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(CSIS)**

**U.S.-GERMAN BILATERAL DIALOGUE ON CHINA**

**CONFERENCE REPORT**

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## Foreword

On October 26, 2001 the Europe Program at the Center for Strategic and International Studies (CSIS) hosted a one-day U.S.-German Bilateral Dialogue on China. The dialogue was organized in cooperation with a German delegation led by Col. Ralph Thiele, director of the Bundeswehr Office for Studies and Exercises, following another such seminar with a similar group of participants that has been held in Berlin on March 12–13, 2001.

Featuring specialists as well as former and current government officials from both Germany and the United States, the seminar sought to provide a balanced view of U.S. as well as European and German preoccupations and expectations with regard to China and the broader Asia-Pacific region. This report is based on the transcribed proceedings of the conference, including the panelists' introductory statements and their respective German response. The quality of all sessions benefited greatly from the various contributions of all participants, whose names appear in the list of participants at the end of this report.

Our decision to focus on China and related questions was an attempt to shift the transatlantic debate to issues that have traditionally received little attention in the bilateral agenda of Europe and the United States. The September 11 attacks and subsequent events confirmed our notion of holding such a dialogue in Washington and underscored the salience of these issues in analyzing the new geostrategic environment that has been unfolding over the last four months.

I am grateful to Ralph Thiele for taking the initiative to help convene this conference, and to all my German and U.S. colleagues for helping to make this event as interesting, constructive, and educational as I found it to be.

*Simon Serfaty*  
*Director, CSIS Europe Program*

# I

## SECURITY ISSUES IN THE 21<sup>ST</sup> CENTURY

ANTHONY J. BLINKEN, *Senior Fellow and Writer-in-Residence, CSIS*

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### Going Global?

*Antony J. Blinken*

Immediately after the events of September 11 the invocation of NATO's Article 5, for the first time in the history of the alliance, was an unexpected development that received much attention, in the United States as well as in Europe. In the first instance, this was an action of tremendous political solidarity. It made it very clear that the attack on the United States was also an attack against the allies, and on that level, represented a very important step by NATO—and one that American officials welcomed, especially since they had not really requested or engineered it. Instead, this had been largely the work of NATO Secretary General Lord Robertson.

Clearly, this declaration had many practical consequences, as well as political implications. As it is well known, throughout the 1990s NATO was engaged in a profound debate about out-of-area activities, as well as about its future missions and enlargement. The admittedly rough consensus that grew out of these discussions agreed to an out-of-area role for NATO, so long as it would remain within Europe (like the Balkans) and not move beyond the continent (like Asia, Africa, the Middle East).

That consensus made a lot of sense. After all, acting out of area beyond Europe risked depleting the very finite resources of all the NATO countries, and perhaps NATO itself. More to the point, it risked creating situations of political paralysis in an alliance where members share the same broad strategic vision but often face significant tactical differences over how to achieve that strategic objective. In this sense, avoiding going global would avoid some paralyzing political fights and, probably, do much to retain NATO's importance rather than diminish it. What happened on September 11 went to the heart of NATO's *raison d'être*: an attack on one of NATO's members—an Article 5 situation. But as the discussion in earlier years had unfolded outside the context of Article 5, this new situation has caused

NATO and its leaders to begin to rethink this question and the consensus that had been developing.

Back in the early days of NATO, it would have been hard for its founding fathers to imagine that an attack on a NATO member would come from halfway around the world as it apparently did, not from right next door like the Soviet Union. They could not have imagined that it might even come from a non-state actor, some kind of sub-state group, and they certainly would not have imagined that the first time Article 5 would be invoked would be on behalf of the United States, not on behalf of a European country. All of this is causing fresh thinking, which I hope and expect will culminate in Prague in 2002 about how NATO, collectively or as individual countries, can handle situations in which there is an Article 5 threat that comes from well beyond the territory of NATO's members. We need a new consensus on how to handle these situations. I suspect that, to a large extent, the reaction of NATO thus far is leading to that consensus, but its specific terms will have to emerge progressively during the coming weeks and months—especially in terms of the participation of NATO itself, as well as individual NATO countries.

*Back in the early days of NATO, it would have been hard for its founding fathers to imagine that an attack on a NATO member would come from halfway around the world....*

What we have seen so far, of course, is that the United States is not acting in Afghanistan through NATO proper, and frankly, there are many good reasons for this. First, and most obviously, doing so would involve ceding a certain amount of political and operational control to NATO. The memories of Kosovo are very different depending on which side of the Atlantic you stand, despite the broad success of that mission. Europeans took from Kosovo a lesson of “my gosh, we can't let these crazy Americans run off bombing everyone in sight; this isn't going to happen again.” Americans generally took exactly the opposite conclusion—“we can't be handcuffed by our European friends in choosing targets.” From a U.S. perspective, Kosovo might have ended a lot sooner than it did, if some of the strategic bombing that took finally place had been pursued earlier. This is a debate for General Wesley Clark and for historians to pursue. More immediately, it is for that reason I think, that working through NATO in Afghanistan was something the United States did not want to do. Yet, there is also another reason that is, in a sense, more practical: in a campaign that seems to demand speed and stealth, acting through NATO might have been too cumbersome.

What the United States clearly wants and will continue to want is the strong and active support of individual NATO countries, and the quick invocation of Article 5 made such support much easier to secure than in the past. Political support, but also serving in some kind of coalition of the willing on the ground, overflight, basing rights, intelligence sharing, all of these things that to one degree or another

NATO itself or individual NATO countries have offered. Remember that preceding the Gulf War, many similar requests proved problematic. But, to repeat, the quick invocation of article 5 made this a lot easier in the context of Afghanistan, and that is an extremely welcome thing.

The question for NATO is now, first of all, whether it will develop a real consensus about acting out-of-area in Article 5 situations or whether its post-September 11 reaction was an aberration because of the significance of this particular act. I suspect that that debate will percolate over the next few months and culminate in Prague. A second question for NATO is whether it will recognize terrorism as a clear threat to the security and peace of its member countries. During the debate leading to the Strategic Concept in 1999, the United States was urging the recognition of terrorism as a clear threat, but the language that ultimately emerged from the debate was much watered down in the wrong places—at least from the American perspective. Will this debate be revisited on the road to Prague? The question is of some importance. Will NATO dedicate more of its assets to tackling terrorism? This question, too, is very important: it has to do with practical issues of coordination between military and civilian police and other law-enforcement authorities. There is work to be done there, and a debate that needs to be engaged, even though I do not think it involves NATO somehow becoming a special force to fight terrorists around the world. But I am hopeful, because NATO brings some real assets to the table, certainly in the strengths of its individual members. The fact that it can send its AWACS to the United States to free up American AWACS for the Middle East is also something that is extremely welcome.

*Europe is very much focused on Europe geographically... the United States has been very much focused on the world.*

Just a few thoughts about the larger U.S.-European relationship in terms of going global. In my view, much that has been written about the reported crisis over the Atlantic in the months preceding September 11 was grossly exaggerated. In fact, over the years there has been a kind of convergence, not a divergence, of interests and even values. I do not want to get into that argument because it would take too long, but I do want to say that there were some real differences on that score too.

Europe is very much focused on Europe geographically—and on its own construction project. Because of its responsibilities, the United States had been very much focused on the world beyond, which is what we will be talking about later today. Europe has been focused on different problems, new threats, and transnational threats. The United States has been more concerned about so-called classic security problems. In other words, the United States has been fixated on rising powers and rogue actors, while Europe has concentrated more on failed states and problems that arise from them. And finally in terms of means, Europe has tended to prefer engagement and multilateralism, and the United States on

containment and unilateralism—political and economic means on the one hand, and military means on the other. Past September 11, there is some potential to see convergence on these fronts too. Europe is becoming more concerned with the world beyond Europe, because Europe, too, is highly vulnerable to this terrorist threat, and it has to be engaged in all of these different fronts for the war against terrorism to be successful. Hopefully, there is also recognition of that need in the United States. In terms of the problems themselves, I would also hope that the United States is now thinking more closely about the problem of failed states and, as it shares more of Europe’s perspectives on this question, it will not be quite as obsessed with the problems of rising powers.

*The European experience of terrorism has been different from the experience we are now facing together.*

Finally, in terms of means, we may also have greater convergence because of the nature of the war against terrorism, a war that is waged on multiple fronts only one of which is military and many others (and arguably, the more important ones) are more political and economic. So, I am actually hopeful that out of this crisis, the relationship between the United States and Europe can move forward in a highly positive way.

There are fault lines. Simon Serfaty and I have spent some time thinking and writing about them. Very quickly, some of them are, first, will the perceptions of the problem of terrorism remain the same? The European experience of terrorism has, broadly speaking, been somewhat different from the experience we are now facing together. The terrorisms that have afflicted Europe have tended to be much more domestically grown, to have a clear political agenda (however misguided), to target officials of the state (not civilians), and to be constrained in their means (not seeking mass destruction of innocent lives). As a result, Europeans have sometimes found a political outlet for these problems, as now seen in Northern Ireland with the IRA apparently beginning to dismantle some of its weapons at last, and as seen earlier, in Germany for example, with the co-optation of radical thinking. This new particular problem, however, has no political solution. There is no negotiation possible with Bin Laden and Al-Qaeda. So, the potential danger here, in our view, is that the Europeans might take the wrong lessons from their past and apply it to the future.

The second problem affects the scope of the campaign. Does it extend beyond Afghanistan and Al-Qaeda to Iraq, Iran, Syria, and others? For obvious reasons, this will create real strains on the Alliance if it does. If there is clear proof that Iraq is behind the September 11 attacks, or if there is clear proof linking Iraq to the anthrax attacks that followed, then clearly we will have to act, and as several of you have argued, Europeans would hopefully be supportive. But the more likely scenario is that what we will find is not direct complicity of Iraq in the September 11 or in the anthrax attacks, but clear evidence that Iraq has reconstituted or is reconstituting its program of weapons of mass destruction. After all, inspectors have been out of Iraq

for over three years. We are also likely to find evidence that there were regular contacts between Iraq and Al-Qaeda. Some have already come to light, and more may emerge soon—and thus the view amongst some Americans will be that Iraq presents a clear and present danger that we should preemptively remove, as the Israelis did in the early 1980s by bombing Iraq's nuclear reactor—an action that was much maligned around the world but silently applauded by most democracies. I think that prospect is going to be a problem in the weeks and months ahead, and keeping the alliance together is not going to be easy.

There is also a tendency in the United States, but much more in Europe, to blame this situation on Israel. Of course, we must solve the problem of the Middle East on its own merits, and the Clinton administration came very close in the summer 2000. Solving the Arab-Israeli conflict would make it easier for Arab and Muslim countries to join, take part, or stay in these coalitions. But it would be a grievous error to explain the attacks of September 11 on the ongoing tension between Israelis and Palestinians. If peace were to break out tomorrow, the threat would remain, and the attacks would continue. Bin Laden rarely justified his actions on what was happening between Israelis and Palestinians, and it is only recently that he came to that view. Indeed, many of the attacks perpetrated against the United States in the 1990s came at the height of the peace process, and the attacks of September 11 were probably being prepared at a time when we were closest to getting a final deal. So, we will hopefully avoid falling into that rhetorical trap as the blame-it-on-Israel argument might otherwise be a source of real tension.

*The United States wants solidarity from the allies—solidarity in what they say and solidarity in what they do.*

Finally, it should be all too obvious that the United States wants solidarity from the allies—solidarity in what they say and solidarity in what they do. In return, we owe our allies a very clear obligation of real time consultation, engagement, and involvement on all aspects of this campaign against terrorism. We will only create and fuel dissent and widen fissures if we not only act unilaterally but talk unilaterally, and if we fail to at least engage in a meaningful way and on a real-time basis our closest friends. So I would hope the administration takes that lesson to heart to sustain the alliance.

## Switching Priorities?

*Kurt Campbell*

Coming to the United States at this time is almost like being an anthropologist—to come and interact with people, some you probably have known before, and some you may be meeting for the first time. And in all instances, being struck by how September 11 has affected each of them and the country altogether: a fascinating mixture of introspection, patriotism, defiance, and security. It is really an incredible opportunity to see a country that is neither terribly introspective nor very enlightened about how others see it, at a moment of dynamic change and thinking about the future. Everyone talks about the world before and the world after September 11, and that is what I will do as well.

We are actually in the final stages of a book that we tried to prepare rapidly about how September 11 will affect our lives.\* According to many observers and practitioners, the issues associated with these events may actually be quite fleeting, and a major change in American foreign policy as a consequence of September 11 is difficult to imagine. The more I think about it, the more I come to the conclusion that that argument is absolutely wrong: the experts who have come to this position are fundamentally out of touch with how Americans think about these issues. I want to lay out quickly some primary assumptions about conventional wisdom prior to September 11, particularly presented by the dominant political class—those in and around government—and what the same conventional wisdom tells us we might expect to see after September 11.

*The most interesting pre-September 11 piece of conventional wisdom was that the future was to be in Asia.*

The most interesting pre-September 11 piece of conventional wisdom was that the future was to be in Asia. That is where the challenges were going to be. Looking back at the decade of the 1990s, the assessment was that 90 percent of the strategic creativity, time, and energy of the most senior U.S. officials was devoted to three specific challenges: the dismantlement of the Soviet Union and the attempt to reconfigure Russia—a difficult process still underway, painful, and incomplete. Second, the reconfiguration and reunification of Germany and the associated tasks of finding new missions and new architecture for NATO, and third, picking up the pieces from Tito's Yugoslavia.

Literally, those three questions completely preoccupied the 1990s, and it was argued that looking forward to the next ten years pointed to three priorities that would likely animate U.S. policy in the future and which were all in Asia. One was

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\* Kurt M. Campbell and Michèle Flournoy, principal authors, *To Prevail: An American Strategy for the Campaign Against Terrorism* (Washington, DC: The CSIS Press, 2001).

the inevitable process of change on the Korean peninsula, still underway, probably not moving aggressively right now, but likely to have major strategic implications for the United States in North-East Asia. Second, and more importantly, was the question of how to deal with the complex issue of a rising China. Tony Blinken talked a bit about this real interest of the United States in rising powers. Failing states were said to be for wimps—for democrats, that is—for “wussies,” which is an American term for someone who is not really up to it. ‘Real men deal with rising powers’—that was the conventional wisdom prior to September 11? And the third issue was to be the incredibly dangerous nuclear rivalry between India and Pakistan, and any of those three priorities was likely to demand truly dramatic attention from the United States.

I would go even further than that and apply the same general observation to an attempt to list countries that were important to the United States, but whose importance the United States had not yet recognized—with Indonesia ranking very high on that list. Lastly, the economic issues associated with major problems in Asia were said to be right around the corner—probably much more substantial than anything faced during the East Asian economic crisis of 1997–1998. There was a belief that we really did not face any major security challenges, notwithstanding the money wastefully spent on conventional types of equipment.

Additionally, questions arose about whether we could skip a generation of weapons, and think boldly of highly technical capabilities for the future: really designed to go after peer competitors more than anything else. The reflection of military thinking is, in an organizational sense, the chairman of the Joint Chiefs. Hugh Shelton was a good and wonderful man, but he was basically an old style man with a predilection for ground special forces. The primary reason for him being chosen four years ago had been the unquestioned stability of his personal life—hardly a decisive feature when thinking about military strategy. The idea now was that the new chairman would understand satellites, issues associated with space, and other highly technical questions associated with airpower. So, the chairman chosen in the summer was interested in a whole different kind of military challenges, while the dangerous and hard challenges on the ground were left basically to previous administrations. The logic was “We’re not going to do that anymore,” and there really was a sense that many of these issues could be best handled on our own. We would want to use our European friends, to be sure, but I do underscore the verb “use.” Unilateralism is overestimated in terms of how it is discussed in the United States but, in terms of a mindset, there is a real sense that sometimes the United States will have to act alone. But, rather than thinking about it as a last resort, there was almost a desire to act alone.

*Unilateralism is overestimated... but there is a real sense that sometimes the United States will have to act alone.*

These were some of the major phenomena that conditioned the pre-September 11 common wisdom internationally. Preoccupation with China surely looked like the strategic priority of the Bush administration. Additionally, the major initiative for the first seven or eight months was a near full-scale embrace of India—something that very few people thought could succeed, but which proved to be surprisingly effective. Indians, after holding back during five different presidencies were ready to work with the United States. Astonishingly, there was even discussion in India about possibilities close to an alliance. The administration’s dominant mindset was something akin to an ill-defined realism—meaning a traditional form of thinking about pulleys and levers, balancing questions associated with dealing with potential rising and falling states.

In short, the world prior to September 11 relied on a belief that for the first time in a thousand years, every major challenge to peace and stability was found in Asia, not in Europe. Indeed, while it was inconceivable to imagine a scenario where the world could be propelled into flames overnight in Europe, such scenarios could be developed in and for Asia very quickly.

The events of September 11 have profoundly transformed these assumptions. First, in their aftermath, the United States will be fully preoccupied with three regions over the next three to five years. The first region is obviously the Middle East and south Asia. Much has been said of the difficulty to deal with declining or collapsed states like Afghanistan that sponsor terrorism. The honest reality, however, is that the most serious state sponsor of terrorism is not Afghanistan but Saudi Arabia. It is, at some level, most of the Middle Eastern states that have either been openly complicit, or privately supportive, or both. That tragedy, the fact that there is no alternative to violence for many of the disenfranchised people in the Middle East is a challenge for American foreign policy that must be accepted, but it will be extraordinarily difficult to resolve. It is actually going to be dirty; the kind of things that cannot be done from space with highly technical lasers and other kind of infrared capabilities. Rather, it must be done on the ground: this is “nation-building” even though the term will be muted by elegant references to “post-conflict reconstruction” or “post-fighting mediation,” among other such expressions.

*If you are in the United States, Europe is where you go when you need solutions, if you need real allies.*

The second focus is not going to be on Asia but on Europe. Why is this? It is a point that Tony Blinken often makes. Europe is where you go when you need solutions if you are in the United States, if you need real allies. We are obviously very grateful for the support that transpired from other countries in other parts of the world. Yet if and when America really wants to get serious in the organization of a cooperative system, it must go to Europe.

The third region of absolute preoccupation for U.S. leaders is the American homeland. The reality is that the American homeland is really not going to be just a domestic issue; it is going to be a blurring of domestic and foreign policy, and this preoccupation is going to be very dynamic and have profound implications for the United States. I wrote an essay recently about how this new focus on security at home might actually injure the very process of globalization that has led to so much prosperity for all of us over the past decade.\* The strike against us, against all of us, was devastating, but the reality is that the supposed cures—to attend to various immigration issues or to make it difficult to travel—all of those cures may actually prove to be worse than the disease itself.

*Failing states matter now. They can no longer be ignored.*

Obviously, failing states matter now. They can no longer be ignored, and we have to recognize that, past the military campaign in Afghanistan, a much more serious problem awaits us—what is going to happen in Afghanistan next. We have the prospect of winning the war in a narrow, technical sense. This is the way America loves to do it, but the real problem may be winning the peace which is, I think, a much more challenging issue. This will be indeed the biggest area of cooperation in the future—working together on developing some sort of alternative in Afghanistan, which is a horrible, brutish, terrible challenge that will have to be confronted.

September 11 also raised the prospect of dramatic international realignments that used to be deemed impossible. The most interesting such case is between the United States and Russia. I am optimistic and thus believe that we are entering a dramatically new phase. The president meant what he said when he asserted that he looked into Putin's eyes—he truly felt that there was some electricity between the two of them. There is even a prospect of a better relationship with China. Most of these trends are actually quite hopeful, but there may be cause for some worries that other, pre-September 11 priorities, such as North Korea, will be forgotten. It might also be that our friends in Taiwan will feel a little ignored now that we have embraced China. These are problems for us to deal with, and one of the most interesting among them will be the U.S. relation with India. After courting them, going to their house, bringing them flowers for months, suddenly we have stopped calling, and started instead to do a lot more things with Pakistan. Eventually, as India feels hurt we will return to them sheepishly; that dynamic is going to be very hard to manage, and it is probably going to be one of the most difficult post-September 11 issues to deal with.

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\* Kurt M. Campbell, "Globalization's First War?" *The Washington Quarterly* (Winter 2002), pp. 7–14.

Finally, let me just add that prior to September 11, I would have said that however much I admired individual members of this security team, I did not think they were really capable of true strategic rethinking—a sort of new thinking on security issues. They were really comfortable with the security framework they envisioned, and their intent was to fit the developments that came their way into that vision. Since September 11, however, I have reevaluated that view. There have been significant signs of new thinking that can be potentially helpful, and one of the things that you could help Americans to influence right now is how we think about our relationships with other countries. In short, when Americans talk primarily and fundamentally about September 11, they are more open to dialogue with, and engagement from, European friends than ever before. Indeed, now more than at any other time, the next three to five months will probably be decisive for you to help shape U.S. thinking about the world ahead.

## German Response

*Thomas Bagger*

There is little to add except some points that might reflect a more specifically German perspective. Actually, as Kurt Campbell suggested, this kind of direct dialogue is especially important at this time. To gain a feeling for how people feel as their spouses go to work at the State Department and elsewhere in the morning, or while reading about the latest anthrax infection of a mail handler in the *Washington Post*, is important. It gives you a different perspective than the one we still have at home, where up until now we have only been subjected to hoax letters—although there is a very real sense of a new threat in Germany.

That brings me to my first point, which is that September 11 indeed marks a radical change. At the political level, this is a wake-up call for Germany. I fully agree with Tony Blinken that there is probably more of a chance of convergence in transatlantic perspectives and policies than there are risks of divergence or drift. We Germans tended to think of the post-1989 world as basically peaceful. We focused on our own reunification, and we concentrated on building a united Europe. Of course, there were the Balkans, and that was serious. But it was not serious in a truly existential sense—a matter of national life or death. It was basic to our interests because people from the Balkans or other adjacent areas would have fled to Germany seeking asylum.

In short, the conflict was geographically close, but that was basically it. These were problems that could be solved by money and comparatively limited engagement. What happens now is that we have a new sense of our own vulnerability, and we must fundamentally reevaluate the whole risk equation. While it may not be entirely true to pretend that nothing is as it was before, we do have to

calculate the equation in a new way, and in so doing return to the primacy of security policy—at home and abroad. And although I am part of the current German administration, allow me to say that I also think that many German politicians have done a great job of leading public opinion by strongly making the point that this is really a wake-up call, and that we do have to refocus our efforts alongside the United States.

My second point has to do with German public opinion. The polls that have been taken over the past six weeks give an ambivalent picture. More than 50 percent of the people feel that after September 11 there is a chance, and even a high probability that cooperation between Europe and the United States, but also with Russia and China, will increase and will be better than before. There is a feeling among the German public that there may be some good coming out of the whole tragedy. At the same time you have a remarkable number of people—more East Germans than West Germans, and more women than men—who openly fear that this may lead not only to more conflict but even to a new world war, making them understandably very hesitant. So the old reflex to stay out is still alive, and it is difficult for the German government to completely ignore the public instinct and act and speak precisely the same language as Americans and others. We cannot do that easily because the psychology of the German people is still different, for very good reasons. But, summing up, as I look at German public opinion, I view September 11 as a new step in the 11-year process since unification and toward the gradual acceptance of the necessity of the use of military force in international politics.

*We have a new sense of our own vulnerability, and we must fundamentally reevaluate the whole risk equation.*

My third point is that when it comes to the question of convergence or divergence, there are dangers involved with respect to several specific strategies. There is a broad debate in Germany among politicians, journalists, and publicists about whether the coalition against terrorism that the Americans have built is a sign of a new multilateralism, whether it marks a real change in the Bush perspective on the world—or whether it is a purely pragmatic use of multilateral instruments, which in this case is U.S.-led but is likely to be repeated in other fields. I do not want to dwell on this subject, but what is happening right now with the ratification process of the International Criminal Court statutes is something that does produce irritations in Germany. Not only is the United States against the Court—and we have come to understand some of the reasons why, even if we don't accept all of them—but it is actively pursuing policies trying to prevent other states from ratifying these statutes—and that produces even more irritations, in Germany and elsewhere.

We also see this danger when it comes to arms control. I do see a chance of convergence there, because even multilateralists realize that you cannot do everything just through treaties. There are countries that formally adhere to these treaties and, yet, still produce biological agents and chemical weapons. So there has to be some kind of counter proliferation by means others than treaties. But it is not easy for Germans and Europeans to transform this logic into policies, especially as we remain convinced that, for example, a comprehensive test ban treaty or a biological weapons convention with a strong verification protocol are useful and necessary instruments of an efficient non-proliferation policy. So we do have to work to get a consensus, or at least better communication, across the Atlantic on these issues. Otherwise, there is real danger that the gap will grow again between Europeans and Americans, not only on the military side of the campaign against terrorism, but on the longer-range political perspectives.

*Europe is going global ... but it is going to take time.*

Final point, because Foreign Minister Joshka Fischer is touring the Middle East these days: Europe is going global. If I take a German perspective, I think we are moving in that direction, but it is going to take time. Current German efforts in the Middle East are the first steps of an active European policy in close consultation with the United States. There is real policy convergence in the Middle East. But when it comes to East Asia—and we will touch on that later—we do have to be honest about our resources, about what we really can do and contribute. There is a huge gap between what the United States and the Europeans can do in the region.

In sum, we have witnessed a very emotional German reaction after September 11 that makes me confident that our community of values is alive and well. We are also firmly bound together by a community of interests in fighting international terrorism. What we must now do is focus our efforts on implementing a community of action.

## II THINKING ABOUT CHINA

DAVID SHAMBAUGH, *Director, China Policy Program, GWU*

DAVID M. LAMPTON, *Director, China Studies Program, SAIS*

PETER RÖLL, *Director of Political Affairs, Permanent Mission of Germany to the EU*

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### Geopolitical Expectations

*David Shambaugh*

**M**y remarks will deal with the broad topic of “Thinking About China”—not only thinking about it but also how to think about Asia, especially in this transatlantic context. Some of you are well aware that increasing communication across the Atlantic about Asia and about China has long been a personal interest of mine. Several of us here—Eberhard Sandschneider, Mike Lampton, and others—have been doing as much as we can. Mike Lampton and I were once involved in such a project, and we need to do a lot more of this.

The first thing that comes to mind in thinking about China is that for every assertion you can make about that country, there is probably an equally plausible opposite assertion that is also true. Why? Because China is a country of great contradictions. Running through these contradictions would serve no purpose here. Anyone who spends even little time looking at China, trying to follow China, is aware of them. But, I think it pays for us to be sensitive to the complexity of the various transitions that are unfolding in that country simultaneously. Indeed, no country in modern history, except perhaps for Meiji Japan, has undergone as comprehensive socio-economic changes in as short a period of time, and certainly not on the same scale, as China.

This complexity has obvious policy implications. It seems to me that a variegated and complex China calls for a variegated, multifaceted, and—I dare say—nuanced China policy, not just by the United States but by other countries as well. In other words, one size does not fit all. A China policy that overemphasizes any one element—a strategic element, a commercial element, a diplomatic element, or a values-oriented element—will not be successful. One must try and balance various dimensions of one’s policy towards China.

Admittedly, we must be aware of China’s strengths and accomplishments in the last two decades, of which there are many, about which we read a lot, and with

which we are quite impressed. But we must also be aware of the fragilities and some of the weaknesses in the Chinese system—contradictions as Marxists like to call it. I would just tick off the following fragilities and weaknesses to which one must pay attention: social and income stratification in China is becoming more exacerbated over time as China modernizes; geographic disparities between coast and inland; underdeveloped civil society in the country; rampant corruption in the country, and the Communist party in particular; and rising crime (some quite violent). Organized crime, too, is a major new feature of the Chinese landscape, and so are increasing public protests in China—protests that are quite disconnected but, in their aggregate, probably add into the highest level of civil unrest in China since the Cultural Revolution. They have not gelled nationally, and they occur for various reasons, and in various sectors, in various parts of the country, but they point to the unmistakable fact that this is not a content populace all across the country. Fiscal weaknesses, rising national debt, and finally leadership transition are also some of the issues that we have to know on the fragility side of the ledger.

*Not only the civilian leadership, but also the military leadership is undergoing a very comprehensive transition.*

With respect to leadership transition, it is not only the civilian leadership, but also the military leadership that is undergoing a very comprehensive transition. A year from now, at the 16<sup>th</sup> Party Congress, we will have a much clearer sense of that transition and the individuals who are going to fill both party posts and military posts. We have already a clearer sense of the military side, but it remains very unclear on the civilian party side. Just a year away, this is somewhat of a concern.

Intelligence failures have been frequent in the past when sources of strength were viewed in the absence of the prevailing weaknesses. We should remember about a decade ago, when Communist Party states collapsed like dominoes in another part of the world, and just four years ago, when the Asian financial crisis appeared seemingly out of nowhere. In retrospect, one can look back and identify the fissures that produced these events. It's a lot easier to do this analysis in hindsight. And when we look at China, we must therefore be aware of the fragile weaknesses of that country, as well as its many strengths, lest we be caught unaware when some major events take place within the country.

Now let me just say a few words about policy towards China, and I know Mike Lampton is going to speak more about this. Thinking back about past administrations, four thrusts seem fairly constant over time. The first is that the United States has pushed for internal change within China—social and political change. We have had a sometimes rather zealous approach to this. This is not just in the area of human rights; the United States has had a broader mission, somewhat of a missionary complex, towards transforming China. This approach sets the United States apart from other countries in the way they deal with China, including

Germany and other European countries that interact with China on a more traditional, bilateral, diplomatic basis, and do not have this sense of transformation and involvement in China's evolution. Americans have had that complex for a very long time, for a century I dare say, and it has been seen in recent years as well.

A second thrust is to institutionalize the bilateral, intergovernmental relationship between the two governments. This has fluctuated over time, but from the normalization of relations in the Carter administration and through the Reagan administration, there was a real effort to pair and wed the two bureaucracies together, so as to help stabilize the relationship when there was fluctuation—particularly in the strategic realm. There was a sense then that the common Soviet threat would disappear someday, and that the U.S.-China relationship needed stronger legs on which to stand. In 1989, Tianamen atrophied this process of institutionalization, which only began to be rebuilt during the second Clinton term. But there has been an effort to wed the two bureaucracies together over time.

The third thrust aims at strategic engagement, and the fourth one has to do with China's integration into the international community. Now I put these ideas forward partly to stimulate discussion. My American colleagues might not even agree that these are the four most important thrusts in U.S. policy toward China, and they may think that there are others. But I put them forward to get us to think in comparative terms about German policy and EU approaches to China.

First, in fostering internal change in China, has Germany pursued a mission of internal reform? I would observe that in the areas of human rights reform, the answer is definitely yes. Germany has had a very constant and interested policy to which resources are devoted. Indeed, the EU broadly speaking has been quite consistent over the last ten years in fostering better Chinese governance in a number of areas, and this has been communicated very well in three so-called policy "Communications" from the European Commission. I wonder how many American officials responsible for China have ever read these Communications, or are knowledgeable about what the EU is doing. When I speak to American officials responsible for China, they do not have a clue about what Europe is doing in China. Indeed a lot of resources have been devoted in various spheres, which we do not have time to go into, but I think it is important to note that on the ground in China and, in terms of, say, training Chinese judges and solicitors and lawyers Europe is far ahead of the United States.

*The EU broadly speaking has been quite consistent over the last ten years in fostering better Chinese governance in a number of areas.*

Secondly, there are questions about institutionalization. I do not know whether Germany and other countries have tried to wed their federal bureaucracies as it were, with the Chinese counterparts or even state-province kinds of

relationships that the United States had pre-1989. Now we have some rebuilding to do in that regard.

What about strategic engagement? This is probably a feature unique to the United States in its relations with China because of geography, because of limited power projection capacity of European and NATO states, and because Asia is a long way away from Europe. Europeans do not necessarily have the same geopolitical strategic interest in the Asia-Pacific region as does the United States. China has always been a strategic factor both in regional and global terms for the United States in a way it has not been for the EU.

Finally the last element has to do with multilateral integration. This is, I submit, not an American policy by origin—in fact it is a European and Japanese policy by origin, and the American government came around to it quite late in the Clinton period. But once they adopted it, at least during the Clinton years, there was the notion that China must be fully integrated into the international institutional order to both constrain China from potentially roguish behavior and socialize it into the norms of those institutions. This has been a belief of the EU and Japan for many years. Americans came around to it more lately, but nonetheless they came around to it. Now, interestingly, there is concern in China as Mike Lampton, Alan Romberg, and I heard when we were there in September, that it is the United States that needs to be brought back into the international institutional order. It was an absolute irony. China was speaking at that time of the need to keep America involved in a whole series of security regimes that the Bush administration were walking away from in the first six months of its time in office.

*China has always been a strategic factor both in regional and global terms for the United States in a way it has not been for the EU.*

The last point is that in all four areas, we need to communicate better at a governmental level and at a track-2 level, like this one. This is a very unusual forum. There are not many of these that take place. There need to be more of them, and particularly at an official level. Not because we need to coordinate our policies towards China; we have many areas in which our interests and policies overlap; we certainly have areas in which they diverge, but on balance they can prove to be quite supplemental and supportive of each other. I am not suggesting that Americans have a policy that the Europeans should just follow—that is not the case at all. It is more of an interactive dynamic, a supportive or supplemental dynamic. But unless there is communication between the two sides of the Atlantic about the Asia-Pacific region, one cannot even take the first step towards better harmonization of policies. So I welcome this forum and look forward to the discussion.

## Prospects for U.S.-China Relations

*David M. Lampton*

I would like to speak about the impact of September 11 on U.S.-China bilateral relations. I will pick up on the dialogue started by Kurt Campbell, who seemed to see this tragic set of events as a watershed. I stand on the side of the opposite school on this issue, even though every fiber in my body would like to be in Kurt's school. Indeed, when September 11 occurred, I was somewhat more optimistic than now and thought that it would present an opportunity for more fundamental changes in U.S.-China relations.

Before developing this broad point, I want to thank Simon Serfaty for creating such a valuable opportunity to address these questions within this distinguished group. When David Shambaugh was the editor of *The China Quarterly* and I was up in New York heading a NGO, we put together a group of European Union officials and scholars responsible for China policy to meet their American and Japanese counterparts. I believe the German representative was Cornelius Sommer, and Volker Stanzel is now in that position. In any event, this is an opportunity for Europeans and Americans to share views on China policy—and it is important that we continue to do so regularly. I frankly think that America has been negligent in the degree to which it has consulted with Europe. That is what motivated David Shambaugh and me at the time. It remains my basic view.

Let me start by picking up on one of David's points. I was struck when the two of us were in Shanghai together in early September (before September 11) at a meeting that started with the Chinese conference convener saying "I certainly hope that the U.S. economy comes back strong and fast, because, in effect, our economic welfare depends on the health of the American economy." This is a perspective that many Chinese share. In a sense, they want 9/11 to signal as little disruption as possible to the environment for their economic development. To put it more crudely, most Chinese do not appear to feel as threatened by what happened on 9/11 as all of us in this room probably do, or certainly as Americans do. Although they have their own terror problems, they do not feel the same degree of threat. Their priority is to keep the Chinese economy on track; everything else is a diversion. Now, that is a little overstated, but if we start with that as the framework, maybe we can understand Beijing's behavior a little better.

*America has been negligent in the degree to which it has consulted with Europe.*

Now, I want to make five points. Let me start by observing that the Chinese moved with uncharacteristic speed to identify themselves with the global struggle against terror. In past crises, whether it was the EP-3 incident or the mistaken

bombing of the Chinese embassy in Belgrade, you could hardly get anyone to answer the phone in Beijing. With respect to 9/11, Jiang Zemin did answer relatively quickly, and he almost immediately saw an opportunity to improve relations with the United States. We also have to praise China, from an American point of view, for its support in the UN. In a way, the UN wrote the U.S. a blank check, as I read the initial two resolutions. We have to say that China certainly has been at least minimally, if not more than minimally, supportive there in New York. Also, it is my understanding that the Chinese were between moderately and significantly helpful on the APEC statement that was pretty strong. Whatever resistance diplomats encountered in APEC seemed to come mainly from Indonesia and Malaysia. So, Beijing must be given its due. To repeat, I believe that the Chinese, in general, see an opportunity to cooperate with the United States.

This brings me to point two. It has become sort of a misguided cliché to assert that “everything has changed” by virtue of 9/11. Indeed, lots of things have changed, but the main point with respect to U.S.-China relations is that a lot has not changed. In fact, I initially anticipated that more would have changed than appears to have been the case. I think that what has not changed could be seen and heard in the joint press conference Presidents Bush and Jiang held on October 19<sup>th</sup> in Shanghai. Now, I will concede that I do not know what was said behind closed doors between the two presidents, and maybe I would be reassured if I learned what was said there, but what was said openly for the world to hear sounded a lot like the same things our two nations have disagreed about for a long time. The Chinese mentioned that Taiwan was the most important sensitive issue. The United States mentioned human rights and proliferation. I understand that we did not make much ground on proliferation issues. For me, the whole event was sort of summarized by the coverage in the *Washington Post*. While the dateline was Shanghai, the front page carried a story about the Bush-Putin meeting and on the inside page there was a big color picture with Bush and Putin in a friendly and dramatic posture. If you had not seen the dateline you would have thought the meeting occurred in Washington or Moscow, except for little Chinese characters on the curtain in the background that read, “Shanghai.” That was not the picture that the Chinese had in mind when they were planning the APEC leaders’ meeting. In any case, I think the underlying problems are still there, and I was surprised that somehow we did not find a way to disguise it better.

*The main point with respect to U.S.-China relations is that a lot has not changed.*

Third, 9/11 is not Nixon going to China in 1972, redux. To make a very complicated story short, in 1971-1972 both Beijing and Washington were fully preoccupied with the Soviet threat. That permitted Beijing and Washington to subordinate a lot of potential frictions in the relationship. For both sides now, defining their security interests and assessing the long-term and short-term tradeoffs, is much more complicated. Both sides are much more ambivalent about

what the other means for its own security. For example, it may be possible to understand, in a bureaucratic sense, the Department of Defense's decision to issue its *Quadrennial Defense Review* report last September 30, as had been scheduled for quite some time. Nonetheless, it is tough to get Chinese cooperation when your QDR evokes the risks raised by an emerging military competitor with a formidable resource base in the region: who else than China? Although some may assert that this reference is not limited to China, the Chinese reading of it is important. This will not help build a global coalition with China's cooperation, and it does not encourage Chinese leaders to pay an internal political price for a cooperation we are seeking while we are making preparation against the long-term security problem that we claim them to be.

On the day after 9/11, I had Chinese groups coming into my office. To be sure, there were the obligatory condolences. But, it was not very long till they started talking about "encirclement" and saying that they hoped that the U.S. would not stay in Afghanistan—the Chinese have their skeptics about us too. It seemed to me that, mentally, the Chinese had a map in their heads and they were looking around the PRC's periphery. They were saying to themselves, "My goodness, everyone is moving toward the Americans." In fact, there was one article in the Hong Kong press that, on this subject, I take to be a surrogate for Beijing's views. It said, "The American presence in Afghanistan sends prickles down Beijing's neck." So, there is strategic suspicion in both Washington and Beijing.

*9/11 is not Nixon going to China I 972  
redux... There is strategic suspicion  
in both Washington and Beijing.*

The fourth point is that the post-September 11 world is not the world that China thought it was going to be facing a few weeks earlier. Just look at China's strategic picture. The Russians have not been dependable, and I am sure that recent moves by Moscow toward Washington confirm Beijing in this view. Japan is playing a more expansive security role by virtue of 9/11, which is of considerable concern to Beijing. Turning to Central Asia, one of Beijing's achievements had been the increasing cooperation of the Shanghai Six, including four Central Asian states, on such issues as stopping transborder terror and crime. Suddenly, the United States has footholds for military operations in that region. Looking at energy, the projections on China's future energy needs are important. In the year 2020, if something like present trends continue, 60 percent of China's petroleum needs will come from imports, and 70 to 80 percent of that will be from the Middle East—and Beijing is banking heavily on Central Asia as a closer and diversified source in its future energy planning. Beijing looks at a U.S. presence there as both militarily and economically undesirable. Turning to Pakistan—look at how much China has invested in its ties with Islamabad. Although China has encouraged Pakistan to cooperate with the United States, Beijing must be ambivalent about this development and is fearful of possible destabilization there too. Then there is Iran: I

am not an expert on Iran, but it must puzzle Beijing to hear Tehran offering, however tentatively, to be of assistance to Washington. So, all of this raises the specter of growing U.S. influence and presence in areas of growing importance to China. Nonetheless, for now China sees little alternative to cooperation, even minimal, with us. Beijing needs our market, investment, and a good environment for economic development, which is China's overriding objective. But, within that framework, they are highly ambivalent, perhaps worried.

Finally, domestic politics in both China and America suggest that this is going to be, at best, a marginal improvement in U.S.-China relations, not a strategic transformation. Domestic politics in both our countries puts a kind of cap on how far we can go under current circumstances. For the Chinese, you have about 19 million Muslims. Certainly, not all Muslims live in China's western stretches, not all Muslims who live in China's west are fundamentalists, and certainly not all fundamentalists are terrorists. Nonetheless, such a significant Muslim population makes the Chinese all the more adverse to a "clash of civilizations" that would energize further those among its Muslims who are most restless. Further, Beijing has its own public opinion to contend with. Frankly, a lot of young people (and others) in China see the United States as having acted high-handedly in the past—they have a litany that starts with the early 1990s search of the vessel Yin He, ends with the EP-3 incident, and includes the bombing of the Chinese embassy in Belgrade in 1999.

*... there is going to be, at best, a marginal improvement in U.S.-China relations, not a strategic transformation.*

Consequently, one line of thinking among some Chinese is that the United States got what it deserved. The regime has tried to play down such expression of sentiment and it is interesting that Americans, dedication to freedom of press aside, have been glad to see the regime clamp down on these expressions of anti-Americanism. In addition, Jiang Zemin is seen as "soft" on the United States. As David Shambaugh said, there is a succession process going on. Consequently, Jiang Zemin needs the United States to do something for him; the Chinese president needs to show what good relations with Washington can produce for China's interest. Washington has not given him much to work with. In the *Washington Post* recently, on two successive days, there were stories indicating that the administration had an internal debate over whether or not to sell China spare parts for previously sold Black Hawk helicopters.\* The broader point is that we have some sanctions on China in place dating back to 1989, and nobody is talking very loudly about undoing them. So, if I were Jiang Zemin, I would be wondering what I have got for my

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\*Steven Mufson and Philip P. Pan, "U.S. May Waive China Sanctions; White House Seeks to Trade Anti-Terrorist Intelligence," *The Washington Post*, October 17, 2001, p. A1; and Steven Mufson, "China Sanctions Stand, U.S. Says; Sale of Helicopter Parts ruled out," *The Washington Post*, October 18, 2001, p. A28.

“cooperation.” Jiang has not got a lot to show his more skeptical colleagues in the central leadership.

Be that as it may be, America has its political problems too. To start, all of the usual interest groups that can weigh in on China policy are weighing in. They hardly skipped a beat with September 11. Taiwan was through the gates arguing “Don’t sell us out for strategic cooperation with China.” U.S. public opinion toward China has not really improved since 1989. Public opinion is sufficiently split that it takes a president willing to burn political capital to move dramatically in either direction from current policy. China, frankly, is not living up to its non-proliferation commitments, not limited to Pakistan. Americans with common sense ask: “Why make more agreements with people who don’t live up to the last one?” That’s a strong argument, I think. When all is said and done, the Chinese are not being flexible in the Taiwan Strait, and Beijing has continued a gradual buildup of missile forces in the area of the Strait as well.

So, the long and short of it is that progress in bilateral relations is going to be marginal. I think the two sides will stagger toward a marginally improved relationship, but neither side is going to be willing to pay high enough a price on key issues, not under current circumstances.

## German Response

*Peter Röhl*

**D**uring a recent trip to Kenya I went to the Masai Mara where I observed a group of hippos swimming very peacefully in the river. Beside them were a few crocodiles on the riverbank. I asked the Masai whether or not the crocodiles would sometimes attack the hippos. He answered, “Oh no sir, these are both very powerful animals, and they respect each other. Under water they may spy at each other, but they always keep a respectful distance.” This observation brought me to the question: Would a rising China be a threat to the United States, or will these two powerful states live in peace and harmony together? I came to the conclusion that for the next 10 to 15 years, China will not be a threat to the United States. Even more broadly, my hypothesis is that the Chinese military will not be fully able to present and credibly enforce the country’s political interests.

*For the next 10 to 15 years, China will not be a threat to the United States.*

The most basic political interest of China is a desire for stability, both within and outside its boundaries. As Mike Lampton just noted, the Chinese government needs a stable environment to continue to modernize the country. However, such interest in a stable environment has not stopped the Beijing government from

strongly emphasizing its vital strategic interests. These include assuring territorial sovereignty and integrity of the People's Republic, regaining the territorial unity of China, including control of Taiwan, maintaining or implementing sovereignty claims in the South China Sea, and establishing China as an important power in the Asia-Pacific region.

With regard to the internal integrity of the PRC, the government campaign against the Falun Gong since July 1999 and the massive crackdown by members of the security forces seem to be weakening the Falun Gong. At the same time, however, this is evidence of the dilemma of using armed forces to implement political goals, in this case, for maintaining internal stability. In the long term, popular sentiment and democratic mass movements cannot be fought with tanks and missiles. As far as the political goal of regaining control of Taiwan is concerned, the threat of force has tended to be counterproductive. Military experts assume that the Chinese armed forces are currently not in a position to carry out a successful attack against Taiwan. Within a period of five years, however, Beijing will be capable of staging a blockade of the island with a sufficient number of submarines, and will also have approximately 800 M9 short-range missiles to attack key targets in Taiwan. Taiwan, for its part, will prepare for a possible threat from China by allocating \$12.8 billion for defense purposes and by spending another \$50 billion over the next ten years. In any case, the Chinese armed forces will not be in a position to implement the political goal of regaining Taiwan in the coming years.

*China's military capabilities have continued to improve over the past year but have not led to a shift in the region's balance of military power.*

With regard to the political goal of implementing sovereignty claims to the Spratly and Paracel islands in the South China Sea, China is pursuing a dual strategy. On the one hand, Beijing has suggested a peaceful solution and a joint economic utilization, although it will not discount military solutions. On the other hand, as it became clear in 1995 and 1999 with the incident of the "Mischief Reef," China and all six involved nations will find it difficult to exercise their ownership claims to the Spratly and Paracel islands in the long term. Even though China has mid-air refueling capacities, weaknesses still exist in the logistical area of the forces at sea, as well as equipment for land-based navy operations.

With regard to the fourth goal—establishing the country as a significant power in the Asia Pacific region—China's military capabilities have continued to improve over the past year, but have not led to a shift in the region's balance of military power. For years to come, the People's Liberation Army (PLA) will not be in a position to project military power outside the Chinese periphery. The geostrategic significance of the country will continue to be limited to a regional area, and nuclear deterrence will also remain limited. Fundamentally disparate international and security interests, coupled with widely divergent perceptions of the self-definitions

of the United States and China, as well as deep differences about international legal issues and rules of international politics, offer a conflict potential that is easily ignited—I think of the Hainan incident.

The Asian dimension of a future foreign and security policy for the EU will gain significance, especially against the backdrop of a growing strategic rivalry between the United States and China. It therefore makes sense for Germany and the EU to discuss strategic objectives in the Asia-Pacific region with Washington, to coordinate shared political initiatives, and to make better use of political instruments that contribute to the political economy and military stability in Asia.

*It makes sense for Germany and the EU to discuss strategic objectives in the Asian Pacific region with Washington.*

Finally, let me conclude with a few political recommendations:

- Curtail political biases that present China exclusively as a threat with a more factual representation of the country's political, economic, and military situation, including strengths and weaknesses;
- Restore military contacts currently limited by the United States;
- Continue to train Chinese officers in EU countries;
- Intensify the security policy dialogue with members of the PLA, as well as with Chinese think tanks sponsored by political foundations;
- Integrate Taiwanese security experts; maintain a close dialogue between the United States, China, Russia, the EU, India, Japan, and Pakistan about NMD and TMD;
- Institute crisis centers for the U.S. and China;
- Support the current policy of restraint by China toward the United States and Taiwan;
- Support China's involvement in conflict resolution on the Korean peninsula, with more dialogue between the U.S. and North Korea and between the north and the south through the EU, and including a visit by Kim Jong Il to Seoul;
- Support the reform measures, democratization and economic recovery of ASEAN as an important element of stability in the region;
- Provide information that can help prevent erroneous perceptions by the Chinese leadership. Military solutions in Taiwan will not be acceptable for Germany, the EU, the United States, Japan, and neighboring countries; and, finally,
- Help China develop a more advanced legal system that would address issues such as criminal or patent law.

## CHINA AMIDST THE DELUGE

VOLKER STANZEL, *Director for Asian & Pacific Affairs, Federal Foreign Office*

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Upon assuming this position in August 2001, my intention was to take my first trip abroad not to Asia, but to the United States, where I could discuss Asian issues with our American partners. On almost the same day, I was invited to this conference, which seemed most fortuitous since it served that very purpose.

As we heard this morning, there are two very different perceptions of the consequences of September 11 on China. According to some, the world may never be the same again or, more specifically bilateral relations between the United States and China have gone through tectonic changes. According to others, the basic interests of countries are not that easily changed, and the basic structures of this bilateral relationship remain fundamentally the same. I choose to offer the image of the deluge, because once inundated by a deluge a country's landscape is not recognizable. After the waters have disappeared, you usually find that the basic structures—the country's hills and its overall landscape—are still the same, but there are some differences nonetheless—new rivers, and some of the old hills that may have been washed away. Also, there is a new vagueness—you do not quite know how the landscape will look once the waters have disappeared.

A few weeks after September 11, a quick tour of China's borders may help explore these uncertainties, beginning with North Korea because that is an easy first stop that seems to have been somewhat forgotten. Yet, it should be obvious that proliferation issues, including the means of delivery for weapons of mass destruction, have not disappeared. These issues may no longer seem to be an immediate priority, but they will eventually return.

Japan is different. Before September 11, a decision by a Japanese government to seek and pass legislation allowing Japanese warships to be sent to the Indian Ocean would have caused considerable uproar in Southeast Asia, most of all in Beijing. Nothing of the kind happened in the aftermath of September 11. As Koizumi was in Beijing recently, the Chinese might have shown their displeasure. But there was none, or at least none that was publicly displayed, because otherwise China would have seemed to oppose the anti-terrorist coalition. For Japan to pursue this path may lead to as much conflict with a rising China as it would have before September 11.

Going further south, there is Taiwan, which has already been discussed at length. The U.S. reliance on pre-September 11 alliances can be seen with NATO, but also with ASEAN and Japan. Should the Bush administration push ahead with missile defense at some point in the future—whether willingly or unwillingly—Taiwan will come into the picture to the detriment of traditional Chinese interests.

In Southeast Asia, both sides of the Atlantic were willing to support Sukarnoputri Megawati. With the increased threat of fundamentalism and extremism in Southeast Asia, the need to support stability and progress is even stronger now. While China might have had the opportunity to take advantage of a vacuum in Southeast Asia in the past, such an opportunity has become much more remote given the increased economic and political Western role in the region.

In South Asia, India has been cozying up to the United States even more than before September 11, and it is getting a positive response even though, of course, everybody realizes that the Kashmir problem is not going to disappear easily. Even if there were a conflict in Kashmir, we would still see recognition of India as a de facto nuclear power. We see a tendency for similar developments in Pakistan. After General Musharraf's courageous decision to effectively end its support for the Taliban in Afghanistan, Pakistan now expects considerable support from the international financial institutions, which means that its traditional alliance with China will decrease in importance.

*Should the Bush administration push ahead with missile defense, Taiwan will come into the picture.*

Moving further on to central Asia, the mere discussion, let alone the deployment, of U.S. troops in Uzbekistan before September 11, would have caused another significant uproar. Now, we do not know how long these forces are going to stay there, but their presence may confirm Chinese pre-September 11 suspicions that the United States is trying to grab the energy supplies in Central Asia. At the very least, if the U.S. alliance with Central Asian countries continues, these suspicions may appear to be confirmed.

Lastly, with regard to Russia, there is an emerging new relationship with the United States coming after the Good Neighborly Treaty of Friendship and Cooperation concluded earlier with China, but formalized only in June of this year. Russia has much to gain from aligning itself to the anti-terrorist coalition, but it has also much to give, from intelligence to logistical support and even ground troops. As Moscow's ties with the United States are strengthened, the China-Russia Alliance may significantly diminish in importance. What does China see now when it looks at Moscow? It sees an American ally—something that could hardly be contemplated a half year ago.

After completing that walk around China, let's have a look at how we can put this picture together. From Beijing's point of view, it definitely does not look like a deliberate attempt at containment. At the very least, however, what has happened is an unintended encirclement. Can Beijing do something about it? Not for the time being, because that would mean it would implicitly join the group of terrorist countries and not remain with the anti-terrorist alliance. This clearly would not be good, first for the public perception of China in the world, and second, for its own population of Muslims in the Xinjiang province.

As it was mentioned this morning, China thus stands at the side of the United States and the United Nations—hardly a surprise since it has no choice. Yet, that is only the short-term picture. But what will happen down the road? In the medium term, there are all kinds of scenarios, but two of them, very contradictory, will suffice here—with either one of them rather than a mixture of both likely to emerge in the future.

First, let us assume a quick victory in Afghanistan—meaning within half-a-year or so. Such a victory could convince China to abandon the fiction of a multipolar world, and instead accept a strongly Americanized world. It would strengthen those factions in China that would like to put aside the anachronistic notion of groups of countries competing with each other for world dominance, and which have accepted that U.S. security guarantees in East Asia have been the basis upon which China's stability and economic growth have been built. Moreover, thanks to the availability of the North American market, China has grown economically, and it is only in this way that it can continue to grow.

*A quick victory in Afghanistan could lead China to put aside the fiction of a multipolar world.*

If that view of part of China's elite has its way, and I tend to believe that Jiang Zemin has great sympathies for that group, they will project the possibility to profit from a strengthened U.S. global leading role. That would be the effective result of a victorious war against terrorism, beginning in Afghanistan. It would mean that, in the eyes of these people and maybe in our own eyes, this deluge, after the waters have disappeared, has accelerated a development that many of us have hoped of for a long time—a rising China that recognizes the disadvantages of playing to anachronistic notions of competition and recognizes that it would gain more advantages within itself and within the international community if it were to shoulder the responsibilities of a great power, a P5 power (a permanent member of the UN Security Council).

The other, less serene scenario is based on the notion that a U.S. presence in the region is causing Chinese leaders to shudder. A drawn-out fight in Afghanistan, and a lack of success in the campaign against the terrorists, would lead to a deterioration not only of the image of the anti-terror coalition, but mainly of the United States in the Islamic world and elsewhere. That would confirm the suspicion of the less cooperative faction among the modernizers of China. If you look back before September 11, we

should not forget that even at that time the elites of the majority of countries in the world understood globalization as an instrument of American domination, even if these elites themselves profited from that process. Thus, we have seen the cause for neo-nationalist tendencies, at least in Russia, China, and many other countries as well.

That previous trend explains some of the reactions heard from Chinese sources after September 11. “The U.S. is responsible for the growing disparity between the rich and the poor countries, so what has happened in New York is America’s own fault. That is the proper reply to hegemony.” This kind of reaction is known, and could be confirmed and even strengthened in the future if the coalition lacks success in its campaign in Afghanistan and in the broader war against terrorism. That is the point where neo-nationalists in China would grab the opportunity to try their own battle against the alleged U.S. hegemony. This would not mean that they would join the terrorists, but these elites would be able to produce a far wide-reaching consensus in China for it to take on more of a nuisance role, beginning in the United Nations. First, it would start with some abstentions, and then maybe lead to some ‘no’ votes, depending on how international developments would go. Then, the neo-nationalist part of Chinese elite would see its chance to say no to the United States, to push aside Jiang Zemin and the more willing modernizers of China—a truly horrifying prospect for the Western world.

*A lack of success in the campaign against the terrorists would lead to a deterioration ... of the image of the United States.*

The problem is that for either scenario to come true does not depend much on China. So, in the meantime, China is lying low; it is waiting for the military campaign to develop and watches how it unfolds. At some point, the deluge may wash away, and we may see very different delineations from the current landscape. But, it is too early to know. Like the Chinese, we must wait and hold our breath until the waters go away.

### III

## REGIONAL DIMENSIONS

WILLIAM T. BREER, *The Japan Chair, CSIS*

STEPHEN P. COHEN, *Senior Fellow, Foreign Policy Studies, Brookings*

ROSE E. GOTTEMOELLER, *Senior Associate, Carnegie Endowment*

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### The Role of Japan

*William T. Breer*

Japan played a major financial role during the Gulf War. Getting there was very painful and invited a lot of criticism in America along the way. At the time, Kuwait published a full-page thank-you ad in *The New York Times* that did not even include Japan, even though Japan was the second biggest donor after Saudi Arabia. Nor was the Japanese ambassador initially included in a thank you ceremony that had been planned here. Why this all got so badly off track is not entirely clear. Japan was never expected to send ground forces, but it was slow in coming up with an alternative contribution. The last financial transfer of aid did not come until shortly after the invasion part of the Kuwait operation had begun. Then Japan was generous; there was a \$500 million shortfall because of foreign exchange depreciation between the time of the appropriation in yen and the actual payment in dollars, but the Japanese made up that difference too.

After the war was over, the Japanese dispatched minesweepers to clean up the Gulf. That, too, was a major contribution that was soon forgotten. The flotilla commander came to see me when he got back; he was proud of what had been done, but it received little credit. This led to a period of self-reflection, with many in Japan annoyed over the lack of recognition for an effort that had to overcome considerable sentiment that the war was on the other side of the world, that the countries involved would have to sell oil anyway, and that Kuwait was not really a democracy anyway.

The following year, Japan passed legislation that would permit its forces to take part in UN peacekeeping operations, though not in an offensive capacity, and then they went on to play a role in Cambodia. This led to kind of a schism in party politics in Japan. To many Japanese, "neo-nationalist" is a little strong, but proud Japanese were embarrassed by the role Japan played and determined that the next time something like this came up, Japan would be in there first and strong.

In relation to September 11, Japan's role has been constructive. The prime minister and the Japanese government quickly made all the right kinds of statements. The prime minister visited President Bush and laid down several principles that have been conveniently forgotten because they have not all been honored. He also made some premature comments about sending ships to the Indian Ocean for surveillance. There were some media reports that Japanese vessels were escorting the American fleet out of Japan, for the first time ever, but all this has faded away. The prime minister was determined to move forward, however, and the Diet is in the process of passing two bills—one of which will permit self-defense forces to defend American facilities in Japan more actively. Whether that is going to be needed or helpful is not clear. The other bill is designed to provide more support outside areas in the immediate vicinity of Japan. There is also talk of dispatching Aegis cruisers. In short, the Japanese have reacted quite differently than was the case with the Gulf War, and this time they are off to a pretty good start with the United States and with the international community as well.

*There is much less ambivalence in Japan about what the government is doing now than there was during the Gulf War.*

There is also much less ambivalence in Japan about what the government is doing now than there was during the Gulf War. As reflected in media reports, there is considerable public sentiment in support of the campaign against terrorism. The Japanese, of course, thought that terrorism was a domestic thing—notwithstanding reports of a Russian connection to the Aum Shinrikyo gas attack.

We have not seen the Aegis ship in the Indian Ocean yet, and the American government has not been quite clear on what it expects of Japan. Ground forces are not expected. I believe a naval presence would be welcomed, but the situation has not developed to the point where we know what would be useful. Japan wants to play a role, but it wants to calibrate its role carefully to Washington's needs so that it does not make the same mistake as ten years ago when delegation after delegation came to Washington to find out what the parameters of Japanese cooperation should be. Deputy Secretary Richard Armitage was recently quoted as saying "show the flag." That is an important thing to do, and the Japanese were trying to figure out whether the Aegis would be a way to show the flag. Although Armitage has denied making such a statement, it served its purpose. With other newspaper reports suggesting that we have been rather specific about what we wanted Japan to do—probably not quite true either—the Japanese media are fishing around here for rumors and gossip. As far as I know, the U.S. government is quite satisfied.

All this takes place in the complicated context of Japan wanting to play a larger role in the world, and wanting to earn a permanent seat in the Security Council at a time of economic decline. What gave Japan so much clout a decade ago was its economic preeminence, but that is essentially gone now, and with a declining foreign aid budget like ours, the Japanese may feel that their chance for playing a bigger role in

the world and recognition is declining too. Nobody sees any quick turnaround in the economy. Indeed, some do not anticipate any turnaround at all—and even the optimists say that it's going to take the nationalization of banks and another five or six more years before the Japanese economy readjusts to new realities, including its declining population.

Japan is conscious of how it is viewed by its Asian neighbors. It has tried to compensate that to some extent. I think Prime Minister Koizumi made a huge mistake when he decided to visit Yasukuni Shrine. That was totally unnecessary; he was catering to a handful of Japanese, not the mainstream by any means, and the majority of Japanese, under the circumstances, would have probably counseled against it. I am told that he almost changed his mind but was persuaded to go at the last minute. He changed the date of the visit, but that made little difference because the symbolism of going on September 15 had become such a huge issue by that time. In any case, he had quite a good visit to China—and also in Korea although the media there did not treat it very well. I think Koizumi was sincere and meant the feelings he conveyed, but I think it is going to be a long time before Chinese and Koreans give up the leverage of being able to jerk the Japanese around on questions of history.

Joining the coalition against terrorism may have alleviated that to some extent. I cannot speak for China and Korea. There is a lot of loose talk, too, about Japan playing a bigger military role, but there is not much talk about Japan expanding its defense budget, which is now one of the largest in the world, mostly going to personnel and equipment. I do not think there is any thought in Japan about expanding its military role dramatically, but it is conceivable that from now on Japan will send forces overseas, mostly naval, for specific internationally recognized objectives and, of course, the foray in the Indian Ocean would be accepted as such an instance. There might be other problems in Asia where a Japanese naval presence or self-defense force presence would be useful and welcome, but I think the door is open to that only in limited circumstances.

*...it is conceivable that from now on Japan will send forces overseas, mostly naval, for specific internationally recognized objectives...*

There has been a change in Japan. It is dramatic; but it is not rearmament. They are already rearmed—there is no use talking about that. Japan still lacks an offensive capability, but there is not much interest in Japan in acquiring one. There is a big drag on Japan doing much more militarily and sentiments there are still quite genuine. There is a right wing in Japan, but media reports amplify its influence in ways that distort the real situation.

## The Indian Subcontinent

*Stephen P. Cohen*

**V**olker Stanzel's analogy between a flood and the events of September 11 reminds me of Bangladesh during the rainy season. As the water rises, and most of the country is flooded, the villagers retreat to the high ground until the water recedes. Occasionally a village is washed away. The villagers then have to reconstruct their lives in one way or another. Usually they seek refuge with relatives and neighbors. Their lives are disturbed for a year, but eventually they rebuild their village. The networks that existed before the water rose are there after the water goes down.

I think that is the kind of world that we are going to be living in. All those networks and all those interests are going to remain. One village in particular, the United States, was traumatized by this event, and other villages are sympathetic and helpful, but eventually for America the pressures of core national interests will be reasserted for better and for worse. But again, this "village" has learned a lot of lessons about how you treat other villages, and the kind of "go it along" strategy of the past may be modified. I think that this administration may be the best group ever assembled not only to win the Cold War but also to implement a Clinton foreign policy. These events have shaken the administration, and the behavior of the "village" it governs will be different after we pull ourselves together.

*Success in Afghanistan has been defined in a way that is not easily understandable: reconstructing a state where there is no state.*

Success in Afghanistan is going to be a problem. It has been defined in a way that is not easily understandable: reconstructing a state where there is no state. There is an Afghan nation, a very powerful nation that loves to shoot at outsiders, no matter what their ethnic or religious preference is. If the U.S. administration does not play Afghanistan as one little battle in a larger conflict—in a sense a limited war inside a larger limited war—we are in for a lot of trouble. Hopefully, success will be defined in such a way that we can declare victory and get out of there as soon as possible, and let the Afghans figure out how to form their government.

Let me say a few words about how I think China has gained in terms of its interests in South Asia, and also what the Indian reaction is. Adopting the Chinese style, I think there have been seven goods and one bad. The one "bad" was mentioned by David Shambaugh: there might be an American military presence in central Asia. There are many "goods," however, and of all the countries in the world China has come out best, with three related South Asian benefits that are especially valuable. One is that the United States is now supporting Pakistan, China's major South Asian ally. We are pouring economic and perhaps military assistance into Pakistan. From the Chinese point of view, this is good. The Chinese are not worried about a successor government

in Pakistan; whoever it might be, it is going to be pro-China. There is no question but that Pakistan cannot function as a power unless it has a close relationship with China, on the one hand, and with Saudi Arabia, on the other. I think the Pakistanis may have more to worry about in terms of fragility of the latter than about their enduring relationship with China. Sooner or later we will reduce our support for the Pakistanis, but they will always have the Chinese. In the meantime, U.S. economic assistance will go to Islamabad.

*Of all countries, the Chinese have come out best.*

Secondly, the view of some Americans that we use India to contain China is canceled out now because we need the Chinese vote at the Security Council. So, from a Chinese perspective, which saw the United States really building up India as an emerging power, the American predilection for India is going to be temporarily moderated as far as strategic calculations are concerned. There are other aspects of the U.S.-India relationship that have nothing to do with China. I think those can be also pursued.

The third South Asia related benefit for China has to do with Americans bombing Islamic extremists. From a Chinese perspective, this is wonderful. Even though on the day of the attacks on the World Trade Center the Chinese had sent a delegation to the Taliban, the Chinese are relieved to see somebody going after these groups. From their perspective, this is good in terms of China's own ethnic minorities. The flip side of that is that we are going to be talking less of the Dalai Lama and Tibetan concerns, so I think the Chinese have come out way better than any other country.

From an Indian perspective, although the Indians are whining, they have also come out ahead. First, the United States is more sympathetic to Indian complaints now that Americans are the original big-time victims of terrorism and that that terrorism coming from Pakistan. We're quiet on the Pakistani part, but I think there is a greater awareness in Washington that the Indians have been subject to systematic international terrorist attacks for a number of years. They have also been subjected to systematic domestic terrorist attacks from members of the ruling party. I think there is a growing understanding of India's difficulty in dealing with so-called international terrorism. We might even put a little pressure on the Pakistanis, and from the Indian point of view we are cleaning up Afghanistan. This will benefit India, even as the country has an insuperable problem in Kashmir.

The second benefit is that General Musharraf's historic decision in support of the U.S.-led campaign could be a turning point for Pakistan. Pakistan has faced eight or ten historic turning points in its lifetime, and it has failed five or six times. But, Musharraf's decision will put Pakistan to the test whether it will be a modern and more or less liberal state, or whether it will go down the path towards Islamic extremism. Most Pakistanis were delighted with Musharraf's decision; they were very much worried

about the internal Islamic extremists who were targeting them as well as India and America.

From an Indian perspective, this could be a momentous decision because a Pakistan that becomes a more coherent and normal state could possibly settle with India on Kashmir. I don't predict it, partly because the Indians are unresponsive to the idea of a deal on Kashmir, but you could well see a lessening of Pakistani pressure on India in Kashmir. I think there are signs of that already.

Let me conclude with some observations about two significant questions. Will the new emphasis on terrorism influence the Kashmir conflict? Will Kashmir be like Northern Ireland? That, to be sure, is not going to happen. Kashmir has its own logic, its own internal dynamics that all point in the wrong direction. Particularly on the Indian side of Kashmir, the Kashmiri population is becoming increasingly radicalized, increasingly Talibanist, under the influence, in fact, of some of the same people who have operated in Afghanistan. Whether it is too late to save Kashmir from this fate is not clear but the Indians will have to act quickly and significantly. Unless the Pakistanis cooperate, Kashmir will simply be a province of India, which India does not want. Yet, the new U.S. emphasis on terrorism is unlikely to have much impact on the Kashmir conflict.

*The new U.S. emphasis on terrorism is unlikely to have much impact on the Kashmir conflict.*

This has implications for China because as a party to the Kashmir dispute, it occupies a part of Kashmir that the Pakistanis negotiated with China. A solution on Kashmir will have to include China, and to this effect I have been advocating a big-bang settlement of the India-China border dispute and Kashmir in one large and supremely complicated diplomatic endeavor. While I do not think this is going to happen, I do not think either that Kashmir can be negotiated small piece by small piece.

Secondly, is there any impact of these events on the Indo-China border? Also, with India's sense that China is the weakest of the great powers, while India is the strongest of the rising powers, can India challenge China? I believe that to be unlikely too. Rather, that relationship is going to remain ambiguous, and the Chinese will remain contemptuous of India. Indians will respond with a so-called alliance with the United States. Neither will budge at all as both countries see the unsettled border as useful should the other side break down. The Indians still would have plans to meddle in Tibet, and the Chinese have a long history of meddling on the Indian side of it, and I don't think, therefore, they want a clearly drawn and agreed-upon border. To repeat, both see this condition as future leverage should the other deteriorate.

To conclude, the real breakthrough may well come in another area. At the very top and at the very bottom, there is a lot of Chinese-Indian economic cooperation. Figures are lacking, but a lot of people now argue that at the very top, Indian and

Chinese software companies are collaborating. They often collaborate outside of India or China, in the United States or elsewhere, and there's a lot of interesting work that goes on between the two. Software of course, knows no boundaries. In fact, one famous firm in Silicon Valley is one-third Chinese, one-third Indian, and one-third American. Somehow, the two countries get along well here. Also, at the lower level, India is being flooded with Chinese consumer goods.

Moreover, there is a potential movement in having the whole northeast section of India being developed in part by China, as well as by India. When out at Chengdu two years ago, I was told about a need for an outlet to the sea. It is not like Peter the Great, but I can see some Chinese leaders arguing for an outlet to the sea through Burma or through India. The Indians could respond positively. Instead of seeing this as an attempt by a greater power to encircle them, this could be an area where India and China might effectively cooperate.

*With India's sense that China is the weakest of the great powers, while India is the strongest of the rising powers, can India challenge China?*

One last word: I think that what inhibits the relationship is a deep sense of stereotypical perceptions. Both sides have a wildly inaccurate understanding of the other. This is a case where the lack of contacts between two societies really may make a difference in the way in which they shape policies towards each another. In India for example, there are no real China experts outside of the Indian government. In China, there are some Indian specialists. It is a very thin personal relationship, and I am not sure whether time or education will change this.

## Nuclear Dimensions

*Rose E. Gottemoeller*

**T**ime bought for Russia to continue developing its relationship with the United States has also been buying some significant and special time for China. I will note particularly what may seem an unusual theme, but is nevertheless one that I hold quite strongly. China is more self-confident than Russia about missile defense, despite the very large difference in strategic offensive forces deployed by the two sides: about 6,000 offensive warheads capable of striking the United States from Russia as compared to less than twenty for the Chinese.

There have been two common assumptions in assessing China's reaction to the development and deployment of a missile defense system. One is that it would cause an extremely negative Chinese reaction across a broad agenda of diplomatic issues. Second, and more specifically, the Chinese would respond with a build-up of their own

arsenal by deploying large numbers of strategic offensive forces, missiles, and warheads capable of hitting the United States.

China's confidence about missile defense addresses the question of whether or not they might engage in an arms race in response to an eventual deployment by the United States. The many Chinese who have spoken with me—ranging from high officials to some of the smarter young analysts found in the various research organizations sprinkled in all parts of China—have repeatedly suggested for China what they call the “Andropov response.” You may recall that in 1983 when the Strategic Defense Initiative (SDI) was first announced, the Soviets did not upgrade the arms race by insisting that they would build up their offensive missile and warhead capabilities, and thus essentially mirror the United States by building their own SDI system as well—as had been the pattern before. Instead, then-General Secretary of the Soviet Communist party Andropov argued that they would emphasize the development of effective countermeasures to the missile defense system.

*China is more self-confident regarding missile defense than Russia.*

His reason for that approach was that the Soviet defense budget was already under pressure, and Moscow could not afford either an escalation in the arms race or the costs of duplicating what SDI was understood to be. Instead, the emphasis was to be placed on chaff, blooms, and decoys—all kinds of countermeasures, with some of them technologically quite challenging and others much less so. This is what the Chinese were saying this spring, again as a consensus view extended from very senior officials to younger researchers, and one that I would not have otherwise predicted. In this context, one of the more interesting points raised was over China's defense budget savings. “Look,” they said, “you will be spending 2 percent of your defense budget on a national missile defense program, or so we hear. The countermeasures-based “Andropov approach” may also cost about 2 percent of our defense budget, but since there is such an enormous difference between our respective defense budgets, we will actually come out quite well.”

For that reason, whatever is agreed between the United States and Russia, on the ABM treaty and NMD, is likely to be accepted with some equanimity by the Chinese because I believe that Beijing has a somewhat self-confident approach to this overall issue. In this context, note the moderate tone of the statement issued at the close of the recent China-Russia Summit held a few weeks ago—hardly the forceful anti-American statement that might have been anticipated in this particular area.

Besides budget issues, the Chinese do not want to depend on a Russian position that might guide the negotiations with the United States, but which they could not control or steer. Finally, more strategically, China's self-confidence relative to Russia might naturally reflect the latter's sense of decline as compared to a sense of China as a rising power, which would be reflected over a large number of issues.

To conclude, let me say a few words on the ways in which the unilateralist image of the Bush administration has had a positive impact on China's policy on arms control and nonproliferation. First and foremost, it had a beneficial effect because it essentially reinstated Chinese support for the Comprehensive Test Ban Treaty (CTBT) and for the Nonproliferation Treaty (NPT) regime. At the time that ratification of the CTBT failed in the U.S. Senate, the Chinese claimed disappointment for having been misled by the United States when they had extended their support for both the CTBT and the NPT regime overall. Thus, the Bush emphasis on pulling back from existing treaties and adopting a unilateralist mode in its overall arms control policy is having a very positive effect on Chinese support for the CTBT, however ironic this may be. Furthermore, the highly informal conversations I had last spring also suggest that there is now more interest in Beijing in breaking some of the main log jams of the past few years—including the Fissile Material Cutoff Treaty (FMCT) and outer space issues. The interest I sensed then seemed to grow out of a Chinese concern that the Bush administration was either going to backburner these issues decisively or act unilaterally in ways that would leave them without any control or influence on the outcome. Whether these opportunities can be explored and developed further when the current security environment is focused on the anti-terrorism campaign is unclear. Nevertheless, as the water recedes, to return to the image of a flood, it will be useful to consider whether diplomacy in these areas might be heading into more fruitful directions.

*The unilateralist image of the Bush administration has had a positive impact on China's policy on arms control and non-proliferation.*

**U.S.-GERMAN BILATERAL DIALOGUE ON CHINA**  
*October 26, 2001*

**\*Conference Agenda\***

**MODERATOR:** Simon Serfaty, *Director, Europe Program, CSIS*

**9:00-10:00**

*Security Issues in the 21<sup>st</sup> Century*

**Antony J. Blinken**, *Senior Fellow and Writer-in-residence, CSIS*

**Kurt Campbell**, *Senior Vice President, CSIS*

DISCUSSANT: **Thomas Bagger**, *Private Office/Minister of Foreign Affairs*

**10:00-12:00**

*Thinking About China*

**David Shambaugh**, *Director, China Policy Program, GWU*

**David M. Lampton**, *Director, China Studies Program, SAIS*

DISCUSSANT: **Peter Röhl**, *Director of Political Affairs,*

*Permanent Mission of the Federal Republic of Germany to the EU*

**MODERATOR:** Antony J. Blinken, *Senior Fellow and Writer-in-Residence, CSIS*

**12:15-13:30**

**Lunch, "China Amidst the Deluge"**

**Ambassador Volker Stanzel**,

*Director for Asian & Pacific Affairs, Federal Foreign Office*

**13:30-14:30**

*Regional Dimensions*

**William T. Breer**, *The Japan Chair, CSIS*

**Stephen P. Cohen**, *Senior Fellow, Foreign Policy Studies Program, Brookings Institution*

**Rose E. Gottemoeller**, *Senior Associate, Carnegie Endowment for International Peace*

**14:30-15:30**

*The United States, Europe, and Asia*

Plenary Discussion and Conclusions

**15:30**

**End of Dialogue**

## About the Speakers

### THOMAS BAGGER

Thomas Bagger is counsellor in the Private Office of the Foreign Minister at the Federal Foreign Office in Berlin. Since joining the German Foreign Service in 1992, Bagger has worked on EU affairs, in the Press and Political section at the German Embassy in Prague, and as a speechwriter to Foreign Ministers Klaus Kinkel and Joschka Fischer. Prior to joining the Foreign Service, he worked as an analyst on international security affairs at the Stiftung Wissenschaft und Politik (SWP) in Ebenhausen. Bagger studied political science, economics and law in Munich and Paris and was a Fulbright fellow at the University of Maryland/College Park. He holds a Ph.D. from the University of Munich, specializing on international competition in strategic technologies.

### ANTONY J. BLINKEN

Antony Blinken is senior fellow and writer-in-residence at CSIS. Prior to joining CSIS in March 2001, he had been serving on the National Security Council staff at the White House since 1994. From 1999 to 2001, he was special assistant to the president and senior director for European and Canadian affairs. Earlier, Blinken also served as special assistant to the president and senior director for strategic planning, as NSC senior director for speech writing, and as special assistant to the assistant secretary of state for European and Canadian Affairs. Prior to joining the Clinton administration, Blinken was a lawyer in New York and Paris. He has been a reporter for the *New Republic* magazine and is the author of *Ally Versus Ally: America, Europe and the Siberian Pipeline Crisis* (Praeger, 1987). Blinken is a graduate of Harvard College and Columbia Law School.

### WILLIAM T. BREER

William Breer holds The Japan Chair at CSIS. Prior to joining CSIS in 1996, he was a senior adviser at the Policy Planning Staff of the Department of State (1993-1996). Breer devoted much of his career to the management of U.S.-Japan relations. He spent 18 years in Japan, serving at the U.S. embassy as political officer, political counselor, and deputy chief of mission with Ambassadors Michael Armacost and Walter Mondale. In Washington, Breer served as country director for Japan, the most senior position dealing exclusively with U.S.-Japan relations, and as director for Northeast Asia in the Bureau of Intelligence and Research. Breer is a graduate of Dartmouth College. He also attended the East Asia Institute at Columbia University and the National War College. He is fluent in Japanese.

### KURT CAMPBELL

Kurt Campbell is senior vice president and director of the International Security Program at CSIS. From 1995 to 2000, he served as deputy assistant secretary of defense. Prior to joining the Defense Department in 1995, he was the deputy special counselor to the president for NAFTA at the White House and a member of the National Security Council staff. Previously, he was an associate professor of public policy at the John F. Kennedy School of Government and assistant director of the Center for Science and International Affairs at Harvard University. Campbell is also a former White House fellow, where he served as chief of staff under then-Treasury Secretary Lloyd Bentsen. He had earlier served as an officer in the U.S. Navy, including a tour in the office of the Joint Chiefs of Staff. Campbell has been a Marshall Scholar, an Olin Fellow, and a fellow at the International Institute for Strategic Studies (IISS) in London. He has written widely on world affairs and is a regular contributor to major newspapers and journals, including most recently *Foreign Affairs* and *Orbis*. Campbell holds a Ph.D. in international relations from Oxford University and a certificate in music and political philosophy from the University of Erevan in Soviet Armenia.

**STEPHEN P. COHEN**

Stephen Cohen is a senior fellow in the Foreign Policy Studies Program at the Brookings Institution. Prior to joining Brookings in September 1998, Cohen was professor of history and political science at the University of Illinois and founder and director of the university's program in Arms Control, Disarmament, and International Security (ACDIS). In 1992-1993, he was a scholar-in-residence at the Ford Foundation, New Delhi. From 1985 to 1987, he was a member of the Policy Planning Staff at the Department of State, where he advised on matters pertaining to South Asia, security, and proliferation issues. Cohen has served on recent study groups on U.S.-South Asian relations sponsored by the Asia Society (1994), the Council on Foreign Relations (1996), and the Asia Foundation (2000). He has written, co-authored, or edited several books, including most recently *India: Emerging Power* (Brookings Institutions Press, 2001) and *The Pakistan Army* (2<sup>nd</sup> revised edition, Oxford University Press, 1998). Cohen holds B.A. and M.A. degrees in political science from the University of Chicago and Ph.D. in political science from the University of Wisconsin.

**ROSE E. GOTTEMOELLER**

Rose Gottemoeller is a senior associate at the Carnegie Endowment for International Peace, where she holds a joint appointment with the Russian and Eurasian Program and the Global Policy Program. Before joining the Endowment in October 2000, Gottemoeller was deputy undersecretary for defense nuclear nonproliferation in the U.S. Department of Energy. Previously, she served as the department's assistant secretary for nonproliferation and national security, and director of the Office of Non-proliferation and National Security. Earlier, Gottemoeller served for three years as deputy director of the International Institute of Strategic Studies (IISS) in London (1994-1997). From 1993 to 1994, she served on the National Security Council as director for Russia, Ukraine, and Eurasia Affairs. Previously, she was a senior defense analyst at RAND, a Council on Foreign Relations Fellow, and an adjunct professor at Georgetown University. Gottemoeller is the editor of *Strategic Arms Control in the Post-START Era* and the author of many reports and articles, including *Conflict and Consensus in the Soviet Armed Forces* (1988) and *Finding Solutions to the SLCM Arms Control Problems* (1988). She received an M.A. in science, technology, and public policy from The George Washington University and a B.S. in Russian language and linguistics from Georgetown University.

**DAVID M. LAMPTON**

David M. Lampton is director of Chinese studies at The Nixon Center and George and Sadie Hyman Professor of China Studies at the Johns Hopkins School of Advanced International Studies (SAIS). Previously, he was president of the National Committee on United States-China Relations in New York City, the nation's oldest non-profit, educational organization devoted to enhancing mutual understanding among the peoples of the United States and China's mainland, Taiwan, and Hong Kong. Prior to 1988, Lampton was director of the China Policy Program at the American Enterprise Institute in Washington, D.C., and associate professor of political science at Ohio State University. He is the author of numerous books and articles on Chinese domestic and foreign affairs, including most recently *Same Bed, Different Dreams: Managing U.S.-China Relations, 1989-2000* (University of California Press, 2001) and the edited volume *The Making of Chinese Foreign and Security Policy in the Age of Reform, 1978-2000* (Stanford University Press, 2001). Lampton received his Ph.D. and undergraduate degrees from Stanford University and has lived in the PRC, Taiwan, and Hong Kong.

**PETER RÖLL**

Peter Röll was appointed director of Political Affairs at the Permanent Mission of Germany to the EU in Brussels as of November 2001. Most recently, he served as the head of the Asia-Pacific, Latin America, and Africa (Sub-Saharan) branch at AMK in Munich, where he has held various positions, including deputy head of its Asia-Pacific branch (1990-1994) and head of its Asia-Pacific branch

(1995-2000). Previously, he served as first secretary for political affairs at the German embassies in Baghdad and Bangkok. A teacher at the Air Force Academy for personal management and military law from 1976 to 1978, Röhl has worked as a military intelligence officer and unit commander in the German Air Force. He has studied sinology at the Taiwan National University in Taipei, and holds a PhD in political science and sinology from the Ruprecht-Karls-Universität in Heidelberg.

### **SIMON SERFATY**

Simon Serfaty is the director of the Europe Program at CSIS and professor of U.S. foreign policy with the Graduate Programs in International Studies at Old Dominion University in Norfolk, Virginia. From 1972-1993, he was associated with the John Hopkins School of Advanced International Studies (SAIS), serving as the director of the Center of European Studies in Bologna, Italy (1972-1976), before becoming the director of the Washington Center of Foreign Policy Research. Serfaty is the author of many books, including most recently *Taking Europe Seriously* (St. Martin's Press, 1992), *Stay the Course: European Unity and Atlantic Solidarity* (Praeger/CSIS, 1997), and *Memories of Europe's Future: Farewell to Yesteryear* (CSIS, 1999). His articles have appeared in most leading professional journals in the United States and Europe, and he has been a guest lecturer in 40 different countries in Europe, Africa, and Asia. In 2001, Old Dominion University designated him as Eminent Scholar of the university. Serfaty holds a Ph.D. in political science from the Johns Hopkins University in Baltimore, Maryland.

### **DAVID SHAMBAUGH**

David Shambaugh is professor of political science and international affairs, director of the China Policy Program in the Elliott School of International Affairs at The George Washington University, and non-resident senior fellow in the Foreign Policy Studies Program at The Brookings Institution. Between 1996 and 1998, he served as director of the university's Sigur Center for Asian Studies. Previously, he taught for eight years at the University of London, School of Oriental and African Studies. Previously, he served as editor of *The China Quarterly* (1991-1996), as director of the Asia Program at the Woodrow Wilson International Center for Scholars (1987-1988), and as an analyst in the Department of State Bureau of Intelligence and Research (1976-1977) and the National Security Council (1977-1978). Shambaugh is the author, co-author, and editor of numerous publications, including *Modernizing China's Military and Making China Policy*, which will be published later this year. He holds a Ph.D. in political science from the University of Michigan, and is a graduate of the Johns Hopkins School of Advanced International Studies (SAIS) and The Elliott School of International Affairs. Shambaugh has lived for over four years in China and Taiwan, and has been a visiting scholar at institutions in China, Hong Kong, Germany, Russia, and Japan.

### **VOLKER STANZEL**

Volker Stanzel was appointed director for Asian and Pacific affairs at the Federal Foreign Office in August 2001. Since joining the Foreign Service in 1979, Ambassador Stanzel has worked at the German embassies in Rome, Tokyo, Aden, and Peking. He has headed the Press and Information Department at the German embassy in Peking (1990-1993), the Operation Center at the Foreign Office in Bonn (1993-1995), and the Department for Non-proliferation and Civilian Use of Nuclear Energy at the Foreign Office in Berlin (1999-2001). From 1995 to 1998, he was foreign policy advisor to the Social Democratic Party in the German Bundestag. Between 1998 and 1999, he was a visiting fellow of the German Marshall Fund in Washington. Ambassador Stanzel has published many books, including *Winds of Change: East Asia's New Revolution* (1997), *NATO after Enlargement* (1998), *Dealing with the Backwoods: New Problems in Transatlantic Relations* (1999), and *Remembering and Forgetting: But will the Past Forget About Us?* (2001). A new book on China's foreign and security policy will appear in fall 2001. He studied Japanese and Chinese studies and political science in Frankfurt and Kyoto, holds a Ph.D. from Cologne University.

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