China's strategic game: cautious steps to empire

by Linda de Hoyos

The pattern of China's foreign policy over the last 18 months shows that China does not harbor plans to enter into a strategic alliance with any major power in the near future. Rather, as Huan Xing, chief executive of the State Council's International Problem Study Center, entitled a speech delivered Dec. 25, 1987, China wants to see itself operating in a framework characterized by "One World, Two Systems, Political and Economic Multipolarity, and Competitive Co-Existence."

With his role in Zhao Ziyang's State Council and the prominence his statements are given in the state newspaper *People's Daily*, Huan Xing is a near-official foreign policy spokesman. His world surveys, presented in an interview with the *People's Daily* Dec. 31, and his speech of Dec. 25, provide a fair assessment of China's view of its imperial potentials.

The basic premise for China's own position is what Huan Xing sees (hopes) as the growing weakness of the two superpowers, the United States and the Soviet Union. The signing of the INF treaty and Moscow-Washington summitry, Huan Xing indicates, might create a more lasting "détente" precisely because of this weakness. "First of all," he says, "both the U.S. and U.S.S.R. are conscious of their own economic difficulties, and so both sides need to sit down and talk and take a breather and to switch their attention to straighten out their economies. . . . In addition, following economic setbacks, the conservative forces in the United States have tended to weaken and disintegrate, and the majority of people cannot insist on arms expansion and a hard line toward the Soviet Union as in the past. The Soviet Union, too, feels economically exhausted after attaining nuclear parity with the United States, and feels that this situation can hardly be sustained."

The decline of the two superpowers, Beijing hopes, creates "a tremendous increase in the probability that such a [nuclear superpower] war will not break out."

And precisely because China sees both superpowers as declining, it will tend not to strategically align itself with either. "With regard to the triangular relationship between China, the United States, and the Soviet Union, Sino-U.S.

relations have been relatively stable in recent years, but factors that may lead to instability have emerged in recent months [Tibet, etc.]

the three main obstacles have not yet been eliminated. I estimate that for years to come, following the U.S.-Soviet détente, no dramatic changes, which are expected by certain people, will occur in Sino-U.S. and Sino-Soviet relations."

In the case of the Soviet Union, Huan Xing believes the relative military decline of the two superpowers has already resulted in economic power becoming a preeminent determinant of state power. For this reason, Huan Xing believes, the Soviet Union is losing out in the Pacific region (despite the 1986 Vladivostok speech of General Secretary Mikhail Gorbachov). He says, "At present it is difficult for the Soviet Union to accomplish much in the Asia-Pacific region, because it has no economic impact there, nor can it have any great economic influence there for quite a long time to come; its sole influence is the Pacific fleet and its military bases in Vietnam. However, given that a world war cannot break out, this military influence cannot play a great role."

Translated into the events that appear in the morning newspapers, China will continue to play its cat-and-mouse game with the Soviet Union. This includes increasing trade relations, while refusing to accept Mikhail Gorbachov's invitations for a summit. And while China will continue to publicly advocate "nuclear-free zones" in the Pacific and Southeast Asia as per Gorbachov's 1986 Vladivostok speech, Beijing will continue to mock Moscow's calls for an Asian Security Pact.

As for the United States, China, as all other governments, must deal with the conflicting signals coming from Washington. China undoubtedly prefers the policy views of Zbigniew Brzezinski, who reiterated the China card in an interview with the *Chinese Liaowang Overseas*: "I believe that on major geographical and strategic issues, we share common interests. Under such circumstances, to continue to develop Sino-U.S. economic relations will certainly help to further strengthen the overall relationship between China and the U.S."

A key proponent of this view appears to be George Bush,

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who personally invited Chinese Vice Premier Tian Jiyun to Washington in April in a visit mostly concerned with trade issues.

On the other side, China has expressed extreme irritation, even accusing the U.S. of "hegemonism"—an epithet usually reserved for the Soviet Union—over the U.S. Congress's interference on human rights issues, Tibet, and its protests against China's arms sales.

To be sure, China views the United States as a weakening power. An article in the April 13 *People's Daily* on Paul Kennedy's book *Is America In Decline?* cites the fact of "America's astounding economic decline." And as Huan Xing remarked in his Christmas speech, "Now the presidential candidate nominated by the Republican Party will either be Bush or Dole. But judging from what they have been doing, we do not think that they have an effective prescription for invigorating the U.S. economy."

Therefore, China will seek to gain whatever it can from the United States in technology transfer and trade to earn foreign exchange, with no illusions that the United States will sustain China as a strategic ally.

The middle way

Given superpower weakness, China is operating in a world framework of "multipolarization." China will occupy a middle position between Washington and Moscow, where it "no longer yields to pressure from either superpower," as stated by Chung Mingqun, director of the National Defense Institute, last year. From the vantage of dealing with both superpowers, China hopes to find new partners, including a possibly neutralized "Mittel Europa." As Huan Xing explains, "The decline in the strength of the superpowers means that their control over their allies is also weakened, with the result that the existing political and economic multipolarization of the world will develop still further. . . .

"The trend for Europe to rely on its own strength to organize its defenses will grow. This is bound to cause increased political and military independence of Western Europe. . . . With the Soviet controlling influence over Eastern Europe weakened, there will also be an increase in political independence of Eastern Europe. For a short period, five years by my reckoning, the United States and the Soviet Union will still be able to maintain their present positions in their military blocs, but after that, it is hard to say."

In steering along the middle course, China will naturally tend to find itself operating in the cracks between the intelligence services of both East and West—the interface between those agencies that defines the Trust, the interlock that ensures superpower coordination. Hence, as will be seen, China is deeply involved in Iran, an asset of both the U.S. and Russian Trust networks; and has found itself involved in the Israeli-Iran Contragate arms deals run by Trust operatives in the United States and Israel. China is the Trust's natural

cooperating partner in such anomalous ventures. In addition, we shall find that such Trust operatives as Armand Hammer and George Soros are among the Western industrialists and businessmen eager to open up China who are most celebrated by Beijing.

This "middle position" should not be confused with that of the Non-Aligned Movement, China's alleged commitment to the Bandung Principles notwithstanding, since China has no principled commitment to the national sovereignty of any country save itself. Nevertheless, China will continue to put itself forward as the protector of underdeveloped countries—particularly in Africa and Asia—who are victimized by both the U.S. and U.S.S.R. This diplomatic effort was encapsulated by Deng Xiao-ping's remarks to visiting Zambian President Kenneth Kaunda in March, "Hegemonism still exists today and the superpowers' hegemony is threatening world peace. When China, a nation with one-fifth of the world population, shakes off poverty, there will be a better guarantee of world peace."

Deng's statement does not imply Chinese pacificism, but directly its opposite. If China does not foresee war in this century, it is committed to be prepared for nuclear wars in the next. An article appearing in the People's Daily April 24, 1987, stated bluntly, "When forecasting the international situation between 2011 and 2020, our national defense development strategy should be based on fighting major wars and fighting nuclear wars. Under this premise, we should also be prepared for fighting small-scale wars. . . . By the end of this century, more than 30 countries in the world will possess nuclear weapons. . . . We should realize our national conditions. Our country is in the Asia-Pacific region, which is a very sensitive hotspot region, and our peripheral situations are extremely complicated. We are situated in the crevice of the rivalry of the two superpowers. This also determines that our strategy must be based on fighting a major war."

Imperial ambitions: Asia

The very concept of the Middle Kingdom implies that China is the primary power in Northeast and Southeast Asia, those countries where its culture and population have spread. This view of China's historic rights in the region did not change during the Maoist era. The Maoists attempted to stake their claim through insurgency in targeted countries. Now, Beijing's emphasis is on diplomacy and power politics.

The first step, however, is security of its own immediate periphery. This includes three targets:

- Reunification with Taiwan, a goal to be accomplished by the turn of the century.
- Build-up of Hainan province. A key experiment in the goal of reunification is the development of China's strategic island of Hainan, situated in the South China Sea. Beijing, which has recently given Hainan extra freedoms, plans to

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turn the island into a "second Taiwan." Hainan is being built up not only as an investment haven for foreign capital, but also for Taiwanese capital. Hainan will be developed to prove to Taiwan that it is safe to reunify with Beijing under the "one nation, two systems" slogan.

For China's own security, it is noteworthy that Hainan, which is situated directly opposite Haiphong, Vietnam, and with possibilities for becoming a deep-sea port, is also the site of a military base.

• Spratly Islands. Flare-ups with Vietnam over these strategically situated islands in the South China Sea, which are the site of major oil deposits, indicate Chinese assertive efforts for full control of the Spratlys, which are also partially claimed by the Philippines and Malaysia.

China's secondary concern in Asia is asserting its power in Southeast Asia. On this count, China's consistent supply and sponsorhip of the Khmer Rouge in Kampuchea represents a trump card in the settlement of that "regional conflict." The Soviet-backed Vietnamese occupation of Kampuchea handed China the golden opportunity to link up with the non-Communist ASEAN countries. As a U.S. withdrawal from its strategic bases in the Philippines appears imminent, China will attempt to fill the strategic vacuum. In April, the briefing paper that provided the basis for talks with visiting Philippines President Corazon Aquino prominently included the warning, "Any unprejudiced person would know that the main threat to the region is coming from the massive build-up of Soviet forces and the prospects for its further expansion."

Fears of the 'co-prosperity sphere'

Perhaps the primary threat that China sees in the region is Japan. Although Japan is China's biggest trading partner and China relies substantially on Japan for infrastructural development, since 1985, the Chinese have struck a consistent theme of complaints against alleged Japanese militarism and attempts to take advantage of China economically. The Chinese government's cooperation with Italian communist Bernardo Bertolucci's "The Last Emperor" film with its anti-Japanese themes, is one sign of China's increasingly adversarial view of Japan, a sentiment Moscow openly encourages.

China believes that in the long term, it cannot rely upon the U.S.-Japan Security Treaty to restrain Japan's ambitions and power in the region. In fact, in November, the Chinese military newspaper *Jiefangjun Bao* complained that because of the weakening of the United States, Washington is looking to Japan to take over some of its security responsibilities in Asia, "Of late, some people in the U.S. are dreaming of the prospects of 'U.S.-Japanese hegemony'. . . . This is wishful thinking on the part of the U.S. Why? Japan is the largest creditor nation in the world, and the U.S. is the largest debtor nation. It is hard to say whether the debtor will have the creditor at its beck and call. Second, the reason why Japan

aims to strengthen its military might is due to its own strategic needs. . . . Japan's goal to beef up its military strength is far from being confined to becoming a U.S. agent in Asia."

In February, this line became tactically active with a Chinese protest in the *People's Daily* to suggestions that Japan patrol the Indian Ocean. "The Japanese press has reported that two U.S. Navy officers recently proposed unofficially to Japan that the scope of the sea lanes under Japanese protection be extended from the Pacific into the Indian Ocean," the article noted. "Henry Kissinger has predicted on many occasions recently that Japan will become a great military power. . . . A decision that Japan's status in U.S. global strategy should be expanded from the Pacific into the Indian Ocean can only mean luring Japan into becoming a great military power. There is no reason why Japan should follow the U.S. in acting ostentatiously in the Indian Ocean . . . [but] since the question has been posed, the peoples of Asia must be concerned about what the answer will be."

In his closing remarks in his Dec. 25 speech, Huan Xing openly asserted China's fears that it could be surrounded by a Japan-sponsored new "co-prosperity sphere." In Asia, he notes the necessity of looking at "Japan's attempt to develop its economic influence in the Asia-Pacific region. For example, Japan has invested capital in the Taiwan region and South Korea, in the northeastern part of Asia. In the meantime, it is trying to draw in ASEAN and to enter the Indochinese peninsula in order to establish an ASEAN and Pacific economic system with Japan as a center. . . . By the end of this century, in addition to the 'four tigers,' a fifth, or even a sixth tiger might emerge in Asia."

Therefore, from Beijing's standpoint, although the "weakening" of the two superpowers has opened up to China a grand opportunity to assert its own imperial rights, the emergence of Japan as a geopolitical power and China's own economic difficulties pose a major threat to those ambitions. Huan Xing closed his Dec. 25 speech with an urgent warning to the Beijing leadership:

"Assessing the world situation and the situation in the Asia-Pacific region, we might discover that the situation is favorable to us. But we are also facing a grim situation. As far as technological transfer is concerned, both the U.S. and Japan are imposing restrictions on us. It is obvious that they are not willing to see great development in China. The U.S.S.R. might not be happy either when China has truly become prosperous and powerful. Under such circumstances, if we still act unhurriedly and behave in a lax, undisciplined way, and turn a blind eye to excessive consumption, great difficulties, and poor economic results at home, other countries will surpass us one after another in the coming 10 years. This is very dangerous. We should have a sense of crisis, eagerness, and urgency. . . ."

From this standpoint, the modernization of China's impoverished economy is Beijing's highest strategic priority, and the ultimate measuring rod for crafting its foreign policy.

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