

## CHAPTER ONE

A POWER TRANSITION AND  
ITS EFFECTS*Ernest R. May and Zhou Hong***Bases of Relations**

Historically, China has engaged American emotions more than any foreign country except Britain and Israel. Since the early nineteenth century Americans have presumed a special relationship with China.<sup>1</sup> Unlike other relationships, this one obviously does not stem from a common language or culture or from shared experience. It is not even based on knowledge or evident understanding. China has nonetheless kept a larger presence in the minds of Americans than have nearer nations, such as Canada or Mexico, or sometime adversaries, sometime partners, such as France, Germany, Russia, or Japan. This continuing sense of closeness despite distance and ignorance is the first point to keep in mind when trying to place in historical context the question of where U.S.-Chinese relations may be heading.

A second, closely related point is that China has often tested to its limits the ability of the U.S. government to develop and pursue a coherent foreign policy. The United States never has been the nation-state of Western political philosophers, whether Machiavelli or Hobbes or the “neo-realists” of today. The United States began as a loose alliance among former British colonists who previously had little to do with one another. It evolved into a republic that could sometimes act as a unit—and act with vigor. Within it, however, sovereignty continued to be shared between state governments and a national government, and in the national government authority lay—and lies—with an executive

and a legislature independent of one another and more or less continuously in conflict. With regard to relations with other nations, as the legal scholar Edward Corwin writes, the U.S. Constitution represents an open “invitation to struggle.”<sup>2</sup> Because of the strength of public feeling in various parts of the union and in the separate parts of the national government, the struggle has at times concerned relations with China.

A third point has to do with the better-known special relationship between the United States and Britain, not because it can serve as a parallel or model but because episodes in that relationship illustrate how interaction between a dominant power and emerging competitors can result in either conflict or accommodation. Between roughly 1890 and 1910, while the British relationship with Germany went from cooperation to antagonism, the British relationship with the United States went from friction to friendship. Between 1920 and 1930, with the United States now dominant, conditions that seemed made for rivalry and conflict were subdued by negotiations in which the two nations and others sought to maximize common interests rather than individual national interests. To ask why this happened in these two cases suggests some possible questions about alternative patterns that might play out in U.S.-Chinese relationships.

Americans became interested in China in the mid-eighteenth century. Benjamin Franklin was the young nation’s first eminent Sinophile. He described China as “the most ancient, and from long Experience the wisest of Nations.” He thought it a better model for America than any European nation, including Britain, largely because he saw its mandarins as an aristocracy of merit rather than of birth. He also thought that China’s silk industry might exemplify how farmers could be individual entrepreneurs while at the same time boosting productivity through division of labor.<sup>3</sup>

In the nineteenth century, American opinion about China was divided. Admiration and awe for China persisted—witness the proliferation of American Christian missions and schools in China and the many sermons given in churches across the land in order to raise money and recruit volunteers for these efforts. Witness, too, the romantic recollections

of the clipper-ship era's China trade, on which Franklin Roosevelt frequently dwelt, reminiscing about his seafaring Delano ancestors. But Americans who heard or read about China could not fail to see how rapidly China was being outstripped by the industrializing economies of the West. American workers protested the inflow of low-wage Chinese laborers. Chinese became targets of rioters and lynch mobs. Prejudice was so strong that Chinese in the U.S. received little protection from the legal system. A "Chinaman's chance" became a synonym for no justice at all.

By and large, American elites condemned discrimination against Chinese. Many remained supportive of and optimistic about the continually expanding Christian missionary endeavors. Others saw China as a vast potential market for the products of its own rapidly expanding industries. During the deep slump of the 1890s, when American textile mills were often idle, the argument was heard that if only the Chinese would lengthen their shirts by one inch, those mills would hum for generations.<sup>4</sup>

Though anti-Chinese agitation eventually died down, the rest of the mix persisted—and persists. America developed a small corps of "China hands." Some worked for the government; some for American companies; many for newspapers or magazines. A significant number were teachers and scholars.<sup>5</sup> Many nonexperts felt China's allure. One example is Henry Kissinger. In his memoirs, extravagant praise goes to Zhou Enlai: "Urbane, infinitely patient, extraordinarily intelligent, subtle," Kissinger writes, "he moved through our discussions with an easy grace that penetrated to our new relationship as if there were no sensible alternative."<sup>6</sup> Zhou is the other hero of Kissinger's memoirs (Kissinger being the first).

Despite all that he was told about the corruption and ineffectuality of the Chinese Nationalist government, Franklin Roosevelt died believing that China would grow to be a powerful democracy and "policeman" for its region. After 1949, American rhetoric often portrayed China as temporarily under foreign rule—a "Slavic Manchukuo," in the phrase of 1960s Secretary of State Dean Rusk.<sup>7</sup> Even unrelenting critics of Mao's regime, such as William F. Knowland of California (often called "the Senator from Formosa"), seemed to presume that ordinary Chinese admired America and aspired to have political and economic institutions like those

of the United States. After the events of 1989, American after American predicted that China would follow the examples set in Eastern Europe.

But fascination with China sometimes held a touch of fear. The Chinese had once been rich and powerful. They might become so again. Their elite retained the reputation for sagacity that had so impressed Benjamin Franklin. When anti-Chinese rioting was near its worst in California, the California writer Bret Harte produced his verse on “the heathen Chinese”—Ah Sin, who outwitted competitors at the card table. From the 1920s to the 1940s, one of the best-known characters in American popular fiction was the Chinese-American detective Charlie Chan. And there were so many Chinese. In the 1980s the American political scientist James Q. Wilson came back from a visit to China, saying to his friends, “Can you imagine a billion Israelis?”

The mixture—awe at China’s antiquity, culture, and size; uneasiness about its future; and discomfort over the roles of Americans there—should be recognizable to anyone who keeps up with current American commentary on China. Charles Kindleberger’s maxim, “*plus ça change, plus c’est la même chose*—sometimes” evokes the uncertainty.

Politically most important has not been this widespread ambivalence but rather the intensity of feeling among Americans interested in China. Passion gives groups influence almost independent of their numbers. Witness Zionists, Cuban refugees, even friends of Syngman Rhee or Ngo Dinh Diem or Ahmad Chalabi.

For some Americans, especially from missionary backgrounds, it was unacceptable for China to have turned to Marxism-Leninism for its creed. They insisted that the United States treat this “Slavic Manchukuo” as a pariah, denying it diplomatic recognition or a seat at the United Nations. This self-styled Committee of One Million helped to push the U.S. government into such a stance and to keep it there for two decades.<sup>8</sup>

This recollection calls us to the second point—about the difficulty of formulating China policy, given that Americans who are passionate about China influence policy choices within a constitutional system where sovereignty and authority are both fractionated. In the nineteenth century, merchants, cotton growers, and churchgoers in the eastern United States

worked through the executive branch to promote trade and missionary activity in China. Groups in the western United States worked through municipalities, state governments, and Congress to vent anger against “cheap Chinese labor.” At a time when U.S. consuls were trying to charm Chinese viceroys on behalf of American shippers and evangelists, Congress passed a law forbidding any Chinese to become U.S. citizens. This was the first blanket immigration restriction in American history.<sup>9</sup>

Jockeying across and between governments and branches continued. The Open Door notes of 1899 and 1900 signaled continued executive branch support for trade and investment. Populists and Progressives in the states and in Congress continually deplored what President William Howard Taft maladroitly labeled “dollar diplomacy.” Woodrow Wilson’s turn toward an emphasis on promoting democracy in China partly reflected such sentiment.<sup>10</sup> In the 1920s and 1930s, the executive branch and Congress were frequently at odds about China.

After the Communist victory in the civil war, Congress seemed to become dominant. Republicans charged the Democratic administration of Harry Truman with having “lost China.” Truman’s secretary of state, Dean Acheson, tried to appease these critics by removing or reassigning “China hands” known to have been critical of the Chinese Nationalist regime. In the Republican administration of Dwight D. Eisenhower, Acheson’s successor, John Foster Dulles, tried to advertise that he was purging these “China hands,” but actually Acheson had left him little to do.<sup>11</sup> Until the 1960s, when signs of the Sino-Soviet split began to become clear, only persons in the good graces of Nationalist China’s supporters in Congress could hold senior posts in the Department of State relating to East Asia.<sup>12</sup>

Since the U.S. relationship with the People’s Republic began to mend in the 1970s, divergence between the executive branch and Congress has been often manifest.<sup>13</sup> When President Jimmy Carter surprised Congress by announcing normalization of relations with Beijing, Congress responded with a Taiwan Relations Act that contradicted nearly everything Carter said. Ever since, the actual U.S. position has been so ambiguous as to exasperate not only Chinese officials but also many Americans trying

to deal with them. Though they have received much less front-page attention, tensions between the executive and legislative arms—as well as within both branches—have made the U.S. position with regard to Tibet equally ambiguous.

Nevertheless, despite having a political system that makes the Ottoman and Byzantine empires seem comparatively simple, the United States has from time to time succeeded in working out genuine policies.

Here, a digression is needed on the meaning of the word *policy*. The 2005 edition of the *Oxford English Dictionary* gives thirteen definitions, mostly archaic. The “chief living sense,” it says, is a “course of action adopted and pursued by a government” or “any course of action adopted as advantageous or expedient.” The two parts of this definition are at odds. The first implies a settled purpose and some degree of predictability. The second seems to apply more to maneuvers or stratagems chosen along the way. To some extent, the two parts of the definition overlap with *strategy* and *tactics* though, strictly speaking, these are military terms, used metaphorically when applied to politics or business or games, and all too often used in government without adequate regard to General George Marshall’s caution that if political problems are discussed in military terms, they are likely to become military problems. In any case, it is useful to keep in mind the two meanings because *policy* in its first sense—a course of action pursued over a significant period of time—inherently requires concurrence across the branches of the national government and across party lines, with broad underlying support among interested citizens. The particular expedients used to pursue a policy seem in their nature to be matters for executive discretion, though, in practice, the legislature or lobbies outside can restrict this discretion.

But it is policy in the first sense that the system has at times produced. One example is the support given China against Japan from the Manchurian Incident of 1931 to the end of the Pacific War. During those years, the United States did more business with Japan than with China. “Realists” such as the young George Kennan saw support for China as moralistic sentimentality. This was a theme of the then-authoritative history *The Far Eastern Policy of the United States*, by Yale president A. Whit-

ney Griswold. But with backing from citizens influenced by missionaries, readers of Pearl Buck's 1931 novel *The Good Earth*, viewers of the movie version, fans of Charlie Chan, and the like, Franklin Roosevelt and a few of his aides and congressional leaders cooperated in step-by-step assistance to China and in intensifying pressure on Japan to give up its war of conquest. They agreed that in the long term, Americans would be better off with a strong and independent China.<sup>14</sup>

Another example is the U.S. policy of not intervening in the Nationalist-Communist civil war.<sup>15</sup> The Luce publications (e.g., *Time* magazine), U.S. Representative Walter Judd, and others argued vehemently for active aid to the Nationalists. General Albert Wedemeyer, formerly the commander of U.S. forces in the China theater, prepared a formal report saying that the Nationalists could win the civil war if only the United States would provide arms and logistical support and put a few thousand advisers alongside Nationalist field commanders.

General Marshall, who had previously been Wedemeyer's boss and patron, was then secretary of state. Behind closed doors, Marshall explained to congressional leaders why he opposed Wedemeyer's recommendation. It would, he said, involve "obligations and responsibilities on the part of this Government which I am convinced the American people would never knowingly accept. . . . It would involve this Government in a continuing commitment from which it would be practically impossible to withdraw . . . and which I cannot recommend as a course of action."<sup>16</sup>

Most of the congressional leaders found themselves in agreement with Marshall. As a sop to the strong supporters of the Nationalists, they voted money for aid, but there were to be no U.S. advisers on or near a battlefield. Privately, the Republican Senate leader Arthur Vandenberg of Michigan described the aid package as little more than "three cheers for Chiang."

This joint executive-legislative policy of course was in the background of the later "loss of China" furor. It nevertheless seems in retrospect to have been a wise and prudent course of action. The aftermath owed something to the fact that Marshall's successor, Acheson, did not

get along well with—indeed usually looked down upon—anyone who stooped to running for office. Marshall, having headed the army, understood better the qualities as well as the powers of elected officials on Capitol Hill.

A third example is the “opening to China” that occurred during the Nixon administration.<sup>17</sup> The story, particularly in the memoirs of the principals, is one of a cleverly contrived surprise, astonishing everyone, especially the Soviet leadership and the U.S. secretary of state. And that story is not untrue. But the background included years of quiet discussion involving Presidents Lyndon Johnson and Richard Nixon and their aides on one side, and congressional leaders on the other. The Senate Foreign Relations Committee held extended public hearings, fostering debate on the question of whether it was wise for the United States to continue having no formal relationship with the People’s Republic. Senate Majority Leader Mike Mansfield worked both openly and behind the scenes, seeking a new opening to China. The surprise trips to China of Kissinger and then Nixon were preceded by many conversations between Nixon and members of the House and Senate, including partisans of the Nationalists, such as Judd.<sup>18</sup> Congress was surprised by the way in which Kissinger and Nixon effected the opening but not by the policy they pursued.

Since the set-to between Carter and the Congress, the possibility of a coherent U.S. China policy has often been called into question. Journalists and scholars alike have decried a pattern of incoherence. From Ronald Reagan onward, candidates for the presidency have promised a tougher stance on economic and security issues. Once in office, they have slowly settled into stances rather similar to those of their predecessors. One reason has been recognition that the issues are more complicated and delicate than they seemed from the outside. President Bill Clinton said publicly in 1996 that he had probably been mistaken to have begun his presidency by pressing the Chinese, before all else, to improve their record on human rights.<sup>19</sup> Another reason is the slow dawn of understanding that even popular presidents don’t make policy all by themselves. But a glance backward at least to the period between the



early 1930s and the early 1970s suggests that effort invested in bringing together the two branches and a substantial segment of the interested citizenry can lead to coherent policy.

### **The British-German-American Example**

The final bits of background offered here concern international realignments at the end of the nineteenth century and in the 1920s.<sup>20</sup> No piece of history is ever quite like another. Mark Twain is credited with saying that though history never repeats itself, it sometimes rhymes. In these particular cases, the differences may be so wide that even rhyme is hard to find. Edwardian Britain never had the resources or internal dynamism that would make it comparable to present-day United States. China today is like Germany and the United States of a century ago in little more than impressive economic growth. And one has to look very hard at the United States and other nations of the 1920s to detect significant resemblances to nations of today. Nevertheless, experience at the turn of the century and in the 1920s can be instructive in suggesting some of the processes that engender enmity or friendship across national boundaries.

In the 1890s the British statesman Joseph Chamberlain (father of Neville Chamberlain) led a movement for cooperation among the “Teutonic powers,” meaning the British Empire, Germany, and the United States. He and others argued that the three were essentially similar in culture, values, and institutions. (Recall that manhood suffrage was more nearly universal in Imperial Germany than in either Edwardian Britain or the segregated United States.) Working together, the argument ran, the three could encourage the whole world toward liberalism, capitalism, peace, order, and representative government.

Why did the next two decades see Britain and Germany instead become enemies? British leaders—Chamberlain among them—did resent and resist Germany’s efforts to acquire a larger “place in the sun.” But most of the blame has to go to Germany and its willful ruler, Kaiser Wilhelm II. Time after time, Wilhelm chose precisely the move or language most likely to irritate Britons. He designed and advertised his navy as a

threat to the Royal Navy. He sought colonies or bases or concessions encroaching on British spheres of control. In 1914 Germany attacked France through neutral Belgium, thus tipping Britain into a war that it might otherwise not have entered.

The central reason for Germany's self-destructive behavior was that the kaiser and his ministers were preoccupied with their own domestic politics. Their chief base of support was the landed aristocracy of Prussia. A very large socialist movement with allies from the middle classes wanted to reduce the power and privileges of this aristocracy. Wilhelm and his ministers found it useful—almost necessary—to have trouble abroad in order to maintain quiet at home, and it seemed much safer to taunt Britain than nearby France or Russia.

Why did Britain and the United States not also become enemies? The Americans goaded the British as much as did the Germans, and for a like reason. Not only in Washington but in many states and cities, it was good politics to attack Britain. In 1895 a conservative Democrat, Grover Cleveland, threatened war if Britain did not submit to arbitration a dispute over the boundary between British Guiana and Venezuela. The indignation in London matched almost any ever stirred up by the kaiser. Chamberlain, then the colonial secretary, advised the cabinet to “place in strong relief the fact that Britain is an American Power with a territorial area greater than the United States themselves, and with a title acquired prior to the independence of the United States.”<sup>21</sup>

The American government began even earlier than Germany to build a big navy. As of 1900 the U.S. Navy was second only to the Royal Navy and was regarded in the admiralty as the greatest immediate threat to British supremacy on the seas. The United States moved unilaterally to renounce treaties with Britain so that it could build and completely control a canal across Central America. The U.S. secretary of state, himself an Anglophile, tried to achieve this goal without being needlessly offensive, but the chairman of the Senate Foreign Relations Committee, Henry Cabot Lodge the elder, would not permit it. Lodge insisted on humiliating public demands.

Theodore Roosevelt, elevated to the presidency by the assassination of President William McKinley, imitated Lodge when he negotiated for the

surrender of Canadian territory adjacent to Alaska, which would give the United States sole control of access to the newly discovered gold of the Klondike. The British agreed to arbitration by a panel, which was to include an “impartial jurist.” Roosevelt notified them gleefully that he had chosen for this post a former U.S. senator who had long demanded annexation of the disputed land. Roosevelt and his successors insisted on total U.S. control of the Caribbean, where Britain had many possessions and a history of naval dominance. Woodrow Wilson commenced his presidency by trying to overthrow a regime in Mexico that had support from both British investors and the British government. Wilson unilaterally pronounced the Mexican regime undemocratic and illegitimate.

Why did Britain not react to America’s challenges as to those from Germany? Why did successive British governments repeatedly turn their cheek to the Americans? It was certainly not affection due to a common language or heritage. Though there were social and even marital ties with the American plutocracy, most ministers and most officials in London disdained Americans and bridled at American words and actions. They would have nodded approval if hearing another remark by Georges Clemenceau—that the United States was the only nation to have gone from barbarism to decadence with no intervening period of civilization.

But a chain of British decision-makers calculated coldly that the costs of resisting American pretensions would be too high. Unlike Germany, the United States had no nearby rivals that could be enlisted for balance. Canada was effectively a hostage. Most important of all, America had sympathizers within the British electorate. During the American Civil War, when the British government had wanted to help the Confederacy, churchgoers and Britons who saw the United States as a model of democracy had successfully protested. No influential group of the turn of the century wanted a comparable experience.

Hence, the British government chose to make a virtue of necessity and to yield to the Americans in every dispute with as good grace as was permitted. When a Liberal government came to office in 1906, its new foreign secretary, Sir Edward Grey, declared that the pursuit and maintenance of American friendship was and would be a “cardinal policy” of the United Kingdom.

The example of Imperial Germany clearly warns how dangerous it can be for a rising power to use foreign policy as a means of satisfying domestic political needs. The counterbalancing example of the British-American relationship shows how a great nation can benefit from swallowing its pride and being guided by long-term calculations of interest, both international and domestic.

The second possible rhyme is found in the actual peacemaking that followed the Great War and the disappointing outcome from the treaty negotiations of 1919. After the war, the United States was statistically the greatest power ever. Britain and America's other wartime partners owed large sums to the U.S. government and U.S. banks and were hard put even to meet interest payments. Though the United States had rapidly reverted to peacetime conditions, it had demonstrated awesome ability to mobilize and project military power.

In 1916, before entering the European war, Wilson had called for a U.S. Navy "second to none." Congress had authorized construction of a capital-ship fleet larger than that of Britain. Though shipyards had temporarily turned to building cargo ships, troop transports, and small warships suitable for antisubmarine operations, the program seemed about to resume under the new Republican president, Warren G. Harding. Britain would face a challenge that it probably could not afford to meet. This seemed to make it likely that Britain would tighten its two-decade-old alliance with Japan, for Japan had prospered from the war and had a history of naval and diplomatic rivalry with the United States. Japan had taken over from Germany control of Shandong. As a result of intervening to support anti-Bolshevik forces in Russia, it also held substantial tracts in Siberia. What with past difficulties, American criticism of Japan's imperialism, and discrimination against Japanese in cities and states of the American West, there was worldwide speculation about the possibility of an eventual Pacific war, perhaps pitting Japan *and* Britain against the United States.

In 1921 Harding's new secretary of state, Charles Evans Hughes, convened a nine-nation conference in Washington to discuss issues that might roil U.S. relations with Britain, Japan, and other nations having interests in the Pacific. To the astonishment of all the assembled dele-

gates and of most Americans, with the notable exception of senior Republicans and Democrats from the relevant committees, Hughes offered to abandon the projected shipbuilding program and to scrap some existing construction. Britain's First Sea Lord, who had arrived assuming that the Americans would be stubborn and would hence help him persuade his own government to spend money on new warships, was described by a journalist as looking "like a bulldog, sleeping on a sunny doorstep, who has been poked in the stomach by the impudent foot of an itinerant soap-canvasser."<sup>22</sup>

Eventually, the conferees agreed on a treaty providing for capital ship parity between the United States and Britain. Japan was to be allowed a fleet 60 percent the size of either the American or British—adequate, it was argued, for secure control over Japanese home waters. Other treaties and bilateral and unilateral declarations resulted in ending the Anglo-Japanese alliance; committing all the powers, at least verbally, to an "open door" for trade and investment in China; and ending Japanese occupation of Shandong and Siberia. For the time being, speculation about a possible future Pacific war came practically to an end.

Late in 1922, after the Washington agreements were all complete, Hughes turned to Europe, where peace still seemed far away. He made a cautious offer to have American financiers participate in discussions about how to normalize relations between the former Western allies on the one hand and the Germans on the other. This led in time to arrangements that seemed to bind the former enemies to future cooperation.

The Washington and Locarno systems, of course, had only brief lives. The Great Depression, Japan's turn toward militarism, and the rise of Nazis in Germany ushered in the awful violence of the Second World War. Nonetheless, the 1920s offer another example of a potentially dominant power (the United States) reaching peaceful accommodation with both a declining power (Britain) and a rising power (Japan).

Why did this happen? Why did the United States forsake gaining apparent naval dominance? Why did Japan not only agree to naval inferiority but voluntarily abandon Shandong and Siberia? Why did Britain give up its traditional insistence on naval supremacy? Why did the

United States forego the opportunity to keep down potential rivals and instead promote the economic growth of nations that would be its enemies in the next great war?

For the United States, the answers lie primarily in a combination of ideology and politics. Harding's successor, Calvin Coolidge, would say famously, "The chief business of America is business." Though Progressives and Democrats distanced themselves from Coolidge, they tended in practice to agree with him. The common priority was domestic prosperity, measured by industrial output, corporate profits, bond and share values, and commodity prices. Except for citizens of some coastal cities and their local governments and representatives in Congress, few Americans really yearned for a navy "second to none." Hughes crafted his limitation proposals on a well-founded premise that Congress would probably not continue to pay for such a navy. (It is an instructive marginal point that evidence to this effect went unnoticed by all the other governments participating in the conference, the British government included. Even then, with Wilson's humiliation by the Senate a fresh memory, foreigners tended to forget Congress's power to shape policy.)

Given Britain's economic condition, Hughes's proposals seemed a godsend. For Japan, this was also the case. Japan was suffering a deep postwar recession. A newly formed cabinet, headed for the first time by a commoner, Hara Kei, had priorities like Coolidge's—prosperity for businessmen and farmers above all else. Hara and his colleagues were glad of a chance to escape the burden and expense of occupying Shandong and Siberia and building the warships desired by their naval staff. Within the navy itself, the narrowly dominant faction was led by the admiral who represented Japan in Washington, Kato Tomosaburo. More knowledgeable and realistic than many of the younger officers in his service, Kato reasoned that Japan would gain in the long run if it grew to be economically stronger and enjoyed friendly relations with the potentially all-powerful United States.

The key to what happened at the turn of the century had been Britain's choice of forbearance toward the United States, coupled with Germany's choice to put display of independence and of military and naval power ahead of all else. The key to the global détente of the 1920s

was the choice of the United States—the executive branch and Congress, and Republicans, Progressives, and Democrats all in tandem—to forego parading military and naval power and instead to encourage global economic growth for mutual benefit, though of course of particular benefit to Americans.

Could what happened at the turn of the previous century and in the 1920s find some parallel in years ahead? If the answer were to turn out to be “yes,” the explanation would probably lie in interaction of domestic economic and political factors in the United States, China, and other nations. American leaders would need to feel concern, as did British leaders of the Edwardian era, about the domestic costs of quarrels—about blocs among the public with personal, emotional, or other stakes in a trouble-free relationship with China. Chinese leaders and leaders elsewhere would need to have equivalent concerns.

The dynamic of the American-Chinese relationship could be tipped in one direction or another, as in the 1920s, by marginal choices on both sides between claims for national security on the one hand, and prosperity and domestic welfare on the other. The Anglo-American rapprochement of the early twentieth century was assisted by Theodore Roosevelt’s defense policy. Despite his giving offense to Britain over matters such as the Alaska boundary and Panama, he was careful to avoid the kaiser’s mistake of threatening Britain’s essential security. While remaining a vocal Mahanite navalist, he held back actual fleet-building to the point that the admiralty ceased to count U.S. naval growth as a cause for alarm.

Could the American-Chinese relationship turn into an antagonism like that of Britain and Imperial Germany? Of course it could. Could the relationship instead become as warm as that between Britain and the United States? Probably not. Cultural and linguistic differences are too great. Nevertheless, for two and a half centuries, there has collected in the United States a reservoir of respect for and interest in China that can provide some cushion against shocks. The effect was evident in the rapid return of good feeling for China after the dissolution of the Chinese-Soviet alliance and again after 1989.<sup>23</sup> Potentially, it gives the executive branch and the Congress some latitude for resisting temptations to take offense against China. How much latitude, time will tell.

Could the U.S. and Chinese governments, along with other global and regional powers, find a way of controlling the most dangerous aspect of their current relationship—their growing competition in military and naval forces? Could anything faintly resembling the Washington system of the 1920s be re-created? The answer is: almost surely not. Today's weaponry is totally different. Practically all missiles, aircraft, and ships in any nation's military establishment look threatening from the standpoint of other nations. And, for the United States, the politics of national defense are also totally different. In the 1920s the U.S. Navy had only scattered local support. With the automobile boom underway, the iron and steel and manufacturing industries did not need to be subsidized by naval construction. Now, however, defense contractors and subcontractors are important elements in the economies of most states and a large number of congressional districts. When defense spending was reduced after the end of the Cold War, the chief reductions were in manpower and in operating and maintenance expenditures, not in research on or procurement of weaponry for what U.S. defense posture statements characterize as "full spectrum dominance." And what is known of Chinese force development suggests that similar dynamics are at work in China.

Nevertheless, the example of the 1920s deserves to be kept in mind along with that of the period 1890–1910. It encourages thinking about making armaments a subject for discussion, if not negotiation, just as a way of getting out in the open the rationales for weapons systems that one side or the other could regard as menacing. Also, recall of the collapse of the Washington and Locarno systems emphasizes the point that a truly dramatic change in world economic conditions—if it occurred—has potential for turning an international system predicated on cooperation into one where snarling national and ideological rivalries could make another era of massive violence suddenly more imaginable than it seems at present.

### **The United States and China Today**

Will it occur? Many in the United States accept the notion that conflict between a rising power and the established hegemon is inevitable. Some



argue that China's trajectory in many ways resembles the historical rise of Germany in the late nineteenth century and that the outcomes between the United States and China in future will be like those between Britain and Germany in 1914. However, the world environment, which supports Great Power politics, has changed dramatically over the past century.

Even the "nation" has itself been altered. The nation-state is a relatively recent creation in international history. It established a monopoly of control over its territory and resources only within the past two centuries. According to Karl Polanyi, the nation's newly acquired capacity to mobilize domestic resources has led to increasing battles abroad.<sup>24</sup> Europe's nation-states embarked on arms races and formed alliances to protect their power position, culminating in the First World War. In the interwar period realism continued to serve as the dominant rationale among the Great Powers. After 1945 the balance of power was buttressed by bipolar nuclear capacity, which deterred overt war between the United States and the Soviet Union. Although the realist world continued, a new order began to take shape alongside it. New institutions were created, including the United Nations, the International Monetary Fund (IMF), and the General Agreement on Tariffs and Trade (GATT). In Europe a stable equilibrium was established that permitted the domestic development of welfare states. It enshrined a new customs and currency union and admitted a range of new members to the integrated group, growing initially from six to twenty-seven members. Recently the European Union (EU) has been admitting one new country per year, and no end is in sight.

The mercantilism of the past was modified, and national self-sufficiency is no longer sought. The invention of computers and the popularization of television have facilitated the free flow of information. Large cross-border corporations were established to take advantage of the newest innovations. Trade and investment increased as more economies, such as China's, opened their doors to the international system. The old mercantile way of economic conduct became obsolete as more polities, such as the East Asian "tigers," came to understand that trade can generate domestic income. Economic development is no longer a zero-sum game; the success of a large economy will likely bring prosperity to countries it trades with.

China in recent years has earned the title of “World Factory,” and without China the rest of the world would be deprived of a great variety and volume of goods to consume. The economic world is more closely integrated. A stock market crash in the United States immediately affects China’s market. The present economic base of the international political system is very different from that of the traditional balance-of-power equipoise.

There has been a de facto “privatization” of the economy, which has in turn altered the role of government. The Chinese government no longer possesses the ability to manage every economic sector on its own. Private and foreign enterprises are becoming increasingly influential, and state enterprises are declining in number and importance.

Moreover, it is becoming increasingly difficult to calculate the power a state possesses outside its borders. Should a state engage in military action, it may find that it will have insufficient resources to gain victory because conflicts cannot easily be settled by force alone. The best strategy for China and the United States in these circumstances is to seek understanding and cooperation, not confrontation.

Both China and the United States seek “power” in some sense. But there is a difference between control over resources (*Macht*) and dominion over others (*Gewalt* or even *Herrschaft*). In the era of globalization, *Gewalt*, physical capacity for domination, is dubious; and *Herrschaft*, or actual domination, is no longer a realistic objective for any nation, at least in its relations with other states possessing measurable *Macht*. The lesson taught by the successful expansion of the EU holds relevance for the United States and China. EU members aim at greater growth and an increase of jobs. EU membership involves more partners and stakeholders in “governance” without “government.” In somewhat the same way in which rivals like France and Germany could lay down their cudgels in forming the Coal and Steel Community, the United States and China can settle differences cooperatively. “Subsidiarity”—the European principle that problems should be solved at the lowest appropriate level—could be applied in U.S.-China interchanges to deal with North Korea, environmental, and other challenges. These are after all, “household” differences.

The need to combat the threat of terrorism, to maintain a balanced world economy, and to reduce greenhouse gases are agreed between the two Great Powers. The two countries have similar domestic economic objectives as China becomes an increasingly middle class nation.

### **Conclusions**

China's rise will undoubtedly occasion fears in the United States. How can they be dealt with or dispelled? Cultural differences exist and will remain. Taiwan and the Tibetans seem to be manageable subjects of dispute. An opportunity exists to deepen the interpenetration of the two economies. In the period after the Second World War, the nation-state has become a bounded Prometheus. Actions of multinational firms, nonstate actors, and international institutions have made the world more interdependent. The international power constellation has become codetermined by economics. Newly created rules, norms, codes of conduct, and institutions now bind the nation-state. Nonetheless, the long-term future of the United States and China will depend upon a bilateral ability to empathize with another primary party, to avoid pressing one's advantage, or to linger over imagined slights. Self-interest will have to be even more enlightened over the long term to achieve such goals. This will become easier when nations recall the blunders they made in 1914 and earlier.