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23

To Change, to Compete, or to Coexist? The United States' Perceptions of the Communist Party of China from Mao to Now

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Signed on 27 February 1972, the first U.S.-China Joint Communiqué stated that “regardless of their social systems, [the U.S. and China] should conduct their relations on the principles of (...) peaceful coexistence.” (Wilson Center Digital Archive 1972). Despite stark differences between the two countries, Nixon and Mao agreed to table their disagreements in the interest of advancing broader strategic objectives. Each side sought to mitigate the risk of bilateral confrontation in Vietnam and refocus on competing with the Soviet Union.

Today, political differences between the United States and China are but one factor among many leading to a deterioration in the bilateral relationship. Each side views the other’s form of government—and its international approach—as a risk to its own. The Communist Party of China’s resilience has undermined American hopes for political modernisation in China, and China’s efforts to expand its strategic influence abroad have stressed the U.S.-led liberal international order. U.S. officials frequently express concern about growing repression in China and the Party’s attempts to make the world “safe for autocracy”. What began in 1972 as an agreement to disagree on governing principles has, in the 21st century, given way to a “systems competition”, pitting the effectiveness of China’s system against that of the United States.

Explanations for the growing competition between the United States and China, in other words, are not limited to the fact of China’s rise as a great

power in the 21st century. Changes in China's domestic governance and foreign policy have contributed to worsening perceptions of China in the United States and in the international community. These perceptions are important to understand when considering how to manage competition and prevent a conflict that neither country wants. After decades of experience, the United States and China should recognise that neither country has the wherewithal to induce fundamental transformations in the other's political system. Based on that understanding, the two countries must establish a new framework of coexistence for the coming decade.

To Change China

The honeymoon that existed between the United States and China after the signing of the Shanghai Communiqué devolved into a partial breakup in June 1989. In the aftermath of China's crackdown in Tiananmen Square, the George H.W. Bush administration instituted export controls on military technologies and led efforts to impose multilateral sanctions on Beijing. Then Chinese leader Deng Xiaoping, for his part, cited nefarious influences from the United States as the cause of domestic turmoil.

The events of 1989, therefore, exacerbated the United States and China's worst fears of one another. China came to view the United States as an unfriendly superpower, intent on meddling in China's domestic affairs, while the United States abandoned illusions about its erstwhile partner's commitment to political reform. When the Berlin Wall fell in November 1989, the primary driver behind U.S.-China normalisation—Soviet aggression—disappeared, and the Communist Party of China came to feel increasingly isolated in the international arena.

In the subsequent two decades, the United States did not renounce its policy of engagement with China, but instead sought to use engagement to induce positive changes in the country. Shortly after his inauguration in 1993, President Bill Clinton signed an executive order making the renewal of China's Most-Favoured-Nation status contingent on China's efforts to "begin adhering to the Universal Declaration of Human Rights" (American Presidency Project 1993). Beijing's interest in deepening trade relations with the developed world gave the United States leverage to press China on issues of concern and encourage further political and economic reform.

While the Clinton administration began by using sticks to pressure change in China, it later shifted to a strategy of inducement. This strategy culminated in the latter's accession to the World Trade Organisation in 2001. The Clinton

administration had hoped that the reduction of trade barriers would help create the conditions for political change. “By lowering the barriers that protect state-owned industries”, Clinton declared in March 2000, “China is speeding a process that is removing government from vast areas of people’s lives” (Institute for Agriculture and Trade Policy 2000). Many constituencies in China feared that trade liberalisation could threaten China’s stability, even though reformist leaders believed that China’s success at export-led development would ultimately prove the superiority of its socialist system.

When President George W. Bush was inaugurated in 2001, he carried forward the strategy of integrating China into the international economic and political architecture. At the same time, the administration “hedged its bets” in the event that China would later decide to reverse course and pursue policies inimical to U.S. interests. This hedging strategy manifested in upgraded security and economic partnerships with Japan, South Korea, Australia, New Zealand, the Philippines and India—partnerships that continue to form the bedrock of America’s footprint in Asia. While the Bush administration maintained steady encouragement and pressure for reform in China, it made clear that the United States would push back on China’s human rights abuses and mercantilist trade policies.

U.S. officials were not the only ones hopeful for change in China. In the three decades after the Cultural Revolution, high-profile members of the Communist Party, from Deng Xiaoping to Zhu Rongji, sought not only to encourage economic openness but also to inject more democratic characteristics into China’s bureaucracy. The decisions of subsequent leaders to reverse that process constitute one of the key reasons for Washington’s reassessment of its relationship with Beijing.

To Compete with China

Indications of a more competitive relationship began to emerge during the second term of President Obama’s administration. U.S. officials grew increasingly concerned about the Chinese government’s suppression of the Umbrella Movement in Hong Kong, its refusal to prosecute cybercriminals, and its efforts to militarise islands in the South China Sea. Speaking at a Congressional hearing in 2014, one U.S. senator rattled off a growing list of grievances with China: “Cyber theft, threats to democracy in Hong Kong, illegal and unfair trade practices, denial of visas to foreign journalists...and a crackdown on human rights activists, including advocates for the Uyghurs in Xinjiang” (U.S. Government Publishing Office 2014). While many of these areas of friction had been present in the U.S.–China relationship since diplomatic normalisation, they did not come to the fore

until American officials perceived major transformations in China's domestic governance and foreign policy.

Perhaps the most striking shifts occurred with the rise of China's current leader, Xi Jinping. U.S. observers watched with dismay as Xi centralised Party control at home and reasserted China's influence on the international stage. Soon after coming to power, Xi side-lined political rivals through his anticorruption campaign and incited nationalism through appeals to the "great rejuvenation" of the Chinese nation. On the domestic front, China's grip on public discourse tightened and violations of human rights worsened. Internationally, China abandoned its "low profile" strategy in favour of a more aggressive foreign policy with the stated goal of reforming the global governance system.

Inheriting many of the grievances that emerged and intensified over the course of the Obama administration, the Trump administration labelled China a "strategic competitor" in 2017. While the administration's framework of strategic competition betrayed its less than strategic actions—not least its alienation of U.S. allies and partners—the administration nevertheless identified the challenges that China posed to U.S. interests. To push back on intellectual property theft, human rights violations, and the repurposing of American technology for military ends, the Trump administration instituted a raft of tariffs, export controls and sanctions on Chinese products, businesses and government officials.

In addition to the grievances built up towards the end of the Obama administration, the Trump administration also inherited the goal of prior administrations to induce changes in China's economic system. In 2018, the Trump administration launched the trade war in hopes of reducing the U.S.–China trade deficit as well as pressuring Beijing to lower industrial subsidies, strengthen IP enforcement and come into compliance with its WTO commitments. Expectations of reform, however, were soon dashed when, in May 2019, Beijing sent U.S. negotiators a revised trade agreement that included a "sea of red" markups. The inability of Trump officials to pressurise sweeping reforms in China led the administration to believe that defending U.S. interests was a more viable strategy than changing China. In 2020, the administration published its *Strategic Approach to China*, which suggested that "United States policies are not premised on an attempt to change the PRC's domestic governance model... Rather, United States policies are designed to protect our interests and empower our institutions to withstand the CCP's malign behavior" (White House 2020).

To Coexist with China

The Biden administration has carried forward the recognition of the United States' limited ability to induce changes in China. Before entering office, two key White House officials warned that the "basic mistake of engagement was to assume that it could bring about fundamental changes to China's political system, economy, and foreign policy. Washington risks making a similar mistake today, by assuming that competition can succeed in transforming China where engagement failed" (Campbell and Sullivan 2019).

Indeed, in the years since the Trump administration announced strategic competition, China had doubled down on many of the same aspects of its model that had most unsettled American observers. The Communist Party of China reasserted its role in nearly every facet of Chinese society and the economy, lifted presidential term limits, eroded the autonomy of Hong Kong's judicial and political systems, ramped up efforts to challenge Western conceptions of the international order, and reinforced its strategic partnership with Russia and other autocratic regimes.

Rather than seek to change China's trajectory, the Biden administration has instead focused on strengthening the United States and its allies to better defend the liberal international order from Chinese challenges. As Secretary of State Antony Blinken stated in his speech on China policy, "we cannot rely on Beijing to change its trajectory. So we will shape the strategic environment around Beijing to advance our vision for an open, inclusive international system" (Blinken 2022). Initiatives to this effect include the Biden administration's efforts to strengthen the Quad and NATO, form new coalitions like AUKUS, re-join international agreements and organisations like the Paris Accords and the UN Human Rights Council, renew the Visiting Forces Agreement with the Philippines and promote trilateral coordination with Japan and South Korea.

At the same time, the administration has sought to engage Beijing diplomatically to ensure that competition does not result in confrontation or conflict. The U.S. Department of Defense has made multiple attempts to reopen high-level security dialogues with the Chinese Central Military Commission, while President Biden has spoken of the importance of establishing "guardrails" with Beijing. In his speech on China policy, Secretary of State Blinken underscored that there is "no reason why our great nations cannot coexist peacefully, and share in and contribute to human progress together" (Blinken 2022).

Chinese officials often lament that the Biden administration has pursued "bloc politics" to suppress China's rise. But the fact is that Biden has taken a less confrontational approach towards the Communist Party of China than that of

his recent predecessors. According to the Chinese readout of the first Biden-Xi virtual summit, Biden reiterated that “the U.S. does not seek to change China’s system” (China Ministry of Foreign Affairs 2021). Although Biden is a supporter of universal values, he has said that he presses Xi on human rights only because “it’s who we [Americans] are”, not because he is trying to change China (White House 2021). In doing so, Biden has been able to stand up for political values held by the majority of the American public while also speaking out against human rights abuses abroad.

If competition between the United States and China is not about which side is able to compel changes in the other’s system, then it must be over something else. Whose system is more effective at promoting prosperity and social stability? Which side is better equipped to provide global public goods? Who is able to win the hearts and minds of the international community? Over the coming decade, the United States and China will be more secure and more prosperous if they focus on shoring up their own shortcomings rather than forcing the other side to fix theirs.

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