China has a long history of peaceful

development. This is puzzling considering the country's clear history of civil war, domestic upheavals during the Mao period, and clashes with U.S., India, the Soviet Union, and Vietnam during the 20th century.

Li suggests that China's long-term goal is to provide a comfortable life and moderate prosperity to the country's citizens. Li expressed hope for peaceful relations in neighboring states and emphasized China's commitment to green technologies and constructive role in the global government. This is all in a Financial Times article that he wrote.

And he asserted, quote, "Development will not be possible without the world, and world development needs China. We are committed to work even more closely with other countries to create a bright future for all."

This doesn't sound like the sorts of messages that Dr. Rozman mentioned earlier. So I think that China in response to a lot of foreign criticism is attempting to take a more positive tone, and this is very much becoming the stock sort of material that Foreign Ministry people are including in their speeches, as well as scholars such as Wang Jisi, who was mentioned earlier.

I think China wants the world to believe it's committed to peaceful development, and I think I've gone over time.

Thank you.

[The statement follows:]

Testimony before the U.S.-China Economic & Security Review Commission

Hearing on "China's Narratives regarding National Security Policy"

March 10, 2011

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China is seeking to remake its international image. The leaders of the country's ruling Chinese Communist Party (CCP) have tired of being portrayed in international media reports as dubious dictators, human rights violators, media censors, and the enemies of democracy. Beijing's top propagandists have determined that the answer is to repackage the country's global brand, as it were. China's leaders are enhancing the PRC's "communication capacity" (*chuanbo nengli*), with the goal of increasing the country's "soft power," or persuasive influence in foreign affairs. Central to achieving these objectives is the creation of global media organizations capable of disseminating propaganda designed to change international perceptions of contemporary China.

Propaganda and China's National Image

Despite the negative connotation associated with the word "propaganda" in the United States, all modern governments utilize some form of political communication that is one-sided, occasionally polemical, and designed to influence the thoughts and actions of citizens. China's use of propaganda is noteworthy because it is

commonplace, reasonably effective, and generally accepted by the citizenry of the People's Republic. Chinese citizens thus do not usually view negatively or cynically propaganda meant for internal or external consumption. Foreign propaganda (*duiwai xuanchuan*) represents the attempt to influence perspectives of China through cross-national and cross-cultural communication.

Numerous interrelated institutions are involved in the crafting of Chinese propaganda, in general, and foreign policy narratives, specifically. By far the most powerful decision-making body in the propaganda system overall is the Central Leading Group on Propaganda and Thought Work. This secretive body hides the extent to which it controls information in China to blunt criticism of its actions. Politburo Standing Committee member, Li Changchun, heads this group (according to one source), a position that would place him in control of all Chinese propaganda activities. Li concurrently serves as Chairman of the Guidance Committee on Building Spiritual Civilization Construction, a central-level organization involved in propaganda production for domestic audiences. Another key figure in the Chinese propaganda system is Liu Yunshan, who heads the Central Propaganda Department, the CCP organization in charge of the country's ideological, educational, cultural, artistic activities, including supervision and control of Chinese mass media.

Efforts to promote foreign propaganda, in particular, are managed by the CCP Central Committee Foreign Propaganda Office, headed by Wang Chen, who concurrently serves as the Deputy Director of the Central Propaganda Department and Director of the State Council Information Office. Day-to-day supervision of foreign propaganda is handled by the State Council Information Office, which pays attention to media coverage of salient issues in foreign affairs and interacts with foreign journalists in China.

As Anne-Marie Brady noted in her April 30, 2009 testimony before this commission, "the CCP has a longstanding policy of utilizing foreigners in its foreign propaganda work, this is called 'using foreign strength to promote China' (*liyong waili wei wo xuanchuan*)."³² Some Chinese scholars of foreign propaganda advocate favorable communication with foreign journalists and foreigners visiting China as the *most* effective means of improving the People's Republic's international image.³²

In the aftermath of the Severe Acute Respiratory Syndrome (SARS) epidemic in 2002-2003, China's central government responded to criticism that it mishandled information about SARS by creating a "spokesperson system" (*fayanrenzhidu*) to train bureaucrats in public relations. Ostensibly designed to increase information transparency, the spokesperson system required ministries and provincial and municipal governments to employ spokesmen who could handle media inquiries as well as control the outward flow of politically sensitive information. A supplementary initiative to establish a spokesperson system for CCP party committees at the level of ministries and provincial and municipal governments is well underway, with the objectives of providing authoritative information about the party's position on breaking stories, dealing with sensitive issues, and improving the image of the party. Across China, many provincial and municipal governments also have Foreign Propaganda Leading Small Groups (*duiwai xuanchuan lingdao xiaozu*) that are charged with supervising foreign propaganda within their administrative districts.

In order to coordinate the efforts of diverse actors and standardize political messages, national foreign propaganda meetings are regularly held, featuring speeches by the major players in the propaganda system. The most recent such meeting was hosted in early January 2011 by the CCP Central Committee Foreign Propaganda Office.³³ In his address at the January meeting, Director Wang Chen emphasized the need for those engaged in foreign propaganda to "more openly face the world, take advantage of strategic opportunities, promote the scientific development of foreign propaganda... boost the nation's cultural soft power, struggle for an objective and friendly environment for international public opinion, demonstrate China's prosperous economic development, [promote]

³² See, for example, Zhang Kun, *Guojia xingxiang chuanbo* (Communicating National Image), (Shanghai: Fudan daxue chubanshe, 2005), p. 311.

³³ This is my translation of the Office's Chinese title; in the official English translation, this organization has the innocuous title of International Communication Office of the Central Committee.

democratic progress and open civilization, and produce a peaceful, harmonious, and positive national image.”

Wang also hailed the 11th Five Year Plan (from 2006-2010) as a period when the world developed a much greater understanding of China, the PRC gained new influence, and the country demonstrated its new status as a responsible great power. The effectiveness of foreign propaganda, Wang asserted, has greatly improved due to factors including the expansion of the spokesperson system, a huge increase in the number of reports written for foreign audiences, and improvements in internet management. He observed that, while foreign propaganda does face challenges, it also faces a great opportunity for further development.³⁴

Dissemination of Foreign Propaganda

For the Chinese central government, the establishment of global media that can rival the appeal of Western media, such as the Associated Press, CNN, or BBC, has become a national aspiration pursued with nearly the same fervor as the construction of an aircraft carrier or the development of China’s space program. New policies designed to expand the reach of Chinese media to larger foreign audiences stem from the belief that the CCP’s capability to influence international perspectives regarding China is weak and that investment in mass media for disseminating foreign propaganda will create more a favorable impression of China.

In recent years, the People’s Republic has budgeted more than six billion dollars (45 billion yuan) to increase the overseas reach of state media and expand the operations of Xinhua News Agency, which serves as the mouthpiece of the Chinese central government domestically and the eyes and ears of the Chinese state abroad. A September 2010 study written by Douglas Farah and Andy Mosher suggests that Xinhua News Service operates 117 overseas bureaus and provides news in eight languages, including English, French, Russian, Spanish, Arabic, Portuguese, Japanese as well as traditional Chinese. According to Farah and Mosher, “Xinhua has plans to expand to more than 200 bureaus worldwide, which would make it the largest news agency in the world.”³⁵ In July of 2010, Xinhua launched CNC World, a 24-hour television news station that broadcasts in Chinese and English.

Other efforts to boost China’s communication capacity include the expansion of foreign language programming by China Central Television (CCTV) and China Radio International. CCTV broadcasts to foreign audiences in English, French, Spanish, Arabic, and Russian; the Internet-based television station, CNTV (*zhongguo wangluo dianshitai*) provides programming in ten foreign languages, including Mongolian, Tibetan, Uyghur, Kazak, and Korean. China Radio International currently broadcasts in 38 different languages and on multiple frequencies in Africa, Southeast Asia, and Latin America.

The rapid expansion of the above media platforms has necessitated the training of a vast new cohort of personnel with foreign language skills. In a speech delivered on December 17, 2010, Politburo Standing Committee member and top propaganda tsar, Li Changchun, urged students at the Communication University of China to “promote the country’s developmental achievements, expand the battle for international public opinion, protect national security and ideological security, and create first-class international media.”³⁶

According to an article published in the January 25, 2011 edition of *Guangming Daily*, the Central Propaganda Department and the Education Ministry have been collaborating with “test” (*shidian*) universities, such as Tsinghua University, People’s University of China, Communication University of China, Beijing Foreign Studies University, and

³⁴ Xinhua wang, Quanguo duiwai xuanchuan gongzuo huiyi zhaokai tuidong waixuan gongzuo fazhan National Foreign Propaganda Work Meeting Held to Promote Foreign Propaganda Development), January 6, 2011 accessed on March 8, 2011 at <http://news.sina.com.cn/c/2011-01-06/180921772084.shtml>.

³⁵ Douglas Farah and Andy Mosher, “Winds from the East: How the People’s Republic of China Seeks to Influence the Media in Africa, Latin America, and Southeast Asia: A Report to the Center for International Media Assistance,” September 8, 2010, p. 10.

³⁶ Qiushi, “Wei jiaqiang guoji chuanbo nengli tigong jianshi rencai zhicheng,” (To Increase International Communication Capacity Provide Substantial Support for Talent), February 16, 2011.

Fudan University. Beginning in 2009, efforts were made to recruit students to masters degree programs, with the objective of training a new cohort of more 300 journalists to work in international communication for major central-level news media. The instruction of these journalists involves collaboration by the government, media, and universities and involves practical experience and foreign language training.³⁷ If these efforts to train China's next generation of foreign journalists are considered to be effective, it is not unreasonable to assume they will commence in other parts of the country.

China's attempt to influence the views of foreigners goes well beyond the production of news reports and other media programming that lacks the criticism and suspicion of the PRC that is common fare in Western reports about Chinese politics. Beijing has sought to create new cultural ties around the world through the construction of 322 Confucius Institutes in 96 countries as of late 2010. These institutes provide Chinese language classes and promote knowledge of Chinese culture. Moreover, the PRC's hosting of the 2008 Olympics in Beijing and the World Expo 2010 in Shanghai attracted a great deal of largely positive international media coverage.

Foreign Policy Narratives

Vice Premier Li Keqiang, a potential successor to Wen Jiabao as the PRC's future premier, has asserted that China has a long history of peaceful development, despite a clear historical record of civil war, domestic upheavals during the Mao Period, and clashes with the US, India, the Soviet Union, and Vietnam in the 20th century. Li suggested in an opinion piece published in the *Financial Times* that China's long-term goal is to provide a comfortable life and moderate prosperity to its citizens. Li expressed hope for peaceful relations with neighboring states and emphasized China's commitment to green technologies and constructive role in global economic government; he asserted that China's "development will not be possible without the world – and world development needs China. We are committed to work even more closely with other countries to create a bright future for all."³⁸ A perusal of dispatches from Chinese overseas diplomatic missions on the Ministry of Foreign Affairs website posted since January of this year indicates similar utopian and pacific messages have been echoed by Chinese diplomats in places as distant as Botswana and the Netherlands as well as by Chinese establishment scholars publishing academic essays in the United States.³⁹

While this foreign policy narrative speaks of China's peaceful aspirations and economic accomplishments, it obscures the darker, potentially assertive side of Chinese nationalism that has created tension with Japan concerning the Senkaku Islands, with the US and South Korea over military exercises, and with the Philippines and Vietnam over Chinese territorial claims in the South China Sea. Beijing's preferred narrative fails to explain the country's motivations for growing investment on military capability, in the absence of a major threat to China's national security.

Chinese officials have also projected a different image overseas than they have when speaking to domestic audiences. President Hu Jintao's mention of the need for China to improve human rights during his visit to the United States in January, for example, was largely excised from media reports by Chinese domestic media. The merits of democratic government abroad are de-emphasized by Chinese journalists and efforts to promote democracy within China by 2010 Nobel Peace Prize winner Liu Xiaobo and others have been censored and suppressed by the state. As a result of information control within the PRC, the activities of domestic democracy activists remain largely unknown. It is no coincidence that the words "Egypt" and "Jasmine" have become words that are banned in Chinese Cyberspace after pro-democracy revolutions in the Middle East captured international media attention. Meanwhile, Chinese officials at all levels of government praise the strides their country has made toward openness and inner-party democracy.

³⁷ Guangming ribao, "Tishen guoji chuanboli rencai peiyang yao jiaqiang," (Improving International Communication Capacity: The Fostering of Talent Must be Strengthened). January 25, 2011. Accessed on March 7, 2010 at http://epaper.gmw.cn/gmrb/html/2011-01/25/nw.D110000gmrb_20110125_1-16.htm

³⁸ Li Kiqiang, "The World Should not Fear a Growing China," *Financial Times*, January 9, 2011.

³⁹ For the latter, consider the position argued by Wang Jisi in "China's Search for Grand Strategy," *Foreign Affairs*, Vol. 90, Issue 2, March/April 2011, pp. 68-79.

The objective of CCP leaders is to utilize propaganda to retain high levels of popular support domestically and to improve the regime's international influence. When propaganda messages are disconnected from actions that speak otherwise or challenged by rival perspectives, the effectiveness of propaganda falters and sows doubt among both foreigners and Chinese alike. Only the future will reveal whether Beijing's grandiose efforts to develop the capacity to burnish its image as a peaceful, responsible, trading nation represent the genuine aspiration to promote global economic prosperity, or mask a design to lull potential adversaries into complacency. The United States must hope for the former while preparing for the latter. When attempting to appraise the PRC's real intentions, this commission would do well to remember an oft used Chinese expression "tingqiyang guanqixiang," "listen to what is said and watch what is done." China's considerable efforts to develop international communication capacity are impressive, but they are unlikely to translate into real communication power or even strengthen soft power, unless the messages in Chinese foreign propaganda ring true.

PANEL II: Discussion, Questions and Answers

HEARING CO-CHAIR SHEA: Thank you very much, Dr. Esarey.

I'll take the first question. Dr. Newmyer Deal, you said that we should treat information out of China as we would information coming out of a political campaign, and I've been involved in campaigns. I've also been involved in governance in the United States or attempted governance, and when you work in those venues, you write messages, write material that you want your audience to receive that point of view and to accept that point of view.

I believe there's a vast difference between what the U.S. does and what China does, but I'd like to hear from you both, what is the difference, the difference in intensity, the difference in resources, et cetera?

And then, secondly, everybody is talking about Wang Jisi. He wrote in Foreign Affairs in February, I will just quote: "Last year some Chinese commentators reportedly referred to the South China Sea and North Korea as core interests, but these reckless statements made with no official authorization created a great deal of confusion."

I assume, Dr. Newmyer Deal, you would view that as a statement that falls within the reassurance category. Just help me understand, is this an intentional statement? Was this done intentionally to reassure Western audience? How was that decision made? I know we don't have any transparency really to the process, but is this something that someone in the Propaganda Department said we need to do some reassurance so let's get Wang Jisi to put an article in Foreign Affairs?

Please explain and help me understand how the process works.

DR. NEWMYER DEAL: Thank you very much for the questions.

I think on the first issue, of the difference between China's information management apparatus and the way--

HEARING CO-CHAIR SHEA: For foreign audiences.

DR. NEWMYER DEAL: --for foreign audiences--and the way information works in the United States, one difference that I'd call your attention to--I found all of Professor Esarey's remarks illuminating, but the statistic that he cited about the budget of more than \$6 billion to increase the reach of overseas state media, if you compare that, I mean the functional equivalent maybe for the United States would be VOA.

\$6 billion--China's official defense budget for 2010 was \$70 billion plus, a little bit more than 70 billion. So that's almost ten percent of the defense budget that they're allocating to foreign-directed information management on national policy, national security policy.

I'm not sure what the statistic is, but I really doubt that we're spending almost ten percent of what we spend on defense on VOA, you know, and China-directed VOA.

HEARING CO-CHAIR SHEA: Right.

DR. NEWMYER DEAL: So I think just in terms of the place, the level of priority assigned, it's very different, and I meant to underscore the difference between our system and theirs by citing a political campaign because I think a political campaign is an unusual example in the U.S. of very focused messaging, thinking about what the audience is going to take from the message, how to persuade.

It's much more strategic than most U.S. information dissemination activities, which really is the result of a pluralistic liberal political system. You know, China is many things that are very impressive, but it's still a one-party state that invests a lot in not being pluralistic but rather in suppressing free expression. So that's the answer on the first question.

And on the second question, I think on Wang Jisi's statement in Foreign Affairs, I agree that that would be an example of reassurance, the reassurance narrative. What's most interesting to me is that it hasn't been matched with actions that would be reassuring.

If anything, China's behavior with regard to its territorial claims in the South China Sea and the East China Sea has continued to be extremely assertive, aggressive in recent months, and there hasn't been any kind of abating of that assertive push, so the rhetoric has become more reassuring, and I think that's a reaction to widespread feedback that the rhetoric and the deeds have become alarming and had sort of overreached what is merited by China's current capabilities. But the behavior hasn't changed.

HEARING CO-CHAIR SHEA: Dr. Esarey, do you have anything to add?

DR. ESAREY: Yes. Just that I really appreciate Jackie's argument that says a couple of types of narratives are going on. You've got this narrative of probing and assertiveness and a narrative of reassurance and stability. These narratives are in tension; they don't go well together; right?

I also agree with her that the Chinese government's actions really are quite a bit different from what it's saying. Why is it saying what it's saying now related to peaceful development is a question that I've been wrestling

with.

I think this could be a move to try to create a more favorable perspective of China after many events in 2010 led to heightened tension with China's neighbors in Southeast Asia, with South Korea, with Japan, with the United States.

So my feeling is that they're trying to rebrand the national image a bit by saying that their priorities are peaceful development, and I think they are hoping people will forget history or that people don't know about history or that people won't be terribly concerned about human rights or information control and perhaps will just focus on economics.

And if that's the case, then I think their message could be persuasive. But, you know, the United States is a free society, and I think it's going to be very difficult for these messages to be truly persuasive here so long as the action seen are somewhat divorced from the rhetoric.

HEARING CO-CHAIR SHEA: Okay. Thank you.

Commissioner Fiedler.

HEARING CO-CHAIR FIEDLER: First let me decline credit for the "information bureaucracy" and give it to the staff where it belongs.

Let me go back to national security narratives role of who--I mean the roles of decision-makers. We all feel and there's been previous testimony to the diminished importance of the Foreign Affairs Ministry in formulating those messages.

There is no National Security Council so who's formulating the messages, and if it's different people at different times, what are the different sets of circumstances that drive the different decision-making sets?

DR. ESAREY: Well, I guess I'll jump in here. It's hard to know what the top leaders are thinking. They're not very explicit about their internal deliberations about foreign policy decisions. What you can see is policies and laws that change, and you can look whether or not those laws are implemented or, you know, or whether or not agreements are honored.

As far as the transmission of--

HEARING CO-CHAIR FIEDLER: That's what I'm talking about.

DR. ESAREY: --narratives goes, you've got a couple of leading groups that are very important. I think the Leading Group on Propaganda and Thought Work has a big role in determining how messages related to foreign policy are related to media organizations, which then kind of echo the narrative throughout China's media abroad and at home.

The distinction between foreign propaganda and domestic propaganda is pretty fine these days, and this is, in part, because there are so many foreigners in China who have pretty good Chinese language ability, and they're reading the Chinese press, and they're talking about what's in the Chinese press.

So I think there are some messages that really are crafted for

foreigners, and there are some that are crafted for the domestic audience, but I think that the regime is increasingly cognizant of the fact that it has to have a message that works overseas and at home in order for those messages to be convincing.

I'm not sure if I answered your question sufficiently.

HEARING CO-CHAIR FIEDLER: Not exactly because I was going at to more of the how than the message.

DR. ESAREY: Oh, the who is making the decisions?

HEARING CO-CHAIR FIEDLER: Let her.

DR. ESAREY: Yes. Okay.

DR. NEWMYER DEAL: Well, I think I defer to Dr. Esarey even on the who question except I would say that the evidence from his work and from Professor Anne-Marie Brady's work and from Professor David Shambaugh's work, it seems to be that the "who" is very well-connected and very elite.

And as I think Commissioner Shea said, there's an investment in opacity here so we're not supposed to understand exactly who and exactly how. But I think that the fact that it's such an elite group with ties to the Politburo Standing Committee, the top handful of people who run China suggest that it's taken very seriously, and I almost think that we could spend a lot of time figuring out or be diverted to arcane questions or impossible-to-answer questions of who in which case is the most important voice, but that's why I think because we don't know, we should look at the behavior.

HEARING CO-CHAIR FIEDLER: I agree, but let me just posit the notion that there's lots of speculation about the military role in government in China, and one of the manifestations of that would be if they have a role in formulating messages or, and I think Mike Lampton was saying, there's these two lines.

I'm not sure I don't believe that they intersect somewhere down here, but in order to discern whether there is growing influence of military decision-makers in message-making, we sort of got to get a sense--now, I understand it may be deductive, it may be observational that's the standard kind of message that comes out of the military; oh, but today it's coming out of the Foreign Ministry. That's what I suspect that you guys do.

DR. ESAREY: Can I add one remark? There's a document now circulating on the Internet. I found it on a military affairs Web site prior to coming here, and it lists the members of this Propaganda and Thought Work Small Group.

I don't know if it's accurate or not. I checked the official titles of all of the members; they are correct. What I saw was that the members of this group are from the Organization Department of the PLA; they're from the Ministry of Culture, and from the Ministry of Education; they're from the State Administration for Radio, Film and Television; they're from the Propaganda Department. And they're also high-level leaders like Li Changchun, who is really the propaganda czar for all of China, and he's a

Standing Committee, Politburo Standing Committee member.

And so there is a group of powerful people who are interrelated and--

HEARING CO-CHAIR FIEDLER: So just a simple question.

DR. ESAREY: Yes.

HEARING CO-CHAIR FIEDLER: If ten years ago, would a military person have been on that group?

DR. ESAREY: I believe so.

DR. NEWMYER DEAL: And one other point I think that's related is I think we often as Westerners, and maybe in part because of our political science training, Western political science training, think in terms of civil and military distinctions, but I think in China, we confront really a Party Army, and a Party Army distinct even from the Russian Party Army.

HEARING CO-CHAIR FIEDLER: I understand.

DR. NEWMYER DEAL: And so that means that I think we should not get too, too diverted by thinking about, okay, well, this is Foreign Ministry and this is Defense, and that those are very different when, in fact, I think what Professor Esarey is saying and what the document he found shows is something else behind the official organization charts is going on with this kind of function.

HEARING CO-CHAIR FIEDLER: Okay.

DR. NEWMYER DEAL: And it probably has more to do with the Party behind the scenes that the org chart.

HEARING CO-CHAIR SHEA: Okay. Thank you very much.

Commissioner Wessel.

COMMISSIONER WESSEL: Thank you both for being here. This is very helpful.

I'd like to question another outlet for the narrative as it relates to all of this and ask two questions. One, we've been pursuing here in the U.S. various entities, both the policy of engagement, as well, as I would argue, at times economic appeasement, viewing that as avenues for change.

We have a large number of multinational corporations that operate in China and the whole engagement strategy was designed to promote change. How, however, are they being used to foster China's narrative? We and many others meet with the AmChams when they come here, and we find they tend to have similar messages to that which the Chinese government is promoting.

Is there an integrated strategy for the use of foreigners to message to their own people, their own governments, and how do you view that? How is that coordinated, et cetera?

Dr. Newmyer Deal, do you want to start?

DR. NEWMYER DEAL: Well, I think since Dr. Esarey talked specifically about that, I'll defer to him.

COMMISSIONER WESSEL: Okay.

DR. NEWMYER DEAL: But I agree.

DR. ESAREY: Yes. There's scholarly literature, in fact, about this in China: how to use interaction with foreigners to have them then return home to their countries and portray China in a favorable light.

Most manuals that talk about how propaganda should be conducted in China have a section on this. One that I've been reading recently suggests that people need to seize opportunities to communicate a positive image of China to the foreigners that they meet, and this is a manual for how Party members should be interacting with foreigners.

I don't know if the information that's collected by Chinese in their conversations with foreigners is then used in any constructive way to reconsider Chinese policy, for example, but I do get the sense that they're attempting to utilize interactions with foreigners and particularly the interactions with foreign media to get favorable coverage.

One reason why I think they've been playing so rough with the foreign media in recent weeks is because I think that they feel like the foreign media is not an effective tool for communicating the image that they want to communicate of a desirable pacific China.

COMMISSIONER WESSEL: So beating it into them is helpful?

[Laughter.]

DR. ESAREY: Well, I'm not sure that's going to help either, but they're very concerned.

COMMISSIONER WESSEL: I understand.

DR. NEWMYER DEAL: In support of what Dr. Esarey was saying, part of the vast scholarly literature on the subject is the sort of typology of terminology that the Party has for designating, okay, who's a friend of China, who's an old friend of China, and I mean it's pretty intricate, and so that suggests, again, there's a lot of thought about who can we trust and how far, and I think in many cases now it extends beyond Americans in China to Americans in the United States, or maybe it's always extended this far.

But if you look at the way the Chinese state-owned entities or state-backed entities and the government itself may be retaining help from lobbying firms, PR firms in the United States, I mean there was a lot of publicity around this obviously during the 2008 Olympics. The Chinese were turning to Americans to advise them on how best to manage perceptions around their security measures or the repression activities that took place around the Olympics. So clearly there is an interest in getting our best practices and our input.

COMMISSIONER WESSEL: So are you seeing that, whether our efforts to engage or, you know, acts of appeasement, are they having an impact on the Chinese leadership in terms of policy approaches?

DR. NEWMYER DEAL: I think that maybe, I don't know, but I think maybe the driving force is a perception of a change in the balance of power, and I think this is something that Professor Lampton pointed out and others, and I think maybe, well, first of all, there have been many episodes over the

past 20 years when China has pronounced the U.S. to be in decline, and they've had to reverse themselves on different occasions in the '90s, and they've reversed that assessment at least through the early 2000s at various points when we've shown ourselves not be in decline or at least to be still very powerful.

I think now even more than on those previous occasions, they may also be hearing from American interlocutors, American scholars of China, maybe even American businesspeople in China, that, in fact, the U.S. is in trouble or that--so maybe we are reinforcing this perception in a way that wasn't true in the past, and that's driving or in part driving the more assertive behavior.

At the same time, at the end of my remarks, I said, look, you know, we still have tremendous advantages in terms of power. So maybe everybody is misreading the situation in a way that's destabilizing or dangerous.

COMMISSIONER WESSEL: Thank you.

HEARING CO-CHAIR SHEA: Okay. Commissioner Mulloy.

COMMISSIONER MULLOY: Thank you, Mr. Chairman.

I wanted just to follow up on the line of questioning that Commissioner Wessel was asking. My own view is that the earlier panel spent a lot of time talking about comprehensive national power, and, of course, everybody knows China is more powerful than it was ten years ago, and I think part of it is the fact that the imbalance in the economic relationship in which we have transferred technology and money to them has helped them tremendously. And yet, this country seems not to be able to respond. I think there is a narrative coming from people that we, you know, it would hurt the relationship if we responded, and we'd make China a threat if we responded, and so I think that part of the narrative that goes here is that.

And I just wonder, do you folks see that out there? Commissioner Wessel talked about how that line is sometimes spread here by groups that they have their investments or whatever in China?

I think that's an important issue for us to try to get some sense of, and if you have any views on it, it would be helpful.

DR. ESAREY: Yes. I'll just respond briefly. I think that China believes it's profited immensely from engagement with the United States, and the U.S. has been an incredibly important market. The trade is very important with the United States from the Chinese perspective.

Europe is a large market, but the United States is one market, and although China doesn't always get along with us, we're easier to deal with in some ways. You don't have to deal with the "many-headed hydra," so to speak.

I think to your kind of final, the final part of your question, should the U.S. sort of soft pedal on issues that are very important, such as currency or trade imbalances, and avoid, and by doing so, avoid hurting China's feelings,

I think that's a mistake at this stage in things.

I got the feeling that in the first year of the Obama administration, he pursued, you know, the administration pursued a more kind of gentle strategy with China, and it was less forceful, and allowing him to communicate well there, and I felt like negotiations were going on behind the scenes.

This is just a sense that I have, but maybe, you know, speaking more honestly about issues of major national concern for the U.S. is the way to go forward, and this is based on a sense that there was a lot of criticism of China's spats in East and Southeast Asia in 2010 by foreign policy experts and to some extent the U.S. government.

And I feel like the Chinese policy has changed so that now the narrative is peace and harmony and economic development. So my feeling is that if the U.S. did, in fact, play a little bit more hardball on trade issues, it might gain some ground.

DR. NEWMYER DEAL: I think I second everything that Ashley just said, and all that I would add is maybe there's a lag, but I'm still waiting for the behavior to change in--I mean the rhetoric has shifted back towards more peaceful development, conciliatory rhetoric, but if you look at the way that the Chinese have been treating other nations' fishing vessels or presence in disputed regions, it's still, it's still very aggressive or assertive.

And I guess the reference point or a useful reference point for me in thinking about all this is the Taiwan Strait crisis in '95-96. You know there we were able to respond relatively forcefully. We sent in two carrier battle groups, and that sent a message, and a brinkmanship kind of situation was stabilized.

And I think now or in the future, as China acquires more and more capabilities militarily, we have to be thinking about, okay, how are we still going to be able to send those kinds of stabilizing messages given the new dynamics and the new balance of power militarily?

But that's for the future. I think right now, as Dr. Esarey said, we should still be signaling in a direction that's stabilizing and not emboldening.

COMMISSIONER MULLOY: Thank you both. That was very helpful. Thank you.

HEARING CO-CHAIR SHEA: Commissioner Bartholomew.

COMMISSIONER BARTHOLOMEW: Thanks very much and thank you to our witnesses. It's always a pleasure to see you here, Dr. Newmyer Deal, and I understand congratulations are in order in your personal life. Dr. Esarey, it's wonderful to have you back.

I'd like to build a little bit on what Commissioner Wessel asked, but in a slightly different way, which is you talk about what's written in Chinese, you know, that there's information out there in Chinese about how to get the Chinese message out there, but what I'm really interested in, you know,

there are two really powerful levers. One is access and one is money.

And what I'm particularly interested in is how much and how does the Chinese government use those levers within the American academic community, the think tank community, the policy community, and particularly the piece of the policy community that I will label the "formers," the former government officials. How is the Chinese government using those levers to advance and promote its own national security narrative?

DR. ESAREY: I'll jump in. The foreign policy establishment in China is able to have a relatively standardized message that it disseminates through the embassies and so on. So these messages follow a Party line. The line is established by the Communist Party so it literally is a Party line, and they are then circulated in conversations with foreign diplomats, and they are great resources to examine this.

If you just look at the Chinese Foreign Ministry's Web site, you can see all sorts of recent speeches by, you know, Chinese missions overseas, and you get a sense that the outreach is more or less consistent, and that's one way that interaction goes on.

In my written testimony, I mentioned the expansion of Confucius Institutes. I think this is one way that China is trying to create new cultural ties throughout the world and to get people interested in Chinese language and Chinese culture. 322 Confucius Institutes have been established in 96 countries as of late 2010. This is a foothold, if you will, of the Chinese propaganda system in many universities in the United States and around the world, and that allows foreigners to come in contact with a little bit of the Chinese state and a little bit of its resources and to establish some sort of a relationship there.

I think the notion, broadly speaking, is that once foreigners learn to speak Chinese and get interested in Chinese culture, they're going to have more positive perspectives. Those are just a couple of ways in which I think an innovative outreach is taking place by China.

DR. NEWMYER DEAL: Just a really quick remark. First of all, thank you. Second of all, if you look, I think maybe the trend you describe could be possibly shifting because I agree with the thought that there has been maximal exploitation of the positive feelings and sympathies of "formers," American formers, towards China in the past and up till now through the present.

I think that in some ways could be an expensive policy going forward to the extent that China is looking to promote goodwill and good feelings, in part by economic means, not just with Americans but with people all around the world, and in light of the global economic downturn and the reduction in China's exports that could be associated with that, it may be a little bit more--there may be more tension associated with that use of resources in the future given all of the other potential investment areas for China

domestic that could seem more pressing.

Also, in terms of China's behavior, I'm not sure that they've created in the current generation of American officials the same sort of goodwill or feeling that these people can be lifetime advocates of good relations with China the way they had done in the past.

This is something that James Mann has pointed out, I think. In the *New Republic*, he wrote a piece saying where is the next person like Henry Kissinger or like Brzezinski or like Sandy Berger in the Obama administration?

There have been a number of delegations sent to China, and they've come back kind of empty-handed, and I don't think they've been particularly impressed or attracted by the proposition of China's power and Chinese influence.

So I'm not sure that maybe in the future, the influence of these "formers" will be smaller or that they're not creating, and it's a vanishing resource.

COMMISSIONER BARTHOLOMEW: Can I just clarify one point or something to ask people to think about, which is despite the narrative we have going on in this country about how public employees are well-paid, for a number of these government, the "formers," they have given up a fairly significant income in order to come into government service and then cash out, and what I'm wondering is how much people are thinking about or focusing on the business deals that are being done by some of these "formers," and how that serves or could serve as an avenue for China to advance its national security narratives?

DR. ESAREY: I don't really study political economy in terms of how U.S. firms are relating with Chinese interlocutors in the political establishment, but I think that, you know, those relationships, the relationships between the heads of top firms and Chinese state, are very important both for getting things done in China in an economic sense and for China to express some preferences and concerns back, you know, towards the U.S. business community.

I think if you want to understand this, I would direct you to talk to somebody like Stephen Orlins, who heads the National Committee on U.S.-China Relations. He is both a businessman and deeply involved in public diplomacy, and I think he would have a pretty good sense for how best to answer that question.

DR. NEWMYER DEAL: I'm not a political economist either, but I think, you know, more data on the subject, shining a light on the subject can only be positive, a positive development.

I think it will be interesting to see--I'm sure that China will be watching what happens to the people who were associated with pro-Libya lobbying, which has now been exposed, because that's at a smaller level a case study.

But I do think at the end of the day, business is business, and economic motivations are strong, but also Americans are patriotic, and so if Chinese behavior doesn't make it possible to advocate on their behalf, even the pull of deals and money I don't think will be sufficient to breed a lot of goodwill.

COMMISSIONER BARTHOLOMEW: Thank you.

HEARING CO-CHAIR SHEA: Commissioner Wortzel.

COMMISSIONER WORTZEL: I want to thank both of you for being here and your thoughtful remarks.

And Dr. Esarey, I don't know if you've read Dr. Newmyer Deal's testimony, but I want to take one of her conclusions and move that into a question that will kind of follow up on organizations and "formers."

Jackie, you say that "Chinese national security policy narratives that appear in the United States are often tailored for American audiences."

So I don't know if either of you are familiar with the messaging and foreign opinion-shaping actions of the China Association for International Friendly Contact, and how a thing like the Sanya Initiative, they have targeted these "formers" or associated these "formers," and I wonder if you can identify themes that are targeted for American audiences from those actions?

Now this initiative is run by the China Association for International Friendly Contact, and that actually has connections both to the General Political Department of the PLA and to China's intelligence apparatus.

So how are organizations like CAIFC and the intelligence apparatus incorporated into this national messaging, and who in China develops these national security narratives, if you know?

DR. ESAREY: In China, there's something called "tifa." This is a way of expressing a certain idea. It's a set phrase that's designed to communicate a notion like "peaceful development," the current popular tifa.

One way that messages are standardized is that all Party members are apprised to be aware of the general political climate in the country of ideological priorities of the regime, and presumably if they're involved in foreign propaganda, again, not a negative expression in Chinese, then they're likely to stick to these kind of narrative expressions, if you will, these tifa.

So now "peaceful development" is the buzzword, and I would expect that throughout, you know, Party members, you're going to see common use of this current, you know, narrative. This is the new narrative, as I can suss it out from about January to the present date--a partial answer, I think.

DR. NEWMYER DEAL: I guess, well, first of all, as Ashley knows, the phrase "peaceful development" is in some ways the successor to "peaceful rise," and a lot of scholars have done good work showing how, in fact, peaceful rise was modified when it was thought to be maybe too alarming for Western audiences so peaceful development is maybe, again, the new

sort of reassuring line, slogan, tifa.

As far as activities directed by Chinese military intelligence agents at American "formers," American military personnel, I think one part of that has to be the theme of, you know, we're a lot like you. So to the extent that bad things happen, even in January, like Secretary Gates is in Beijing and the J-20 test flight occurs, the message for the foreign audience is, "aah," like you, we have independent rogue actors or we have our hawks and doves or we have failures of information-sharing across different bureaucratic channels.

But, again I think what's interesting is that's not what's said to domestic Chinese audiences, and that wouldn't even pass the laugh test, apparently didn't pass the laugh test among Chinese people who actually had access to what was said in foreign media outlets.

So I think, you know, to some extent, the messaging that goes on with formers is reassurance and testing of lines and plausibility tests, and we end up helping them, okay, well, this makes sense to us, this makes us understand you as being like us, and that's reassuring, and that's the message we get, but it's not the message given at home, and the behavior is still the behavior.

COMMISSIONER WORTZEL: I take it, then, you, Dr. Esarey, were able to discuss Confucian Institutes and how they helped convey messages; you're not able to do the same thing with the China Association for International Friendly Contact?

DR. ESAREY: I'm not familiar with that organization.

HEARING CO-CHAIR SHEA: Okay. Commissioner Blumenthal.

COMMISSIONER BLUMENTHAL: Yes, thank you both very much for testifying. Very thoughtful remarks.

I want to follow up on this notion of, in Dr. Newmyer Deal's testimony, you had both stressing of reassuring similarity as well as cultural differences. I suppose you can square the circle by saying sometimes a propaganda institution will push on one and sometimes it will push on the other.

But to check this notion now that I guess everybody who matters in the United States believes that the PLA is a rogue organization, which isn't so reassuring to me, but I guess is reassuring to our former National Security Advisor in the Bush administration, our current National Security Advisor, and just about anybody who you talk to about China nowadays will explain that actually what's going on is that the PLA is acting on its own, and again that's supposed to be reassuring somehow.

But can you give more detail as to how you think this forms? It's obviously iterative in the sense that somebody in China may be pushing this line--maybe not. Maybe just somebody in the United States is trying to reassure themselves. That, I guess, is more of a question for a psychologist.

But how does this--so now most people believe it--the PLA is this

hawkish group that doesn't listen and isn't plugged into the rest of the Party, and it's kind of become the line in the United States.

How does that begin? Can you give us a little bit more of the specifics of the genesis? How does it come back to be "the narrative" here in the United States?

DR. NEWMYER DEAL: Well, I guess, let me start with a prediction. I think where it will go is to, again, two kind of contradictory lines. From here we'll get, well, actually it's not the whole PLA. There's differentiation within the PLA, and so there's a lot of diversity of opinion, and maybe there's some more dovish or sympathetic voices, and then there are the real hawks. And then there will also be, I think, a kind of an overall retrenchment and an effort to suggest, no, we didn't actually mean that; the PLA is fully in line.

So at the same time we'll be getting very contradictory messages going forward that kind of push this further and maybe will be a reaction to the fact that at least some Americans and people who are writing a lot, like you, will be saying this is not reassuring. So, anyway, I think that's where it will go.

But going back to where it came from, I think you can see how it seems unlikely that Hu Jintao in his meeting with Secretary Gates was willing to admit to a foreign, you know, elite person, representative, that he did not know. If he really didn't know about the J-20 test, it would seem an unlikely venue for him to have confessed that kind of spontaneously.

So given the fact that other very senior members of the Chinese political military elite knew about the test flight, again, it just seems as though that would be an unlikely venue. So maybe he was told to say I don't know, and that that message was prepared for foreign audiences even though it wasn't said for domestic audiences.

Maybe in the face of--it's possible that Secretary Gates looked very angry, and--I don't know--just was sort of a way of stalling, and then because Secretary Gates or Americans were very keen to seize on this because it's better than thinking, oh, there's a coordinated effort to embarrass us and signal to the world that we can get away with a real display of strength while Secretary Gates is in town, that's a clear slight to the United States, they're not going to do anything, but we can get away with it if we just say to Americans we didn't know, but meanwhile the rest of the world, Japan, American allies, are watching and thinking, wow, that's pretty humbling for the United States.

Maybe that's what happened. I don't know. I mean, again, the Chinese message crafting apparatus is enshrouded in secrecy, and we're not supposed to know how it comes about, but you can speculate.

COMMISSIONER BLUMENTHAL: Do you think this is a case of just the United States wanting to believe the best? Again, I don't think this is the best, but do you think that this is more about us than about them? Either

one of you.

DR. ESAREY: I'm trying to follow the logic. So you think that the U.S. sees the PLA as hawkish, and that if the PLA is hawkish, that's a good thing for the U.S.?

COMMISSIONER BLUMENTHAL: So the now, I think, received wisdom in the U.S. elite, and it has been repeated both after the ASAT test in 2007, as well as after the stealth fighter test, is that there is a--and people have written about this in Foreign Affairs, our various National Security Advisors have said this--I've heard this from former Deputy Secretaries of State, that sort of thing--that the PLA is acting alone, and so we've accepted this in Washington. This is the narrative now.

And so this is the narrative now. If it's something that was deliberately propagated, I'm trying to figure out how, and I'm now wondering whether it's just something we believe because we want to believe, but we believe it? I mean people who matter believe it. I don't believe it; I don't matter. But people who do matter believe it.

DR. ESAREY: I have the sense that the PLA is perceived in China as relatively autonomous from other arms of the state apparatus, and that said, it is a Party Army, as Jackie so rightly mentioned, and I think that if it is going alone, that's something that is really concerning because it may mean that Hu Jintao as the head of the Central Military Commission doesn't have control. That's a Party body in control of the Chinese military. If he can't exercise meaningful control there, then--

COMMISSIONER BLUMENTHAL: Yes. No, I understand. My time is up, but maybe what you're saying is that he doesn't have control, but why is it that now in the United States, the received wisdom is that Hu Jintao doesn't have control over his PLA, over his military?

DR. ESAREY: Well, I would just stand behind, you know, Jackie's analysis. I think that, you know, the recent flap over Hu Jintao not knowing about the testing of the fighter plane is a possible example of this, you know, and the evidence you mentioned, the ASAT test, perhaps.

HEARING CO-CHAIR SHEA: All right. We're going to go to a second round of questions. Before that, I know I want to speak on behalf of Jeff, Commissioner Fiedler, and myself, and just thank the staff who helped put together this hearing: John Dotson and Katherine Koleski. So just want to express our thanks.

So we'll go to a second round of questions. We have two questions before we break for lunch. Commissioner Wessel.

COMMISSIONER WESSEL: I will ask a quick question, and thank you, and to follow up, I was thinking while Commissioner Wortzel was asking about the Sanya Initiative, which I find rather interesting--is U.S. government now requires senior government officials to file financial disclosure, looking back at what they did prior to entering government service or what they're doing, their investments now.

But it seems to me when one looks at the Sanya Initiative, we should be as concerned about what they do once they leave government, and what specialized knowledge they may have, how that may assist others.

I was just wondering what your thoughts might be about requiring financial disclosure, understanding you're not ethics lawyers, et cetera, financial disclosure for some period of time, say five years after senior government officials leave government? I view sunlight as a great disinfectant, and that might assist us in understanding what's happening with this narrative.

Quick responses.

DR. NEWMYER DEAL: I guess, in principle, it sounds good and right. I think the only issues would be people make sacrifices to go into the government, and maybe, you know, at least for their families, they think when I get out I can make a lot more money, and so, you know, maybe that would disincentivize people from going into--good people from going into the government in the first place.

But I'm all in favor of transparency, and it's now the stated policy of our government that we want to spread transparency, I think, thanks to Secretary Clinton's remarks, so we should certainly have transparency at home, too.

The only other thing I would add is I would hope at least that--I mean I fear that this may not be the case--but in initiatives like the Sanya, I would hope, at least, that there's two-way information sharing.

I fear that there isn't, but maybe at best you could think, well, to the extent that people from America who are patriotic Americans, even if they have good relationships with Chinese counterparts, are also gaining information or gaining access, they're learning things. So it's not just that they're coming back and advocating for us to take a friendlier line to China no matter what China does, but I don't know.

COMMISSIONER WESSEL: I would hope that was the case as well, and transparency might actually assist us in that.

Dr. Esarey.

DR. ESAREY: I would just agree with the spirit of Jackie's remarks. I think additional transparency would be a very good thing.

It might also be worth thinking about the provision of information technology hardware to Chinese corporations. There have been concerns among people who study information control in China in the past that major U.S. firms were providing important technology to the Chinese state, and that might be something to consider as well.

COMMISSIONER WESSEL: Thank you.

HEARING CO-CHAIR SHEA: Commissioner Fiedler.

HEARING CO-CHAIR FIEDLER: In the first panel, Dr. Lampton raised the question of an increased--as I recall in both his verbal statement and his written--of an increased role of the security services in the development of

narratives or the potential, and he wasn't very specific.

I'm not talking about the military now, and I don't think he was talking about the military. So the only two remaining ones are Ministry of State Security and Ministry of Public Security, one being purely domestic, Public Security Bureau, but the Ministry of State Security being international-oriented as well as internally.

Have you picked up on any increased role of the security services in the development of narratives whether they be domestic or international? But delineate the two. I'm sure there's an intersection there somewhere.

DR. ESAREY: Well, the Chinese state invests considerable sums in domestic security. The rate of expenditure increases has been noted in recent--

HEARING CO-CHAIR FIEDLER: Yes, we know that.

DR. ESAREY: --reports, and it's increasing. There have also been a number of interventions by not state security but police involving questioning of journalists based in China, and I think this is very disconcerting, and it's--

HEARING CO-CHAIR FIEDLER: No, I want to get to the narrative question.

DR. ESAREY: Yes.

HEARING CO-CHAIR FIEDLER: I'm not actually talking about the many sins of the Public Security and the Ministry of State Security, and I want to get to specifically to the question of developing narratives, their role in--

DR. ESAREY: Yes.

HEARING CO-CHAIR FIEDLER: --in the development of narratives. If you don't know, that's fine, too.

DR. ESAREY: Well, I would just add that the presence of foreign media that challenge official narratives is, is something that the Chinese government is concerned about, and if foreign media, which is increasingly read and watched by Chinese who are more and more capable in foreign languages, if this foreign media has influence, if it's challenging official positions, if it's reporting on democratization movements in China, for example, that's very threatening.

So by suppressing the activities--

HEARING CO-CHAIR FIEDLER: I understand. I understand.

DR. ESAREY: --of the foreign media, I think the narrative can stand a little taller.

HEARING CO-CHAIR FIEDLER: I'm trying to get to the decision-making process. I understand that you can scare the hell out of people by beating them up. The question is, in the policymaking process, do they have a significant role at the table?

DR. NEWMYER DEAL: The little tidbits that I've seen suggest that they do, and that maybe it has increased of late because of general insecurity about stability issues in the country and because of the new challenges

posed by, as Ashley said, people who have access to foreign media sources and other information sources.

All of that said, I think that it's kind of a race here, and I think that they're investing more and more, and it's amazing to me how despite the fact that there are now a lot of foreigners in China, and there are a lot of Chinese people who can access foreign news, there's still such big differences between the line in China and the line abroad.

HEARING CO-CHAIR FIEDLER: Yes, that's what I was getting at because then, in fact, you would think that State Security and Public Security would be worried about what's leaking back and, therefore, want to have an increased role in what's going out.

DR. NEWMYER DEAL: I think that that's in train. That's happening I think.

HEARING CO-CHAIR FIEDLER: Thank you.

HEARING CO-CHAIR SHEA: Okay. This will be our last question. Commissioner D'Amato.

COMMISSIONER D'AMATO: Thank you, Mr. Chairman, and thank the panelists for the interesting dialogue.

I come back to the overarching question of how you affect Chinese behavior? We talked about this in the first panel a little bit, and in terms of the PLA, either you have a rogue PLA that's out there or it's actually the policy of the leadership that this is the kind of behavior that they want to exhibit.

My question is two-part--first, is this behavior a central part to the jockeying for power that may be going on in terms of run-up to the Party conference and the creation of a new leadership and possibly new policies associated with the leadership? Is it part of that jockeying for power? Do we have any evidence that there is a real competition going on?

And then, secondly, what, I would like to go back to what Dr. Lampton said, and it reminds me of the old saying that "what you do speaks so loudly, I can't hear what you say," that the most important thing we can do to communicate to the Chinese leadership and to change their behavior is to build our own national strength, and that will speak for itself without our having to say this is our new national strength; it's obvious that this is, in fact, what we're doing, that is building a new, powerful nation.

So the question is, how do you affect Chinese behavior in an area where you don't have as much knowledge about who you're talking to and what their status is in the competition? And do you agree with what Dr. Lampton finally concludes?

DR. ESAREY: I don't see any clear evidence that there is jockeying for power, that as far as the next leadership goes, that is reverberating through the People's Liberation Army. I haven't seen any indication of that. There has been a pretty steady promotion of the next couple of leaders who may be likely to assume power in China. If Li Keqiang does not become the

Premier, that will be a surprise.

If Xi Jinping does not become the President and the General Secretary of the Party, that's going to be a big surprise. Xi Jinping has already assumed an important position in the Central Military Commission. He's the Deputy Director. And that promotion was sort of seen as a very important moment for people trying to do, you know, the Chinese equivalent of Kremlinology to figure out what this all means.

So I think that with that ascension, his future looks pretty stable. He was in charge of handling the Olympics. The Chinese consensus is that he did a tremendously good job in making sure the Olympics went forward smoothly, and I haven't, you know, heard rumors that he's facing any sudden challenges.

DR. NEWMYER DEAL: I guess I have a two-part answer. I think that, on the one hand, there really are debates in China, and there is tremendous diversity of opinion among the people who formulate Chinese strategy and the narratives that are directed at foreign audiences.

That said, I think, I agree with Ashley that there is no clear evidence that is available to people in the United States that any of the statements that we've seen recently that seems more assertive is attributable to jockeying for a position in the run-up to 2012, and, in fact, I think that's actually another example of how we try to reassure ourselves or they reassure us by pointing to things that seem familiar like competition for power before a leadership succession.

It's tough for me to even say it because I don't think it's plausible. We don't have that kind of leadership succession transition, but it's become sort of received wisdom that we should expect bad behavior or we can explain away bad behavior and more aggressive behavior on the grounds of jockeying for position when it doesn't make sense.

It does seem as though, in fact, these kinds of transitions are engineered well in advance, way behind the scenes, and whatever debates take place, and I'm sure they do, we don't really have access to, and so it's a real mistake to ascribe what we do see to that.

DR. ESAREY: I think Professor Lampton had a really good idea, that the United States should stay engaged with China--that's essentially how I was reading his remarks--stay engaged, have an important relationship that's economic and have communication about foreign policy and military affairs, and so on, but show strength, retain, you know, high capabilities so that China, which studies the U.S. very closely, will come to the right sort of conclusions about the kind of relationship it would like to have going forward with the U.S.

HEARING CO-CHAIR SHEA: Okay. That wraps up the panel. I want to thank both of our witnesses for their helpful testimony and for appearing before us today, and we will be back at 1:15 in this room for our third and final panel.

Thank you.

[Whereupon, at 12:32 p.m., the hearing recessed, to reconvene at 1:20 p.m., this same day.]

AFTERNOON SESSION

PANEL III: THE CHINESE GOVERNMENT'S NARRATIVES RELATED TO MILITARY MODERNIZATION AND THE ROLE OF THE PLA IN FOREIGN POLICY

HEARING CO-CHAIR FIEDLER: Thank you. This is our third and final panel of the day where we will address the Chinese government's narratives related to military modernization and the role of the PLA in foreign policy.

We have three distinguished panelists this afternoon. First, Mr. Mark Stokes who is the Executive Director of Project 2049 Institute. Mark was the Founder and President of Quantum Pacific Enterprises, an international consulting firm, and Vice President and Taiwan Country Manager for Raytheon.

His testimony addresses messages that the PRC communicates about its security policies through documents such as the semi-annual Defense White Papers.

Dr. John Park, Senior Research Associate, Northeast, at the U.S. Institute for Peace. Dr. Park is co-Director of the U.S.-China Project on Crisis Avoidance and Cooperation, as well as the U.S.-ROK-Japan Trilateral Dialogue in Northeast Asia.

His research focuses on Northeast Asian security, economic and energy issues, and U.S. foreign policy toward the region.

His testimony today discusses the messages regarding military and security policy that have been communicated by Chinese interlocutors in the course of Track 2 security dialogues.

Dr. Abraham Denmark is Director of Asia-Pacific Security Program, the Center for a New American Century.

He was previously the Country Director for China Affairs in the Office of Secretary of Defense--I thought that was actually the only position Mr. Blumenthal had--where he was responsible for developing and implementing strategies and plans vis-a-vis China in the Asia-Pacific Region.

His research focuses on Japan, South Korea, North Korea, China, Taiwan and Indonesia. And his testimony today will focus on Chinese debates on the role of the PLA as it relates to Asia's future security environment, and--although you will sort of mix in as we go along.

I would like to start with Mr. Stokes, please. You have seven minutes and then we get five minute rounds. We have fewer Commissioners here so maybe we can --have a little leeway.

Thank you.

**STATEMENT OF MR. MARK A. STOKES
EXECUTIVE DIRECTOR, PROJECT 2049 INSTITUTE
ARLINGTON, VIRGINIA**

MR. STOKES: Mr. Chairman, Commissioners, I appreciate the opportunity to make a presentation today before the Commission on a topic that's complex and difficult but interesting and important to U.S. interests in peace and stability and security in the Asia-Pacific region. So thank you very much. Nice to be here.

When I say the topic is complex and difficult, first of all, strategic communication, perception management, influence operations, information warfare, I mean there's all kinds of terms that one could use to be able to describe a basic principle that every government does.

Every government, for example, attempts to present a positive image to the international community. Every defense establishment--the reason it's called a defense establishment is because it attempts to portray an image that--defensive.

And China, of course, like any government, values having these sorts of capabilities to be able to present a positive image, and I'll get into some more detail later about why there are some differences.

But China, or People's Republic of China, stresses a number of themes in its messages that it propagates to the international community and to foreign audiences: the peaceful nature of its military development; the modest nature of its goals, its strategic goals; the importance of mutual trust and confidence, confidence building with neighbors and other actors in the international community.

And within this framework, this broader framework, in terms of a public diplomacy, political diplomacy, influencing foreign perceptions of PRC military capabilities is a key, is a key aspect of their overall public diplomacy policy or their perception management.

In order to articulate themes to international audiences, there are a number of channels that Beijing uses, to include: media outlets, whether it's their own or indirectly through intermediaries, through foreign outlets; former military-to-military relations; academic exchanges and other sorts of semi-formal dialogues or fora; and, of course, leveraging of business interests. And these are just to name a few.

Three points are in order as a preface. As mentioned before, all governments attempt to shape public perception and present a positive image to international alliances. Of course, the difference with the PRC is simply the nature of its governance, of its political regime. In democracies, it's really difficult to shape messages, to be able to have a perception management campaign at the strategic level. It's just very difficult.

But when you have a single state, a single Party, authoritarian style of government, it becomes easier to be able to get all actors and all players reading off the same sheet of music, and so they tend to be much more effective in perception management operations than others may be.

Secondly, because of this, their ability to mobilize resources and--their ability to mobilize resources linked with a strategic culture, a tradition that, of course, emphasizes perception management--it's part of the strategic culture--the notion of "stratagem" is fundamental to Chinese thinking, dating back to 2000 B.C., and it is until today. So it's a little bit more instinctive within Chinese societies.

They use things like repeated diplomatic mantras to be able to sort of reinforce messages, and there's a saying that if you say something often enough, and often enough, and over a certain period of time, it becomes objective reality to listeners. It becomes accepted truth if you say something often enough--the same message often enough.

And then, finally, distinguishing between purposeful attempts at information operations and perception management, distinguishing between that and statements made by quasi-government-affiliated individuals, for example, from think tank, and not in Shanghai or in Beijing. Distinguishing between whether or not what somebody says is part of an overall actual information operation, it's difficult to be able to distinguish that, and it takes a lot of effort to be able to and research to go in and identify exactly where a particular message came from and what the connections were. It can be done, but it's difficult.

So with that in mind, what I intend to do, in terms of strategic goals, in terms of messages that Beijing likes to propagate, there is an overriding strategic goal, which is the main theme, and used here as an illustrative example is the message they send to Taiwan and the attempts to be able to influence U.S. domestic policy and U.S. domestic law and perceptions regarding Taiwan.

And there are several sorts of themes or messages or truths that Beijing wishes to project, one of them being legitimacy of their positions regarding political positions regarding Taiwan, to include, in effect, the legitimacy of use of force to be able to resolve cross-Strait political differences.

In other words, these days you don't hear that many people questioning the idea of using force to resolve a dispute over sovereignty with regards to Taiwan.

Secondly, failure to honor, for example, commitments under the Shanghai Communiqué or the Three Communiqués, in general--you'll hear this quite a bit--a violation. But, of course, what's not mentioned are understandings that have been reached back in 1982 about exactly what our interpretation of the '82 Communiqué was, which is that our agreement to reduce arms sales quantity and quality over time were contingent upon

Beijing's adopting a peaceful approach.

And in testimony before the Senate Foreign Relations Committee on August 18, 1982, it was made explicit that a peaceful approach is defined as the nature of Beijing's military posture opposite Taiwan. So there was a linkage between military capabilities and agreement to be able to moderate our arms sales to Taiwan.

It was implicit, implicit in the '72 Communiqué and '79 Communiqué, but explicit in the '82. But Beijing's narrative, of course, is that the U.S. violates communiqués.

Another narrative, of course: U.S. policy is guided by the TRA, obstruct peaceful development of cross-Strait relations. That's not necessarily the case.

Emphasis of the overriding strategic importance of China to overall U.S. interests, and military-to-military relations, the importance of those in particular.

Emphasis on asymmetry of interests. In other words, China is important. Basically, it's a corollary of the previous point. China is important overall to U.S. strategy. Their cooperation on a whole range of issues around the world hinge upon Beijing's cooperation, and basically Taiwan is a core interest of China. Yet it is a peripheral interest of the United States, which actually Taiwan is a core interest of the United States.

And, then, finally, ulterior motives, of course, of those who are willing to be able to question some of Beijing's narratives.

So with that, I will turn it over to the next speaker.

[The statement follows:]

**Prepared Statement of Mark A. Stokes
Executive Director, Project 2049 Institute**

Mr. Chairman, thank you for the opportunity to participate in today's hearing on a topic that is important to U.S. interests in peace and stability in the Asia-Pacific region. It is an honor to testify here today.

Like other countries, the People's Republic of China (PRC) uses strategic communication as a means of shaping perceptions and persuading foreign audiences to accept or even promote its policies or actions. The PRC stresses a number of themes in public statements and publications, such as the People's Liberation Army (PLA) Defense White Paper, including the peaceful nature of its military development, modest defense goals, and importance of mutual trust and cooperation. The highest priority is protection of national sovereignty, security, territorial integrity, and support for national development. Within this framework, influencing foreign perceptions of PRC military capabilities and garnering support for policies on key issues are critical. Channels include media outlets, formal military-to-military relations, academic exchanges and semi-formal dialogues, and leveraging of business interests, just to name a few.

As a preface, three points are in order. First, all governments attempt to shape public perception and present a positive image to international audiences. The difference, of course, is that democracies have built-in inefficiencies that place them at a disadvantage when compared to single party, authoritarian states like the PRC.

Secondly, Beijing's ability to mobilize resources and centrally control themes, linked with a strategic tradition that

values perception management, enhances the PRC's effectiveness in influencing targeted foreign audiences. Repeated diplomatic mantras and leveraging pre-dispositions of interest groups abroad are effective tools to reinforce perception management themes.

Finally, distinguishing between purposeful influence operations and statements made by individuals with loose government affiliation is sometimes difficult. The opacity of Beijing's decision making complicates distinctions. For example, academics or representatives from interest groups may offer personal views that sometimes may be interpreted as formal statements of policy. Likewise, disclosures in the media may be planned, unintentional, or reflective of internal debate or bureaucratic competition.

With the foregoing in mind, strategic goals guide perception management campaigns, and the PRC's Taiwan policy may serve as an illustrative example. Able to mobilize resources and centrally control messages, the PRC actively seeks to shape perceptions of opinion leaders in the United States in order to influence change in U.S. policy with regards to Taiwan. Beijing's goal is the political isolation of the Republic of China (ROC) on Taiwan in order to coerce the ROC's democratically-elected leadership into a political settlement on terms favorable to Beijing. An interim objective is amendment, if not repeal of U.S. public law enacted by Congress in 1979 – the Taiwan Relations Act (TRA).

The TRA highlights the U.S. expectation that Taiwan's future will be determined by peaceful means, considers non-peaceful solutions a challenge to regional peace and security; provides the legal basis for U.S. provision of arms of defensive character; and the need to maintain the capacity of the United States to resist any resort to force or other forms of coercion that jeopardize the security, or social or economic system of Taiwan. Examples of PRC perception management themes directed against U.S. audiences include:

- ***The legitimacy of PRC policy positions with regards to Taiwan.*** In the military sphere, Beijing's public diplomacy has sought to legitimize military coercion as a means of resolving cross-Strait political disagreements. Beijing views Taiwan as an internal or domestic issue. While it has *acknowledged* the PRC's position that Taiwan is part of China, the U.S. has not adopted that position. U.S. policymakers have taken no stance on the question of Taiwan's sovereignty, only that the matter should be resolved through peaceful means. Beijing's definition of "One China," inclusive of Taiwan, remains an issue of subjective interpretation.
- ***Failure of the U.S. to honor commitments under the Three Joint Communiqués – especially the 1982 Shanghai Communiqué.*** Relations between the U.S. and PRC are indeed founded upon understandings outlined in the Communiqués. However, an important yet often overlooked aspect of these understandings is a U.S. assumption of Beijing's commitment to a peaceful approach to resolving its political differences with Taiwan. Fundamental differences exist over what constitutes a peaceful approach. Beijing views its military posture as ensuring a peaceful approach in part by deterring what it perceives as potential moves on Taiwan toward *de jure* independence. However, successive U.S. administrations have defined a peaceful approach in terms of the nature of the PRC military posture arrayed against Taiwan. As a result, U.S. sales of defense articles and services, in accordance with the TRA, are driven by the nature of the military challenge that the PLA poses to Taiwan.
- ***U.S. policies, guided by the TRA, obstruct the peaceful development of cross-Strait relations.*** On the contrary, U.S. support for Taiwan has enabled it to withstand PRC coercion, foster democratic institutions, and given people and their elected officials on Taiwan the confidence needed for the deepening and broadening of cross-Strait economic and cultural interactions. In short, there is no logical disconnect

between efforts to improve cross-Strait economic and political relations, Taiwan's desire for a strong defense, and procurement of defense articles from the United States.

- ***The overriding strategic importance of China and its relationship with the United States, including military-to-military relations.*** Beijing presents a narrative that U.S. policy toward Taiwan is an obstacle to closer cooperation on a range of global security issues, such as North Korea, Iran, and global climate change. However, the PRC has important interests with regards to each of these respective issues, and will pursue those interests irrespective of Taiwan. Furthermore, policy dialogue between defense establishments in the United States and China is important. While highlighting the value of military to military relations, however, the PRC narrative posits that the U.S. side must bear all responsibility for creating conditions necessary for ties to improve. From Beijing's perspective, arms sales to Taiwan are a key impediment. Also highlighted is the negative impact of restrictions placed on the military relationship, such as those included in the National Defense Authorization Act of 2000.
- ***Asymmetry of interests between the PRC and the United States.*** Beijing's narrative is that Taiwan is core national security interest, and only peripheral to the United States. To the contrary, Taiwan is a core U.S. interest. For the PRC, use of the term "core interest" is intended to convey the perception that an issue is off-limits for compromise or criticism. As a credible symbol of U.S. commitment to regional security and promotion of democratic ideals, the TRA is no less significant than formal defense treaties with Japan and South Korea. Furthermore, PRC representatives often portray Taiwan as a survival issue for the Chinese Communist Party, and therefore little room exists for flexible or creative political solutions acceptable to people on Taiwan and the ROC's democratically-elected leadership. The objective reality is that the Taiwan exists as an equal sovereign state.
- ***Ulterior motives of those who support policies viewed as contrary to Chinese interests, including arms sales.*** For example, the Bush administration decision in 1992 to release F-16 fighters to Taiwan was written off as pure electioneering, rather than influenced at least in part by PRC force modernization.

China uses multiple channels to convey or reinforce these themes. The PRC appears to leverage differences between opinion leaders and interest groups in the United States, offering subtle or explicit rewards for parties who appear sympathetic or may advocate on Beijing's behalf. Threats of sanctions against U.S. companies supporting Foreign Military Sales programs to Taiwan likely are intended to generate domestic political pressure within the U.S. against arms sales. Chinese government-affiliated institutions seek to cultivate close personal relations with former senior U.S. civilian and military officials with business interests in China and connections to serving U.S. policymakers and senior military officers. While modest in comparison with other countries, the PRC also retains public relations or lobbying firms as agents of influence. In exchanges with the academic community or U.S. private sector representatives, institutions and individuals who adopt public positions that do not contradict Beijing's policies, or may be in a position to influence U.S. policymakers or members of Congress, are granted preferential treatment.

A key element of the PRC's Taiwan-related perception management strategy also includes military capabilities. Manipulation of threat perceptions appears to present a dilemma. On the one hand, the PLA must present an image that it is capable of using decisive military force against Taiwan, as well as at least complicating U.S. intervention. Yet on the other, the PLA seeks to minimize threat perceptions in the U.S. and elsewhere in the region. To manage this contradiction, the PRC appears to value ambiguity, mixed with occasional planned disclosures of evolving capabilities. Weapon system tests are routine and an essential aspect of any defense establishment's acquisition process. Yet tests and force demonstrations also can serve as useful tools in managing foreign perceptions of China's evolving military capabilities, and have the potential to influence force

modernization decisions in Taiwan and elsewhere in the region.

Between 1991 and 2005, a Taiwan scenario served as the principle driver behind PLA force modernization. Projecting an image that it is looking beyond Taiwan, the PLA has adopted "new historic missions" since the end of 2004. Incorporating a more diverse set of strategic requirements that may transcend a cross-Strait scenario, these missions appear to include disaster response, counter-terrorism, international peacekeeping, and other forms of power projection.

Beijing also is sensitive to foreign perceptions of its level of defense spending. PRC defense spending is increasing, with reporting of growth rates varying year by year. Because defense expenditures are a metric of intent and subject to creative accounting, annual announcements of growth rates may be at least in part intended to manipulate public perception. While the PLA deserves credit for greater transparency, key areas of defense expenditure, such as research and development, remain opaque.

In summary, the PRC and its defense establishment value perception management as an instrument of policy. With resolution of political differences with Taiwan on its terms as a principle strategic goal, Beijing has become increasingly capable of gaining or consolidating foreign support for its policy positions at little cost. Media outlets, formal military-to-military relations, academic exchanges and semi-formal dialogues, and leveraging of U.S. private sector interests have been effective channels for influencing U.S. domestic policies regarding Taiwan and core interests in regional peace and security.

HEARING CO-CHAIR FIEDLER: Thank you.
Dr. Park.

**STATEMENT OF DR. JOHN S. PARK
SENIOR RESEARCH ASSOCIATE, U.S. INSTITUTE OF PEACE
WASHINGTON, DC**

DR. PARK: Thank you very much. It is a pleasure to be here. I wanted to preface my comments by saying that these are my personal views and do not reflect those of the U.S. Institute of Peace.

I wanted to highlight the following three points with respect to the title of this hearing:

The first is that China's narratives regarding its national security are infused with references to its "core interests." We've heard that a lot. And these are, in fact, very different from the U.S. formulation, and that follows under the heading of "mutual interests." If we were to examine China's adherence to core interests and the U.S.'s adherence to mutual interests in the bilateral relationship, we see a picture to better understand how the two countries will view and handle future tensions, I think.

The second point is that understanding who controls the definition of "core interests" in China will help us assess the direction of bilateral relations. Following Secretary Clinton's speech in Hanoi at the ASEAN Regional Forum in July of 2010, the PLA asserted that the South China Sea also constituted a Chinese core interest.

After some debate in Beijing, Chinese leaders toned this claim down,

and are now seeking to reemphasize the centrality of the "peaceful development" thesis.

The third point is North Korea has now become the dominant third-party security issue in U.S.-China relations. A close examination of U.S.-Chinese policies reveals how a shared denuclearization goal is pursued in diametrically opposite ways, and these have very serious implications for stability in the Northeast Asian region.

Recent North Korean provocations against South Korea also highlight how this third-party issue is becoming more complex. The PLA Navy's strong reactions to the U.S.-ROK naval exercises in response to North Korea's sinking of the South Korean warship, the Cheonan, revealed how unintended consequences in Northeast Asia are further complicating the situation.

My comments today are based on key findings from USIP's ongoing U.S.-China Track 1.5 activities, and these include facilitating dialogues, conducting research meetings, commissioning special reports. We've been closely observing the way in which the Chinese side frames their comments through this lens of core interests, and the U.S. side frames theirs through the lens of mutual interests.

Understanding the nuances of each lens helps to explain some of the motivations for as well as limitations of key Chinese as well as U.S. policy statements and actions.

My first point zeros in on these respective lenses. In a forthcoming USIP commissioned report, a Chinese author notes that China emphasizes core interests, which encompasses bolstering domestic stability and preserving territorial integrity in relation to the United States for a number of reasons.

"First Beijing believed that some of Washington's actions, such as arms sales to Taiwan and involvement in Tibetan and Xinjiang issues, challenged and even damaged China's core interests from time to time. Therefore, it is important for China to use every opportunity to remind the United States of China's sensitivities to these issues.

"Second, in terms of power balance, China is in a relatively weaker position vis-a-vis the United States, and while there are many interests that China wants to promote in its relations with the United States, the most important thing is to prevent its core interests from being undermined. Otherwise, its diplomacy towards the United States would be regarded by both the Chinese elites and public as a failure.

"Third, China's emphasis on its core interests also reflects its growing confidence in interactions with the United States. As China's material wealth and strength grow, and its international influence expands, Beijing has come to possess more resources to deal with Washington. Therefore, Washington has to be more cautious in handling China's core interests."

The Chinese author goes on to point out that should China and the United States fail to respect each other's legitimate core interests, this

would foster mistrust and make cooperation less likely.

Recognition of core interests is seen as an important step towards building a cooperative relationship.

If the U.S. side sees China as a little overconfident, arrogant or aggressive, another Chinese observer noted that the PRC side sees the United States as less able to handle complex issues, ranging from revitalizing its economy to dealing with growing foreign policy challenges, such as stabilization and reconstruction efforts in Afghanistan, and countering nuclear proliferation in Iran and North Korea.

In terms of the U.S. lens of mutual interests, a U.S. author argues in another forthcoming USIP report: "It is often said that despite our real differences and mutual suspicions, the United States and China have many more points of common interests than they do points of conflict. I wholeheartedly agree with this proposition. Nothing builds mutual trust and cooperation better than the two nations working together on common problems, as we did a few years ago in the Six Party Talks process, and as we have more recently by contributing naval assets to battle pirates off the coast of Africa.

It is very important not just for global security but also for healthy long-term bilateral relations for there to be increased coordination on North Korean and Iranian nuclear issues."

The joint statement issued after President Hu Jintao's January 2011 state visit tried to deemphasize core interests and focus more on the concept of partnership based on mutual interests.

While there is no direct reference to core interests in the text of the 2011 joint statement, the fact that the two presidents, "further reaffirmed their commitment to the November 2009 U.S.-China joint statement"--essentially preserves the continuity of the Chinese focus on core interests, which is laid out in its earlier joint statement.

An important part of the 2011 joint statement is the commitment expressed by both countries "to work together to build a cooperative partnership based on mutual interest and mutual benefit in order to promote the common interests of both countries and to address the 21st century's opportunities and challenges."

With the Chinese leadership's current concerns about the social instability spreading from the Middle East and the Arab world to China, we've been seeing the Chinese turn inward and focus on its core interests again. We'll be watching closely to see how durable this recent statement on continuing to work "toward a partnership that advances common interests, addresses shared concerns, and highlights international responsibilities" is in light of diverging priorities in the near term.

My second point examines a key question: who controls the definition of "core interests" in China?

China's policymaking process remains opaque, but last summer's

incidents related to the South China Sea provide valuable insights. Although China's claims to the South China Sea go as far back as the 1930s, the PLA's declaration in late July 2010 that these waters now constituted a Chinese core interest represented an alarming expansion of the definition of core interests.

Traditionally, they denoted Taiwan, Tibet, and Xinjiang. When this new pronouncement occurred, questions arose regarding who controlled the definition of core interests in China. Was this expansion in definition reflective of a broad consensus among different groups in China or was it a proactive stance adopted by the PLA, which was indicative of a larger role that it was playing in the decision-making process in China?

We are closely watching these questions in our Track 1.5 activities with U.S. and Chinese participants.

In the aftermath of this incident in July, the PLA backed up its pronouncement by conducting larger naval exercises that focused on the South China Sea. Strong policy statements by senior-serving PLA officers drew more attention to what appeared to be the military's increasing voice and actions in China's foreign and security affairs.

Sensing that this was eroding the central message of Beijing's peaceful development and sparking a strong reaction among its neighbors and the United States, the Chinese leadership embarked on a remarkable public diplomacy campaign.

In December 2010, State Councilor Dai Bingguo expounded on China's benign intentions and goals in an article titled "Stick to the Path of Peaceful Development."

With over 60 references to "peace" and an explicit assurance that, "China has no culture or tradition of seeking expansion or hegemony, and that benevolence and harmony are at the heart of our political and cultural tradition," throughout its thousands of years of history, Dai's article appeared to be conspicuously overcompensating for the events and statements of a summer that seemed to confirm many countries' suspicions about the nature of China's rise.

The language of Dai's article infused Beijing's preparations for President Hu Jintao's state visit to the United States in January 2011.

Key passages were echoed in the lead up to and during the visit. The core message was that the Party stood resolutely at the helm of China, and that: "China stands firmly for peace, development and cooperation, pursues the independent foreign policy of peace, sticks to the path of peaceful development, and the win-win strategy of opening up."

Larger questions still linger over the extent of the PLA's roles in China's policymaking process after a very turbulent summer in 2010.

My third point focuses on North Korea as an opportunity to assess U.S.-China cooperation. While North Korea does not constitute a Chinese core interest, it represents a key case of what the United States views to be

a mutual interest.

Given the proliferation dangers posed by North Korea's nuclear weapons development activities, we observed how U.S. participants early on in our Track 1.5 dialogues emphasized to their Chinese counterparts how this common challenge can be more effectively addressed if they viewed this together as a mutual interest.

North Korea's recent revelation of its uranium enrichment facility and alarming provocations against South Korea have reconfirmed its position as the dominant third-party security issue in the evolving U.S.-China relationship.

Examining how each country frames and deals with the North Korean-related issues have provided insights into major differences in the manner in which Beijing and Washington are pursuing the common goal of a peacefully denuclearized North Korea.

China's approach is predicated on flexibility and enticing North Korea to continue down the path of implementing the Six-Party Talks' September 2005 Joint Statement.

For the United States, the DPRK long-range missile test in April 2009 and its second nuclear test in May 2009 have led to a continuing U.S. resistance to giving into what is perceived to be brinkmanship ploys.

While the United States also calls on North Korea to return to implementing the September 2005 agreement, it will not offer incentives. Rather, it is currently applying sanctions measures that are intended to shape the environment and influence North Korea's decision to return to the negotiating table.

As a deadlock in the Six-Party Talks persists, commercial ties between China and North Korea continue to grow under the heading of economic development,--

HEARING CO-CHAIR FIEDLER: I'm going to ask you to wrap up, please.

DR. PARK: Sure--an important exempted activity under U.N. Security Resolution 1874 sanctions.

Let me conclude with the last points here. Is there a way forward? In describing the future of warfare, Secretary Gates stated in a recent speech at West Point: "It will be exceedingly complex, unpredictable and unstructured."

That description is equally apt for the future of U.S.-China relations as it continues to evolve against a background of a rapidly changing international order. While conflict is not inevitable, as some would posit, the challenge will be managing the multitude of complex tensions and frictions in an unstructured environment.

This places a premium on problem-solving partnerships more than ever. If we are to make substantive effective progress in dealing with increasingly complex issues, ranging from nuclear proliferation to climate change to economic revival, the United States and China need to develop

cooperative problem-solving capabilities.

Thank you.

[The statement follows:]

The Evolving Roles of “Core Interests” and “Mutual Interests” in U.S.-China Relations

Testimony before the U.S.-China Economic & Security Review Commission

Hearing on “China’s Narratives Regarding National Security Policy”

March 10, 2011

John S. Park, Ph.D.
United States Institute of Peace

Mr. Chairman and Members of the U.S.-China Economic & Security Review Commission, thank you for inviting me to testify at this hearing. My remarks today do not reflect the views of the United States Institute of Peace (USIP), which does not advocate specific policy positions but rather my own thoughts on the U.S.-China relationship.

I would like to highlight the following three points with respect to the title of today’s hearing, “China’s Narratives Regarding National Security Policy”:

- 1) China’s narratives regarding its national security are infused with references to its “core interests,” which differ greatly from the U.S. formulation of “mutual interests.” Examining China’s adherence to “core interests” and the United States’ adherence to “mutual interests” in the bilateral relationship provides an effective means to better understand how the two countries will view and handle future tensions.
- 2) Understanding who controls the definition of “core interests” in China will help us assess the direction of bilateral relations. Following Secretary Clinton’s speech in Hanoi at the ASEAN Regional Forum in July 2010, the PLA asserted that the South China Sea also constituted a Chinese “core interest.” After some debate in Beijing, Chinese leaders toned down this claim and are now seeking to reemphasize the centrality of the “peaceful development” thesis.
- 3) North Korea has become the dominant third party security issue in U.S.-China relations. A close examination of U.S. and Chinese policies reveals how a shared denuclearization goal is pursued in diametrically opposite ways with serious implications for stability in the Northeast Asian region. Recent North Korean provocations against South Korea also highlight how this third party issue is becoming more complex. The PLA Navy’s strong reactions to the U.S.-ROK naval exercises following the sinking of the South Korean warship *Cheonan* by North Korea revealed how the occurrence of unintended consequences in Northeast Asia is further complicating the situation.

My comments today are based on key findings from U.S.-China Track 1.5 activities that USIP has been convening since 2008. These Track 1.5 activities include facilitating dialogues, conducting research meetings, and commissioning special reports.

In the course of running USIP-facilitated dialogues and research meetings on specific security, economic, and political issues affecting bilateral relations, we have observed the way in which the Chinese side frames their comments through the lens of “core interests” and the U.S. side frames theirs through the lens of “mutual

interests.” Understanding the nuances of each lens helps to explain some of the motivations for and limitations of key Chinese and U.S. policy statements and actions.

1) The Chinese Lens of “Core Interests” and the U.S. Lens of “Mutual Interests”

In a forthcoming USIP commissioned report, one of our Chinese participants notes that China emphasizes its core interests – which encompasses bolstering domestic stability and preserving territorial integrity – in relation to the United States for a number of reasons:

First, Beijing believed that some of Washington’s actions, such as arms sales to Taiwan and involvement in Tibetan and Xinjiang issues, challenged and even damaged China’s core interests from time to time. Therefore, it is important for China to use every opportunity to remind the United States of China’s sensitivity to these issues. Second, in terms of power balance, China is in a relatively weaker position vis-à-vis the United States, and while there are many interests that China wants to promote in its relations with the United States, the most important thing is to prevent its core interests from being undermined, otherwise its diplomacy towards the United States would be regarded by both the Chinese elites and public as a failure. Third, China’s emphasis on its core interests also reflects its growing confidence in interactions with the United States. As China’s material strength grows and its international influence expands, Beijing has come to possess more resources to deal with Washington; therefore, Washington has to be more cautious in handling China’s core interests.⁴⁰

The Chinese author goes on to point out that should China and the United States fail to respect each other’s legitimate core interests, this would foster mistrust and make cooperation less likely. Recognition of core interests is seen as an important step towards building a cooperative relationship.

If the U.S. side sees China as a little over confident, arrogant, or aggressive, another Chinese participant noted that the PRC side sees the United States as less able to handle complex issues ranging from revitalizing its economy to dealing with growing foreign policy challenges such as stabilization and reconstruction efforts in Afghanistan, and countering nuclear proliferation in Iran and North Korea.

In terms of the U.S. lens of “mutual interests,” one of our U.S. participants argues in another forthcoming USIP report that:

It is often said that despite our real differences and mutual suspicions, the United States and China have many more points of common interest than they do points of conflict. I wholeheartedly agree with this proposition. Nothing builds bilateral trust and cooperation better than the two nations working together on common problems, as we did a few years ago in the Six-Party Talks process and as we have more recently by contributing naval assets to battle pirates off the coast of Africa. It is very important not just for global security but also for healthy long-term bilateral relations for there to be increased coordination on North Korean and Iranian nuclear issues.⁴¹

The joint statement issued following President Hu Jintao’s January 2011 state visit tried to deemphasize “core interests” and focus more on the concept of partnership on “mutual interests.” While there is no direct reference to “core interests” in the text of the 2011 joint statement, the fact that the two Presidents “further reaffirmed

⁴⁰ Wu Xinbo, “China and the United States: Core Interests, Common Interests, and Partnership,” forthcoming USIP Special Report.

⁴¹ Thomas Christensen, “The Need to Pursue Mutual Interests in U.S.-PRC Relations,” forthcoming USIP Special Report.

their commitment to the November 2009 U.S.-China joint statement⁴² essentially preserves the continuity of the Chinese focus on “core interests,” which is laid out in this earlier joint statement.

An important part of the 2011 joint statement is the commitment expressed by both countries “to work together to build a cooperative partnership based on mutual respect and mutual benefit in order to promote the common interests of both countries and to address the 21st century’s opportunities and challenges.”⁴³

With the Chinese leadership’s current concerns about social instability spreading from the Middle East and the Arab world to China, we have been seeing the Chinese turn inward and focus on its “core interests.” We’ll be watching to see how durable this recent statement on continuing to work “toward a partnership that advances common interests, addresses shared concerns, and highlights international responsibilities”⁴⁴ is in light of diverging priorities in the near term.

2) Who Controls the Definition of “Core Interests” in China?

China’s policy-making process remains opaque, but last summer’s incidents related to the South China Sea provide valuable insights. Although China’s claims to the South China Sea go as far back as the 1930s, the PLA’s declaration in late July 2010 that these waters now constituted a Chinese “core interest” represented an alarming expansion of the definition of “core interests.”⁴⁵ Traditionally, they denoted Taiwan, Tibet and Xinjiang. When this new pronouncement occurred, questions arose regarding who controlled the definition of “core interests” in China. Was this expansion in definition reflective of a broad consensus among different groups or was it a proactive stance adopted by the PLA, which was indicative of a larger role that it was playing in the policy-making process in China?

This is a key question that we are closely watching in our Track 1.5 activities with U.S. and Chinese participants. In the aftermath of this incident in July, the PLA backed up its pronouncement by conducting larger naval exercises that focused on the South China Sea. Strong policy statements by serving senior PLA officers drew more attention to what appeared to be the military’s increasing voice and actions in China’s foreign and security affairs. Sensing that this was eroding the central message of Beijing’s peaceful development and sparking a strong reaction among its neighbors and the United States, the Chinese leadership embarked on a remarkable public diplomacy campaign. In December 2010, state councilor Dai Bingguo expounded on China’s benign intentions and goals in an article titled “Stick to the Path of Peaceful Development.”⁴⁶ With over 60 references to “peace” and an explicit assurance that “China has no culture or tradition of seeking expansion or hegemony” and that “benevolence and harmony are at the heart of our political and cultural tradition, which values harmony, good-neighborliness and friendship with all” throughout its thousands of years of history, Dai’s article appeared to be conspicuously overcompensating for the events and statements of a summer that seemed to confirm many countries’ suspicions about the nature of China’s rise.

The language of Dai’s article infused Beijing’s preparations for President Hu Jintao’s state visit to the United States in January 2011. The Chinese reiterated key passages in the lead up to and during the visit. The core message was that the Party stood resolutely at the helm of China and that “China stands firmly for peace, development and cooperation, pursues the independent foreign policy of peace, sticks to the path of peaceful development and the win-win strategy of opening up...”⁴⁷

⁴² U.S.-China Joint Statement, The White House, Office of the Press Secretary, January 19, 2011.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ John Pomfret, “China Claims ‘Indisputable Sovereignty Over South China Sea,’” *The Washington Post*, July 31, 2010.

⁴⁶ Dai Bingguo, “Stick to the Path of Peaceful Development,” *Beijing Review*, December 24, 2010.

⁴⁷ Ibid.

Larger questions still linger over the extent of the PLA's role in China's policy-making process after a turbulent summer in 2010.

3) North Korea: An Opportunity to Assess U.S.-China Cooperation

While North Korea does not constitute a Chinese "core interest," it represents a key case of what the United States views to be a "mutual interest." Given the proliferation dangers posed by North Korea's nuclear weapons development activities, we observed how U.S. participants early on in our Track 1.5 dialogues emphasized to their Chinese counterparts how this common challenge can be more effectively addressed if viewed as a mutual interest. North Korea's recent revelation of its uranium enrichment facility and alarming provocations against South Korea have reconfirmed its position as the dominant third party security issue in the evolving U.S.-China relationship.

Examining how each country frames and deals with North Korea-related issues has provided insights into major differences in the manner in which Beijing and Washington are pursuing the common goal of a peacefully denuclearized North Korea. China's approach is predicated on flexibility and enticing North Korea to continue down the path of implementing the Six-Party Talks' September 2005 Joint Statement. For the United States, North Korea's long-range missile test in April 2009 and its second nuclear test in May 2009 have led to a continuing U.S. resistance to giving into what is perceived to be brinkmanship ploys. While the United States also calls on North Korea to return to implementing the September 2005 Joint Statement, it will not offer incentives. Rather it is currently applying sanctions measures that are intended to shape the environment and influence North Korea's decision to return to the negotiating table. As the deadlock in the Six-Party Talks persists, commercial ties between China and North Korea continue to grow under the heading of economic development, an exempted activity under UN Security Council Resolution 1874's sanctions.

After setting low expectations, both the United States and China declared President Hu's state visit a success. That glow is receding now by a row over how to handle North Korea's uranium program. The United States, in close coordination with South Korea and Japan, seeks to have this matter addressed at the UN Security Council. China has blocked this effort stating that it believes the Six-Party Talks is the proper venue. Such Chinese behavior raises concern that Beijing is coddling and protecting North Korea, even in the face of stark provocations and clear violations of signed agreements. China's image as a proactive player seeking to multilaterally resolve the North Korean nuclear issue is competing with a growing image that depicts China as a part of the problem.

A Way Forward?

In describing the future of warfare, Secretary of Defense Robert Gates stated in a recent speech at West Point that "it will be exceedingly complex, unpredictable, and... 'unstructured'."⁴⁸ That description is equally apt for the future of U.S.-China relations as it continues to evolve against the background of a rapidly changing international order. While conflict is not inevitable, as some would posit, the challenge will be managing the multitude of complex tensions and frictions in an "unstructured" environment. This places a premium on problem-solving partnerships more than ever. If we are to make substantive, effective progress in dealing with increasingly complex issues ranging from nuclear proliferation to climate change to economic revival the United States and China need to develop cooperative problem-solving capabilities. What we have noted in our Track 1.5 dialogues is that aside from cooperation on multilateral counter-piracy operations in the Gulf of Aden, the ledger of instances of substantive U.S.-China cooperation with tangible results is essentially bare. While there have been many bilateral initiatives and joint statements, the ongoing framing of issues as either "core interests" or "mutual interests" reveals the formidable initial hurdles that are currently built into the bilateral relationship.

⁴⁸ United States Military Academy at West Point Speech, As Delivered by Secretary of Defense Robert M. Gates, West Point, NY, February 25, 2011.

Through our Track 1.5 activities, we continue to closely engage U.S. and Chinese participants to facilitate improved mutual understanding of very different interpretations of recent events in the security, economic, and political realms. Examining the manner in which key narratives arise and are applied will inform our efforts to foster the development of specific problem-solving capabilities in the evolving U.S.-China relationship.

Thank you.

About the United States Institute of Peace

The United States Institute of Peace (USIP) is an independent nonpartisan institution established and funded by Congress. Its goals are to help prevent and resolve violent conflicts, promote post-conflict stability and development, and increase peace-building capacity and tools. The Institute does this by empowering others with knowledge, skills, and resources, as well as by directly engaging in conflict management efforts around the globe. The Institute is governed by a bipartisan Board of Directors, appointed by the president of the United States and confirmed by the Senate. The chair of the Board is J. Robinson West. The president of USIP is Dr. Richard H. Solomon.

HEARING CO-CHAIR FIEDLER: Thank you.
Mr. Denmark.

**MR. ABRAHAM M. DENMARK
DIRECTOR OF THE ASIA-PACIFIC SECURITY PROGRAM, CENTER FOR A NEW
AMERICAN SECURITY**

MR. DENMARK: Thank you, Chair, and thank you, Commissioners, for granting me the opportunity to testify today.

The rise of China is one of the most historically significant events of our time, and the question of how China will use its newfound power, especially its military power, will determine the course of the 21st century.

I'll focus my remarks today on the ambiguity of Chinese statements about this very question and how they reflect ongoing debates inside China. I'll finish with a brief description of the implications of this phenomenon for American strategy.

American political leadership and military supremacy has made the United States the primary guarantor of global stability and economic development since the end of World War II. Today's liberal international order constitutes a global public good provided by the United States and its allies and partners that allows states to forego military competition and territorial aggrandizement and pursue a kind of economic competition that promotes openness and stability.

America and its friends are not the only beneficiaries of this system. It is accessible to all and benefits all who participate including China. Yet, the political and military dominance that empower the United States to

establish and sustain the system is gradually eroding.

Nowhere are these trends more profoundly challenging than in America's approach to China's expanding military power. China is developing military capabilities that could undermine American power projection capabilities and undermine the same liberal international environment that has enabled China's rise.

Yet China's future path is not predetermined, and the development of a robust Chinese military capability does not inherently threaten the United States or the liberal international order. The key question for us today is not if China will develop a capable military, but how it will employ that newfound military power?

It is clear that China seeks to restore its historical position as the dominant Asian power, and as such, China is committed to having a strong military, and the PLA has enjoyed decades of significant investment.

In the coming years, Beijing can choose to use the PLA to either contribute to the health and success of the international system or to significantly erode global public goods.

Chinese organizations and officials regularly make statements about strategic intentions that are either vague or internally contradictory.

For example, China's so-called "core interests" are to maintain China's fundamental system and state security, preserve state sovereignty and territorial integrity, and sustain economic and social development.

Similarly, China's so-called "new historic missions" call upon the PLA to both safeguard national interests and to play an important role in safeguarding world peace and promoting common development.

It should be noted that within these definitions of core interests and new historic missions, there's significant wiggle room for China to either contribute to or to undermine global public goods.

Concepts such as "active defense" and "self-defense counter attack," "self-defense counter attacks," seem to provide a foundation for a more assertive PLA. While China's military strategy is fundamentally defensive in nature, China's leaders historically have a tendency to claim military preemption as a strategically defensive act.

Some outside observers have noted China's more assertive behavior in recent years and have attributed it to an increasingly powerful role played by the PLA in the formulation of foreign policy.

China's consensus-based approach to leadership means that the PLA likely has a significant voice in policymaking. Yet, while the PLA and especially the PLA Navy may operate more aggressively than Beijing may prefer, I have not seen evidence of the PLA explicitly violating the Party's dictates.

Instead, I believe that China's more assertive behavior was driven by a consensus made by China's leaders that the financial crisis had accelerated China's rise relative to that of the United States, and that as a result, China

deserved a greater degree of deference in international politics.

China watchers should also recognize that this more assertive behavior is far from the whole story of China's rising military power. From counter-piracy operations in the Gulf of Aden to participation in U.N. peacekeeping operations, recent years have also seen the PLA actively contributing to the health of the international system, in essence, contributing to global public goods.

These developments fall in line with several statements about China's strategic intentions to contribute to international peace and development such as those cited by my fellow witnesses, but also including a recent article published in the pages of Foreign Affairs by Professor Wang Jisi of Beijing University.

So what are we to make of all these ambiguities and contradictions? Countervailing positions in Chinese writings and actions likely stem from three realities:

First, China's strategic community seems to have been granted increased leeway to advocate ideas that are not preapproved by China's senior leadership.

Second, the expansion of electronic journals and writings, even in China's relatively closed and circumscribed environment, has enabled a wider variety of voices to be heard.

Third, and most importantly, it is likely that there is no agreed-upon long-term plan for the PLA beyond sustaining the leadership of the Chinese Communist Party and preparing for Taiwan contingencies.

Such ambiguity makes this environment ripe for diverging messages. Even official statements that have come from the highest levels of power are not necessarily statements of leadership consensus, but could be indicators of policy debates, trial balloons, interpersonal rivalries or legacy building.

This can be seen in a history, a recent history, of statements by Chinese leaders being centered in Chinese media.

In my opinion, these statements are not simply part of a complex effort to deceive the world about China's true intentions, but rather reflect a robust debate occurring within Beijing's halls of power about the future role of a risen China on the world state.

While some of China's leaders see the world in zero-sum terms and expect eventually U.S.-China conflict, others see room enough in the world for both a powerful United States and a powerful China. This means that today our relationship with China does not fit neatly into tidy labels. The truth is far more complex and ambiguous.

Just as it would be a mistake to accept official government statements at face value, it is also a mistake to directly interpret military capabilities as strategic intentions. Given this uncertainty, the United States should set clear expectations for Chinese behavior, cooperate when possible, compete

when we should, and confront what we must.

In this regard, in my opinion, the South China Sea will be a leading indicator of the nature of China's rise. The key for American strategists and policymakers is to understand the present ambiguity and build a strategy that encourages a more responsible and productive future for Chinese power while defending American interests against the potential for Chinese aggression.

China has arrived as a major strategic power, and it is incumbent upon Beijing to reassure the world about the nature of that power. This cannot be accomplished only with propaganda. Actions and investments in this case speak louder than words.

Thank you very much.

[The statement follows:]

Hearing statement

March 10, 2011

Mr. Abraham M. Denmark

Fellow, Center for a New American Security (CNAS)

Testimony before the United States-China Economic and Security Review Commission

Hearing on "The Chinese Government's Narratives Regarding National Security Policy"

Hearing statement

March 10, 2011

Mr. Abraham M. Denmark

Fellow, Center for a New American Security (CNAS)

Testimony before the United States-China Economic and Security Review Commission

Hearing on "The Chinese Government's Narratives Regarding National Security Policy"

Chairmen and Commissioners, thank you very much for granting me the opportunity to testify today. The rise of China is one of the most historically significant events of our time, and the question of how China will use its newfound power – especially its military power – will determine the course of the twenty-first century.

I will focus my remarks today on ongoing debates inside China about this very question. In my testimony today, I will briefly highlight the global public goods that have been provided by the United States since the end of World War II, the benefits derived from these goods to the United States as well as to the entire international community, and the emerging challenges to these global public goods posed by the rise of new military powers. I will then describe the rise of China as a military power, and the discussions taking place inside China about how it will use its armed forces in the coming decades. Finally I will propose an analytic framework and policy measures the United States may consider to understand, shape, and react to the continued expansion of Chinese military power.

The American Military and Global Public Goods

American political leadership and military supremacy has made the United States the primary guarantor of global stability and economic development since the end of World War II, and especially since the end of the Cold War. From the American military dissuading aggression and defending stable global commons (sea, air, space, and cyberspace), to American diplomats forging an international liberal order based on the rule of law and the free exchange of goods and ideas, today's globalized world was built on the back of American power.

Today's liberal international order – which is characterized by the rule of law, active and influential multilateral organizations, open and stable global commons, and norms supporting the free flow of ideas, goods, and services – is a global public good provided by the United States and its allies and partners.⁴⁹ This system allows states to forego military competition and territorial aggrandizement, and pursue a kind of economic competition that promotes openness and stability.

Yet America and its friends are not the only beneficiaries of this system – it is accessible to all. Indeed, the rapid development and modernization of East Asia, and of China in particular, was facilitated by its integration into the international system created and sustained by the United States. In the last thirty years, China's gross domestic product rose from around \$428 billion to \$2.9 trillion (in constant 2000 US\$), lifting over 200 million people out of poverty.⁵⁰ While China's "reform and opening" policies and the skill of the Chinese people certainly were central to this development, such rapid success would have been impossible without the stable and trade-friendly international environment created and sustained by the United States.

Preserving the liberal international order is a top priority for the United States.⁵¹ Indeed, the Department of Defense identified the global commons as "the connective tissue of the international system and of our global society."⁵² Secretary of Defense Robert Gates described the traditional American approach as

opening doors, protecting and preserving common spaces on the high seas, in space, and more and more in the cyber world. This presence has offered other nations the crucial element of choice and enabled their entry into a globalized international society. ... We stand for openness, and against exclusivity, and in favor of common use of common spaces in responsible ways that sustain and drive forward our mutual prosperity.⁵³

Yet the political and military dominance that empowered the United States to establish and sustain this system is gradually eroding. New powers are rising, and the United States is facing profound economic challenges that may

⁴⁹ See "Joint Statement: Renewing Old Promises and Exploring New Frontiers. The Japan-U.S. Alliance and the Liberal International Order," *The Tokyo Foundation and the Center for a New American Security Study Group on the Future of the U.S.-Japan Alliance*, October 27, 2010.

⁵⁰ World Bank, World Development Indicators.

⁵¹ "U.S. National Defense Strategy, 2008," *U.S. Department of Defense*, June 2008, p. 16.

⁵² Michele Flournoy, "Stability Operations: A Comprehensive Approach to the 21st Century," Comments at the Brookings Institution, March 27, 2009, http://www.brookings.edu/~media/Files/events/2009/0327_stability/20090327_stability.pdf. See also Abraham M. Denmark and James Mulvenon, "Contested Commons: The Future of American Power in a Multipolar World," *Center for a New American Security*, January 25, 2010, http://www.cnas.org/files/documents/publications/CNAS%20Contested%20Commons_1.pdf.

⁵³ Robert M. Gates, Speech to the International Institute for Strategic Studies, May 31, 2008, <http://www.defense.gov/speeches/speech.aspx?speechid=1253>.

constrain its ability to maintain high levels of investment in the military. Meanwhile, globalization and technological innovation are lowering the threshold for states and nonstate actors to acquire asymmetric anti-access capabilities, such as advanced anti-ship cruise missiles, anti-satellite weapons, and cyberwarfare capabilities.

Nowhere are these trends more profoundly challenging than in America's approach to China's expanding military power. China is adopting diplomatic positions and developing a robust military capability that combined could undermine American power projection capabilities. This may, at a more fundamental level, undermine the same liberal international order that has to date enabled China's rise.

Yet China's future path is not determined, and the development of a robust Chinese military capability does not inherently threaten the United States or the liberal international order. The key question is not *if* China will develop a capable military, but *how* it will employ that newfound military power. This question goes directly to our fundamental uncertainty about China's intentions, and reflects a debate that today is raging between Chinese strategists, policymakers, and leadership.

The Rise of China and Uncertain Future of the PLA

It is clear that China seeks to restore its historical position as the dominant Asian political and economic power.⁵⁴ China is already the leading Asian economic power as measured by GDP, and has become the top trading partner for almost all of its neighbors. Analysts at Goldman Sachs have predicted that China's GDP will overtake that of the United States by 2027, and a more recent report from analysts by Citigroup put the date at 2020.⁵⁵ Until recently, this has been accompanied by a world-wide "charm offensive" geared toward improving China's political relations and soothing international concerns about rising Chinese power.⁵⁶

China is also committed to having a strong military, with the PLA enjoying decades of significant investment from Beijing. Just last week, China announced a near-13 percent increase in annual defense expenditures, to \$91.4 billion. Yet given China's practice of significantly under-reporting defense expenditures, it is safe to estimate China's actual annual spending on its military power to be well over \$150 billion.⁵⁷

These high levels of investment are reaping tremendous benefits for the PLA. In addition to an expanding nuclear deterrent, China today can employ a layered, multi-dimensional military force composed of advanced surface and subsurface combatants, overwhelming numbers of aircraft, weapons to deny an adversary the use of space or cyberspace, and an array of advanced conventional cruise and ballistic missiles.⁵⁸

⁵⁴ See Christopher A. Ford, *The Mind of Empire: China's History and Modern Foreign Relations* (Lexington: University Press of Kentucky, 2010); as cited in Dan Blumenthal, "Sino-U.S. Competition and U.S. Security: How Do We Assess the Military Balance?" National Bureau of Asian Research, December 2010.

⁵⁵ Liu Zhijie, "Goldman Sachs Predicts 9.4% Growth for China's Economy in 2009," *Caijing*, November 3, 2009, <http://english.caijing.com.cn/2009-11-03/110302514.html>; Charley Blaine, "Citigroup: US will be 3rd-largest economy by 2050," *MSNMoney*, February 25, 2011, <http://money.msn.com/how-to-invest/dispatch.aspx?post=7b5c156c-f0eb-4c70-b3db-9619ce096ec8>.

⁵⁶ Joshua Kurlantzick, *Charm Offensive: How China's Soft Power is Transforming the World* (New Haven: Yale University Press) 2007.

⁵⁷ The U.S. Department of Defense estimates China's 2009 total military expenditure at over \$150 billion. Considering the recent 13 percent increase in China's official defense budget, actual expenditures are also likely to rise. See U.S. Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China*, 2010.

⁵⁸ For a detailed assessment of Chinese military capabilities, see U.S. Department of Defense, *Annual Report to Congress: Military and Security Developments Involving the People's Republic of China*, 2010.

For American strategists, the key question should not be *if* China will emerge as a great power. It is already well on its way, and Beijing's success in that respect will depend on its own decisions and its ability to maintain internal and external stability. American strategists should focus on *how* China plans on using its newfound power, especially its burgeoning military capabilities. While the United States and the rest of the Asia-Pacific region are very uncomfortable with China's significant investments in a robust military capability, the decision to make that investment is Beijing's.

In the coming years, Beijing can choose to use the PLA to either contribute to global public goods, or to significantly erode them. How China's leaders answer this question will define great power relations in the early twenty-first century, and should drive American strategic thinking about cooperation, competition, and potential conflict with the PLA.

Military Power – To What End?

Despite Beijing's opacity on military and security affairs, the strategic purposes of these military capabilities are – at least on their face – clear. As described by State Councilor Dai Bingguo at the first China-US Strategic & Economic Dialogue in July 2009, China's so-called "core interests" are to maintain China's fundamental system and state security, preserve state sovereignty and territorial integrity, and sustain economic and social development. Practically, the PLA is expected to guarantee internal stability, deter foreign attack, preserve a stable international environment to enable economic development, prevent Taiwan's independence and, if necessary, force the island's unification with the mainland.

Taiwan continues to occupy a significant amount of PLA attention. Chinese strategists realize that coercing and (potentially) invading Taiwan may require the PLA to dissuade, deter, delay, and defeat an American military intervention on Taiwan's behalf. Thus, China has focused on precision strike capabilities designed to attack America's regional land and sea bases and degrade the U.S. military's power projection capabilities.

Beyond Taiwan, the PLA appears to be interested in establishing for itself a broader regional military presence. Cross-strait tensions are at a nadir, yet the rate of growth in China's military investments have risen and there are no signs of China slowing, let alone reversing, its significant buildup of military capabilities across from Taiwan. Moreover, China is investing in military capabilities – including aircraft carriers – that would have limited utility in a Taiwan contingency but would be essential in projecting military power. According to the U.S. Department of Defense, China's base at Hainan Island is large enough to support a mix of surface and subsurface combatants, and enables the "stealthy deployment of submarines into the South China Sea."⁵⁹

It should be noted that there is significant wiggle room within China's definition of its core interests. Sustaining economic development and preserving a stable international environment could both be theoretically understood to allow for China to either contribute to, or undermine, global public goods. This ambiguity extends to official statements about the role of China's armed forces. For example, in 2004, China's leaders established baseline missions for the armed forces officially titled "the Historic Missions of the Armed Forces in the New Period of the New Century." According to the U.S. Department of Defense, these "new historic missions" focus primarily on adjustments in the PRC leadership's assessment of the international security environment and expanding definition of national security.⁶⁰ These missions were further codified in a 2007 amendment to the CCP Constitution. The missions, as currently defined, include a comprehensive, but ultimately vague, list of priorities:

- Provide an important guarantee of strength for the party to consolidate its ruling position.

⁵⁹ U.S. Department of Defense, *Annual Report to Congress*, 2.

⁶⁰ U.S. Department of Defense, *Annual Report to Congress*, 19.

- Provide a strong security guarantee for safeguarding the period of strategic opportunity for national development.
- Provide a powerful strategic support for safeguarding national interests.
- Play an important role in safeguarding world peace and promoting common development.

While the PLA is clearly interested in becoming a regional force focused on more than Taiwan, it is unclear how this regional force will be employed. Such ambiguity is a key source of uncertainty regarding China's future intentions: will a regionally-oriented PLA contribute to global public goods, or challenge them?

An Assertive PLA

Recent years have seen China demonstrate a greater willingness to assertively flex military muscles in an exclusionary manner that threatens China's neighbors and potentially undermines global public goods. Chinese exercises and military presence in airspace and waters surrounding disputed islands, previously rare and notable events, have become almost routine. China has also claimed sovereignty over almost the entirety of the South China Sea, and has challenged the right of foreign militaries to peaceably pass through its Exclusive Economic Zones (in direct contradiction of the UN Convention of the Law on the Sea). China has similarly demonstrated an exclusionary approach to space and cyberspace by testing anti-satellite weapons, proposing problematic international laws on space, and has at least indicated an interest in developing cyber military capabilities.⁶¹

Statements by several Chinese strategists and policymakers seem to have encouraged this behavior by describing an imminent danger for China and an American conspiracy to encircle and constrain China's development. For example, a Chinese Admiral reportedly excoriated American officials during a meeting of the Strategic and Economic Dialogue for plotting to encircle China.⁶² Such an attitude is regularly expressed by Chinese officials during private conversations and Track 2 dialogues, and largely conforms with the 2008 white paper "China's National Defense in 2008," which claims that "[China] faces strategic maneuvers and containment from the outside...".⁶³

More directly, some official Chinese statements seem to suggest a broad mandate for the PLA, and especially its maritime forces. For example, China's 2008 Defense white paper describes the PLA Navy's responsibilities as "safeguarding China's maritime security and maintaining the sovereignty of its territorial waters, along with its maritime rights and interests."⁶⁴

Foundational concepts such as "active defense" and "self defense counter attacks" seem to provide a conceptual foundation for a more assertive PLA. While China's military strategy is fundamentally defensive in nature, China's leaders have a historic tendency to claim military preemption as a strategically defensive act. China's intervention in the Korean War and its conflicts with India, the Soviet Union, and Vietnam are all described as self-defense counter attacks, even when China often was the conflict's instigator. As highlighted by the Department of Defense in its annual report to Congress, China's 2008 Defense White Paper claims that "Strategically, [the PLA] adheres to the principle of...striking and getting the better of the enemy only after the enemy has started an attack." Yet the authoritative work *Science of Military Strategy* makes it clear that the definition of an enemy strike is not limited to kinetic military operations but rather may also be defined in political terms. These passages illustrate the ambiguity

⁶¹ U.S. Department of Defense, *Annual Report to Congress*, 7.

⁶² John Pomfret, "In Chinese admiral's outburst, a lingering distrust of U.S.," *The Washington Post*, June 8, 2010.

⁶³ "China's National Defense in 2008," Information Office of the State Council of the People's Republic of China, January 2009, 6.

⁶⁴ "China's National Defense in 2008," Information Office of the State Council of the People's Republic of China, January 2009, 23.

of China's strategic writings, as well as the justification for offensive—or preemptive—military action at the operational and tactical level under the guise of a defensive posture at the strategic level.⁶⁵

Some outside observers have noted China's more assertive behavior in recent years, and have attributed it to an increasingly powerful role being played by the PLA in the formulation of foreign policy.⁶⁶ Chinese President Hu Jintao appears to prefer a consensus-based approach to leadership, and the PLA likely has a significant voice in policy formulation. There were indeed some rumors that China's more assertive posture was something that the PLA and like-minded hard-liners in Beijing's elite circles forced upon the more cautious President Hu. While this is certainly possible, there is a significant difference between President Hu losing an internal disagreement on foreign policy and a PLA that is operating outside of the guidelines set by the Chinese Communist Party. While the PLA, and especially the PLA Navy, may operate more aggressively than leadership in Beijing may prefer, I have not seen evidence of the PLA explicitly violating the Party's dictates. That being said, the seriousness of this issue means that it is incumbent on American officials to watch this issue closely and, as Secretary of Defense Robert Gates did with President Hu during his recent visit to Beijing, address this issue directly with China's senior leadership.

The PLA's Contributions

China watchers should also recognize that this more assertive behavior is far from the whole story of China's rising military power. Recent years have also seen the PLA actively contributing to the health of the international system – in essence, contributing to global public goods. Since 2008, Chinese ships have been stationed off the coast of Somalia as part of an international effort to combat piracy. The PLA is also a major contributor to United Nations peacekeeping forces around the world, and has contributed to international humanitarian assistance and disaster relief efforts. Many of China's military developments, such as a hospital ship and even its future aircraft carriers, could be utilized to protect vital sea lanes and provide foreign assistance after earthquakes and tsunamis.

These developments fall in line with the vast majority of official government statements about China's strategic intentions. Just last week, Chinese Premier Wen Jiabao told the annual meeting of the National People's Congress that "China will play a constructive role in helping resolve hot issues and global problems."⁶⁷ More specifically to foreign affairs and the PLA, the highly influential Wang Jisi, Dean of the School of International Studies at Peking University, wrote in the most recent issue of *Foreign Affairs* that "China will serve its interests better if it can provide more common goods to the international community and share more values with other states."⁶⁸

The Debate

When considering how decisions are made and how seriously to take statements from Chinese officials and organizations, outside observers must accept that the significant lack of transparency surrounding China's decision-making process means that speculation will always play a role in our understanding of how China formulates foreign policy. Even official statements that come from the highest levels of power are not necessarily statements of whole-of-government intent, but could be indicators of intra-governmental debates, trial balloons, interpersonal rivalry, or legacy building.

The countervailing positions regarding China's strategic intentions likely stem from three realities. First, China's strategic community seems to have been granted increased leeway to advocate ideas and propose policies that are

⁶⁵ U.S. Department of Defense, *Annual Report to Congress*, 24.

⁶⁶ Iskander Rehman, "Is the Military now Driving China's Foreign Policy?," *Transatlantic Academy*, January 20, 2011, <http://www.transatlanticacademy.org/blogs/iskander-rehman/military-now-driving-chinas-foreign-policy>.

⁶⁷ "China to play constructive role in global issues," *Xinhua*, March 5, 2011, <http://china.globaltimes.cn/chinanews/2011-03/630298.html>.

⁶⁸ Wang Jisi, "China's Search for a Grand Strategy," *Foreign Affairs*, March/April 2011, 79.

not pre-approved by China's senior leadership. Second, the expansion of electronic journals and writings – even in China's relatively closed and circumscribed environment – has enabled a wider variety of voices to be heard. Third, and most importantly, it is likely that there is no agreed-upon long-term plan for the PLA beyond sustaining the leadership of the Chinese Communist Party and Taiwan contingencies. Indeed, recent provocative statements from PLA officials about an expanded military mandate may have been targeted at an internal audience, especially considering that China just concluded the development of its 12th Five Year Plan. Nevertheless, with such ambiguity, statements regarding China's strategic intentions are ripe of diverging messages.

The statements I highlighted today likely are not part of a complex effort to deceive the world about China's hidden true intentions, but rather reflect a robust debate occurring within Beijing's halls of power about the future role of a risen China on the world stage. Clearly, many of China's leaders see the world in zero-sum terms and expect China to eventually come into conflict with a United States they see as fundamentally opposed to China's development. Others, however, see enough room in the world for both a powerful United States and a powerful China, and are looking to articulate a way ahead in which we can work together to address issues of mutual interest and concern.

Yet there are also certainly elements of signaling in Chinese statements and actions, though these signals may not be directed from China's senior leadership. The Party's control of the PLA is not as direct and specific as that of the American President's over the U.S. armed forces, and China does not possess an interagency body that can adjudicate and manage the nation's vast bureaucracy. Yet signaling is clearly something that the Party generally accepts and, possibly, encourages. For example, it is doubtful that President Hu Jintao specifically timed the tests of a J-20 fighter to coincide with a visit to Beijing by Secretary of Defense Robert Gates. Reports have surfaced that weather played a role in the test's timing. Yet it is highly likely that China's internet censors allowed footage and discussion of the flight test to percolate during Secretary Gates's trip, when they easily could have suppressed the story. Clearly signaling is going on, and while the message is unlikely to have come specifically at Hu Jintao's behest, it is likely that China's senior leadership understood the message and did little to publicly discourage such actions.

Looking Ahead

So how are American China watchers and military strategists supposed to unravel these divergent stories about the rise of the PLA? Is China a potential threat? A competitor? A partner? My answer to all three questions is "yes." Our relationship with China does not fit neatly into tidy labels, but simultaneously includes elements of competition, cooperation, and could potentially involve some form of conflict. American strategists must for the time being respond to all three challenges presented by the PLA depending on the specific manifestation of Chinese military power being addressed.

Sustaining Global Public Goods

As I discussed before, the key question is *how* China will use its newfound power. Given the ambiguity of China's long-term strategic intentions, the United States must be prepared for China to either contribute to global public goods, or to undermine them.

The United States should encourage China's positive contribution to global public goods. This will involve clearly articulating a positive role for Chinese power, and monitoring Chinese behavior against this rubric. China's actions on a wide range of issues – including regional sovereignty disputes, trade policy, its approach to climate change, freedom of navigation and access in the global commons, the responsible exploitation of natural resources, and its relationships with the world's rogue regimes – will all signal Beijing's interests in substantially contributing to the health and success of the international system.

In this regard, the South China Sea is a leading indicator of the nature of China's rise.⁶⁹ China's sovereignty disputes with its neighbors, its exclusionary interpretation of Exclusive Economic Zones, the South China's Seas tremendous importance as an international waterway, and the Sea's potential as a significant source for natural gas, all speak to Chinese strategic priorities of territorial integrity, a stable international environment, and access to natural resources. The United States has already identified the South China Sea as an important priority, and freedom of navigation as an issue of "national interest."⁷⁰ Yet more must be done – the United States should work with its partners in ASEAN to develop a common understanding of the UN Convention on the Law of the Sea and their mutual interest in freedom of navigation. Such clarity will both bolster ASEAN unity on the issue and send a clear signal to Beijing about what is, and what is not, acceptable behavior. China's reactions to such an endeavor will be telling.

America's approach to China should also include a robust effort to seek out opportunities for cooperation between the U.S. military and the PLA, in order to encourage Chinese participation and contribution to global public goods. Bilateral military cooperation in a responsible manner would not only improve mutual understanding and build trust, but would also encourage China's positive and responsible use of military power.

Yet China's positive approach to global public goods, and more broadly the liberal international order, is far from assured. The United States should therefore react strongly and decisively when China's actions violate American interests, undermine global public goods, or threaten regional stability. Such a stance will demonstrate to China's leaders the costs of confrontation, in contrast with the benefits of cooperation.

Concurrently, the United States should continue to adjust its military capabilities to ensure the U.S. military's ability to operate within and degrade China's anti-access area denial capabilities during a conflict. Significant shifts in military capabilities and regional posture – referred to as "Air-Sea Battle" in the 2010 Quadrennial Defense Review – are already underway and must be continued.

More broadly, the United States should also build the military capacities of its allies and partners throughout the Asia-Pacific. This effort should include a robust effort to identify new partners in the region who are concerned about the potential negative consequences of China's rising military power, to regularly engage them on these issues, and to responsibly build their capacity to contribute to global public goods and resist Chinese aggression.

Conclusion

American strategists are currently in a high state of uncertainty regarding the future nature of Chinese power. China's official statements about the PLA are comforting, and China's participation in peacekeeping and counter-piracy operations are positive signals of constructive Chinese intentions. But the PLA's development of advanced anti-access area denial capabilities, and its aggressive use of military power around its periphery, are highly disconcerting.

Just as it would be a mistake to accept official government statements at face value, it is also a mistake to directly interpret military capabilities as strategic intentions. The truth is far more complex and ambiguous, and an overreaction by the United States in favor of either interpretation could prove disastrous. The key for American strategists and policymakers is to understand the present ambiguity, and build a strategy that encourages a more responsible and productive future for Chinese power while defending American interests against the potential for Chinese aggression.

⁶⁹ See Abraham M. Denmark and Daniel Kliman, "Rising China tests the waters," *Asia Times*, August 20, 2010, <http://www.atimes.com/atimes/China/LH20Ad02.html>.

⁷⁰ Mark Landler, "Offering to Aid Talks, U.S. Challenges China on Disputed Islands," *New York Times*, July 23, 2010, <http://www.nytimes.com/2010/07/24/world/asia/24diplo.html>.

Clearly, there are more immediate issues beyond differing visions of grand strategy – such as Taiwan, human rights, and regional territorial disputes – that will more directly drive U.S.-China relations. Yet it is the mandate of strategists, both in Washington and in Beijing, to look beyond immediate issues and navigate their countries based on a strategic vision for their nation's role in the world. China has arrived as a major strategic power, and it is incumbent upon American strategists to adjust to this new reality, ambiguous though it may be. But it is also incumbent upon Chinese strategists and policymakers to reassure the world about the nature of Chinese power. This cannot be accomplished only with propaganda – actions, and investments, speak louder than words.

Panel III: Discussion, Questions and Answers

HEARING CO-CHAIR FIEDLER: Thank you.

I'm going to take the first question, Peter. I want to lay out a couple of things that I hope we'll have time to discuss this afternoon, but I wonder, Dr. Park, the first comment I would like to make, the "core interests" versus "mutual interests," if I were to change the words, I'd say "demand" versus "negotiation."

I've met a lot of people in my life who, once they get something, put it in their pocket, and ask for something again, which is what I suspect core interest is all about, that they're not negotiable. But we're talking about negotiating on our own interests; our interests are more fungible.

I don't have a question on it, but I just wanted to lead into the Track 1.5 and 2 world, where your Institute is running some, and I understand not talking specifically about it, but I want to talk more generally, and then reference was made earlier this morning to the Sanya Institute and former military officers.

Let me make a comment about the Sanya first because I'm unfamiliar with your Track 1.5. Mil-to-mil relationships are normal around the world, but in the case of China, they're not. In a Track 2 set of negotiations with former military people, who on our side may not be acting under instructions of the United States government, and where on the other side, they most, maybe, if not certainly, probably are acting on the behalf of their government, seem to undercut the primary objective of having vital and military-to-military relationships, and provide a vehicle for a narrative to be pushed out unto the rest of the world through the participants on our side, in this case, former U.S. military officials, or officers actually.

Do you know anything about the substance of the Sanya dialogue? Does anybody? I've never read the actual-- there are no transcripts released of these Track 2 negotiations, are there? Mark?

MR. STOKES: Yes.

HEARING CO-CHAIR FIEDLER: I haven't read any transcripts.

MR. STOKES: Of the first one.

HEARING CO-CHAIR FIEDLER: First one only.

MR. STOKES: Yes, sir.

HEARING CO-CHAIR FIEDLER: Okay. So anyway, would you comment on

the Sanya thing and on, I mean later, Dr. Park, on the question of core interests?

MR. STOKES: I guess I'll take a first crack. All I know is from what I've read in the media in terms of editorials and what's been contained, for example, at presentations here or explanations here in Washington on this Sanya Initiative, as well as the text of the report from the first round that took place in 2008, I believe--I forgot the exact date--somewhere in the September, October timeframe of 2008.

The Sanya Initiative--to me, the Sanya which I guess could roughly go in the category of Track 2 because there weren't any U.S. government officials present, but it's great, good stuff; dialogue is not an issue.

The problem really comes in with the Sanya as a starting point of having actual written U.S. government endorsement. When you have the Chairman of the Joint Chiefs of Staff and the Commander of Pacific Command actually, in writing, endorsing the Sanya Initiative, to me that adds a certain sort of weight to a dialogue. That's number one.

Number two is, and this is really hard to track, but, where is the funding for the dialogue? In other words, who pays for it? And there obviously is going to be some Hong Kong funding and probably some other funding that comes from foundations in the United States.

But another key issue, of course, is the interlocutors on the Chinese side. Retired U.S. four stars, in terms of the consistency of the team, all of them either, for example, a Vice Chairman Joint Chiefs of Staff or members of the Joint Chiefs of Staff in the capacity of Service Chiefs, for example, in the Army and the Air Force, and then, of course, on the Marine side having a Combatant Command Commander there, there seems to be a certain method in the selection about why these guys were appointed.

All of them, of course, also having, being very well-connected to existing military leaders in their individual services, as well as political connections also in the current administration. So all this adds up but generally operating as individuals.

On the Chinese side, very, very different. Almost every single member of the Chinese delegation had some, at risk of sounding sort of overly Taiwan focused, every one of them was Nanjing Military Region, almost every single one of them--Commander of First Group Army, for example, the Navy East Sea Fleet, and of course led by, led by former, former head of the Second Department, General Staff Department, Second Department, as well as Vice Chief of General Staff, the head of Foreign Policy, Intelligence and Propaganda arms all wrapped into one, who's ostensibly retired, but actually still is chairman of a Second Department think tank, and the whole thing arranged by General Political Department affiliated organization from the very beginning.

It sort of leads one to wonder on the Chinese side, you have an intentional information operations campaign. To me, it's sort of obvious

when you read the first report. On the U.S. side, a group of individuals, who honestly can say they're private citizens but have the imprimatur of the U.S. government. So that's basically one of--the last one was this year. There's been I think three so far.

That's what I know.

HEARING CO-CHAIR FIEDLER: I think we'll have more discussion of this as we go around. I don't want to take all the time, and Dr. Park, I'll come back if I have a second round on the core versus mutual a little more.

Thank you.

MR. STOKES: Can I make one last comment here? Actually I'm driving towards one last point, in that it ends up with an editorial actually. In the first report, it becomes very clear when the Chinese side says we wish you would advocate these positions and then having actual editorials appear in the United States media that have a stark similarity to what the Chinese counterparts actually asked them to say.

HEARING CO-CHAIR FIEDLER: Sounds like it was a successful narrative that was placed.

Commissioner Wortzel.

COMMISSIONER WORTZEL: I want to thank all three of you for being here today and your very thoughtful oral and written statements.

I'm going to pursue this same theme. I'm interested in whether you can discuss how the People's Liberation Army formulates and identifies targets in the United States who may be effective in framing American opinion in ways that support PLA messages? And as you laid out, Mark, the Sanya Initiative is led by the China Association for International Friendly Contact, or CAIFC.

It put these senior people together from the U.S. and China together on a Track 2 dialogue, and CAIFC has connections to the General Political Department of the People's Liberation Army and the Military Intelligence Department.

So if you're able to, I wonder if you can see parallels in some of the themes promoted by the Sanya Initiative and the themes that you discuss in your own submission, Mr. Stokes, on what China would like to see the U.S. do with Taiwan?

And then for all the panelists, but Mr. Denmark, if you're coming out of the Country Director for China, you might be able to address this, who or what organizations in China develop these national security messages that are promoted by CAIFC?

And then can any of you assess how effective it is--this is your opinion--to get retired admirals and generals on the American side to echo the PLA's message?

MR. STOKES: Okay. I'll start off here. Put simply, it's not clear, at least to me, how the PRC and the PLA, in particular, develops, basically how the mechanism works in terms of developing information operations,

themes, and then, of course, developing and investing in channels, explaining channels.

Presumably, of course, things don't change. In other words, some of their narratives today, they haven't changed in many, many, many years. They may adjust along the periphery when they see opportunities, very opportunistic, but a key, of course, the General Political Department, of course, would be one key organization from the PLA that sends themes. It sends a military commission, and, of course, and a civilian leadership. MOFA, Ministry of Foreign Affairs, appears to be playing a more, at least from what I've noticed, a little bit more of an assertive role on shaping perceptions with regard to U.S. policy, in general, and Taiwan, in particular.

And, of course, MSS, Ministry of State Security, would be playing a role as well, as well as GSD, General Staff Department Second Department, as well.

But in terms of identifying channels, such as the Sanya Initiative, I'm a little bit skeptical that the PLA went out of their way to say, hey, let's--and planned all this sort of ahead of time. My impression is that, in other words, they are very good at seeing opportunities, then leveraging opportunities fairly quickly by having things sort of in the back pocket.

So when they have, with the best of intention, when they have sort of U.S. military guys who sort of have the idea, you know, save the world, let's make a contribution, you know, peace for all time, and things like that, and they approach organizations, of course, the PLA is going to be, they'll be all over this like--they'll be very enthusiastic about being able to leverage this sort of opportunity as one of many channels through which they can send their messages, and this is a beautiful channel because the real goal, of course, is to be able to cut into some--on the Taiwan issue, if you read these reports, they're obsessed by Taiwan, and it's not just in the Sanya.

And that's frustration, of course, on U.S. interlocutors on not just Sanya but other initiatives. But they will be able to sort of latch on to these themes and pursue them aggressively.

MOFA becoming much more active, and also through their associated think tanks being able to, for example, on international relations theory or IR sorts of fora, being able to go in and be able to touch bases with sort of the leading international experts and theorists on international relations theory. You'd be able to sort of get them to buy into their realist view of the world in order to be able to state that we're important and sort of in the great power game everybody else is not important, mind our core interests, things like this, but anyway. Go ahead.

COMMISSIONER WORTZEL: Well, I'll give Mr. Park an opportunity.

DR. DENMARK: I think it's a good question. Just as a caveat, I have not participated in any of the Sanya Initiatives activities so I can only speak about these dialogues in a general sense.

I have participated, however, in official mil-to-mil interactions as well

as Track 1.5 and Track 2 dialogues, and to address the question that was asked earlier by way of getting to Commissioner Wortzel's question, I think the Track 2 dialogues provide an invaluable source of information and way to interact between American and Chinese officials, and I do not in any way think that it undercuts official mil-to-mil interactions.

I think that the two are very clearly different, and it's very clear when you're in one and when you're in another. So I don't think they undercut one another.

In terms of how these different organizations built their talking points and decide who they want to speak with, in the Track 2 dialogues that I've participated in, the Chinese think tanks that are represented are often affiliated with different elements within the Chinese government, be it intelligence, be it the Foreign Ministry, be it the State Council, be it the PLA, and each organization will therefore have a slightly different take on issues, which does give an interesting insight into how the government, intergovernment interaction works, which somewhat goes into the subject I talked about in my testimony about debates going on within the government.

But I agree with Mr. Stokes that this is an important, that these do give the Chinese interlocutors, our Chinese friends, insight into how the U.S. government thinks, how Americans think, and also helps them build some of that message, but fundamentally, and again I haven't participated in any of the Sanya Initiatives, but they do focus a great deal on Taiwan, but I have yet to see that message be translated into actual government policy in the United States, and I do think that that does speak some degree about their efforts to influence the U.S. government on that specific issue.

HEARING CO-CHAIR FIEDLER: Commissioner Shea.

HEARING CO-CHAIR SHEA: Thank you. Thank you all for your very interesting testimony and your participation here.

Let's maybe travel north a little bit, and this question is for Dr. Park. Earlier today, we heard from Mike Lampton, and he talked about the pluralization of Chinese society and the multiple voices in the narrative-making mechanism in China, and he mentioned that regional areas in China are increasingly playing a role in setting national security policy in China, and he mentioned the three northernmost provinces in China influence the way China views the Korean Peninsula and the North Korean issue.

And I was just wondering if you could comment on that, and does the current leadership-- either do members of the current fourth generation leadership come from those provinces; do they have work experience? Does the fifth generation leadership or at least the names that we know who are going to be prominent, do they have experience working or living in those provinces, and how would you expect Chinese policy towards Korea to be affected by that fact.

DR. PARK: I think that's a very important point in terms of this

pluralization. Chinese interlocutors joke that the U.S. also encouraged this type of plurality in China, and now that they have it, the U.S. is trying to figure out how to deal with it.

On different issues, you interact with different groups. There is no monolithic voice coming out of China, and perhaps that wasn't the case before, and we're just seeing the undertones of that.

But with respect to North Korea, there's a lot of opportunity to observe some of the recent events, and I don't think we're drawing conclusions but asking more questions and developing more hypotheses. When it comes to the internal picture in China, North Korea is a very interesting angle to look at some of these transformations.

The three Chinese provinces bordering North Korea, Jilin, Heilongjiang and Liaoning, certainly there is representation at the senior level, particularly in Liaoning. Liaoning is the type of area where if you think of the Chinese side of the border, this is the old rust belt on the Chinese side.

What is happening now is as some of the poorest regions in China are being encouraged by the central government in Beijing to do economic activity and what not, energy security for these provinces actually come in some cases from North Korea.

North Korea sits on very abundant sources of coal, but it happens to be some of the world's poorest quality of coal, and it just shows how desperate the energy security situation is in China, that even this type of coal is valuable, and natural resources, iron ore mines in North Korea, and so forth.

So when you look at it from the angle of these provincial Party officials on the Chinese side and central leaders in Beijing, when Beijing is under pressure from Seoul and Washington to rein in the North Korean ally, not only does Beijing have to contend with these voices from Seoul and Washington, Beijing also has to contend with these voices from the provinces.

You get a sense of the interactions which are very complicated. I don't think there's a clean connecting of all the dots.

HEARING CO-CHAIR SHEA: Could you talk about the leadership, the next generation's leadership connections to those areas?

DR. PARK: Sure. The other part of the leadership, as we look at the move towards 2012, there is a very interesting symmetry with what's happening in North Korea. North Korea is building up to what they call the "kang-sung dae-guk" where they'll unveil their nation as a strong and prosperous country in 2012.

Now the strong part, if you think of that as an equation, the North Koreans really believe that they are strong because they have a nuclear deterrent, but they still need to work on economic development.

When you look at the leadership transition and the new generation in China, there's a very strong emphasis on economic development,

sustainability and closing the gap between rich and poor.

So Party to Party, there's an alignment of interests, and we've seen a lot of connections with the rising generation on the Chinese side interacting with the rising generation on the North Korean side. And I think that along these lines that when you look at this type of leadership transformation on the Chinese side, these provincial interests are very powerful.

These are things where it's not Beijing being the major leagues and the provinces are the minor leagues. The provincial leaders have quite a bit of influence in Beijing.

HEARING CO-CHAIR SHEA: Mr. Stokes, do you want to comment on Mr. Denmark? All right. Thank you very much.

HEARING CO-CHAIR FIEDLER: Commissioner Brookes.

COMMISSIONER BROOKES: Thank you and thank you all for being here.

You touched upon it a little bit in your testimony, but I was kind of wondering if I could have all three panelists boil down what they believe is the PLA's role in developing China's consolidated foreign policy narrative?

MR. STOKES: I would say it varies issue by issue. On Taiwan, I would say the PLA has been and is today a critical, a critical player, with, of course, with MOFA being also a critical player in terms of influencing sort of perception of foreign audiences.

One example, of course, being last year after the notification of arms sales to Taiwan in January of last year, you got an announcement that U.S. companies would be, would be sanctioned. In that particular case, I would suspect that it came, that original idea came from perhaps from a think tank, but perhaps MOFA-related think tank. So that initiative could have come from sort of a MOFA brainchild.

But others, by and large, some of the fundamental issues that would come to sort of developing a narrative having to do with, having to do with national security issues, the PLA and the Central Military Commission would be sort of a key player in helping to develop that narrative with other executive agencies being MOFA and others.

COMMISSIONER BROOKES: I want the others to respond. Do we have a sense of the role that they play or are we still grasping to understand that?

MR. STOKES: In my view, it's just a sense. I mean it's really difficult. Because of the opaque nature of their decision-making system, it's really difficult to come and say exactly who with a high degree of certainty. One could come fairly close, but it would take a lot of research.

COMMISSIONER BROOKES: Thank you.

Dr. Park.

DR. PARK: Again, I turn to Northeast Asia and the observation from this past year is quite striking. If you look at the U.S.-South Korean naval exercise in response to the North Korean sinking of the South Korean warship, the objections and warnings from the PLA Navy were very stark.

But the thing that I think a lot of us looked at very closely was the fact

that you went from a warning to an actual PLA naval exercise in a short time period. Traditionally, we always thought about consensus-building taking such a long period of time that it really caught a lot of people by surprise.

The PLA behavior, the PLA Navy specifically, you know, there are different groups within the PLA as well, the observation here is that last year was remarkable because the U.S.-ROK alliance from a Chinese perspective is seen to have expanded from their traditional scope of activities, and for a PLA Navy officer to look at some of these activities, if you draw a circle around the capabilities of a carrier strike group, certainly it does focus on North Korea, but it also covers Beijing, and when you see these type of reactions coming from the PLA Navy, the other observation is that earlier they were very much focused on Taiwan.

Taiwan is still a very strong interest, but there's a sense that China is in control of the relationship with Taiwan in the sense that ECFA and the trade relationship is right now the main means of interacting with Taiwan.

So the PLA Navy, it looks a lot like using these type of naval exercises in specific response to North Korea as a good way to align some of their preferences in terms of internal debates.

COMMISSIONER BROOKES: Mr. Denmark.

MR. DENMARK: Decision-making in Beijing is much less formal than it is in Washington. It's, as we all know, it's very focused on building consensus, but the specific issue tends to dictate the players involved, and players involved does not necessarily break down normal functional areas.

There is some talk--the formation on specific issues of what are referred to as Leading Small Groups in which people from various organizations that may or may not formally have a role in the specific question getting together to help formulate policy.

The Party seems to have a leading role in the creation of foreign policy, whereas, I think the PLA has an important voice in the building of some consensus, but, again, it seems to depend on the specific issue involved.

China's foreign policy is, in many ways, a function of a profoundly internally-focused leadership, and that means that when for a question that for us seems to be a question of foreign policy, for China is much more a question, oftentimes a question of economic development, of other sorts of domestically-involved questions.

So depending on the specific issue being addressed, we could have state corporations, specific provinces, the PLA, the Foreign Ministry, the Party, intelligence, all sorts of different organizations playing some role, of having some voice, including people who have since left government and are officially retired.

Retired Party elites especially seem to have a very important role in helping give legitimacy or in helping build consensus around a specific idea. But it's difficult to say specifically who does what because their system is

much less formal than our system or even how their constitution lays it out.

COMMISSIONER BROOKES: That leads to real challenges for us in understanding and formulating policy on our end.

Thank you.

HEARING CO-CHAIR FIEDLER: Commissioner Bartholomew.

COMMISSIONER BARTHOLOMEW: Thanks very much, and thank you, gentlemen.

It's interesting--Mark, you're really right, that these are complex issues, and we see only a piece of it. I might come back with a second round of questions on the issue of core interests, I mean the Chinese focused on the core interests, and the U.S. focused on mutual interests.

I suspect that might be one of the ways that it seems that we have been out negotiated on any number of fronts over the course certainly of the past 20 years. I'm thinking of trade issues particularly, and, also, Mr. Denmark, on the issue of the global goods, and how that is defined.

But I want to go back to something related to the Sanya Initiative, and that is dialogue is a good thing, but the way this is being characterized is that there are people there, the U.S. interlocutors, who are representing the U.S. interests somehow, not officially, but they have some standing to represent U.S. interests, and I think, of course, we should be concerned when the Chinese narrative is being picked up and spewed out, essentially verbatim, but there's another piece of it.

My colleagues are being very gracious about this, and I think that I'm going to be a little less gracious. Some of the U.S. interlocutors are engaged financially with Chinese state-connected companies, which really raises the question to me of whose interests are being represented in a circumstance like this, and I wonder, especially some of you who are former U.S. government officials, how you think we should be thinking about this?

Is this a good thing that people who are making money off of separate business deals with Chinese companies should somehow be representing U.S. interests in a dialogue?

MR. STOKES: Okay. What I would offer, in my humble opinion, the problem really comes in dialogue is good; if businessmen want to go to China and invest and make money, that's fine. But the problem that really comes in is when they have a--in writing have the--in my day, when I was in the Office of Secretary of Defense, I don't ever recall participating or endorsing a Track 2 dialogue. I don't, you just don't do that.

But when you have the Chairman of the Joint Chiefs of Staff in writing saying we bless your initiative; it's a great thing; go do great things; report to me when you get back; and the same thing with the Commander of the Pacific Command, to me, there should have been some hesitation, at least based on the perception that it presents whenever you have almost every member of that team engaged in business in China and some very, very significantly--very significantly in terms of trying to buy, for example a large

portion of Huawei. It's just a rumor, but it's significant to have the U.S. government imprimatur upon that.

And so to me the lesson on it should be--there should be no--should have been-- Chairman of the Joint Chiefs of Staff should never put anything like this in writing, and it doesn't help, also, whenever you have the same team advocating and opening doors for their interlocutors in China, to include a former senior intelligence official, bringing them here to Washington also to have, according to Financial Times, being able to have meetings with senior U.S. government officials and advocating and sort of breaking down doors, to be able to do that, that's also to me a lapse of some questionable judgment.

COMMISSIONER BARTHOLOMEW: Mr. Denmark.

MR. DENMARK: There's always a very clear distinction, at least in my experience, between official and unofficial contacts, and even if someone goes to China, or to any other country, for that matter, as a private citizen, is not a U.S. government official, even if they have the best friends throughout the American government, it's very clear that they are there as a private individual, and they are treated as such, even if they have influence.

And our interlocutors in China or wherever understand when they're talking to a U.S. government official and when they're not.

I think one of the strengths of our system is that our system is open and free and that private citizens can go wherever they want and say whatever they want, and I think that that's a strength of our system as long as it's very clear when someone is speaking for the U.S. government and when someone is not.

I don't know, I don't have any specific knowledge about certain interlocutors' financial interests. I don't question the validity or the sincerity with which they've expressed their views. I think that they should be free and open to express their opinions about any issue that they want.

I think that's the strength of our system, as I said, and even if certain, if other government officials say that, you know, we like when people talk to each other, I think that that's fine, as long as it's very clear what is an official contact and what is an unofficial contact, and as long as China is very clear about what's official and what's not.

COMMISSIONER BARTHOLOMEW: If I can just add a comment, which is, again, 20 years ago when there were a bunch of "formers," sort of I think of it as the beginning of the "formers" really getting engaged, there have been issues of transparency in terms of the way that they characterize their views vis-a-vis the American public.

Larry asked a variation on that, but I'll take it back to the days of Dr. Kissinger who has many business interests in China but writes an op-ed that shows up in the Washington Post or the New York Times that doesn't necessarily identify that he has those businesses in China.

And so I get very concerned about the "formers" who have their own

economic interests. Either it's going to change the way people think when they're in a dialogue in a quasi-official--it's like "full faith and credit." It's a quasi-official position. But they then come back and characterize--they put themselves forth as experts on an issue with opinions that people should listen to and don't necessarily make their other activities transparent, I think is a significant problem for us, that the strength of our government indeed is transparency, but we all have to make sure that that transparency continues to be there.

Thanks.

HEARING CO-CHAIR FIEDLER: Thank you.

Commissioner Mulloy.

COMMISSIONER MULLOY: Thank you, Mr. Chairman, and thank you all for your very helpful prepared testimony and then your comments here today.

I want to start by referring to something that Mr. Park says on page two of his prepared testimony. You say that as "China's material strength grows and its international influence expands, Beijing has come to possess more resources to deal with Washington."

So they're stronger and they're feeling more confident. That's what I get from that.

Mr. Denmark, on page two and three of your testimony, you talk about how the, although the Chinese people are hardworking and they're skillful, you attribute a lot of the fact that the China economy grew so quickly is because of the stable, trade-friendly international trading system that they're benefiting from.

In the Commission's 2010 Report to the Congress, in the introduction, here's what we say, and I'd like to then get your opinion. We say:

China has adopted policies to encourage foreign companies to transfer production, technology, and research and development to China in return for access to its market. Many have done so. The resultant unbalanced nature of the trade and economic relationship has helped give China the financial resources and the new technological capabilities that have enabled it to strengthen and grow its economic, military and political power."

In other words, I think what we're saying is our policies have contributed to China growing its comprehensive national power.

Then, Mr. Denmark, you say the key question should not be if China will emerge as a great power; it is already well on its way.

But my judgment is that we're contributing to this in a major way, and do you think this is a wise policy of the United States or should we be absolutely focused on rebalancing this economic and trade relationship as a key part of how we're dealing with China? And I go across from Major Stokes and then right across.

MR. STOKES: I probably would pass on commenting on U.S. economic policy, but just as a matter of principle, basically U.S. interests should be

prominent and in the forefront of things, bearing in mind where China's technological capabilities already are, bearing in mind what they're also getting from other countries, not just the United States, and also being very wary of who they're selling to in China, on the military front, defense industry front, knowing, making sure that whoever they're doing business with is not also contributing to significant and strategic programs in particular.

But I'll turn it over for more substantive comments to Mr. Park.

DR. PARK: Well, I would start by saying that with the broader concerns about indigenous innovation (II), that is front and center in terms of what the Chinese plan to do for their next five years focus on indigenous innovation.

The Chinese explanation of II is very, very different from the Western perception. From their narrative, in order to attract foreign companies at the early stages of economic development, they favored foreign companies over domestic companies, and so their interpretation is II is a rebalancing internally, and that's a narrative that comes up time and time again.

But with respect to your point of the economic interactions with China, it is so diffuse right now that I think if you wanted to untangle it, it would be extremely difficult, but the reality is that if you look at any country's interactions with China, be it China-United States, China-South Korea, China-Japan, there are two pillars at play. One is the economic pillar, which is vibrant and growing, and then the security pillar, which is a toothpick and in some cases nonexistent.

That is a picture that comes up in many different types of Track 2 gatherings, be they ones that involve the United States or are China-South Korea, or China-South Korea-Japan, and so forth.

Having said that, when you look at that quote, and that quote was from a commissioned paper by a Chinese analyst, looking at China's material strength and so forth, one thing that Mr. Denmark alluded to, the impact of the financial crisis, it is profound.

There are, I think, two groups in China when they look at the financial crisis and the meltdown frankly in the United States. One group argues that the meltdown, the severity of it and the quickness of it, showed that the state capitalist model the Chinese have is superior to the U.S. model, and so the sense of confidence is strong.

But a second group, and I would say the Chinese leadership is in this group, they understand the realities and the difficulties and the complexity, and frankly they're worried if the financial system, which they lauded and which they admired, crumbled so quickly, it creates something of a vacuum now that China is engaged in the international community and the economic and financial spaces.

So they've figuring out a way that China can play a larger role because now they have interests abroad in many different areas related to the

commercial and economic side.

I think as those two groups play out, we're going to see some, I think, very interesting developments in China as it relates to their foreign interactions.

MR. DENMARK: It's a very complicated question.

Both the past administration and the current administration talked about, have agreed with China to try to restructure our economic relationship, that it had become unbalanced, and both sides--the United States has agreed to borrow less and China has agreed to try to spend more, recognizing that our economic relationship was unbalanced, and we were trying to alleviate that challenge.

I think China's economic growth, as I talked about in my paper, can be directly attributed to the reform and opening policy put forward by Deng Xiaoping in the late 1970s. My point, however, was that the liberal international system that is stable and encourages trade enabled that rise to happen more quickly, and was to China's great benefit, that America's policy towards China since the mid-1970s, since Dr. Kissinger and President Nixon visited China, has been to encourage China's growth, encourage China's development, and that's been a policy that the United States has pursued since that time.

First, it was to build a counter to the Soviet Union, but then to build a stabilizing force in the Asia-Pacific region.

Our policies certainly contributed to China's growth. I think I agree with that analysis. And I think that I emphasize that point a lot to counteract Chinese claims and assertions that the United States is trying to contain China's rise.

We've helped China integrate itself into the international system, helped to get into the World Trade Organization, sent trillions of dollars of goods and services to China. If that's containment, then I think the U.S. could use some containment like that; right.

I do think it is a wise policy frankly. The traditional American strategy, as articulated back to the 1940s, to prevent the rise of a hegemon on the Eurasian continent I think is no longer applicable in the 21st century in an age of globalization and nuclear weapons, and I think that if you look at the current administration's policy to work with China, to encourage its responsible behavior, and to engage it both as a partner, to solve global issues, I think, is the reality that we find ourselves in in the 21st century.

I don't think there's anything we could do, frankly, without causing significant pain to ourselves and the rest of the world to stop China's rise. So the policy that the United States is facing that I talk about in my paper, to encourage China's responsible use of power while setting clear red lines for what is and what is not acceptable behavior, frankly, to me seems to be the most prudent way ahead.

COMMISSIONER MULLOY: Thank you, all.

MR. STOKES: Just one thought of something very quickly, that whenever, one of the issues, of course, with the topic here being Chinese foreign policy and national security narratives, is that this idea of China's rise, people tend to talk about that as if it's inevitable, as if it's predetermined.

It seems to me that, yes, even the Chinese themselves use the term "peaceful development" more and more than "rise," but it's certainly an image I think they like to create in people's minds, especially important domestically when you have an authoritarian one-Party system because it adds legitimacy to the system, and it also helps to create a narrative that there is an inevitable rise with China because it increases their sense or perception of being extremely important to the interests of other countries in the region and allows them to get sort of their interests attended to in a better way.

But I just want to put that sort of marker out there that a rise is not necessarily in the cards in the future.

HEARING CO-CHAIR FIEDLER: Commissioner Wortzel. Second round.

COMMISSIONER WORTZEL: Second round. Okay. In your spirited defense of the rights of American citizens to state their opinions, I want to throw a question your way. I don't mean to pin you down, but you stimulated this.

Do you think there's a difference in perception among the average American if a former senior Defense official closes an op-ed by saying "Joe Bazatz" is the former Chief of Staff of the Air Force, as opposed to writing the same op-ed promoting a particular line regarding China if the opinion piece is closed by saying "Joe Bazatz" is a retired general who is part of a consortium doing business in China?

Do you think the American people might--it might be nice if they knew that?

MR. DENMARK: Thank you for pinning me down, sir.

[Laughter.]

MR. DENMARK: I think it's up to the individual to disclose what their background is and what their interests are. Frankly speaking, and I have a piece that was published on a completely separate topic, when I have a personal relationship with a person that I am either attacking or defending, I always say it in the piece itself.

But that's a matter of personal preference, and I would rather work in a system that allows people to choose for themselves than to try to figure out some system where a person's affiliation or financial record or tax return sheet has to be attached to everything that they write. I think that it's a matter of personal preference, and people, even if the normal American reading the USA Today does not understand the nuances of this, people in Washington who do make decisions, who are in the U.S. government, they know people's backgrounds, they know people's interests,

they know people's affiliations and relationships. And that's not something you get from the bottom of an op-ed.

MR. STOKES: I think Abe put it well, that it's really hard. I mean it's an individual choice, whoever, we have a free society, free speech, and I guess you can cast yourself in any way as part of your own perception management campaign in order to be able to buy your, in order to sell your message, and it's up to the reader to be able to sort of, be able to sort of parse where, what angle that they're coming from.

HEARING CO-CHAIR FIEDLER: Some newspapers have policies and others don't on op-ed issues. So--and they don't make it--they don't allow it to be a matter of personal choice in opinion columns.

Commissioner Shea had a second follow-up.

HEARING CO-CHAIR SHEA: Andrew Scobell, who you probably know, submitted some written testimony for this hearing, and it's called "The J-20 Episode and Civil-Military Relations in China." I thought it was very interesting and he points out, he's talking about the J-20 incident, of course, where the stealth fighter was flight tested the same day that Secretary Gates met with Hu Jintao, and Hu Jintao allegedly expressed that he was unaware that this flight test was occurring, or at least that's what some news reports indicated.

But Scobell, Professor Scobell, has a little chart where he has a little, four boxes where he says if this was done intentionally and in a coordinated manner, then it's of concern to the United States, but equally, if it was done unintentionally in an uncoordinated manner, it raises questions about civil-military relations in China.

Ultimately, he concludes that the incident "raises serious question as to whether a civil-military gap exists in China's peaceful rise. Fundamentally, the J-20 episode underscores the fact that civilian control of the military is underinstitutionalized in 21st century China."

I was wondering if you could comment on that, maybe starting with Mark?

MR. STOKES: I'll look at it closely, but on the J--it's an interesting issue with the key question being do the Chinese, did the PLA in particular do this, did they time the date of the first flight test on purpose to coincide with the visit of Secretary Gates?

Again, it's really hard to know, but I could sort of unfold my own scenarios on this particular issue. One is to be able to sort of get to the heart of this thing, you got to figure out where the first, pin down exactly where the first information on this flight test came out or the J-20, in particular, where did those first pictures come out?

Was it an amateur photographer who--when this first came out, and then the blogs or the bulletin board sites picked it up? And then you suddenly have proliferation, and you had the PLA or the Warfare Department or central government sort of getting into the, basically

exploiting the opportunity and using it to their advantage or at least damage control, whatever.

Secondly is looking at the nature of internal competition. The Chengdu Aircraft Factory, the Research Institute in particular, Design Institute, who are they competing with and who are the decision-makers?

For example, in the Air Force, their Equipment Academy, within the Equipment Department, PLA Air Force Equipment Department, as a potential sort of buyers, is this just a competing design, is this a prototype, and what's the role of Shenyang, for example, or does Chengdu have two--are there competing sort of things?

And could you have had sort of Chengdu Aircraft Factory being overzealous in a certain area?

Another thing is what else is going on at the time? There are so many tests that are going on in China at any one time with the J-20, of course, being a priority program, but you got ballistic missile tests. You got a new solid-fueled ostensibly ICBM being developed. You have more anti-ship ballistic missiles, which I guess theoretically is already IOC, but there's still going to continue to be tests on that.

So many programs that are going on that would be high priority as well, and the notion that, for example, Hu Jintao may not have been aware of this particular one at this particular time, it's plausible.

You can have a staff officer there who said, who himself said, "ah-ha, I'm going to play a joke on those Americans," and I think, let's--who signs off on the timing of some of these tests. He may have--it may have been a little lower level or who knows? It may have been Hu Jintao himself. We just don't know.

HEARING CO-CHAIR SHEA: Dr. Park? Mr. Denmark?

DR. PARK: I would just briefly add I think those are very important points, and when you look at it from the expansion of the military programs, the development in China, it's truly amazing, and I don't think we fully understand that as well.

Just to take a few steps back, looking at the whole launch of China's economic development in '79, the PLA companies were the ones who really got that started because they had the organizational structure and the capacity to do that. So PLA companies made cheap consumer products like toothpaste, electronic goods, and so forth.

Hu Jintao, before he became president, the last task he had was to oversee the divestiture of PLA company interests in the economy. So when you look at a lot of this type of military build-up, you have to start wondering what a fifth, fourth, you know, many-iteration-type PLA type company looks like because if there is this type of competition that Major Stokes mentioned, then this is something that is going to grow over time.

And certainly we saw the acceleration of it in response to things like the U.S.-ROK naval exercise. I think that's an unintended consequence.

That naval exercise was clearly targeted to send the message to North Korea, but it is also a pretext then used as a pretty strong convincing rationale in China in certain circles.

HEARING CO-CHAIR SHEA: Do you have anything to add?

MR. DENMARK: Dr. Scobell can always be relied upon for exceptional analysis.

[Laughter.]

MR. DENMARK: So I'm not surprised that he's done a good job again here. I agree with the general conclusion that these sorts of interactions are underinstitutionalized.

China does not have a National Security Council staff the way the United States does whose job it is to go into the different agencies and put together an inter-agency plan.

The only person who has arms into all of the different organizations and bureaucracies is Hu Jintao, and that's a big job for one person. So I, my personal instincts on this is that this was not an intentional deception coordinated by Hu Jintao laughing to himself that I'm going to show those guys.

HEARING CO-CHAIR SHEA: Right.

MR. DENMARK: But I do think my instinct on this is that there is probably someone deciding to send a message to somewhere, to the United States, that we have this capability, either by scheduling the test on the day of the visit or the day before the visit or allowing those pictures and videos to come out and not censoring them.

China has proved rather adept at censoring things that they don't like to see on their Internet, and I expect that if there was a message that they did not want to come out, somebody could have stopped it had they wanted.

With that being said, I agree with the conclusion that Mr. Stokes finished, which is ultimately we don't know what went on. We can speculate, but as with a lot of things, the opacity of their decision-making means ultimately we don't know.

HEARING CO-CHAIR SHEA: Okay. Thank you.

HEARING CO-CHAIR FIEDLER: Commissioner Bartholomew.

COMMISSIONER BARTHOLOMEW: Thanks very much.

Two comments and then I'll get to my question. One, Mr. Denmark, when you note that people here in the policy world know people's affiliations and associations, in some ways that comment makes it even of more concern that coming out of the Department of Defense was endorsements in a way that they haven't done before.

The second is that an essential tool for transparency is a free press, and I will note that mostly because I want to make sure that people recognize that there was a very interesting article that showed up in Mother Jones about Gaddafi-funded activities and some "formers" who were involved in that, and Mr. Stokes, you'll be very interested to note that it was

actually people on the right who forwarded that on to me. I had no idea they read Mother Jones. But it's an interesting example of how the media identifies some of these activities that are taking place and that people aren't self-disclosing, and they should be.

But, Dr. Park, you raised a very interesting point when you were talking about the views inside China about the global financial crisis and sort of what does it mean? Is it the failure of free market capitalism? And how is it to be interpreted?

But as you were talking, I found myself thinking what are we to make of China's significant and growing investments in countries where--it's not exactly significant with Iceland--but in countries that have had economic problems because of the global financial crisis, Iceland, Greece, for example, and their significant investments and growing investments in companies in countries like the United States and frankly around the world?

Is this being done, do you think, out of a belief that free market capitalism will recover? Is it being done out of a belief or an expectation that something else will prevail, and the Chinese government is planting the seeds of what they think? And if it's just being done for investment purposes, I mean you have to believe that they expect that there's going to be a return on that investment, which implies a recovery. Do you have any sense about what might be driving that and how that fits into an understanding?

DR. PARK: Well, the statements that are out there, they align very similarly to what Warren Buffett is saying: this is a good time to go and invest in things and buy things. You know Buffett is basically saying this is going to be an unprecedented time to make those big deals and have the type of performance that only, you know, some in the financial world dream about, and careers and reputations are made.

So if you look at the Chinese deployment of that investment either through their sovereign wealth fund, and sovereign wealth fund is basically investing in U.S. hedge funds, U.S. private equity firms, and then those U.S. entities going and doing their investment activity, that's a very opaque area because how the money flows and things like that, you're looking at the name of the U.S. company and a lot of transactions, and then the Chinese investment is pooled with a whole slew of other types of investments.

When you get into the direct investment by the Chinese, transparency is really important, and I think when it comes to things like investing in sovereign situations, the transparency is there. But this is going to be a new reality, and I think when you look at Chinese investment seeking a return, that's an important consideration.

But the other thing is the coupling of investment with resource security, energy security. Chinese entities, state-owned enterprises, they're not looking to make a short-term profit. This may be an investment that is dealing with technology and capabilities they don't have right now like

offshore drilling.

But certainly they're acquiring rights to even unproven fields, and trying to couple their activities, joint ventures, with, you know, in-the-region oil companies that have the technology to go about exploration and things like that.

It's a very--this is going to be a common thread. It's a very complicated picture, and you see the Chinese focused on particular goals and then seizing opportunities as they come along. I think that's one pattern that we've identified.

COMMISSIONER BARTHOLOMEW: Mr. Denmark.

MR. DENMARK: Very quickly, I would divide Chinese foreign investments into two groups:

One is political investments that we generally understand, investments that are not driven by profit, but driven by trying to build relationships overseas, gain access to technology, preserve access to resources, as Dr. Park was talking about, and those can be state-owned enterprises or privately owned, supposedly privately-owned companies operating in China or from China.

But the second group is pure profit-driven investment, and very quickly, I was recently, when I was most recently in China, meeting with a Chinese national who owns a private company who's doing overseas investments, and I asked him, you know, why are you investing in the United States, basically the question that you asked, and the short answer that he gave was because America is a good investment, that if you want, if you have a pot of money, and you're looking for stability and reliable growth over the long term, the United States is a good place to put it.

COMMISSIONER BARTHOLOMEW: That's interesting because Dr. Park's reference, of course, to Warren Buffett is, I mean he believes in the future of free market capitalism so there is certainly some cognitive dissonance going on in Beijing between the people who think that this crisis is the failure or the end of free market capitalism and where they're voting with their money.

Thanks.

HEARING CO-CHAIR FIEDLER: We started slightly late so I'm going to let Commissioner Mulloy make one comment before we close.

COMMISSIONER MULLOY: Yes. Dr. Park, you were quoting Mr. Buffett. I have great respect for Mr. Buffett, and one of the reasons I wanted to--I focus on the economic issues because we are the Economic and Security Review Commission, but let me bring an article that Warren Buffett wrote in Fortune magazine in October 2003 to your attention. The title of that article is "America's Trade Deficit Is Selling the Country Out from Underneath Us."

And here's kind of the theory: that when you're running trade deficits, you're shipping your dollars out there, the other guy ends up with your dollars. You end up with those trinkets here. And then he has your dollars

and he can come back and buy you, which is essentially I think what we're seeing now.

I mean we're going to see a lot of Chinese investment buying companies and influence in this country. So I think this is a very, very important issue. You mentioned, Mr. Denmark, that they're buying key technologies. I think you're absolutely right, and I think this Commission is going to do a hearing on that issue later this year; aren't we?

Thank you.

HEARING CO-CHAIR FIEDLER: Thank you very much, gentlemen. We appreciate it. And this hearing is hereby closed.

[Whereupon, at 2:47 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUPPLIED FOR THE RECORD

Statement of Dr. Alison A. Kaufman, Research Analyst, CAN

Testimony before the U.S.-China Economic and Security Review Commission
Hearing on "China's Narratives Regarding National Security Policy"

The "Century of Humiliation" and China's National Narratives

Commissioners: Thank you for this opportunity to share my thoughts on China's national narratives and their implications for Chinese foreign and national security policy. I want to note that the views I express in this testimony are my own and do not necessarily reflect the views of CNA or any of its sponsors or affiliates.

I have been asked to discuss the role that China's historical memories of subjugation at the hands of Western powers during the 19th and early 20th centuries play in PRC policy debates, particularly debates about the current state of geopolitics and about China's emergence as a great power. I will discuss how these experiences, and subsequent interpretations of them, have helped structure Chinese elite and popular views of China's past, present, and future role in the international realm. I will also note some implications of these views for China's current-day foreign policy, and for some of the attitudes that its influential thinkers display toward the United States.

There are five main points that I wish to make.

- First, the "Century of Humiliation" – a period between 1839 and 1949 when China's government lost control over large portions of its territory at the hands of foreigners – is a key element of modern China's founding narrative.
- Second, the Century of Humiliation is thought by many Chinese today to provide historical lessons that are taken as indicative of how strong Western powers tend to behave toward China.

- Third, the intellectual debates about the nature of international relations that took place during the Century of Humiliation underpin similar elite debates that are taking place in China today.⁷¹ Concerns with the nature of interstate competition, with the possibility for equality among nation-states, and with the question of whether the international system might evolve into something more peaceable in the future, remain salient topics of discussion and debate in China today.
- Fourth, although the PRC government maintains that the Century of Humiliation ended when the CCP won the Chinese civil war and established itself as the ruling regime, there remain several vestiges of that period that, in the minds of many Chinese, must be rectified before China's recovery will be considered complete. The most important of these – and perhaps the only one that is non-negotiable – is the return of Taiwan to the mainland.
- Fifth, there is significant lack of consensus among present-day Chinese elites about what the lessons learned from the Century of Humiliation mean for China's future trajectory in the global arena. The Century of Humiliation provides key frameworks through which Chinese intellectuals and policy-makers may view China's place in the world, but there is significant variation in their interpretations. We should be cautious about assuming that one path will definitely be chosen.

What was the “Century of Humiliation”?

Anyone who spends time reading Chinese newspapers or official speeches, or talking at length with PRC nationals, will eventually encounter the “Century of Humiliation.” This tale of loss and redemption, in which modern China was forged out of a crucible of suffering and shame at the hands of foreign powers, has become part of the PRC's founding narrative, in the same way that colonial Americans' chafing under British taxation and their subsequent battle for independence is part of ours.

This “long century” of 110 years opened in 1839, when Britain sent gunboats up the Yangtze River to compel China's rulers to open their ports and markets to the opium trade, at the beginning of what came to be known as the First Opium War. This experience, and subsequent interactions with other Western nations that made similar demands for trade access, marked China's first sustained exposure to the West, and highlighted imperial China's military and diplomatic weakness in the face of Western power.

The shock to the Chinese worldview cannot be overestimated. Historically, China had sat comfortably at the center of a ring of tributary relationships with its neighboring countries. Its rulers had limited familiarity with any civilization outside of Asia, and in their few contacts with Westerners had made clear that they expected the same deference from far-away leaders as they did from those on their periphery. Now, in the space of a little over a century, China suffered a long list of political, military, and cultural indignities, including the following:

- China was forced to open and effectively cede control over a series of “treaty ports” along the Chinese coast and the Yangtze River, in which a number of foreign powers enjoyed extraterritorial privileges. China also ceded Hong Kong and other territories entirely.
- Japan, which the Chinese historically had regarded as an inferior, “younger brother,” was also challenged by the West, but its rulers proved to be far more adept than China's at remaking their political and military system to meet these new challenges. By the mid-1890s, Japan's military was strong enough to defeat China's and to gain control over Taiwan and portions of Manchuria. In the 1910s and again in the 1930s, Japan encroached ever further into Chinese territory.

⁷¹ By “elites,” I refer to high-ranking members of the Chinese government, the Party, the military, and government-affiliated think tanks and research organizations.

- Throughout the 19th century, China was riven by massive rebellions in which tens of millions of people died; these uprisings were frequently fanned by popular opposition to the growing foreign presence and by the imperial government's acquiescence to foreign demands.
- Independence movements in Tibet, Mongolia, and Xinjiang in the 1910s, '20s and '30s further reduced China's territory.
- The millennia-old imperial system collapsed forever in 1911, leading to an extended period of further chaos in which the new, nominally republican government was unable to control large swaths of China's remaining territory.
- The eight-year long war against Japan (World War II) and the multi-decade Chinese civil war between the Chinese Communist (CCP) and Nationalist (KMT) Parties devastated the Chinese landscape and tore its people apart.

This period was deemed to have ended only when the CCP and the Red Army (the predecessor of today's People's Liberation Army, or PLA) won the Chinese civil war, drove Chiang Kai-shek's KMT off the mainland, and established the People's Republic of China on October 1, 1949.

The Century of Humiliation as legitimizing narrative for the CCP and PLA

The experiences of the late 19th and early 20th century became an indelible turning point for China. An American author wrote in 1959 that "The Chinese have one very broad generalization about their own history: they think in terms of 'up to the Opium war' and 'after the Opium war'."⁷² This remains true to this day. This period was crucial for Chinese scholars and statesmen – both at the time and today – both as a founding moment for modern China, and as the source of a number of lessons about the nature of national power and of the modern international system. The experiences of the Century of Humiliation drove these figures to ask: Why were Western nations strong and China weak, and how might China improve its situation?

There emerged a wide range of competing answers to these questions. Chinese thinkers tended (in keeping with their 19th-century Western counterparts) toward cultural explanations of China's inability to compete in the modern international system. For instance, they asserted, Western nations since ancient Greece have been oriented toward active, often militarily aggressive, interstate competition. China, on the other hand, was thought to have a national culture that was noncompetitive, non-striving, and defensive.

At the time that these contrasts were first drawn, many Chinese figures thought the Western way of doing things was better, and portrayed China's people as stagnant, complacent, and backward. The West's invasion and subjugation of China was seen by many of these thinkers to be a natural outcome of national strength. Many of these thinkers concluded that the way for China to grow stronger in the international arena was for it to become more like the West – by creating new forms of government, by reforming its social structures and values, by strengthening its military, or by some combination of these.

Over time, however, an earlier diversity of views began to crystallize into a consensus in China that the problem lay not with China but with the West. By the 1920s the strident articulation of this view had become a useful way for China's emerging political parties to appeal to the angry nationalism of China's increasingly active popular movements. For instance, China's many enforced agreements with foreign power come to be collectively labeled as "unequal treaties"⁷³ that made it impossible for China to gain power under existing international law – a term that persists to this day.

⁷² Richard Harris, "China and the West," *International Affairs* 35:2 (April 1959), p. 162.

⁷³ See especially Zhitian Luo, "National Humiliation and National Assertion: The Chinese Response to the Twenty-One Demands," *Modern Asian Studies*, 27:2 (May 1993), pp. 297-319; and Dong Wang, "The Discourse of Unequal Treaties in Modern China," *Pacific Affairs* 76:3 (Fall 2003), pp. 399-425.

Today, this narrative has become a key legitimizer for CCP rule, because the CCP is portrayed as the *only* modern Chinese political party that was able to successfully stand up to foreign aggression. In the words of a current-day Politburo member, “the establishment of new China [i.e. communist China] ... put an end to the situation in which old China was split up, the nation was subject to humiliation, and the people experienced untold sufferings.”⁷⁴ The ability of Mao Zedong’s government to effectively wield diplomatic, economic, and military power are depicted in CCP and PLA literature as having started China down its present path to global influence. Chinese propaganda glorifies the exploits of the PLA and the Red Army in fighting off China’s would-be subjugators, including the Japanese, the KMT army, and the United States in Korea, and the PLA teaches its personnel that China’s Communist forces have never lost a war.

This narrative allows China’s government and people to interpret contemporary successes through the lens of earlier failures.⁷⁵ The scholar Peter Hays Gries, analyzing the popular and official outcry that resulted after the accidental 1999 US bombing of the Chinese Embassy in Belgrade, provides one example when he quotes a *People’s Daily* article that makes explicit reference to the Century of Humiliation:

This is 1999, not 1899. This is not ... the age when the Western powers plundered the [Chinese] imperial palace at will, destroyed the Old Summer Palace, and seized Hong Kong and Macao ... China is a China that has stood up; it is a China that defeated the Japanese fascists; it is a China that had a trial of strength and victory over the United States on the Korean battleground. The Chinese people are not to be bullied⁷⁶

A persistent feeling of insecurity

Despite China’s recent successes, deep-seated suspicions of Western intentions linger, and are stoked by the CCP’s continual employment of the Century of Humiliation narrative. CCP and PLA writings still present China as the perpetual and innocent victim of Western nations’ continued determination to subjugate it. Recent PLA publications on martial strategy, for instance, assert that Western nations are fundamentally rapacious, greedy, and aggressive, having grown historically out of “slave states [that] frequently launched wars of conquest and pillage to expand their territories, plunder wealth, and extend their sphere of influence.”⁷⁷ Such writings often add that China, by contrast, is by nature a “peace-craving and peace-loving” nation.⁷⁸ In this view, because the West has not fundamentally changed, China must seek peace, but prepare for war. Hence President Hu Jintao, in a 2004 speech laying out the new “historic missions” of the People’s Liberation Army, warned that “Western hostile forces have not yet given up the wild ambition of trying to subjugate us.”⁷⁹

Framing China’s current situation

⁷⁴ Liu Yunshan, “Jifa aiguo renqing, zhenfen minzu jingshen, ningju renmin liliang” (Stimulate a passion for patriotism, inspire national spirit, and pool the people’s efforts), transcript of a public speech, *Renmin Ribao* (14 April 2009), p. 162.

⁷⁵ Many Western authors have written about this phenomenon; for just a few of the best, see the recent works of William A. Callahan, Paul A. Cohen, and Peter Hays Gries.

⁷⁶ Han Zhongkun, “Zhongguo, bushi yibajiujiu” (This is not 1899 China), *Renmin Ribao*, 12 May 1999; quoted in Peter Hays Gries, “Tears of Rage: Chinese Nationalist Reactions to the Belgrade Embassy Bombing,” *The China Journal*, No. 46 (July 2001), p. 32.

⁷⁷ Peng Guangqian and Yao Youzhi, eds., *The Science of Military Strategy* [English edition] (Beijing: Military Science Press, 2005), p. 426.

⁷⁸ Lin Chengdong and Chen Zhongdong, “The Importance of National Defense Construction and Army Building in the Overall Layout for Socialism with Chinese Characteristics,” *Jiefangjun Bao* (6 October 2007), p. 6.

⁷⁹ Hu Jintao, “Renqing xinshiji xinjieduan wojun lishi shiming” (Understand the new historic missions of our military in the new period of the new century), 2004.

This persistent feeling of insecurity today is used by China's leadership – and by its people – to frame both China's current national concerns and its future national aspirations. China is often portrayed as having suffered three kinds of loss during the Century of Humiliation: a loss of *territory*; a loss of *control* over its internal and external environment; and a loss of *international standing and dignity*. Each of these represents an injustice to be rectified.

On the issue of territory, there is a fairly straightforward consensus that China's work is not yet done. From the height of China's regional power during the Ming Dynasty (1368-1644) to its nadir in the 1920s, China effectively lost control over one-third of its territory, a process that later came to be referred to as being "carved up like a melon" (*guafen*). Thus far the PRC has been able to reassert control over Tibet, Xinjiang, and Hong Kong, but not over Taiwan – and the view is nearly unanimous that the losses of Century of Humiliation will not be fully rectified until Taiwan is returned to the mainland. This is considered a non-negotiable policy, a "sacred duty of all the Chinese people," and indeed this position has been strengthened in recent years with the passage of the PRC's 2005 Anti-Secession Law, which made clear that China was prepared and willing to use force to compel reunification if it could not occur peacefully.⁸⁰ Other, smaller pieces of territory – in particular a number of disputed islands in the Yellow, East China, and South China Seas – are often also encompassed in this narrative, but this is less universal and of more recent provenance.

More contentious, in discussions among current-day Chinese intellectuals and government figures, is how China should exert control over its external environment and improve its international standing. The international arena in which China operates today is viewed by most in the PRC as originating in the hostile, Western-created system of the 19th century. But there is significant difference of opinion among Chinese elites on whether a stronger China can work within that system to improve its situation, or whether it ought to seek either to avoid or to transform the current international order.

How the Century of Humiliation shaped Chinese views of the international system

The Century of Humiliation exposed Chinese intellectuals to a different way of thinking about international relations. By examining their own situation alongside the theoretical writings of Western historians and social scientists, these figures developed some key areas of consensus about the nature of interstate relations. These included (but were not limited to) the following propositions:

- Human history is driven by competition among groups of peoples – in the modern world, by competition among nation-states.
- The well-being of a nation is tied to its ability to compete in the international arena; it is not possible to "opt out" of competition among nations.

Key debates also persisted. Some of the major questions raised included:

- Could competition among nations be restricted to the intellectual realms, so that military and political equality in the international arena is possible?
- Might competition among nations eventually cease altogether, leading to global peace and harmony?

Both the propositions and the debates have become key elements of today's elite intellectual and political discourse in China. As the PRC has emerged onto the world stage as a major power, discussions among Chinese intellectuals about the nature of the international system and China's place in it have again become prominent, resulting in countless articles published in government- and military-affiliated journals regarding the "international system," "international order," "global order," and so on. Drawing on the insights and debates of their 19th century

⁸⁰ "Text of China's Anti-Secession Law" (14 March 2005), <http://news.bbc.co.uk/2/hi/asia-pacific/4347555.stm>.

predecessors, the authors of such pieces are concerned to understand the fundamental nature of interactions among states and to determine how China might turn this dynamic to its own advantage.

These figures agree on the fact that China's global power and influence are rising, but they do not agree on what this means for its future relations with other countries. Chinese intellectuals today offer at least three views of how China should interact with other nation-states. All start from the implicit premise that today's international system has not changed in its essence from the 19th century, in that it is composed of strong and weak nation states that vie for dominance in the global stage. In the current era, the US is viewed as the strongest country in the world – and thus the one most able and likely to wield power against other nations. These figures also tend to presuppose that Western powers – again, particularly the United States – have the assertive, militaristic orientation summarized in the previous section. And they further assume that the West has a vested interest in maintaining the international system that it created.

However, they disagree on the question of whether a different international system is possible in the future, and they disagree on whether – if so – China is yet, or will ever be, sufficiently powerful to alter the current system. They therefore come to different conclusions about how China should position itself vis-à-vis the global order in general, and the United States in particular.

These three schools of thought can be summarized as follows.

View #1: The current international system is harmful for China, and therefore China should keep its participation in that system cautious and minimal

Few Chinese advocate total non-involvement in the international system. Many, however, express discomfort about engaging substantially in the global arena as it currently stands. In their view, the West remains committed to aggressive competition, and China remains vulnerable. They posit that the international system has not changed significantly since the Century of Humiliation, and that it cannot be changed significantly in the future. In their view, this system persists for one of two reasons: either because international relations are *inherently* characterized by a competitive, usually conflictual dynamic between nations of unequal status, or because Western powers – particularly the United States – have a vested interest in retaining this system even if another way is imaginable.

This view puts China on the defensive. Such figures caution that engagement is highly risky, asserting that because the current international system reflects Western interests, it will allow China to engage only as a way of protecting the Western-dominated status quo. In their view, attempts by international institutions or individual Western nations to dictate how China should behave are simply more sophisticated ways of making “unequal demands” on China. Several Chinese intellectuals have, for instance, attacked the US's desire for China to become a “responsible stakeholder” as a “colonialist” viewpoint that is aimed at having weaker countries shoulder the burdens of stronger ones.⁸¹ They express concern that taking on such burdens could weaken China rather than strengthen it, and that such is perhaps the US's intent: “Some countries, especially the United States, may take advantage [of the concept of international responsibility] to impose on China some responsibilities that it cannot undertake in its present stage of economic development, and use this to slow the speed of China's development.”⁸² As a result, China's “vulnerability in China-US relations will increase.”⁸³

⁸¹ E.g., Ma Zhen'gang, “Zhongguo de zeren yu ‘Zhongguo zeren lun’” (China's responsibility and the ‘China responsibility theory’), *Guoji Wenti Yanjiu* 2007-03 (May-June 2007), p.2; Ding Yifan, paraphrased in Li Nan, ‘Zhongguo de guoji zeren guan’ yanjiuhui zongshu” (Summary of Seminar on “The Concept of China's International Responsibility”), *Dangdai Yatai* 2008-06 (November/December 2008), p. 152.

⁸² Li Nan, “Summary of Seminar on ‘The Concept of China's International Responsibility,’” pp. 151-152.

⁸³ Wang Te-chen, “Zhong-Mei yuedi duihua zhuanjia cheng yin guangfan” (China-US dialogue will start toward end of this month; expert says the subjects will be wide-ranging), *Da Gong Bao* (22 July 2009).

From the US standpoint, this is probably the most dangerous school of thought. It paints China as both a defensive and a dissatisfied rising power: as one professor wrote in 2008, “China is not satisfied with this arrangement, but lacks the capability to manipulate it.”⁸⁴ And it blames Western nations for this unsatisfactory situation, portraying them as fundamentally unable or unwilling to restore China to a position of respect and influence in the global arena. It further promotes the importance of building up China’s diplomatic and military strength as quickly as possible, to make it more able to stand up against future foreign aggression. For instance, PLA Major General Zhu Chenghu has explained China’s desire for rapid military modernization as stemming from these experiences: “In modern times China suffered over 100 years of being invaded. As the popular saying goes, once bitten by a snake, a person may be afraid of a rope for ten years.”⁸⁵

View #2: China should use its growing influence to adapt the existing system

An alternative viewpoint contends that China should accept the current international system. For these figures, China has already achieved an acceptable level of attention and respect from the world, or is close to doing so – thus restoring its lost national dignity. Some suggest that China’s historical humiliations of the 19th century have been overtaken by its growing power and influence in the 21st: after the conclusion of the successful Beijing Olympics, for instance, one commentator wrote in *China Daily* that “having realized the ‘dream of the century,’ perhaps it is time to relegate the ‘Century of Humiliation’ to history where it belongs ... The glow of the Games should have dispelled any lingering bitterness from the humiliating defeats China suffered at the hands of imperialist aggressors in the past century.”⁸⁶

These figures tend to argue that China’s growing power and influence have brought it closer to equality with the great powers, so that it can now successfully interact with them without fear of subjugation. Indeed, some imply that in a world of more equal powers, the more harmful aspects of international competition may be tempered – thus creating a less conflictual, more equitable world going forward.

Two separate commentaries on the US-China Strategic and Economic Dialogue provide a useful example. One author wrote that “The premise of ‘dialogue’ is equality ... [it] differs from negotiations in that it seeks as much mutual understanding as possible ... ‘dialogue’ does not involve competition to gain the initiative.” Another added that the premise of establishing the S&ED was that “in order to play an important role in major international and regional issues, the United States needs to cooperate with China, and the two should not cut the ground from under each others’ feet or come into conflict with one another.”⁸⁷

In this view, a rising China should seek to understand, respect, and engage with the present-day international system. A professor at Fudan University’s School of International Relations and Public Affairs has written, for instance, that “as a newly rising great power, China needs [to spend] more time to learn the rules of the game among the great powers and should respect and be sensitive to those rules.”⁸⁸ These “rules” include the obligation

⁸⁴ Liu Jinghua, paraphrased in Li Nan, “Summary of Seminar on ‘The Concept of China’s International Responsibility,” p. 152.

⁸⁵ Wu Yurong, “Meiguo yaoqiu Zhongguo duideng junshi touming bu heli, ye wufa shixian” (The US demand on China for equal levels of military transparency is neither reasonable nor feasible”), *Dongfang Zaobao* (13 November 2009).

⁸⁶ Hong Liang, “Time to Drop the Baggage of History,” *China Daily* (2 September 2008), http://www.chinadaily.com.cn/opinion/2008-09/02/content_6988865.htm.

⁸⁷ Lu Ning, “Zhong-Mei zhanlüe yu jingjui duihua kaishi ‘pingqi pingzuo’” (China-US Strategic and Economic Dialogue begins on an ‘equal footing’), *Beijing Qingnian Bao* (29 July 2009); Zhang Rui, “Zhong-Mei zhanlüe yu jingji duihua de liangdian yu kandian” (Highlights and viewpoints on the Sino-US Strategic and Economic Dialogue), *Zhongguo Jingji Shibao* (30 July 2009).

⁸⁸ Shen Yi, “Consensus Based on Mutual Respect and Equality: The Cornerstone of ‘Strategic Reassurance,’” *Pacnet* 73A (12 November 2009), p. 1.

to engage. The general consensus among this group seems to be that China should seek to move to a more central role on the international stage – where it will have more influence, but also greater responsibility. Much of the PRC's participation in multilateral activities such as peacekeeping and anti-piracy operations are couched in terms of China's responsibility to undertake "international obligations" to cooperatively address problems of global concern.⁸⁹

At the same time, these thinkers suggest that a more powerful China can inject into this system the peaceful cultural values that it inherited from its past and that were reinforced by China's experiences during the Century of Humiliation – thus adapting and improving the current system without fundamentally changing it. These values include, for instance, the need to protect weaker states from subjugation by strong ones. China's insistence on a multilateral approach (particularly through the UN) to global challenges such as piracy and peacekeeping is often couched in these terms, "so that future matters in the world cannot be dictated by one single country or group of countries."⁹⁰

For the US, this is potentially the most productive line of reasoning. This view essentially paints China as a satisfied rising power. Its confidence in the respect and equality it receives from other strong nations allow China's leadership to slightly modify earlier stances on issues, such as its long-standing opposition to 'interference' in other nations' domestic affairs, in order to work cooperatively with other nations to secure international peace and stability.⁹¹

View #3: China can help transform the international system to one that is more equitable and non-competitive

Finally, a third school of thought contends that the international system is malleable and that China can – and should – play a central role in transforming it into a different system in the future. This view derives elements from both of the previously-discussed viewpoints: its adherents agree, with those who are suspicious of current arrangements, that the present-day international system is inadequate to meet the needs and interests of many nations including China; and they suggest, along with those in the second camp, that China is now in a position to actively shape the international system. Where they differ from both is in their assessment that the current system can be peacefully transformed into something entirely new: a non-competitive, non-conflictual model of international relations.

China has made a call for such interactions in its bilateral relations for some time. The "Five Principles of Peaceful Coexistence," established in the early 1950s, and the more recent "New Security Concept" (1997), establish the importance of "dialogue, cooperation, mutual trust, mutual benefit, equality, and coordination." Many in China have called for a broadening of these values to encompass the entire world, asserting that it is now time for all nations to move beyond the competitive international system. They argue, for instance, that zero-sum, conflictual relations between nations are disadvantageous even to those that occupy a strong position in the system. They remark that the US's continued adherence to what they label a "Cold War mentality" of international competition makes it impossible to establish cooperation or lasting global peace.⁹² In a new international order, they assert, the world must move beyond "conventional alliance-based systems of security" and allow "states to treat each other as neither friend nor foe."⁹³

⁸⁹ Zhang Rui, "Highlights and Viewpoints on the Sino-US Strategic and Economic Dialogue."

⁹⁰ Former Foreign Minister Li Zhaoxin, quoted in "China denounces unilateralism [*sic*], external interference in its internal affairs," *Renmin Ribao* (English edition) (7 March 2004).

⁹¹ Allen Carlson, "Helping to Keep the Peace (Albeit Reluctantly): China's Recent Stance on Sovereignty and Multilateral Intervention," *Pacific Affairs* 77:1 (Spring 2004), p. 10.

⁹² See, e.g., Xia Liping, "Lun Zhongguo guoji xin linian zhong de xin anquan guan" (The New Security Concept in China's new thinking of international strategy), *Guojia Wenti Lun*, 34 (Spring 2004), pp. 4-23.

⁹³ Shi Jing, "Getting China Right: The Chinese World Order and Asia-Pacific International Integration," *Xiandai Guoji Guanxi* (English-language edition), 18:6 (Nov-Dec 2008), p. 86.

In establishing this new order, they say, China is uniquely qualified to lead the way. Like their 19th-century predecessors, they assert that there are fundamental civilizational differences between China and the West that shape the vision each has of international relations, and add further that China's perspective is superior – both because of its inherently peaceful cultural outlook, and because China's experiences during the Century of Humiliation have made it more sensitive to the necessity of maintaining equitable, harmonious relations among nations. In 2009, for instance, then-PRC Ambassador to Great Britain explained in a public speech that “China has never been a country that enjoyed war. The essence of Chinese culture opposes aggression and hegemony ... The Chinese people were victims of aggression and bullying, and will never agree to make their own country one of hegemony.”⁹⁴ As a result, she remarked, a powerful China could act differently from all other rising powers in the past.

This position posits that as China's power and influence in the international system continue to grow, it is in the interest both of China and of other powers to seek peaceful transformation of the global system. If this commitment to a peaceful transition is sincere, it holds great prospects for international cooperation. However, this position does not assume a transformation in the mindset of other great powers; most of these thinkers still assert that Western nations have a “hegemonic” mindset that will make this transformation unpalatable to them. Thus China must work hard to persuade these powers that a more harmonious international order is in all their interests.

This view holds mixed possibilities for the United States. On one hand, it places high value on peaceful, equitable interactions between nations that could be used as an aspiration for future Chinese behavior. On the other hand, it maintains that China and the West maintain fundamentally different worldviews, thus allowing for continued suspicion of Western motivations. It is also worth noting that this position, despite its seemingly revolutionary views on interstate relations, in fact retains many of the principles of the current system. Chinese elites still discuss foreign policy in terms of China's “national interest”; they do not question the existence of nation-states; and they remain deeply rhetorically committed to the principle of state sovereignty – thus suggesting that there remain many limits to China's willingness to accommodate other countries' interests.

The road ahead

What do these different lessons from the Century of Humiliation mean for the future direction of Chinese foreign policy?

Beyond the near-unanimity on the importance of restoring Taiwan to PRC control, there is little agreement on China's future global position. In presenting this panoply of worldviews, experiences and lessons from the Century of Humiliation, my aim has been to show that although there is a high degree of consensus within the PRC on where China has come from, there is far less on where it is going and how it should behave in order to get there. Moreover, although all of the viewpoints presented here assume that China's growing economic, military, and diplomatic power allow it more control over its destiny than in the past, they do not agree on whether the current level of power is enough to overcome China's past humiliations. These debates show us that China's elites are themselves still trying to figure out what China's increased capabilities and global standing mean for its future role in the international system.

As observers of China's foreign policy debates, we should not assume that the valorization of China's defensive stance and its stated preference for peace and harmony is disingenuous. The notion that China is fundamentally culturally different from Western nations has been inculcated in many generations of young Chinese, and I believe this view is sincerely held by many in China today. Trying to persuade China's leaders through rhetoric or historical example that the US has or has not behaved a certain way in the past is almost certainly a useless endeavor.

⁹⁴ Ambassador Fu Ying, “Is China a Power? Speech at Oxford University” (18 May 2009).

Rather, the aim of US interactions with China should be to show its leading thinkers and policy-makers why one future path is preferable for Chinese interests than another. US policy-makers must assess the extent to which the founding narrative of the Century of Humiliation, and the values and aspirations derived from it, can be used today to persuade China's leaders to move down an accommodating, peaceful path. Some of the viewpoints presented here promote cooperation with other nations, while others put China in a permanently defensive position.

Moreover, we should keep in mind that these narratives have shown themselves to be sufficiently flexible to allow China's leaders to modify certain firmly-held stances, such as the principle of non-intervention, as China's national needs and interests have changed. This suggests that, if approached with sensitivity toward lingering national suspicions and fears, there is the possibility of further evolution in the future, even on issues where the current distance between the US and the Chinese positions is great. The aim of US policy toward China on issues that touch on historical sensitivities should be, in part, to help China's leaders to "save face" in front of the Chinese populace, so that they are not backed into a corner by their long-standing rhetoric and their sincerely-held concerns.

Statement of Dr. Gary Rawnsley, Professor of Communications, University of Leeds (UK)

Panel II: The Chinese Government's Formulation of National Security Narratives in Media and Public Diplomacy

Professor Gary D. Rawnsley, University of Leeds (UK)

Propaganda to foreign audiences: Public Diplomacy and Soft Power

The reasons why the Chinese Communist Party (CCP) continues to practice propaganda have changed in the last thirty years, as have its objectives and the methods of its delivery. No longer are communications and persuasion occupied by revolutionary ambitions to convince the masses (at home or overseas) of the correctness of the Communist Party's direction, or by the goals of social and ideological transformation; now the propaganda is structured around three inter-connected pillars of economic development, maintaining the authority and legitimacy of the Communist party following the doctrinal demise of Communism (and avoiding a Soviet-style collapse), and consolidating the national unity of the Chinese people. This adjustment was signalled in an internal speech by a Party leader of Suixi County government in 2007 who connected economic development to the tasks of 'external propaganda' (*duiwai xuanchuan*): 'The current mission of the external propaganda is to effectively promote each region, each sector to the outside world, in order to attract outside investors' attention and build up outside investors' confidence. We can safely say that the purpose of doing external propaganda work is to attract outside investment and undertake commercial projects.'⁹⁵

There is no doubt that China is successfully exporting the economic imperatives behind its remarkable growth. By 2006 China had become the world's second largest economy after the United States with an average growth rate of 9 percent. However, China has difficulty in selling its political values except to governments in need of, or experienced in, undemocratic politics. The so-called 'China model' connecting an attainable economic paradigm with a set of specific cultural and political values – authoritarian state-led management, "Asian Values", etc. – has proven attractive to many developing nation-states around the world (even Hugo Chavez, President of Venezuela, has referred to the 'great Chinese fatherland'). By contrast the liberal-democratic world is not yet convinced by the political dimension of the China model. As Huang and Ding (2006) have noted 'A country's economic clout reinforces its soft power if others are attracted to it *for reasons beyond trade, market access or job*

⁹⁵ 'How to do propaganda work for a foreign audience,' available at http://chinadigitaltimes.net/2007/11/how_to_do_propaganda_work_for_a_foreign_audience.php, accessed 1 December 2007.

opportunities' (emphasis added)' ('Dragon's Belly: An analysis of China's soft power', *East Asia* Vol.24:4). So far, there is little evidence that political or ideological motivations trump the economic benefits of associating with China.

Moreover, China devotes considerable resources to foreign aid, also a valuable instrument of public diplomacy and propaganda. While the actual size of China's foreign aid budget is unknown (the PRC government does not release information about its foreign aid programmes), estimates place the totals between 2003 and 2007 anywhere between \$970 million and \$27 billion depending on which definition of 'aid' one accepts.

We should not be surprised that China pursues a political agenda through its aid programme. In September 2005, while on a visit to New York, President Hu Jintao promised \$10 billion in Chinese aid over the next three years to the poorest countries ... with diplomatic ties to China, suggesting that countries which recognise Taiwan would reap substantial economic benefits if they switched their recognition to Beijing. Here there is a clear reason to be apprehensive of claims that Chinese public diplomacy is working. The motivation for small and/or developing nations to switch their allegiance from Taiwan to China has little to do with persuading them of the intricate political and legal arguments for doing so and almost everything to do with the promise of more financial rewards than Taiwan can offer. As Taiwan's *Free China Review* noted in 1998, 'in diplomacy, you can't buy friends, you only rent them.'

It is clear that since 2004 the CCP has become increasingly sensitive to the way its propaganda work is viewed by the world outside China, as indicated by the re-branding in English (and in English only) of the Propaganda Department as the Publicity Department.⁹⁶ This re-classification of activities is associated with the CCP's development of new ways to engage in propaganda and censorship – in China as elsewhere it is impossible to separate the two – partly in response to the momentum of events such as the 1989 Tiananmen Square massacre and the outbreak of SARS in 2002, and partly because of the rapid and dramatic transformation of the communications landscape.

There can be little doubt that China has embraced the concepts of public diplomacy and soft power with an enthusiasm rarely seen in other parts of the world. In 2004, China's Ministry of Foreign Affairs and Trade established a Division of Public Diplomacy within the Information Department. The Assistant Minister of Foreign Affairs said that China needed to 'catch up with the development of public diplomacy in some developed countries'. The PRC clearly recognised that if it wanted to participate fully in a globalised international environment, present as a serious commitment its 'peaceful rise' (a nice public diplomacy slogan), challenge what the Chinese consider the distortions in the western media reporting of China then it needed to get its own voice heard, and engage more with foreign publics. Chinese discourses on soft power privilege culture as a major resource in the international arena. So, Chinese soft power tends to emphasise China's cultural traditions – language, literature, philosophy, medicine, cuisine, martial arts and cinema. In other words, there is a tendency to focus on the idea of Chinese civilisation, and especially its continuity (the Confucius Institutes, for example, which have met limited success where host organisations are suspicious of their method and motive) and the reassertion of Chinese superiority.

The problem is how to determine whether this cultural attraction translates into power and influence. The consumption of a cultural product does not necessarily mean the consumer will be attracted to the political values or ideals of the source. Governments and other actors within nation-states may be able to control the design, the message and transmission of soft power or public diplomacy, but they can exercise no comparable control over reception.

It is still too early to discuss the results of China's soft power crusade; attitudes and opinions take time to develop, and so far it is not possible to identify a positive correlation between Chinese soft power and Chinese

⁹⁶ At the same time, the Chinese called President George Bush's Global Communications Office 'Propaganda Office' (*xuanchuan bangongshi*), thus suggesting that 'they' - 'foreigners' – also do propaganda. I am grateful to my PhD student, Mandy Tao, for pointing this out to me.

foreign policy objectives or achievements. Also this is confusing the *principle* of soft power with the *instruments* of soft power.

In his book *Soft Power* (2004: 31-2) Joseph Nye argued that

The countries that are likely to be more attractive and gain soft power in the information age are those with multiple channels of communication that help to frame issues: whose dominant culture and ideas are closer to prevailing global norms (which now emphasize liberalism, pluralism and autonomy) and whose credibility is enhanced by their domestic values and policies.

Leaving aside the problems in this quotation – what are ‘prevailing global norms’ and who decides? Why are liberalism, pluralism and autonomy necessarily ‘global norms’ - Snow (2009: 4) comments: ‘The US is at a comparative advantage with the first two and at a decisive disadvantage with the last dimension.’ This book will suggest that China is at a similar ‘decisive disadvantage’ in all three areas. Beijing has difficulty persuading the liberal-democratic world that China’s agenda is compatible, if not consistent, with the norms and values of democracies; China is only just developing the capacity to frame stories in the global news media, but this remains limited; and China’s domestic and international behaviour does not inspire confidence (though some progress has been made following Beijing’s decision to become a more responsible world power. Examples here include the PRC’s position and value in helping western powers in their relationship with North Korea; the so-called ‘Good neighbour policy’ in South East Asia; and China’s growing involvement in international organisations such as the UN. However, it only takes one episode to undo any good work; continued belligerence against Taiwan, policies in the Sudan, and crackdowns in Tibet and the international repercussions during the Olympic Torch Relay have tend to undermine almost in an instant any credibility and soft power capital the PRC has accumulated in other areas. In the US after 9/11 it was common to hear Americans, including President George W. Bush, ask: ‘Why do they hate us?’ In public diplomacy terms, this immediately begs a second question in response: ‘Why don’t you ask them?’

The Chinese often ask a similar question, especially of the western media: Why do they criticise us so much? Zhao Qizheng, Director of the Foreign Affairs Committee and former director of the State Council Information Office, has often talked about the need for China to develop a soft power strategy in response to the alleged demonization by the western media and the constant chatter in some quarters about the so-called China threat. ‘This situation,’ said Zhao, ‘requires China to pro-actively establish a public diplomacy policy to improve the international image of China.’ While the idea of demonization is extremely problematic – in accepting the existence of a political conspiracy among the western media one is conveniently ignoring the differences in professional news values between Chinese and non-Chinese media and audiences – this statement is intriguing because it reveals high-level acknowledgement of the need for public diplomacy and a motive for doing so, however specious and reactive that motive may be.

However, first it is important to get the image right. If the question is ‘Why do they hate us?’ perhaps another satisfactory response might be: ‘Do they really know us?’ which is immediately followed by another crucial question: ‘Do we know ourselves?’ Public diplomacy must begin by understanding who ‘we’ are before we attempt to understand the audience with whom we wish to communicate.

We cannot deny that the Chinese think they know who they are: the PRC has a strong self-identity (even though it is often contradictory, hence William Callahan’s description of China as the *Pessoptimist Nation* (2009)); and this identity is increasingly based on power and self-confidence – the idea of *Zhongguo* and (inter)national recovery, rapid and widespread economic development, and increasingly (and perhaps disturbingly) a form of radical nationalism. While China’s enthusiastic embrace of soft power and public diplomacy is welcome as an alternative to the dependence on hard power, does China listen enough to a wide range of actors and institutions to understand why the international community is sometimes so critical of its actions and behaviour?

Nye has used the term ‘meta-soft power’ to describe ‘the state’s willingness to criticise itself. For Nye, such capacity for introspection fundamentally enhances a nation’s attractiveness, legitimacy and reliability’

(Watanabe & McConnell, 2008: xiii; see also Watanabe, 2006). Again, this is a useful criterion to measure China's success (or lack of it) for the leadership in Beijing has not readily demonstrated any capacity for national self-criticism. The problem for China is that the west has been attracted to China, but engagement with the international community also exposes the PRC to criticism. I suggest that the reaction among the Chinese that greeted the pro-Tibet protests during the torch relay demonstrates that China is having great difficulty in coming to terms with the idea that international accountability is a natural consequence of international engagement. Television pictures of the aggressive behaviour of blue track-suited torch guards against pro-Tibet demonstrators in Paris, London and elsewhere merely drew attention to the issues that Chinese public diplomacy has tried to overcome, and reminded viewers of Tiananmen Square, the absence of human rights and the denial of free speech inside China; or at least the guards' behaviour gave the western media the pretext to remind viewers about these issues. (It should also be noted that French, American and British public diplomacy – at home and abroad – was damaged by the governments and police of those countries allowing the Chinese torch guards to behave in such an aggressive manner. Only the Australian government clearly and openly prevented the Chinese police from acting in this way.) Moreover, the mobilisation by China's embassies of Chinese communities, and especially students around the world to guard the torch and protest the media bias again brought to the surface worrying questions about unchecked nationalism.

It is not yet clear if China has the capacity to convert soft power and public diplomacy resources and effort into achievable foreign policy aspirations. China bestows upon its distinct approach to public diplomacy an extraordinary amount of hard and soft power – in selling Chinese language and culture; in humanitarian assistance; and in persuading its neighbours of China's commitment to a stable, peaceful and prosperous Asia-Pacific.

China's economic and commercial power is undeniable; and it makes China an attractive destination for global investment and entrepreneurship. However, convincing the liberal-democratic international community to look beyond trade and economics and to accept China as a credible diplomatic and political power is a considerable challenge for China's public diplomacy. Cultural and economic diplomacy neither easily nor necessarily translate into foreign policy success.

The principal problems for public diplomacy are the contradictions in Chinese foreign policy. One the one hand, China yearns to be part of an interdependent world and to spread the benefits of political, economic and cultural engagement with China. On the other hand, Chinese political discourse is often characterised by a fierce nationalist rhetoric that is reinforced by the Communist Party's determination to maintain authoritarian rule. Together with China's unconditional friendship of ostracised regimes, and the use of the military threat against Taiwan and Tibet, this undermines the idea that Chinese soft power is all about selling national and cultural *values*.

Until they are unable to overcome such contradictions it is unlikely that Chinese public diplomacy will break out of its narrow success in a few friendly areas of the world where Beijing now operates.

China's International Media

Global Times and CCTV 9

The Communist Party's launch in 2009 of a new English-language newspaper, the *Global Times* (a tabloid attached to the Communist party's mouthpiece, *People's Daily*), reveals that no matter much we observe and analyse the renaissance in China's public diplomacy, we cannot but stand by and watch as China and its champions seem to misunderstand public diplomacy, what it is and how it is/should be practiced.

First, there is a misconception: Reporting the launch of the *Global Times* English edition, AP's Christopher Bodeen wrote (20 April 2009) that this 'reflects China's recent "soft power" drive to build its global reputation, muffle foreign criticism and broadcast the leadership's particular views on issues such as democracy, human rights and Tibet'. If "soft power" means the attempt to win hearts and minds by projecting culture and values (which is, I think, what Joseph Nye intended) then this is not the way to go about it. Instead China is engaged, at best, in public diplomacy, at worse in good old fashioned propaganda. The *Global Times's* promise to present 'news from a

Chinese perspective, in a fair, insightful and courageous manner' and then publish the usual accusations against the western media as being part of a large conspiracy against China does not auger well for the future of the newspaper in terms of attracting its intended audience. I have talked elsewhere, most recently in a chapter in Nancy Snow and Philip Taylor's edited collection, *The Routledge Handbook of Public Diplomacy*, that there is inconsistency between what China says and what China does. (China is not alone in this, of course; how else can we explain the failure of American soft power?) In other words, the message of the public diplomacy must be credible; and if there is one thing lacking in China's English-language media it is credibility. China's media are no longer the butt of jokes they once were – my favourite (and the favourite of most Chinese who know it) is 'The only thing you can trust about the *People's Daily* (the official party newspaper) is the date' – yet credibility remains a serious problem when there is a serious inconsistency between policy and message, and when foreigners (and increasingly Chinese) have access to a range of non-Chinese media and sources of news.

The *Global Times* joins *China Daily* and the *Shanghai Daily* in trying to capture the English-language market. For those who watch TV rather than read newspapers, there is always CCTV 9, China's English-language channel. These are all parts of China's public diplomacy armoury, communicating China's story and culture and to a world eager to hear the authentic voice of the nation, its people and its government ... at least that is what Beijing likes to believe.

Why does China always get it so wrong? The English-language media are rarely consumed by their intended international audience, but are rather used as tools by Chinese to improve their own English-language ability. Stories from the *China Daily* regularly crop-up in school and University English-language examinations. Few foreigners regularly watch CCTV 9 unless they have no other option (ie. they are not staying in five-star hotels where BBC World is available) or they wish to improve their own understanding of Chinese by watching programmes hosted by the Canadian Mark Rosewell (known in China as Da Shan – Big Mountain) teaching Mandarin. Moreover, even internet-savvy Chinese can leap over the Great Chinese Firewall and access foreign news websites; why bother with the *China Daily* or news on CCTV 9 (hosted now by non-Chinese in a bold move by CCTV to boost its public diplomacy credibility) for your daily news when you can read *The Guardian* online?

And yet the CCP and CCTV remain over-confident in these media's public diplomacy potential, as brought home to me during a visit to Beijing in 2007 when I was lucky enough to be invited to tour CCTV. The obligatory bank of monitors displaying different television channels included one showing CNN, a station that ordinary Chinese are unable to access. CNN is a model and a template, if not an inspiration to these young Chinese media-types for how to package the news.

My guide was dismayed when I actually questioned the public diplomacy potential of CCTV 9. 'CCTV 9 has an audience of 45 million all over the world,' she declared proudly, repeating a mistake that can be found on the station's website (<http://www.cctv.com/english/20090123/107144.shtml>). 'No,' I pointed out politely. 'It has a *potential* audience of 45 million all over the world provided they subscribe to the satellite or cable package that subscribes to it.' CCTV is now also available in French (CCTV-F) and Spanish (CCTV-E) increasing further the *potential* but not the *actual* audience.

The *Global Times* has a future; it will survive, like the *China Daily* and CCTV 9 for two reasons: these media are state owned, and therefore do not face competition. Their political agenda and support mean they do not have to do things differently, and no matter the size of the audience, they will continue to appear. The Communist Party cannot lose face by letting them disappear.

The second reason is the most disturbing – the Chinese genuinely believe they are effective tools of public diplomacy.

The *Global Times* is attracting attention for its sometimes critical coverage of some sensitive issues that are rarely reported in the official media. However, the reason *Global Times* is able to report such stories is precisely because it does so in English (the Chinese version continues to behave *ad nauseum* as a newspaper under state

control) and because it enjoys the patronage of the *People's Daily*. Journalists are not testing the boundaries of state censorship or creating new norms and routines of Chinese journalistic practice; they are following directives or clearance to report otherwise topics deemed sensitive for domestic consumption. Again, it raises the question, other than the illusion of media pluralism, what public diplomacy value is there in publishing the English-language *Global Times* and *China Daily*, both of which are connected to official organisations?

Xinhua's China Network Corporation

On 1 July 2010 Xinhua, the news agency of the PRC launched a global 24-hour English-language television channel called China Network Corp (CNC). Trial broadcasts begin on 1 May. Announcing this development Xinhua's president, Li Congjun said that 'CNC will offer an alternative source of information for a global audience and aims to promote peace and development by interpreting the world in a global perspective.' This sentence loses clarity in translation from the Chinese; not only is it confusing, but it is characteristic of the sentimental official rhetoric that Chinese officials use to mark landmark events (for further evidence, listen to the largely meaningless speeches delivered at the opening of Expo 2010 in Shanghai).

It is difficult to identify what China will gain by investing in yet another international television station: what will CNC do that CCTV9 is not already doing? Does the launch of CNC English reveal internal competition within the state system for control of China's public diplomacy strategy? Perhaps it indicates that the Chinese have finally acknowledged CCTV9's shortcomings and have decided it really is not up to the job. But will CNC fare any better?

The launch of this television station confirms that the leadership in Beijing is confident that it is possible to influence international public opinion and media coverage of China. The government has long criticised the way 'Western' media report China, accusing them of bias by focusing on human rights, Tibet and democracy, choosing to ignore differences in news values between Chinese and 'western' news organisations.

Li's announcement came on the same day that the BBC World Service published its latest poll of 30,000 adults in 28 countries which reveals that views of China have declined sharply. In 2005, 49 percent of people surveyed thought that China's influence was mostly positive (a striking 11 points higher than that of the United States). However, in the most recent survey China's standing has dropped to just 34 percent, 6 points behind the US. The official Chinese media responded as expected, alleging that public opinion is shaped by western media organisations which 'are unsuitably seasoned with misunderstanding, misinterpretation or even bias or enmity'.

China Daily is of course correct to state that the media can affect public opinion, but the downturn of opinion is not just in 'western' countries; the surveys reveal that several Asian countries are also responding more negatively to China than in the past. Besides, when China was 'more popular' than the US, the western media did not report news from China any differently. This suggests that Chinese policy – for example, the brutal Chinese handling of disturbances in Tibet and Xinjiang – may have helped to turned public opinion against China.

All in all CNC, CCTV9 and Chinese public diplomacy has a hard job ahead; and more information or channels of distribution does not necessarily mean better communication, especially when CNC and CCTV9 are embedded within the state system and are thus viewed with suspicion by international audiences. Just because you have a message and a means to deliver it, it does not mean anyone is listening. If few people outside China or outside Chinese-speaking communities (who wish to improve their English) are watching CCTV9, what makes Xinhua think they will turn to CNC instead? CCTV9 is accessible via satellite to some 85 million viewers in 100 countries; what proportion of the 85 million *possible* viewers are *actual* viewers? Rebranding CCTV9 as CCTV News is not going to offer much help in converting these potential audiences to regular viewers. Rebranding rarely succeeds without careful market research and, if necessary, modification of the product. Given that China's international media are state owned and follow an agenda decided by the state, such a radical transformation of content is unlikely. So viewers will no doubt get more of the same under a different name.

At the end of the day the possible influence of China's international media will be offset by the actions of its government at home and abroad, and issues of democracy, human rights, Xinjiang, Tibet and Taiwan will continue to mar China's public diplomacy for as long as Beijing continues to avoid resolving them sensitively and to the satisfaction of the people living in these areas.

Statement of Dr. Andrew Scobell, Senior Political Scientist, RAND

The J-20 Episode and Civil-Military Relations in China⁹⁷

ANDREW SCOBELL⁹⁸

Written testimony submitted to the U.S. China Economic and Security Review Commission on March 10, 2011

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Perhaps the most eye-catching event that occurred during the January 2011 visit to China of Secretary of Defense Robert Gates was the test flight of the J-20—the prototype of a new Chinese stealth fighter aircraft. When Secretary Gates asked President Hu Jintao about the flight, the Chinese head of state appeared to be surprised.⁹⁹

Speculation has centered on whether the test flight was deliberately timed to coincide with the Gates visit and whether Hu Jintao was aware of the J-20's test schedule. Thus, two significant questions are:

- (1) Was the test flight intentionally timed to occur during the Gates visit?
- (2) Was there civil-military coordination behind the scheduling of the flight?

The answers to these two questions have significant implications for how one interprets (1) Chinese intentions toward the United States and (2) the state of civil-military relations in China. If the test flight was deliberately set to take place during the visit of America's top defense official, then it suggests that China was trying to deliver a message to the United States. What would this message have been? It would appear to be along the lines of: "America, take heed—the capabilities of our weaponry are ever-improving and we are not intimidated by your

⁹⁷ The opinions and conclusions expressed in this testimony are the author's alone and should not be interpreted as representing those of RAND or any of the sponsors of its research. This product is part of the RAND Corporation testimony series. RAND testimonies record testimony presented by RAND associates to federal, state, or local legislative committees; government-appointed commissions and panels; and private review and oversight bodies. The RAND Corporation is a nonprofit research organization providing objective analysis and effective solutions that address the challenges facing the public and private sectors around the world. RAND's publications do not necessarily reflect the opinions of its research clients and sponsors.

⁹⁸ This testimony is available for free download at <http://www.rand.org/pubs/testimonies/CT357/>.

⁹⁹ For some accounts of the episode, see John Pomfret, "Chinese Army Tests Jet During Gates Visit," *Washington Post* January 12, 2011; Elizabeth Bumiller and Michael Wines, "Chinese Army Test Jet as Gates Visits," *New York Times* January 12, 2011.

technologically superior military might.”¹⁰⁰ If, however, the timing was purely coincidental, then perhaps no message was intended beyond pride in the accomplishment of China’s military industrial complex, which historically has had an abysmal record of indigenously researching, developing, manufacturing and deploying modern high performance aircraft in a timely fashion.¹⁰¹

If indeed the timing of the test flight was pure coincidence, then this raises unsettling questions about civil-military relations in China. If President Hu really did not know the exact date of the J-20 flight, then this suggests that the Chinese military is operating with a significant degree of latitude from its civilian masters. At the very least there would seem to be an absence of coordination between China’s civilian and military leaderships.

Using the two variables of intent and coordination one can construct a 2x2 matrix (see Figure 1). There are four possible combinations of these two variables, each of which is depicted in cells A, B, C, and D. Each possibility is discussed below.

Figure 1: Intent to Deliver a Message and Civil-Military Coordination in China’s Test Flight of the J-20 on 11 January 2011

	COORDINATED	UNCOORDINATED
INTENTIONAL	A Devious & Well-Coordinated	B Roughish PLA
UNINTENTIONAL	C Parochial & Poorly Coordinated	D Parochial & Roughish PLA

Cell A – Devious and Well Coordinated

The first possibility (Cell A) is that the J-20 test flight was the result of an intentional and well coordinated initiative to deliver a pointed message to the United States. Beijing deliberately timed the test flight to coincide with Secretary Gates’ visit to China. If this had been the case, then President Hu’s insistence to Secretary Gates that the test flight had nothing whatsoever to do with the American’s visit was a falsehood.¹⁰² The effort was a well coordinated and assertive effort to signal Chinese strength to the United States. This possibility is conceivable but unlikely given Beijing’s unimpressive record of civil-military coordination evident in handling complex situations including crises.¹⁰³

Cell B – Roughish PLA

¹⁰⁰ See, for example, the remarks of Professor Jin Canrong of People’s University cited in Phil Stewart, “Gates: China confirms stealth jet test-flight,” Reuters Beijing, (11 January 2011) available from. <http://www.reuters.com/article/2011/01/11/us-china-defence-fighter-idUSTRE70A19B20110111?pageNumber=2>

¹⁰¹ This appears to be changing. See, for example, Keith Crane, Roger Cliff, Evan Medeiros, James Mulvenon, and William Overholt, *Modernizing China’s Military: Opportunities and Constraints* (Santa Monica, RAND, 2005), chapter 5.

¹⁰² Later that same day, Secretary Gates told reporters: “I asked President Hu about it directly, and he said that the test had absolutely nothing to do with my visit and had been a pre-planned test.” Media Roundtable with Secretary Gates from Beijing, China,” U.S. Department of Defense News Transcript, January 11, 2011. See <http://www.defense.gov/Transcripts/Transcript.aspx?TranscriptID=4751>

¹⁰³ See, for example, Andrew Scobell and Larry M. Wortzel, eds., *Chinese National Security Decisionmaking under Stress* (Carlisle Barracks, PA: U.S. Army War College Strategic Studies Institute, 2005).

A second possibility (Cell B) was that the J-20 test flight constituted an intentional act on the part of the People's Liberation Army (PLA) to deliver a direct message to the U.S. military. The act was deliberately timed to coincide with Secretary Gates' visit but the action was taken without consultation or coordination with China's civilian leaders. This might point to the possibility of a rogue PLA operating independently or at least autonomously from civilian leadership. However, given the close, multiple, and overlapping linkages between China's military and the ruling Chinese Communist Party (CCP), this would be an inaccurate characterization of contemporary civil-military relations.¹⁰⁴ More conceivable is that civilians control the military with a long and loose leash—a 'roguish' PLA.¹⁰⁵ Hu Jintao is not only China's head of state (President) and supreme leader of the CCP (General Secretary), but he is also commander-in-chief of the armed forces by virtue of his formal position as Chair of both the Party and State Central Military Commissions. It is virtually inconceivable that the PLA is operating completely independent of Hu and civilian leaders. However, it is entirely possible that the military is functioning in a manner whereby Hu is kept informed of all military programs and initiatives but only on a general level with limited detail and degree of information. Thus, it is conceivable that while Hu was aware of the J-20 program and plans for a series of test flights, he was not informed of the specific dates of each flight. Uniformed PLA leaders perhaps did not think to consult or inform civilian leaders of the precise timing because they saw no need and/or did not anticipate any negative fallout from the timing.

Cell C — Parochial and Poorly Coordinated

A third possibility (Cell C) is that the J-20 test flight was not intended to send a message to the United States. In this case, the timing of the test flight was actually the result of poor civil-military coordination, and China's leaders did not anticipate any downside to the timing. Indeed, the scheduling of the test flight might have been done completely without reference to the visit of Secretary Gates. On the surface, this may seem highly implausible but given the serious problem of stove piping in Chinese bureaucracies this possibility should not be discounted. Moreover, it is worth recalling that the trip by Secretary Gates was rather hastily arranged to occur prior to President Hu's visit to Washington later in January. The test flight itself was staged for public and media attention with the presumption being that perhaps this would be a concrete example of Chinese efforts at increased military transparency.¹⁰⁶ Finally, what should not be overlooked is that the prime criterion for the timing of the test may very well have been the auspiciousness of the date. In Chinese, January 11, 2011 can be abbreviated to "yao yao, yao, yao yao ('one one, one, one, one' or [Year] 11, [Month] 1, [Day] 11)."¹⁰⁷

Cell D — Parochial and Roguish PLA

A final possibility (Cell D) was that the J-20 test represents a decision on the part of PLA leaders largely independent of civilian leaders and without any intentional maliciousness. In this case, much of the discussion for Cell C would also hold true for Cell D.

Conclusions

While none of these four possibilities can be conclusively ruled out, each of them contains disconcerting implications for the United States. Perhaps the most worrisome possibility for the United States is if Cell A or Cell B (i.e. a message to the U.S. was intended) most accurately depicts the circumstances of the January 2011 J-20 test flight. Cell A would suggest that China is engaged in a concerted and extremely well coordinated campaign of

¹⁰⁴ For elaboration, see Andrew Scobell, "Is There a Civil-Military Gap in China's Peaceful Rise?" *Parameters* Vol. XXXIX, no. 2 (Summer 2009), pp. 4-22. For more analysis of nuances of civil-military relations in China, see Andrew Scobell, "China's Evolving Civil-Military Relations: Creeping Guojiahua," *Armed Forces & Society* Vol. 31, no. 2 (Winter 2005), pp. 227-243.

¹⁰⁵ For more on this term, see Scobell, "Is There a Civil-Military Gap in China's Peaceful Rise?" pp. 14-15.

¹⁰⁶ Indeed, this is one interpretation voiced by a Chinese scholar. See Stewart, "Gates: China confirms stealth jet test-flight."

¹⁰⁷ I would like to thank my RAND colleague Roger Cliff for making this point.

signaling and deception aimed at the United States. Cell B would suggest that this campaign is being spearheaded by the PLA with limited civilian oversight. Both are alarming to ponder but the latter possibility would be the most alarming because it depicts a military that is no longer tightly controlled by civilian leaders. The implication of both cells would be that Beijing views Washington as a major (potential) adversary.

Less alarming but still worrisome would be if Cell C or Cell D (i.e. no message to the U.S. was intended) most accurately depicted the circumstances surrounding the test flight of the J-20. Cell C would suggest that different bureaucracies of the Chinese government perform poorly when coordinating military activities. Cell D would suggest that there is essentially no effort at coordination between different bureaucracies and that the PLA functions relatively autonomously of other structures. In fact, these cells seem to be most consistent with the pattern of hawkish military rhetoric and provocative actions evident during the past two decades.¹⁰⁸

None of this analysis is reassuring. But whatever possibility best reflects reality, none of them is fully consistent with Beijing's putative narrative of a China *rising or developing* "peacefully." More significantly, analysis of Chinese handling of the J-20 test flight raises serious doubts about Beijing's capacity to manage successfully its ascendance as a great power and raises a serious question as to whether a civil-military 'gap' exists in China's peaceful rise.¹⁰⁹

Fundamentally, the J-20 episode underscores the fact that civilian control of the military is underinstitutionalized in 21st Century China. The key mechanism of this control is not the formal organ of the Central Military Commission but rather the informal position of the paramount leader.¹¹⁰ In the history of the PRC, only a handful of individuals have held this unofficial "quasiinstitutionalized" post currently held by Hu Jintao. While earlier incumbents, such as Mao Zedong and Deng Xiaoping, enjoyed high status among soldiers and could claim considerable military experience and expertise, their successors, have had far less stature and background. As a consequence, China's most recent paramount leaders—Jiang Zemin and Hu Jintao--have been less intimately involved in defense matters.

¹⁰⁸ Scobell, "Is There a Civil-Military Gap in China's Peaceful Rise?"

¹⁰⁹ Scobell, "Is There a Civil-Military Gap in China's Peaceful Rise?"

¹¹⁰ Scobell, "China's Evolving Civil-Military Relations," pp. 228-229. I refer to the post of paramount leader as being "quasi-institutionalized." Ibid. The Central Military Commission (sometimes translated as 'Military Affairs Commission') is frequently identified as the key mechanism of CCP control. See, for example, Kenneth W. Lieberthal, *Governing China: From Revolution Through Reform* 2nd ed. (New York: W.W. Norton, 2004), pp. 229-230.