

A Return of Chinese Pragmatism by Zhu Feng

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China announced on April 1 that President Hu Jintao will attend a summit on nuclear security in the United States this month, signaling the return of pragmatism in the handling of China's ties with the US. As a result, the strained relations between Beijing and Washington, caused by China's furious reaction to the Obama administration's decision to sell arms to Taiwan and to meet with the Dalai Lama in January 2010, and fueled by the US rebuke of Beijing as an alleged "unfair currency manipulator," will be easing quickly.

China has broadly and profoundly integrated into the world community. The announcement might not raise eyebrows but it is truly a significant decision. Given the bitter debate within China on how to react in the wake of the US violation of "core interests" of Beijing – Taiwan and Tibet officially tagged as Chinese interests of this sort – and the divisions among Chinese elites, the announcement represents a new consensus and the punctuation of domestic debates in China. I can imagine how difficult the policy weighed on China's top leadership – the Standing Committee of Political Bureau of CCP – since we know that quite a significant number of Chinese officials objected to Hu's attendance. These opponents thought that Hu's appearance was a one-sided concession to the ruthless undermining of Chinese "national dignity."

China-US ties displayed unprecedented vigor in 2009. President Obama used warm words to describe US relations with China, saying this relationship was the most important and meaningful one in the world. He encouraged Chinese counterparts to play a bigger role, undertake more responsibilities, and share global leadership with the US in dealing with a variety of global challenges, including climate change, counterproliferation, and the financial crisis. 2009 also witnessed China's supplanting of Japan as the biggest creditor of the US, while Chinese purchases of US Treasuries peaked at around \$800 billion in October 2009.

President Obama's November 2009 visit to Beijing and his "China enthusiasm" inspired Chinese, and he received more attention from the Chinese people than any other US president. Optimism arguably penetrated the China-US relationship in 2009. Most analysts are convinced that both sides could cement a more cooperative, constructive, and comprehensive "working relationship" particularly given the waning potential for military conflict between the two countries over the Taiwan Strait as rapprochement in the Strait continues.

Things quickly got worse with Washington's arms sale decision in January and President Obama's February meeting with the Dalai Lama, a person dead set to separate Tibet from China in the eyes of Chinese. Beijing reacted toughly, even announcing sanctions against US companies involved in arms sales to Taiwan, and blasting the White House for decisions that damaged Chinese "core interests." Actually, US arms sales to Taiwan have gone on for 30 years and meetings with the Dalai Lama have occurred for 18 years. But Chinese opposition to them seems tougher than ever in 2010.

The reasons behind Beijing's outrage are easily identified. First, the majority of Chinese leaders thought Obama's China enthusiasm was rhetorical rather than substantive.

The fierce blasts sparked questions in Beijing about the substantive improvement in bilateral relations with Washington. Perhaps no one in Washington would feel surprised by the arms sale decision because there was no policy overhaul to the long-held "one China policy" after Obama became president. Arms sales to Taiwan are an integral component of that policy. Meeting the Dalai Lama was a political asset as no president is willing to give the impression that the US will bend to Beijing's demands. China has a totally different agenda from the US on these issues. For President Hu, nothing could be more pressing and important than Taiwan and Tibet as long as he wants to leave a "legacy" and add to his support. China's push on those two issues is an extension of domestic politics. In the US, too, domestic politics have, and will continue to, direct US priorities on the issues.

The second reason is Beijing's growing intolerance of arms sales to Taiwan and the Dalai Lama meeting, given the fact that China-US ties have become symbiotic.

China has been struggling to see some outcome from its enduring opposition but it has always believed that China lacks real leverage to achieve its goals. The global financial crisis, Beijing's possession of huge amounts of US Treasuries, and the presumed US need for Chinese cooperation are creating mixed feelings of confidence and frustration among Chinese. They assume that the US should respond nicely to China while China does favors for the US on a couple of fronts – like investing in its bonds and jointly stimulating the world economy. It seems that Chinese feel that they are in better position to seek changes in China's favor. For them, the rigid US position does not reflect the nature of the new Sino-US symbiosis, and fails to recognize Beijing's growing international clout.

Additionally, Chinese thought it fair for China to ask for change since it would not be linked to a real challenge to US primacy, but would better support and underscore China-US cooperation. The irony is that China's fierce reaction and

stubborn refusal to revalue its currency have been perceived as the “real challenge” to the US, at least in political terms. The Obama administration has no intent, and US society is not ready yet, to change its traditional policy trajectory when dealing with China.

Beijing’s announcement that President Hu will attend the April nuclear security summit indicates that Beijing is calming down. Despite a residual and marked dissatisfaction, China isn’t willing to derail the relationship with Washington, and instead wants to leave the rift behind and move forward with collaboration between the two powers. By persistently broadening converging interests with the US and strengthening cooperation on transnational issues, Beijing’s pragmatism prevails once again. Similarly, China’s stance over the Iranian issue has become more supportive.

However, their different domestic audiences will invariably influence both governments’ policy priorities. While President Hu is about to give President Obama another warm hug, the China-US relationship will still face lot of tests in the future.