2022–2023 WILSON CHINA FELLOWSHIP

Bringing China Back into the World: The Historical Origin of America's Engagement Policy and Its Implications for Contemporary US-China Relations

Mao Lin is an Associate Professor at Georgia Southern University and a 2022–23 Wilson China Fellow

Wilson Center | Wilson China Fellowship | Kissinger Institute

Abstract

With the deterioration of US-China relations in recent years, America's engagement policy toward China has been heavily criticized for failing to change China into a liberal democracy and turning Beijing into a peer competitor of Washington instead. However, a more balanced history of engagement shows that engagement has served American interests quite well. During the 1970s, American officials and the broader foreign policy public forged a new perception of China as a "frustrated modernizer." The priority of China was not to spread communism abroad but to turn the country into a first-class industrial power. However, China failed to modernize under communism, with the Sino-Soviet split further threatening China's national security. America's engagement policy was conceived as a realistic response to those changes. Engagement successfully turned China into America's tacit partner against the Soviet Union, helped Washington to end its war in Vietnam, moderated China's radical foreign policy, and contributed to the end of the Cold War. While the desire to change China into a liberal democracy loomed large in the background, that desire was only pursued as a long-term goal and no American administration ever set a firm timetable to turn it into reality. A balanced assessment of engagement can help us to forge a realistic strategy by aligning means with ends. America must realize many of the factors that will shape China's future are beyond American control. A more realistic goal for US China policy is to shape China's choices so that it will abide by the rules-based international order with or without political reforms. Washington should consistently convince Beijing that America does not seek to contain China's rise if China can truly become a responsible stakeholder.

Policy Implications and Key Takeaways

- America should achieve a balanced assessment of the US-China engagement before abandoning it. Engagement was conceived as a realistic strategy that served America's interests well since the 1970s. Regime change has never been the main aspiration of engagement. To hope that China will eventually move toward liberal democracy is not the same as setting a time-table and assuming that America has the capabilities to achieve that goal. A balanced assessment of engagement

can help us to forge a realistic strategy by aligning means with ends. A more realistic goal of America's future China policy is to shape China's choices so that it will abide by the rules-based international order with or without political reforms.

- Washington should consistently convince Beijing that America does not seek to contain China's rise if China can truly become a responsible stakeholder. The feeling that China can never do right in the eyes of America, is the kind of perception that America should dismantle. History proves that China is willing to work with America on specific issues, even thorny ones, when it believes that the overall relationship is on a constructive track. For many Chinese, China's rise in the recent past was largely achieved within the US-led international order. America should encourage the argument that China can continue to develop within the existing world order without disrupting it.

- Being consistent is the key. America should refrain from overreacting to the China challenge and focus on areas where America has maximum leverage and enjoys broad support from its allies. America should not hesitate to offer carrots when China makes verifiable changes. By doing so, Washington can demonstrate that it is willing to work with Beijing on specific issues, rather than containing China across the board. Equally importantly, Washington should demand Beijing make deliverable and verifiable pledges that China does not seek to promote its interests at America's expense.

- America should take China's legitimate concerns seriously. America and China must work together to uphold rules acceptable to both and negotiate their differences in good faith. It also helps if America can have frank conversations with China about its "Century of Humiliation." America should make it clear that uncontrolled nationalism will only have detrimental effects on China's future development.

- The White House should play a more forceful role in shaping a balanced narrative about China. In the world of diplomacy, rhetoric and symbols

matter. Even if there is no substantial change of policy, a more balanced narrative is likely to alleviate concerns among US allies and smooth relations with Beijing.

- Continued engagement is the practical policy toward China. Engagement is not appeasement, and the alternatives carry more risks than benefits. A new Cold War aimed at containing China cannot work, given the high degree of China's integration into the world. Plus, few nations are willing to choose side between America and China. A shooting war between the two nations is unimaginable.

Introduction

In recent years, US-China relations have experienced unprecedented challenges since the normalization of relations between the two nations in the 1970s. While both Beijing and Washington publicly deny the coming of a second Cold War, strategic competition, if not rivalry, is now the frame through which the US government views its relationship with China. For many foreign policy analysts, the transition to an increasingly mutually destructive Sino-American relationship is disconcerting, a trend highlighted when the former US Secretary of State Mike Pompeo announced the end of America's engagement policy toward China on July 23, 2020.[1]

Indeed, Washington has a long list of grievances against Beijing including unfair trade practices, intellectual property theft, human rights abuses, China's aggressive moves in the South China Sea, and the future of Taiwan, just to name a few. Many of those contentious issues, however, are not new. Their origins can be traced back to the 1970s, when the two nations decided to normalize relations. Accordingly, my paper is designed to examine the historical origin of America's engagement policy toward China and its implications for contemporary Sino-American relations. By historicizing and contextualizing America's China policy, the paper aims at achieving a nuanced evaluation of the effectiveness of engagement.

America's engagement policy toward China was grounded in a shared discourse on China's modernization between America and China, which first gained currency between the late Johnson administration and the Carter administration, a period I call the "long 1970s." During the long 1970s, Sino-American interactions were framed both explicitly and implicitly by perceptions of China's modernization, the meaning of which was being constantly negotiated and imagined. This discourse on China's modernization was generated both by assumptions underlining American foreign policy such as the need to champion capitalism and liberal democracy, and by China's understanding of the US-led international order. However, the term "engagement" was not used to describe Washington's overall policy toward Beijing. Rather, "rapprochement" and "normalization" were the official terms used in the long 1970s. Engagement has only become the new buzzword in recent years because of the need to find a convenient label for the multidimensional relationships between the United States and the People's Republic of China (PRC).

While "rapprochement" and "normalization" suggest a narrower and more-or-less manageable policy agenda, "engagement" runs the risk of misinterpreting America's past China policy by confusing long-term policy goals with short-term ones. During the long 1970s, America's China policy was gradual and had phased goals. While the desire to change China into a liberal democracy loomed large in the background of America's policy toward China, that desire was only pursued as a long-term goal and no American administration ever set a firm timetable to turn it into reality. Moreover, Washington often put that long-term goal on the back burner in favor of pursuing other goals that served America's national interests. Before rejecting engagement as a complete failure, therefore, it is necessary to examine why and how the policy of engagement was developed and what it has achieved since the long 1970s.[2]

The Cognitive Foundation of Engagement: China as a Frustrated Modernizer,1966–69

Policy and reality mutually reinforce each other. On the one hand, policy reflects reality and derives from decision-makers' perceptions of reality. On the other hand, policy also shapes reality by creating the discursive context of reality, analyzing reality selectively, or misinterpreting reality. America's engagement policy toward China is subject to the same policy-reality dynamics. While policy and reality mutually shape each other, the key link connecting the two, the perception of reality, is equally important. The historical origin of America's engagement policy toward China, therefore, can be found in the changed perception of China during the long 1970s.

During the early Cold War period, Washington primarily perceived the Beijing regime as a "Red menace" bent on "continuous revolution" at home and exporting communism globally.[3] As so often in politics, however, the pendulum started to swing again during the late Lyndon Johnson administration. The year 1966 saw a rapidly growing effort to reevaluate America's China policy. This was a natural development from the accumulated frustration over the deadlock in US-China relations during the previous decades.

The Vietnam War further revived the call for improved Sino-American relations, because more people now wanted to aim directly at the root problem of the war: the shadow of Communist China in Southeast Asia. A new public

debate over China thus emerged, first initiated by members of the US Congress and prominent scholars on China. They successfully reconstructed America's perception of China by examining China's modernization under communism. As a result, China came to be primarily perceived as a "frustrated modernizer," a country that failed to become a first-rate industrial power and establish modern economic sectors under communism. Promoters of this perception argued that new policies toward China were not only conceivable but also highly feasible, because the Beijing regime, with all its weaknesses and vulnerabilities, would eventually change its foreign policy if America would take advantage of China's failed modernization to exert the right kind of pressure.

The "frustrated modernizer" image was first brought sharply into focus when J. William Fulbright, chairman of the Senate Foreign Relations Committee, launched three weeks of congressional hearings on US-China relations in March 1966.[4] To Fulbright, the war in Vietnam was a result of America's misunderstanding of China: "China is not judged to be aggressive because of her actions; she is *presumed* to be aggressive because she is communist." Revolutions, Fulbright argued, shared a common feature: "their principal purpose in any case is to modernize rather than democratize and they are more interested in material results than in abstract ideas." The Chinese Communist Revolution was the latest stage of the Chinese effort to modernize their country and to become equal with the West.

The best way to deal with China, Fulbright argued, was not to pursue a rigid containment policy but to bring China into the international community. By engaging China, America could moderate China's behavior and make Beijing realize that a healthy relationship with the West was indispensable to the modernization of China.[5] Fulbright's effort to understand the Beijing regime through the lens of China's modernization was echoed by the fourteen witnesses who testified before his committee.[6] A. Doak Barnett particularly proposed a new strategy that would soon catch the attention of the mass media: "containment but not isolation."[7] This strategy aimed at forcing Beijing realize that accommodation with the Wes could greatly benefit China's modernization.[8]

As a new discursive construction of China, the "frustrated modernizer" perception signaled the beginning of US-China engagement. Yet no one expected engagement to produce immediate results. Instead, engagement was

perceived to be a long-term policy that should be pursued gradually with phased goals. For many, trade was the least sensitive and low-risk tool of diplomacy. Senator Henry M. Jackson, a key figure on the Armed Services Committee, openly called for the development of "a livable relationship with the Chinese Communists."[9] Jackson urged to establish trade relations to acquire "some leverage in negotiating other items with China."[10] Senator Mike Mansfield, the powerful majority leader in the Senate, urged the Johnson administration to negotiate the ending of the Vietnam War by talking directly to Beijing.[11] Mansfield reminded his audience in a speech of the old "China trade" days and questioned America's trade embargo against China.[12] "It was a damned good speech," Johnson's aide Frank Valeo later recalled: "and very courageous considering the general atmosphere. He didn't get but one single negative comment on it." [13]

Unofficial cultural exchanges, or the so-called "people's diplomacy," also became a good tool to jumpstart engagement. The National Committee on United States China Relations pronounced its establishment in June 1966, shortly after the Fulbright hearings. Robert Scalapino, who testified before Fulbright's committee, became its acting chairman, with numerous China scholars serving on its steering committee.[14] The National Committee argued that by engaging China in trade, technological transfer, and cultural exchange, America would moderate radical Chinese behaviors and bring China back into the international community. "For too long a period of time we have concerned ourselves with attempting to use economic controls and restrictions to retard development and growth of unfriendly countries—without much success," one committee study concluded. "The more positive approach would seem to be that of directing economic measures in a positive direction."[15]

The "frustrated modernizer" perception was accepted by the Johnson administration officials when they launched a comprehensive study of China in 1966. The report rejected both "disengagement" and "showdown" as viable options in dealing with China. The report argued that America must understand that the current radical Chinese foreign policy could not last long, since "no responsible Chinese leadership can escape the task of social, political, and economic modernization. But...prolonged semi-failure is almost certain to wear down both the morale of the Communist cadres and the responsiveness of the Chinese people to exhortations for greater effort." Painting China as a

frustrated modernizer, the report argued that "gaining access to the US market should be particularly attractive to the Chinese…Our long-term problem may well be how to ensure that, as containment succeeds, China will turn toward the free world rather than toward the Soviet Union." To make this happen, American policy would follow two directions. On the one hand, "we should try to draw China into activities on the broader world scene where, through exposure to outside reality and successful assumption of international responsibility, she might gain a degree of status and respect which could substitute in part for the unattainable goals of regional domination and superpower status." On the other hand, by gradually softening America's military containment of China, "we might ease the tension between China and ourselves, thereby facilitating a decision that Chinese interests were better served by normalizing relations with us rather than risking another betrayal at the hands of Russians."[16]

During the late 1960s, therefore, the perception of China as a "frustrated modernizer" became the cognitive foundation of America's engagement policy toward China. While American analysts can be accused of being paternalistic toward China, the new engagement approach was not created by American naiveté or idealism. Engagement was proposed because a rigid containment strategy failed to change China's behavior and reduce its threat to the America-led world order. Nor were maintaining the containment policy or going to war against China viable options when America was bogged down in Vietnam. Engagement, therefore, promised a better approach to achieve American foreign policy goals.

As a new policy, engagement was conceived as a response to what happened inside China. The constant and relentless political campaigns, from the Hundred Flowers Campaign, the Anti-Rightist Campaign, the Great Leap Forward, to the Cultural Revolution, caused significant damage to Chinese society and the Chinese economy was on the verge of collapse. China, indeed, became a frustrated modernizer. American analysts did not get China wrong. It was reasonable to believe that America could use Chinese weaknesses and vulnerabilities as leverages to change Beijing's foreign policies. Finally, engagement was conceived as a long-term strategy. While it imagined that over time, China might join the rules-based international order led by America, the short-term goal of engagement was to moderate China's radical foreign policy,

relax tensions of the Cold War, and help America to end its entanglement in Vietnam. Regime change was not on the top of engagement's agenda.

Engagement Bears Fruit: From Rapprochement to Normalization, 1969–79

Thanks to the "frustrated modernizer" perception, when Nixon became president, he was well-positioned to construct a new China policy on the foundation of a growing consensus that favored engaging China. Nixon's much-celebrated 1967 *Foreign Affairs* article showed that he was thinking along the same lines. "Any American policy toward Asia must come urgently to grips with the reality of China," Nixon argued. "Taking the long view, we simply cannot afford to leave China forever outside the family of nations, there to nurture its fantasies, cherish its hates and threaten its neighbors."[17] The escalating Sino-Soviet Split, which culminated in the 1969 Sino-Soviet border conflict, provided a new geopolitical context to explore new possibilities.

To Nixon and his National Security Advisor, Henry Kissinger, the immediate goal of engagement was to realign the Cold War balance of power by forging an anti-Soviet alliance with China. Yet Nixon and Kissinger understood that the common threat from the Soviet Union could not automatically guarantee a smooth development of rapprochement. Trust had to be built and rapprochement had to start with small, low-risk steps. That's why the Nixon administration did not pursue a narrowly defined anti-Soviet alliance with China but encouraged a broadly defined engagement which encouraged the development of multilayered and multidimensional relations with China. Engagement served American interests in three ways simultaneously. First, by developing trade and cultural relations, America signaled that it was negotiating with China in good faith. Second, engagement showed that Nixon wanted to improve US-China relations per se, not to play Beijing off against Moscow. Finally, engagement could gain China access to Western markets and technologies, benefits that would bind China closer to America and prevent a Sino-Soviet rapprochement.

To Nixon and Kissinger, engagement could work because China as a "frustrated modernizer" had weaknesses that could be used as leverage. That the Chinese showed interests in several trade and travel related initiatives put

forward by America further made engagement promising. The Nixon administration concluded that "it is more likely that China's policy ultimately will moderate, given an international climate conductive to moderation. Domestic economic pressures and the emergence of a more pragmatic leadership in Peking to cope with these pressures would contribute to such an evolution." America should find a way to "obtain Chinese acceptance of such a system of independent states and Peking's cooperation with other Asian countries in areas of common economic and social activity and interest."[18]

For Kissinger, the priority of engagement was to serve America's immediate strategic needs by opening relations with China. Despite the conviction that engagement could reorient China toward the West over time, Kissinger did not even hint that America would seek to change the Chinese regime when he visited China in July 1971. Yet Kissinger was convinced that Beijing recognized the flaws of its development model and needed Washington to counterbalance Moscow. The most encouraging sign was that China softened its stance on the Taiwan issue. The Chinese Premier Zhou Enlai made it clear that China did not want to use force to reunite Taiwan with the mainland, yet China also did not want to see "two Chinas" in the world. Kissinger told Zhou that America would "not [advocate] a 'two Chinas' solution or a 'one China, one Taiwan' solution."[19] The softened Chinese stance, which did not insist on immediately terminating diplomatic relations between Washington and Taipei and setting a firm time-table for withdrawing American forces from Taiwan, made it possible for the two sides to negotiate a joint communiqué for the anticipated Nixon visit during Kissinger's second trip to China in October. Further, when the General Assembly of the United Nations voted to admit the PRC and expel Taiwan on October 25, the Nixon administration only fought a half-hearted battle to preserve Taiwan's seat in the UN, largely to satisfy conservatives such as Ronald Reagan and Barry Goldwater.[20]

When Nixon finally went to China in February 1972 and met with Mao Zedong, the Chinese supreme leader only wanted to discuss "philosophical questions" and not specific policy issues. But Mao indicated his support for strategic cooperation with America.[21] The Chairman still wanted to show his confidence in the merits of his revolution by showing that he was not eager to improve relations with America overnight. Nixon, on the other hand, insinuated that Mao should get out of his own vision of history to find common

interests with the US. "History brought us together," Nixon told Mao, "The question is whether we, with different philosophies, but both with feet on the ground, and having come from the people, can make a breakthrough that will serve not just China and America, but the whole world in the years ahead."[22] Kissinger perceived a weakened China and a less confident Mao. When Mao told Nixon that his writings did not change China but only changed a few places in the vicinity of Beijing, Kissinger thought Mao admitted the "revolutionary dilemma" he faced. "To Mao, Communism was the truth," Kissinger wrote, "But...he discovered that the evolution of Communism could wind up mocking its pretensions."[23]

The Sino-American rapprochement was followed by a honeymoon period between the two nations. Engagement flourished as all kinds of American groups rushed to visit China. Kissinger went to China multiple times, and the two sides soon found that they had converging interests on a wide range of global issues, with the anti-Soviet alliance on top of their shared agenda. Kissinger even told Nixon that "we are now in the extraordinary situation that, with the exception of the United Kingdom, the PRC might well be closest to us in its global perception."[24] However, the move toward normalization, that is, the establishment of formal diplomatic relations, was stalled. Several factors contributed to the problem. While the Chinese put aside the Taiwan issue to pursue rapprochement, they demanded the US cut off diplomatic relations with Taiwan before normalization could happen. Nixon was not ready to accommodate this yet, which would require a broad bipartisan consensus. And the unfolding Watergate scandal further tied the president's hands. The power struggle inside China between the moderates led by Zhou Enlai and the radicals led by Mao's wife, Jiang Qing, was another obstacle. The radicals feared that opening to America would damage their unyielding Maoist ideology and they took every opportunity to undermine Zhou and his supporters.

Normalization regained its momentum when, on February 8, 1977, President Jimmy Carter, urged by Secretary of State Cyrus Vance and National Security Advisor Zbigniew Brzezinski, told Huang Zhen, head of the PRC Liaison Office, that his administration was firmly committed to achieving normalization.[25] The Carter administration had an even greater desire to preserve the anti-Soviet alliance with China in the aftermath of the fall of Saigon and escalated Soviet activities in the Third World. "To an even

greater extent than I realized, common concerns about the USSR drove the US and PRC together in 1971," Brzezinski told Carter, "In sum, the Sino-American relationship helped stabilize our East Asian situation after twenty-five years of confrontation."[26] Brzezinski worried that stalled normalization would damage America credibility in the eyes of Beijing, a concern shared by the Secretary of Defense, Harold Brown.[27]

The "frustrated modernizer" perception played an even bigger role in the Carter administration's China policy. The death of Mao, the downfall of the "Gang of Four," and the rise of Deng Xiaoping confirmed America's perception that China was moving away from Maoism and toward the West. Both Vance and Brzezinski believed that China wanted normalization to serve its modernization efforts.[28] In July 1978, Carter sent Frank Press, his advisor of science and technology, to China. The Press visit was designed to "strengthen the hand of those Chinese leaders who want to deal pragmatically with the US...anchor Peking's current 'tilt' toward the West and diminish further any prospects for Sino-Soviet reconciliation...reinforce the PRC's current moderate policies in Asia and possibly induce flexibility on Sino-US bilateral issues (e.g., Taiwan) by demonstrating the tangible benefits that flow from a clearer relationship with the US...[and] broaden US commercial opportunity vis-à-vis China."[29]

The Carter administration, in short, continued to regard engagement as the best approach toward China. Meanwhile, Deng's need to reconfigure China's modernization meant that he was willing to downplay the Taiwan issue to pursue normalization. In December 1978, Deng and Woodcock held the last round of negotiations on normalization. Deng was willing to allow unofficial relations between America and Taiwan after normalization, and reluctantly, he agreed to solve the issue of American arms sale to Taiwan later. Woodcock assured Deng that America would not try to "fulfill the defense treaty in a different form" by arms sales. Deng hoped that if the issue of arms sale was raised by the American media, "the President will be very vague and ambiguous in answering this question so that no problem will be raised." He also agreed that China would not contradict American statements that the Taiwan issue would be solved peacefully.[30]

US-China diplomatic relations were officially established on January 1, 1979, followed by Deng's visit of America. Just before his visit, Deng officially

announced a new policy of Reform and Opening Up. America's engagement policy appeared to bear fruit after the long 1970s. "One of the best ways to put roots deep into the Chinese political system is to expose his people to the advantages of a relationship with Japan and the US," Vance reflected on Deng's visit. "The rapidly expanding relationships are important because they draw the Chinese further into involvement with us and the rest of the world. To the extent that the Chinese become part of the community of primarily non-Communist nations at this time in their development, so will our ties with China be more enduring when and if they are later tested by strategic or political strains."[31]

Engagement in Retrospect: A Bottle Half-Empty or Half-Full?

The effectiveness of a given policy should be measured against the results it expects to achieve. In this regard, engagement has successfully achieved its goals. That China became America's partner against the Soviet Union served American interests well and contributed to the end of the Cold War. China significantly moderated its foreign policy, stopped supporting radical revolutions around the world, and aligned its interests with America's in many areas. Engagement ended China's self-imposed isolation and paved the way for China's economic reforms. The rise of China as an economic power also served American interests. Not only did the US economy benefit from the vast China market, but a developing China proved willing, albeit sometimes reluctantly, to accept certain international rules and norms. At a minimum, China's transition to the market economy prevented a worse scenario from happening: a collapsed China could have created more problems for America. In short, the key rationale of engagement was to maintain a stable working relationship with China regardless of the nature of the Beijing regime. While America has legitimate reasons to be concerned about China's lack of political reform and human rights record, engagement was never designed to prioritize those values-based issues.

Critics have put forward two major arguments against engagement. On the one hand, they argue that with the end of the Cold War, the strategic rationale of US-China cooperation faded away. Issues that were previously

overshadowed by strategic needs such as unfair trade practices are bound to emerge as prominent problems. On the other hand, the rise of China as a major economic and military power has challenged American dominance of the global order. Instead of perceiving China as a frustrated modernizer, Washington increasingly treats China as a peer competitor and threat. In 2017, the Trump administration labeled China as a strategic competitor and revisionist power bent on undermining American security, eroding the rules-based international order, and challenging American power. Although China was not called an enemy, it was deemed more dangerous than Russia.[32] In October 2018, Vice President Mike Pence accused Beijing of "employing a whole-of-government approach to advance its influence and benefit its interests" at the expense of America.[33] Secretary of State Mike Pompeo put the final nail in the coffin when he discredited Nixon's China policy and declared that "the kind of engagement we have been pursuing has not brought the kind of change inside of China that President Nixon had hoped to induce."[34]

The criticism of engagement, however, suffers from empirical problems and ahistoricism. Even after the Cold War, successive American administrations from George H.W. Bush to Barack Obama continued to value strategic cooperation with China. Bush managed to stabilize relations in the aftermath of the 1989 Tiananmen Incident to deal with the uncertainties created by the collapse of the Soviet bloc. Later, Washington also needed China's support during the First Gulf War. The Clinton administration delinked human rights issues from trade relations because expanded engagement with China was deemed vital to America's economic recovery. The George W. Bush administration toned down its earlier harsh rhetoric against China and valued China as a partner in the Global War on Terrorism. While the Obama administration's "pivot" to Asia was widely perceived as a move to contain China, Washington continued to stabilize relations to get China's cooperation on a wide range of issues such as Iran, North Korea, and climate change.[35] Contrary to the critics' claim that the previous American administrations ignored moral issues in pursuit of strategic interests, American foreign policy makers were keenly aware of the seriousness of those issues. Yet most recognized that Washington was not in a position to force Beijing to make immediate changes. The former Secretary of State Madeline Albright,

for example, argued that China's progress toward liberal political and human rights practices "will be gradual, at best, and is by no means inevitable."[36]

Accusing China of being a revisionist power bent on undermining the rules-based order also exaggerates the China challenge and oversimplifies reality. As some analysts have convincingly argued, a singular US-dominated liberal world order has never existed in the post-WWII era. Rather, states interact with each other around "'issue-specific orders' where the key norms and institutions that regulate state behavior today vary depending on the issues area."[37] Nor is China the only power that abides by this order selectively. America too often operates outside the rules of this order.[38]

A closer examination of China's behavior related to the issue-specific orders reveals that engagement has successfully integrated China, at least partially, into the US-led world order since the 1990s. China joined the World Trade Organization, the World Bank, and the International Monetary Fund. It signed treaties pertinent to the control of nuclear, chemical, and biological weapons, and signed the Paris Climate Agreement in 2016. Between 2000 and 2018, China supported 182 of 190 UN Security Council resolutions imposing sanctions on countries breaking international rules. China has also deployed more peacekeepers than the other Permanent Security Council members combined. China's actions during the 1997 Asian Financial Crisis were widely applauded as responsible and compared favorably with American actions. China's rapid economic growth has not only lifted 800 million of its citizens out of poverty, but also contributed significantly to global growth. China has also made great progress in addressing issues such as pollution and clean energy. While China's cooperation on some issues was often reluctant and inconsistent, the benefit of keeping China closer to American positions nonetheless outweighed the risk of an alienated China making mischief. Indeed, China's positive contribution to the world order was one reason why Robert Zoellick coined his oft-quoted term "responsible stakeholder" when he urged China to step up its efforts to maintain international norms.[39]

To argue that engagement has been a success on balance is not to say that all is well with China. It is also not primarily about different perspectives. The debate over whether China's record is a glass half-full or half-empty can go on forever. Nor should we ignore that China's behavior since the rise of

Xi Jinping has contributed to the current estranged relationship. Xi's China appeared to have abandoned the Deng era's "low profile" foreign policy. A dazzling assortment of political slogans such as Wolf Warrior diplomacy, the China Dream, and Made in China 2025, combined with more assertive foreign policies such as the Belt and Road Initiative and island building in the South China Sea, make China's neighbors increasingly nervous. In the economic area, many believed that Xi reversed the liberal reforms under Deng by strengthening state control of the economy and increasing barriers for foreign business in China.[40] The result was that China managed to alienate a wide range of American constituencies who had supported engagement. Americans, in return, lost their patience with China. And the perception of China as a threat resurfaced to dislodge the "frustrated modernizer" perception.

It is unfair, however, to blame engagement for the current problems between America and China. Rather, a balanced assessment of engagement can help us to forge a realistic grand strategy, to use the popular buzzword, toward China. As John Lewis Gaddis has pointed out, a successful grand strategy must align one's "unlimited aspirations with necessarily limited capabilities."[41] People who criticize engagement often sound like that the only acceptable outcome for America is regime change in China. Regime change, however, has never been the main aspiration of engagement. To hope that China will eventually move toward liberal democracy is not the same as setting a timetable and assuming that America has the capabilities to achieve that goal. Nor can we continue to assume that the market economy will inevitably lead to liberal democracy, as proven by China's development since the 1980s. While we should keep that aspiration alive, America must realize many of the factors that will shape China's future are beyond American control. It's the Chinese people who will have to decide their future. America should play an active role in shaping China's future, but not draw up a blueprint for China. A good grand strategy requires one, in Gaddis's words, to find flows you can go with instead of trying to control flows.[42] Thus, a more realistic goal of America's China policy is to shape China's choices so that it will abide the rules-based international order with or without political reforms.

Engagement or Cold War 2.0: A Time for Philosophical Questions Again

When President Xi Jinping met with President Donald Trump during the 2019 G20 Summit in Japan, the two nations had been locked in "an epic trade war" for over a year.[43] Instead of hammering out a plan to end the trade war, Xi wanted to talk about what kind of a relationship the two nations wanted to have.[44] Like Mao who wanted to discuss philosophical questions with Nixon, Xi wanted to discuss philosophical questions too with Trump after 50 years of US-China engagement.

Indeed, it is time to discuss philosophical questions again. We need to think about the overall trajectory of the relationship: how to assess the challenges posted by China, how to prevent possible military conflicts with China, and how to align America's strategic goals with its capabilities. We should focus on the big picture and decide what kind of relations we want to have with China in the next few decades.

For starters, we should have a clear-eyed assessment of China's capabilities and intention instead of believing in the inevitability of the so-called Thucydides Trap. China, in many ways, is still a "frustrated modernizer." It is true that China's power has grown rapidly in the past decades. As the second largest economic power, China is even projected by some analysts to surpass America by the 2030s. Yet it is also true that China has not achieved power parity with America. On the contrary, China is behind America in key areas of hard power, such as the semiconductor industry, per capita income, and overall military power.

In terms of soft power, few nations want to copy China's political system. American ideals and values are still appealing to many Chinese. As scholars have pointed out, contact with America itself has played a major role in cracking open China's closed society and planting alternative ideas in China despite heavy Chinese propaganda.[45] The Chinese government's fear about "peaceful evolution" or "color revolution" only confirms the erosive power of American ideals. Washington should not blindly cut back on cultural and educational contacts with China. Meanwhile, China faces difficult challenges ahead such as corruption, a greying population, health care, income inequality, environment protection, and the increasing popular demand of transparency and rule of law, to name just a few.[46] Dealing with

those challenges requires a stable international environment and global cooperation. America should convince China that its own interests can be best served by behaving responsibly on the world stage. As a "frustrated modernizer," China is more a challenge that requires skillful management than a threat that America needs to confront at all costs. Plus, in the age of social media, efforts by a democratic government trying too hard to shape a narrative often backfire.

The question of China's intention, however, is harder to answer. While China's influence is growing globally, it is too early to assert that China wants to replace America and become the dominant hegemon of the world. That inspiration may be harbored by China's ultra-nationalists, but it is not a realistic goal pursued by the Chinese government. China's intention, in essence, is Xi Jinping's call for the rejuvenation of the Chinese nation, which is not necessarily to be achieved by disrupting the US-led international order. China understands that its rise, if not properly managed, can make the Thucydides Trap a self-fulfilling prophecy. That's why China coined the term "peaceful rising," and then changed it to "peaceful development" when the word "rising" was considered provocative. China has become more assertive under Xi Jinping, but the official line continues to warn against a new Cold War and promise that China will not seek hegemonic power.

To achieve a balanced view of the national rejuvenation thesis requires a more balanced view of Chinese nationalism. The rise of Chinese nationalism since the 1990s can be best understood in light of the "frustrated modernizer" image. While China has clearly become a global economic powerhouse, the downsides of its development model are serious. New social problems have brought about a "left turn" in Chinese politics. Marginalized groups came to share the belief that "the Communist Party was abandoning socialism and embracing economic growth at all costs...to the benefit of an elite few and at the expense of the majority."[47] Those groups have urged the CCP to revive certain policies during the age of Mao Zedong, when the Chinese society was supposed to be more egalitarian. The tightened state control of the economy and the intensified ideological struggle under Xi, which are perceived in the West as reversing China's liberal reforms, are the CCP's efforts to maintain the balance between economic reforms and the party's rule. The primary audience of the rejuvenation thesis, therefore, is domestic. The CCP

has used nationalism to buttress the legitimacy of its rule, as it argues that only the party can steer China's modernization toward success.

The national rejuvenation thesis also has an international dimension. The success of China's modernization requires the restoration of China's status as a major power. For America, the key question is how to manage China's rise without falling into the Thucydides Trap. The first step is to take the Chinese perspective seriously instead of dismissing it as propaganda. For many Chinese, China is a returning major power that wants to regain its national pride from the "Century of Humiliation," rather than a rising power bent on disrupting the existing world order. When China is perceived in the West as another Nazi Germany or imperialist Japan, it is only natural that many in China complain that the West either misunderstands or intentionally demonizes China. Moreover, from China's perspective, America has not exactly been the role model of maintaining international rules and norms. American unilateralism has done significant damage to its credibility as a benign superpower. While international rules matter, so do the process of rule formation and the nature of the rule-making institutions. China, however, is not a player in making the existing international rules. China can choose to comply with certain international rules out of self-interest, but it does not necessarily internalize the international norms. The Chinese position was best summarized by Yan Xuetong, a leading Chinese scholar of international relations, who argued that the US-led international order lacks moral principles such as "fairness," "righteousness," and "civility," which Yan deemed as more important than "democracy" and "freedom." [48]

Taking the Chinese perspective seriously does not mean that Washington should allow Beijing to rewrite international rules unilaterally. Rather, America should realize that China cannot be denied a seat at the table indefinitely. Those who argue that engagement is a failure often overlook the fact that while China has rejoined the world since the 1970s, it is not a true insider of the rule-making club controlled by America and its allies. China cannot become a responsible stakeholder if it is not a stakeholder in the first place. America and China must work together to uphold rules acceptable to both and negotiate their differences in good faith.

Washington should consistently convince Beijing that America does not seek to contain China's rise if China can truly become a responsible stake-

holder. Engagement from Nixon and Obama produced a more or less stable relationship because both nations wanted to keep the relationship on a constructive track. Once the trade war started, however, Beijing was no longer sure about Washington's intension. Take for example the coverage of the trade war by the *Global Times*, China's most influential and nationalistic-oriented tabloid. Initially, the *Global Times* focused largely on trade issues on its social media accounts. But increasingly, the coverage shifted away from mere trade issues to the possibility of an emerging new Cold War. "The beacons are being lit everywhere on China's 'Great Wall'—Hong Kong, Xinjiang, and the trade war," one editorial lamented. "What challenges do we have to face? What on earth does the enemy want from the Middle Kingdom?" "A rising great power naturally feels isolated," the readers were told. "Don't expect the rest of the world to understand us. We need to be calm and confident."[49] The feeling that China can never do right in the eyes of America, is the kind of perception that America should try to dismantle.

It is crucial that America should convince China and itself that a constructive relationship is still in the two nations' interests. Being consistent is the key. China cannot be persuaded with Congress passing laws targeting China, news media constantly portraying China in negative ways, and the FBI launching whole of society efforts to counter China's influence. However, consistency does not mean America should remain silent or speak in the same voice. As a democracy, America cannot and should not do so. Being consistent, therefore, is easier said than done. However, there are several possible ways worth trying.

First, America should refrain from overreacting to the China challenge. Before we start a second Cold War, we should take George Kennan's warning during the first Cold War seriously. "I sometimes wonder whether . . . democracy is not uncomfortably similar to one of those prehistoric monsters with a body as long as this room and a brain the size of a pin," Kennan wrote. "He is slow to wrath—in fact, you practically have to whack his tail off to make him aware that his interests are being disturbed; but, once he grasps this, he lays about him with such blind determination that he not only destroys his adversary but largely wrecks his native habitat."[50] While democracy survived the Cold War, overreaction indeed damaged American interest and credibility, the Red Scare and the war in Vietnam being examples. By confronting China on all issues at the same time, Washington will only stiffen China's resistance,

raise its suspicions about American intensions, and ironically reinforce the nationalists' argument that America is in decline. China has now frequently called America a "petty" superpower, whose toughness belies its fear.

Second, America should choose its battles wisely. Washington should focus on areas where America has maximum leverage and enjoy broad support from its allies. America should also focus on issues when a convincing case can be made that China's changed behavior can serve its own interests. By choosing where and how to engage China, America can both signal its firmness on issues that affect American interests and convince Beijing that America does not intend to destruct the overall relationship. History has proven that China is willing to work with America on specific issues, even thorny ones, when it believes that the overall relationship is on a constructive track. Mao Zedong and Zhou Enlai were willing to put aside the Taiwan issue to pursue rapprochement. Deng Xiaoping did not raise hell over American arms sales to Taiwan when he tried to achieve normalization. Jiang Zemin decided to maintain course despite the NATO bombing of Chinese embassy and Chen Shui-bian's visit to America.

Third, America should not hesitate to offer carrots when China makes verifiable changes. For example, Washington can set up clear criteria for Chinese companies like Huawei to meet. Once they comply with the criteria, Washington should ease or lift sanctions. The point is that America should focus on manageable issues that can be solved within a relatively short time span. By doing so, Washington can demonstrate that it is willing to work with Beijing on specific issues, rather than containing China wholesale. Equally important, Washington should demand Beijing make deliverable and verifiable pledges that China does not seek to promote its interests at America's expense. The two sides must mutually assure each other that they do not seek to violate the other's core interests.

Fourth, America should commend China's positive contributions where credit is due, hold China accountable for the international rules and norms that Beijing promises to uphold, and engage China in the discussion of the rising Chinese nationalism. America should make it clear that uncontrolled nationalism will only have detrimental effects on China's future development. It also helps if America can have frank conversations with China about its "Century of Humiliation." A major psychological drive behind the increased

Chinese assertiveness is the belief that the West, including and especially Japan, is unwilling to address China's past sufferings at the hands of imperialist powers. America and its major allies' policies toward China, from the Chinese perspective, are still based on the notion that might makes right. The US-China trade war, therefore, is widely interpreted in China as America bullying. It is difficult to establish strategic trust if China believes that America wants to keep it down indefinitely.

Finally, the White House should play a more forceful role in shaping a more balanced narrative about China. While the Chinese understand the complexity of American politics and the almost unavoidable whole of society backlash against China, they traditionally look at the US president as the ultimate authoritative voice of foreign policy. The Biden administration should discuss China in a less flammable way to counterbalance calls for a new Cold War and even military conflicts with China. National Security Advisor Jake Sullivan's recent speech that Washington is for de-risking and diversifying, not decoupling, is a good start.[51] Maintaining regular high-level dialogues with China, such as the recent trips to China by Secretary of State Antony Blinken and Secretary of Treasury Janet Yellen, is another way to control the narrative. In the world of diplomacy, rhetoric and symbols matter. Even if there is no substantial change of policy, a more balanced narrative is likely to alleviate concerns among US allies and smooth relations with Beijing.

Engagement should be pursued with a firm and consistent understanding that America does not seek to block China's rise if the latter is willing to make positive contributions to the world order. The history of engagement has proven that China is not immune to America ideals and values. China is not a political monolith, and there is still a significant number of Chinese sharing American values. Often called "moderates" or "reformers," those people are the primary audience of America's engagement policy. Under Nixon, the US-China rapprochement strengthened the position of Zhou Enlai and other moderates. Under Carter, the US-China normalization reinforced Deng Xiaoping's credentials as the chief reformer. And under Clinton, China's entry into the WTO boosted Zhou Rongji's reformist agenda. While anti-American feelings are running high in China in the aftermath of the trade war and the Covid-19 pandemic, moderate and rational voices have never died out. Social media posts blaming China for

the deterioration of U.S-China relations are not uncommon to find. For example, a recent social media post that went viral alleged that Deng Xiaoping once said "historically, countries with good relations with America all grew rich."[52] For many Chinese, China's rise in the recent past was largely achieved within the US-led international order. America should encourage the moderates' argument that China can continue to develop within the existing world order without disrupting it. America should also work together with its allies, not to contain China, but to show that other nations too prefer a rules-based international order.

In conclusion, continued engagement is the practical policy toward China. But engagement should be recalibrated by taking into consideration China's legitimate concerns. Engagement is not appeasement, and the alternatives carry more risks than benefits. A new Cold War aimed at containing China cannot work, given the high degree of China's integration into the world. Plus, few nations are willing to choose side between America and China. A shooting war between the two nations is unimaginable. Engagement, on the other hand, can set up realistic ends by aligning America's goals with its capabilities. America should use engagement to shape China's future choices so that it can contribute positively to the rules-based international order with or without moving toward a liberal democracy.

The views expressed are the author's alone, and do not represent the views of the US Government, Carnegie Corporation of New York, or the Wilson Center.

Notes

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