STANDING UP: AN ASSESSMENT OF MODERN CHINESE NATIONALISM’S ROLE AND IMPACT WITHIN CHINA AND BEYOND

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ABSTRACT

In the past three decades, Chinese nationalism has proven to be a strong yet often unpredictable force throughout the People’s Republic of China’s (PRC) government and society. As such, any understanding of China must include recognition and knowledge of Chinese nationalism’s powerful force in both Beijing’s domestic and foreign policies. Given nationalism’s emotive power and unpredictable nature, the Chinese government attempts to set the tone and direction of Chinese nationalism to promote policies, reach national goals, and secures the Chinese Communist Party’s (CCP) legitimacy. Yet, an increasingly independent popular nationalism challenges the ways in which the Party approaches and uses nationalism, making it something Beijing must vigilantly monitor, manage, and balance given nationalism’s unpredictable force. With its staggering economic growth and increasing influence in the global system, Chinese nationalism also has evolved. Yet, it was not until the 1990s that foreign observers began to take notice of Chinese nationalism’s appearance among the people.

In this thesis, three modern case studies are examined to analyze the force of modern Chinese nationalism. The first case study examines the 1999 NATO bombing of the Chinese Embassy in Serbia and the seemingly popular nationalist backlash it evoked. In response, the Chinese government attempted to carefully balance the tone, direction,
and impact of popular nationalism to meet government objectives and satisfy nationalist demands from the Chinese people. Next, the role of nationalism in China’s official Taiwan policies is evaluated illustrating the importance of territorial integrity and sovereignty to Chinese nationalists. Moreover, this case study addresses whether Chinese nationalism is inherently aggressive and irrational. Thirdly, nationalism in the context of China’s staggering economic reforms and growth is analyzed exemplifying China’s nationalist goals of growth, security and international power. This includes the negative consequences of China’s reforms, which have the power to incite an anti-government popular nationalist backlash. Finally, there is a concluding discussion regarding United States foreign policy decisions in light of Chinese nationalism. This is of particular importance since American actions tend to provoke Chinese nationalist fervor. Therefore, the following case studies and analysis demonstrate the breadth, depth, and influence of modern Chinese nationalism.
To Chris and Dad
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CHAPTER 1

NATIONALISM AND CHINA: AN OVERVIEW

Who is here so vile that will not love his country?

-William Shakespeare

In the summer of 2008, the world watched as the People’s Republic of China (PRC) achieved a long-held goal by hosting the Olympic Games. From the impressive Bird’s Nest National Stadium in Beijing, China put on a spectacular Olympic Opening Ceremony for the world to see highlighting China’s history, culture, modern achievements, and national pride. Hosting the Olympics offered a tangible illustration of the distance China had come from a developing country to a rising power on the global stage. Through pageantry, grandeur, and even some deception, the ceremony offered a telling picture of both how China sees itself and how it wants to be seen by the world. Journalist Jim Yardley commented that the Opening Ceremony “sought to stir an ancient nation’s pride” while communicating to the world not to worry, “We mean no harm.”

Prior to the ceremony, a Chinese government official stated as much by declaring, “I hope (foreigners) will see a peaceful China, a civilized China and a China that is progressing.” Through hosting the Olympics, Beijing attempted to use nationalism to address both the main domestic and foreign image problems facing the Chinese

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Communist Party (CCP). First, by promoting domestic national pride, the CCP hoped to unify the nation and bolster confidence among the Chinese people in their government. Second, Beijing wanted to reassure other countries’ fears about the intentions of a rapidly developing China. As such, the Beijing Olympics was a global demonstration of nationalism’s enduring presence and influence within China. Therefore, any understanding of China must include recognition and knowledge of Chinese nationalism’s powerful force in both Beijing’s domestic and foreign policies.

Given the PRC’s vast size and population, rapid economic development, and regional and global ambitions, it is not surprising that China invokes continuous interest, speculation, debate and, in some instances, apprehension at home and abroad within the international community. An ongoing theme within both global and internal Chinese discourse is the role and impact of Chinese nationalism, which has proven to be a strong yet often unpredictable force in modern Chinese government and society. While nationalism can be, and has been, a tool used by the ruling CCP, it also is something that the Party must vigilantly monitor and manage given nationalism’s unpredictable force, particularly among the citizenry. As the following chapters of this analysis illustrate, Beijing realizes that nationalism must be carefully balanced in China since it is a force that can both reinforce and threaten CCP legitimacy. In the more than three decades since Mao Zedong’s death in 1976, China has increasingly become an influential participant in the global system as it has striven for economic development and growth.

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4 Yardley, “China’s Leaders Try to Impress and Reassure World.”

In tandem with these changes, Chinese nationalism has evolved, but it was not until events in the 1990s and later that foreign observers took notice of the influence of Chinese nationalism, particularly seemingly spontaneously appearing among the Chinese citizenry.⁶ Some of these events are examined in the following chapters but examples include the accidental 1999 NATO bombing of the Chinese embassy in Belgrade, the 2001 collision of a U.S. surveillance plane and a Chinese military jet, continued U.S. assistance to Taiwan, Chinese economic policies, and the CCP reaction to the 2008 Tibetan riots. These events illustrate how Chinese nationalism has taken root and become an influential force within the CCP and among the Chinese citizenry. As such, nationalism plays a critical role in influencing both China’s domestic and foreign policy decisions. In order to lay a foundation from which to explore Chinese nationalism, it is essential to first broadly define nationalism, a term often laden with history and negativity making it complex to define. Then modern Chinese nationalism’s unique features can be identified, particularly the division of official versus popular nationalism.

**Defining Nationalism**

In brief, nationalism is a European phenomenon that largely developed in the eighteenth and nineteenth centuries as national boundaries were drawn and redrawn forming the nation states that are identifiable today.⁷ Within Europe, nations differentiated themselves from other nations with “recognizable characteristics” such as

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language and culture. For example, the people of these nations formed identities around being French, Spanish, or English. Yet, it was the French Revolution in the late eighteenth century that most influenced the development of modern nationalism. The Enlightenment and its thinkers, such as Jean-Jacques Rousseau, introduced new ideas that facilitated nationalism’s development. According to Otto Dann, “Rousseau was the first to formulate the concept of a society in which a nation of citizens with equal rights would govern itself democratically…where ‘people’ and ‘nation’ would become one.” As such, Stuart Woolf recognizes that in this period, “The nation not only embodied popular sovereignty, but was automatically identified with the unity of the French state and territory.” Moreover, he claims that nationalism primarily “proposed that individual citizens possessed a direct and unmediated relationship with the nation state.” As such, nationalism served to provide security and survival to the nation state. In fact, during the French Revolution the power of nationalism was realized resulting in changing the very nature of war itself. The Prussian war strategist Carl Von Clausewitz writes in his classic On War that at the outbreak of the French Revolution, “war again became the business … all of whom considered themselves to be citizens.” He continues by stating that “The people became a participant in war; instead of governments and armies as heretofore, the full weight of the nation was thrown into the balance. The resources and efforts available for use surpassed all conventional limits; nothing now impeded the vigor with which war

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8 Woolf, Nationalism in Europe, 8.


10 Woolf, Nationalism in Europe, 10.
could be waged, and consequently the opponents of France faced the utmost peril.\textsuperscript{11} In other words, nationalism mobilized an entire people behind its nation and thus was able to pool its resources behind the effort. Later, it was the prevailing romanticism of the nineteenth century, centered on ideas of sacrifice for the greater good, which provided for the further development of modern nationalism. Citizens collectively were willing to sacrifice and work together for the idea of a unified and strong nation. Therefore, people connected with particular national identities.\textsuperscript{12} As such, this era of European history demonstrated nationalism’s ability to mobilize the entire resources of a country, both human and financial, towards a great national end, such as war. It is from this historical foundation that scholars seek to define nationalism.

Largely due to nationalism’s rich and diverse history, it is impossible to capture the concept in a single definition since it has many interpretations without a consensus on a single understanding.\textsuperscript{13} At the broadest level, some scholars believe nationalism to be a political belief that only exists within nation states encompassing a homogeneous ethnic group.\textsuperscript{14} However, Anthony Smith, largely considered one of the foremost experts on nationalism, provides the following as a working definition of nationalism: “An ideological movement for attaining and maintaining autonomy, unity and identity for a population which some of its members deem to constitute an actual or potential


\footnotesize{\textsuperscript{12} Woolf, \textit{Nationalism in Europe}, 11.}


\footnotesize{\textsuperscript{14} Ibid.}
‘nation.’

As such, defining the nation is essential to understanding nationalism since it is in the construct of the nation state that nationalism can best be expressed. Smith defines the nation as “a named human community occupying a homeland, and having common myths and a shared history, a common public culture, a single economy and common rights and duties for all members.”

Nationalism scholar Ernest Gellner goes so far as to suggest that nationalism creates nations by promoting a common culture and traditions to unify an otherwise divergent people. In this way, nationalism transcends ethnicity by unifying people through other national traits and characteristics. He writes that in the name of nationalism “dead languages can be revived, traditions invented, quite fictitious pristine purities restored.”

By creating a shared culture and history, a people can be unified into a nation where previously one did not necessarily exist. In this vein, Chia-lung Lin identifies nationalism as a “political principle that calls for the building or maintaining of a nation-state or the congruence of nationhood and statehood.” In sum, nationalism only exists in the context of “one nation, one state” since fundamentally it is about the creation, growth, maintenance and goals of nations.

As Smith put forth, a primary goal of nationalism is to provide the nation state a path to sovereignty and national autonomy. Since nations and nationalism only exist in

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16 Zheng, *Discovering Chinese Nationalism*, x.


direct relation to other nation states, the existence of other states makes sovereignty and autonomy necessary. Nationalism assists in achieving autonomy by legitimizing both the state and its political philosophy and systems.\(^{20}\) Such legitimacy is necessary for a state to be powerful enough to obtain and maintain its autonomy. The importance placed upon sovereignty by the nation state helps explain why nationalism often is reactive to external forces where the foreigner has violated the state’s “nationalist principle,” which in turn stirs nationalist sentiment that can lead to a nationalist movement, according to Gellner.\(^{21}\) Therefore, unwanted foreign involvement in a nation state can stir such nationalist sentiment. In addition to national autonomy, both national unity and identity are closely linked goals of nationalism as they are critical to the development and maintenance of a nation state.\(^{22}\) At a basic level, a shared national identity emerges when a people share a common belief that they belong to the same nation.\(^{23}\) Nationalism provides an ideological basis for a nation’s sense of shared identity and thus nation state loyalty.\(^{24}\) A common identity encourages citizens of a state to express loyalty to the state above all else.\(^{25}\) Yongnian Zheng observes that “the ‘nation’ captures something that ‘state’ misses: a feeling, a passion, a legitimizing power that the word ‘nationalism’ possesses to


\(^{21}\) Ibid.

\(^{22}\) Ibid.

\(^{23}\) Lin, “The political formation of Taiwanese nationalism,” 123.

\(^{24}\) Yongnian, *Discovering Chinese Nationalism*, x.

\(^{25}\) He and Guo, Nationalism, National Identity and Democratization in China, 1.
an unequalled degree.” As such, it is the unique cultural characteristics of a nation, like language or religion, which result in a shared identity. Thus, a nation’s history often is a critical component to a nation’s sense of uniqueness and shared identity. It is a state’s national identity that determines how its citizens see itself in the world. As Lichao He recognizes, national identity “provides a cognitive framework for shaping its interests, preferences, worldview, and consequent foreign policy actions.” Without a national identity, it is difficult to successfully unify the nation around common causes. Therefore, national identity not only is a useful tool for the state but a necessary one as well. Since without it, the loyalty of the citizens to the state may wane threatening the state’s very survival.

Discussions of national unity often include the mention of patriotism. Yet, although nationalism and patriotism are often used interchangeably, they mean different things. Put simply, patriotism commonly is associated with a positive love of one’s country, whereas nationalism often has more negative connotations related to power. George Orwell further expands on this belief in the following way:

By ‘patriotism’ I mean devotion to a particular place and a particular way of life which one believes to be the best in the world but has no wish to force upon other people. Patriotism is of its nature defensive, both militarily and culturally. Nationalism, on the other hand, is inseparable from the desire for power. The abiding purpose of every nationalist is to secure more power and more prestige, not for himself but for the nation or other unit in which he has decided to sink individuality.

26 Zheng, Discovering Chinese Nationalism, x.
27 Ibid.
28 He, ‘Ready to Become a Great Power?’ 56.
While this simplistic division is not always accurate, for the purposes of this analysis, it is important to note that patriotism and nationalism are not synonymous. Yet, Igor Primoratz accurately observes that there is “considerable overlap between country and nation, and therefore between patriotism and nationalism: much that applies to one will also apply to the other.”  

Scholars disagree about the source of patriotism with some claiming that patriotism comes from nationalism while others state that nationalism is a type of patriotism. Nevertheless, patriotism can passionately bind citizens together in devotion to one’s land, government, history and way of life and thus can be a strong force on a nation’s society. Recognizing the power of patriotism, Anthony Smith remarks that “Men don’t allow themselves to be killed for their interests; they allow themselves to be killed for their passions.” In other words, nationalism requires patriotic passions to achieve its goals. As such, both patriotism and nationalism are closely intertwined in providing a sense of unity to a nation state. In summation, a nation state may turn to nationalism and patriotism to develop and nurture its national autonomy, identity, and unity, which in turn ensures its survival.

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32 Zhidong Hao, “Between War and Peace,” 141.

33 Ibid.

Chinese Nationalism

Chinese nationalism is not completely congruent to the nationalism that emerged to build nation states in Europe. As Peter Hays Gries, an author and expert on late 20th century Chinese nationalism, explains, after “four millennia of documented history, and two millennia of centralized rule, it is difficult to claim that China was or is still trying to become a nation.”35 True, the PRC is a newer political entity but the Chinese people and Chinese territory have ancient histories. Due to this long and rich past, China cannot be understood apart from its history, which forms a significant portion of Chinese nationalism. Therefore, it is critical to identify how history and a subsequent Chinese victimization identity impact Chinese nationalism. Nationalism did not spread to Asia until the late nineteenth century as Asian nations adopted the idea of national identity to fight imperialism. Werner Meissner tracks the progression of nationalism to Asia and he notes that Asian nationalism, as opposed to Western European nationalism, “was a political movement that was directed against imperialism and its economic and political oppression.”36 Perhaps the single most important historical period that influenced modern Chinese nationalism is what is commonly referred to as, the “Century of Humiliation,” which is commonly believed to include the period between 1842 and 1949.37 In this period in China there were such devastating events as the unequal treaties


following the Opium Wars, Western foreign missionaries, and the arrival of Japanese “invaders.” In 1842, China was defeated by the British in the Opium Wars and forced to sign The Treaty of Nanjing. This was considered the initial “unequal” treaty that China would sign with Western powers thus ushering in China’s hundred years of humiliation.

By the start of the twentieth century, the roots of Chinese nationalism were already established, but it would take some key events to be the impetus for nationalism’s appearance. For example, in response to the Western-imposed humiliations of the nineteenth century was the rise of a religious secret society called the Society of Righteous Harmony or Boxers. In 1900 they staged a backlash against foreigners in China called the Boxer Uprising where foreigners, missionaries, and Chinese converts were brutally attacked. The society even laid siege to the foreign legations in Beijing where foreign diplomats resided resulting in foreign troops marching upon Beijing to free the diplomats. In response, severe penalties were imposed by foreign nations upon China including yet another unequal treaty known as the Boxer Protocol.38 The image of foreign troops in Beijing along with yet another unequal treaty again reminded the Chinese of previous territorial encroachments and humiliations by foreign hands. Shortly thereafter, China was undergoing the New Culture Movement, which rejected the superstition of Chinese tradition and culture in favor of rational thought largely based on European thinking.39 It was at this juncture that scholars largely consider Chinese nationalism debuted. One event in particular both radicalized the New Culture Movement.

38 Abraham, “Imperial China,” 34.

Movement and introduced Chinese nationalism. In 1919 at the end of World War I the Treaty of Versailles handed over Germany’s rights to Shandong Province to Japan inciting demonstrations that became known as the May 4th Movement. In fact, some of the demonstrators went on to be founding members of the CCP in 1921. Sinologist Liu King observes that “the current Chinese communist government is more a product of nationalism than a product of ideology…” One Chinese student of European thinking who became prominent in this era was Sun Yat-sen, a Western educated Chinese leader who became the president of the Republic of China in 1911 after succeeding in overthrowing the Manchu government. Yat-sen was a nationalist who is known as the “father of the country.” To build a new China, Sun promoted a Chinese nationalism based on the superiority of Chinese ethnicity and culture. More than two decades after Sun’s 1925 death, Mao attempted to unify China under a singular philosophy, promoted a nationalism based on a “strong State identity.” Although the Century of Humiliation may have ended with Mao Zedong’s establishment of the PRC in 1949, the Chinese have strived to overcome its past shame ever since. As is illustrated throughout this analysis, the many national traumas of this era continue to shape Chinese understandings of both


41 Bajoria, “Nationalism in China.”


43 Abraham and Wang, “Republican China,” 38.

44 Abraham, “Imperial China, 206.

45 Zheng, Discovering Chinese Nationalism, 89.
itself and the world its in.\footnote{Peter Hays Gries, ‘Tears of Rage: Chinese Nationalist Reactions to the Belgrade Embassy Bombing,’ \textit{The China Journal} 46 (July 2001): 33.} According to Gries, “The Century of Humiliation was a severe trauma because it fundamentally shifted the Chinese view of the world and their place within it.”\footnote{Abraham, “Imperial China,” 26.} In sum, the events of the Century of Humiliation continue to inform and motivate modern Chinese nationalism.

For outside observers, China is a vast, complicated, and easily misunderstood nation with an equally misunderstood people making its nationalism equally complex. Thus, it is no surprise that many, particularly in the West, view modern Chinese nationalism with skepticism and often fear. In general, nationalism is viewed in a negative light and Chinese nationalism is no different.\footnote{Guo, “Barking up the wrong tree,” 26.} China’s nationalism has been described as “aggressive, anti-democratic, anti-imperialist, arrogant, assertive, bullying, chauvinistic, conservative, dogmatic, expansionist, irrational, irredentist, jingoistic, muscular, narrow, potboiler, reactionary, revolutionary, territorially ambitious, traditionalist, visceral and xenophobic.”\footnote{Ibid.} However, to grasp where China is and where it is going, it is necessary to look beyond simple, often negative, interpretations of Chinese nationalism. It is through a unique and tumultuous history that modern Chinese nationalism has been born. Woven into the collective Chinese psyche are themes of historical glory, past victimization and pride in China’s recent growth. Beijing has used these dual themes to promote a brand of nationalism that legitimizes the government and Party while encouraging modernization and continued economic growth. Therefore,
anyone who seeks to understand and interpret China’s actions and policies must be a student of the various factors impacting Chinese nationalism.

Like other nations that have promoted nationalism, Beijing largely has welcomed the resurgence of a strong Chinese nationalism in the past thirty years because, if handled properly, it legitimizes Beijing’s rule. This is all the more critical because with Mao’s death in 1976, China’s national identity has been called into question. With the abandonment of many socialist economic tools in favor of more liberal economic policies, the CCP has sought to, “redefine and re-adjust Communist ideology by supplementing it with more nationalist characteristics so that it could be a more persuasive and more effective means of defending the legitimacy of the government.” In the post-Mao era, some scholars argue that nationalism is being used by the Party to fill the ideological vacuum left by the shift from Marxism to a version of capitalism. In other words, in “the dramatic shift after 1978 away from utopian ideology to commerce and patriotism, nationalism functioned or was manipulated by the Chinese Communist Party (CCP) to foster the legitimacy of the Party in the eyes of the Chinese masses.” Yet, with the rise of a more independent nationalism within the Chinese citizenry, comes questions as to the Party’s lasting success in manipulating nationalism to fill the ideological void. It is this other form of nationalism that can threaten Beijing’s rule.

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51 He and Guo, Nationalism, National Identity and Democratization in China, 9.

52 Liew and Smith, “The nexus between nationalism,” 5; Zheng, Discovering Chinese Nationalism, 2.

53 Liew and Smith, “The nexus between nationalism,” 5.
Nationalism takes two basic forms in China: official or government-led nationalism and popular or grassroots-led nationalism.\textsuperscript{54} Official nationalism stresses loyalty to the state over all else, including ethnicity, culture, and even individual rights. In official nationalism, national goals and interests are paramount.\textsuperscript{55} In contrast, popular nationalist sentiments come from the general citizenry or the masses below.\textsuperscript{56} Baogang He and Yingjie Guo observe that whereas “the formation of popular nationalism is always a natural process, the ideas and beliefs of state nationalism must be actively promoted.”\textsuperscript{57} In response to popular nationalism, the CCP uses controlled nationalism coupled with economic growth to keep the Chinese populace satisfied to prevent an anti-government backlash as well as to impede the growth of any popular nationalism deemed a potential threat to the Party.\textsuperscript{58} Yet, the Party’s attempts to control nationalism are not necessarily draconian and harsh. Rather, the CCP often attempts to appeal to the citizenry’s deeply-held Chinese beliefs, such as ideas about victimization, in the interest of Beijing’s plans and policies. As William Callahan observes, “The party-state’s campaigns are so successful because they draw on ideas that preceded the state – civilization and barbarism, national pride and national humiliation – that resonate with

\textsuperscript{54} He and Guo, \emph{Nationalism, National Identity and Democratization in China}, 2.

\textsuperscript{55} Ibid., 1; Zheng, \emph{Discovering Chinese Nationalism}, 93.

\textsuperscript{56} He and Guo, \emph{Nationalism, National Identity and Democratization in China}, 2.

\textsuperscript{57} Ibid.

popular feelings." However, despite such nationalist influences, it is inaccurate to paint a picture of the Party’s top-down control of nationalism as being absolute.

The Chinese populace’s nationalistic anger and fervor often has followed key events, such as the Chinese embassy bombing, illustrating how the Chinese people, and not just the government, see their place in the world, which broadly speaking is as a rising power to be respected and heard. In particular, it seems that the appearance of popular nationalism has largely been characterized by the Chinese youth’s more vocal role in the changing shape and reach of Chinese nationalism. This phenomenon took root among the generation known as the “80-somethings,” referencing the decade they were born. This generation was raised in an era of globalization and is more educated than previous Chinese generations. The 80-somethings distinguish themselves from “earlier Chinese generations whom they described as naïve, under-informed and traumatized by the hardships of a bygone era.” Therefore, as students they rejected the assertion that they were simply promoting the Party line. Yet, due to the government’s widespread presence, it often is difficult for non-Chinese observers to identify and measure popular expressions of nationalism. Traditional polling, as seen in the United States, is difficult to perform in China. First, any foreign surveys conducted in the country must be with government approval including a mandatory Party review of all polling data, making any

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59 Callahan, The Pessoptimist Nation, 25.

60 He, ‘Ready to Become a Great Power?’, 56.

results suspect. In addition, it is engrained in the Chinese culture to give the “right” answer when asked a public question, especially by a foreigner as that “introduces the issue of national ‘face.’” Obviously, political questions make accurate answers even more difficult to obtain as it is safer for the people to give the Party’s line. Perry Link astutely observes that, “In daily life, the Communist Party is like the weather: you deal with it, but you don’t—you can’t—entertain alternatives.” Yet there are other ways to ascertain the mood and opinions of the Chinese people, as will be illustrated in the following chapters.

Even though Beijing does manipulate popular nationalism through China’s history, culture, and policies, many Sinologists are observing that grassroots nationalism increasingly is constraining Beijing’s policy-making as it “attempts to exclude the role of the Party-state in defining national identity.” The Chinese citizenry seems to have increasing confidence in their ability to challenge the Party with nationalist demands. For example, some popular nationalists have been critical of the CCP and have blamed the government of being too soft when defending Chinese interests. As a result, Beijing has had to adjust its communication and policies to address popular nationalist expectations since Beijing cannot completely disregard the mass’ opinions when

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63 Ibid.

64 Link, “Corruption and Indignation,” 1.

65 He and Guo, Nationalism, National Identity and Democratization in China, 192.

formulating policies making it a “two-level game.”  The CCP realizes that strong and overt suppression of popular nationalism can create a dangerous backlash from the citizens, which could threaten Beijing’s domestic legitimacy. Therefore, Beijing must strike a careful balance between encouraging nationalism to serve its purposes while sufficiently responding to legitimate popular nationalist assertions. The Party largely has been successful at striking this balance but many challenges remain requiring Beijing to remain vigilant. Instability among a population so large is a constant concern for Beijing, which believes that uncontrolled nationalism could destabilize the country and even threaten China’s global legitimacy. Current Chinese leadership desires China to be seen as a responsible, global power but such an image could be tarnished by an outburst of anti-government popular nationalism. In other words, the Party, recognizing that it can not disregard popular sentiments, has generally successfully used nationalism in a strategic way to serve broader government goals. Moreover, according to He and Guo, “While state nationalism and cultural nationalism (a form of popular nationalism) overlap and influence each other in practice, they may however also undermine each other with conflicting hidden agendas.” Despite this inherent tension, it is both forms of Chinese nationalism that effects how China and the Chinese people see the world and interprets its

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68 Ibid, 110.

69 Chan, China’s Compliance, 32.

70 Gries, “Nationalism and Chinese Foreign Policy,” 103-104.

71 Ibid., 3.
place in the world. Therefore, understanding how the two forms of nationalism differ and interact is crucial both to examining Chinese nationalism and understanding modern China.

Given nationalism’s emotive power and unpredictable nature, the Chinese government attempts to set the tone and direction of Chinese nationalism to promote policies, reach national goals, and secures the Party’s legitimacy. Yet, an increasingly independent nationalism among the Chinese citizenry challenges the ways in which the Party approaches and uses nationalism. Therefore, the following chapters seek to examine and explain the force of both forms of Chinese nationalism on its government and society by addressing several crucial questions regarding China’s new nationalism. What are the key domestic and international influences on Chinese nationalism? Is Chinese nationalism reactive or aggressive in nature? How do both official and popular forms of nationalism appear in modern China and what is its impact on China? What is the impact of popular nationalism on Beijing’s domestic and foreign policies? To what extent has uncontrolled popular nationalism proven problematic for the Chinese government? How much control does the Chinese government have over popular nationalism and how does it seek to manage it? Furthermore, what foreign policy lessons can and should the United States draw from Chinese nationalism? Considering the answers to these questions provides a better understanding of not just Chinese nationalism but of China’s decisions, goals, and future. Such knowledge is critical for an international community trying to determine the best strategy for interacting with an increasingly more powerful PRC.
These questions are asked in the context of three case studies. The first case study examines the 1999 Chinese Embassy bombing, which is of importance due to the citizenry’s nationalist backlash to the bombing. This resulted in Chinese government attempts to carefully balance the tone, direction, and impact of the nationalism to meet government objectives and satisfy nationalist demands from the Chinese people. The second case study illustrates through an examination of the role of nationalism in China’s official Taiwan policies that issues of territorial integrity are central to Chinese nationalism throughMoreover, it addresses whether Chinese nationalism is inherently aggressive and irrational. The final case study examines nationalism in relation to China’s staggering economic reforms and its intertwining nationalist goals of growth, security and international power. In addition, the reforms’ negative consequences are analyzed including the ways they incite an anti-government popular nationalist backlash. After the analysis of these case studies, there is a concluding discussion on what the findings mean for U.S. foreign policy decisions. In particular, the analysis examines how the U.S. should take into consideration Chinese nationalism in light of American actions that tend to provoke Chinese nationalist fervor. Moreover, is it even realistic to assume that the U.S. can or should influence any aspect of Chinese nationalism through its own policy decisions? Exploring these important topics and others offers a contextual view of Chinese nationalism for the American policy maker.
CHAPTER 2
WAKING A SLEEPING DRAGON:
THE EMERGENCE OF CHINESE NATIONALISM IN THE POST-MAO ERA

Ours will no longer be a nation subject to insult and humiliation.
We have stood up.
- Mao Zedong, 1949

It was midnight in Belgrade, Serbia on May 8, 1999, when a U.S. B-2 bomber acting on behalf of NATO operations fired five 2,000 pound guided missiles into the night sky overhead. Three of the missiles slammed into the Chinese Embassy in Belgrade killing three and injuring twenty-three. The bombing was met by the PRC government and Chinese people with an explosion of anti-Americanism. In the days, weeks, and months that followed, the world witnessed a bold, new wave of Chinese nationalism erupting throughout China and the world in the form of mass protests and demonstrations. With government support, Chinese university students took to the streets using phrases such as “NATO fascism” and “Blood for blood!” In the initial days following the bombing, thousands of students protested at the U.S. Embassy in Beijing throwing rocks and bottles. One journalist described the demonstrations as “the biggest

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3 In the remainder of the chapter, “the bombing” will be used to reference the 1999 Belgrade Chinese Embassy bombing.


outpouring of anti-Western feeling in China since the Cultural Revolution nearly 35 years ago. Seemingly overnight the U.S. missiles had wakened the sleeping dragon of Chinese nationalism and the world would witness its fury and force in the days and weeks to come.

The U.S. immediately claimed that the bombing was an accident resulting from outdated CIA maps, but the Chinese maintained that the act was intentional. Beijing demanded the U.S. take “full responsibility for the affair and accede to a list of demands.” The Chinese demands included the following: “an apology and an official explanation of U.S. and NATO actions; a ‘complete and thorough’ investigation of the bombing; prompt publication of the results of the investigation; and to ‘severely punish’ those found to be responsible.” A private meeting was held between Chinese officials and the U.S. Ambassador to China and President Clinton expressed his regret to China’s President Jiang Zemin. In addition, both the U.S. Secretary of Defense and the CIA Director issued statements explaining the alleged mistake. Yet, China continued to demand not only a formal, public apology but adequate punishment for those responsible.

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10 McElroy and Brown, “Chinese Protests Spread”. 
Jiang remarked that without these conditions being met, “…the Chinese people will never let the matter go.”\textsuperscript{11} Tensions between the U.S. and China, which had been on the rise since U.S. condemnation of the 1989 Chinese government crackdown on Tiananmen Square pro-democracy protests, were amplified and the ensuing turmoil would characterize relations between the countries for the following decade.

As the smoke cleared and dust settled from the U.S. bombs, a virulent and strong sense of nationalism erupted, among the Chinese citizens and government alike. Although nationalist sentiment had long been present in China, the strength of the post-bombing response marked a turning point in modern Chinese nationalism. Therefore, an understanding of modern Chinese nationalism requires an examination of the nationalism in the days and weeks after the bombing. Such an examination must consider the changing nature of China along with both official and unofficial Chinese voices. In particular, the 1990s saw the emergence of a genuine popular nationalistic voice alongside the Party’s already extant official line.\textsuperscript{12} Analyzing the emergence of popular expressions of Chinese nationalism and its often tenuous relationship to the government is essential to understanding the PRC in the 21\textsuperscript{st} century. Rising popular nationalism has great implications for the Chinese government and its domestic and foreign policies as well as far reaching global implications. Additionally, the U.S. is a critical component of


\textsuperscript{12} Gries, \textit{China’s New Nationalism}, 20.
modern Chinese nationalism and the bombing significantly damaged U.S. – China relations and thus had far-reaching implications for Sino-U.S. relations.13

How can this emergence of Chinese nationalism be explained? What factors amplified the nationalist outrage in the days and weeks following the bombing? Chinese nationalism does not exist in a vacuum but rather is influenced and shaped by several simultaneous factors. As a result, there is not a single explanation or impetus for the emergence of this “new” nationalism. To view it as just a Party-led phenomenon is too simplistic since nationalism is something inherently more complex and pre-dates the PRC. Hence, an examination of the multiple motivations for this eruption of new nationalism following the bombing establishes a solid foundation for further exploring the overall force of modern Chinese nationalism. In many ways, the bombing was simply a catalyst for a new Chinese nationalism that had been brewing just beneath the surface for sometime, particularly since the death of Mao. Thus, the bombing offers an ideal case study to illustrate that Chinese nationalism is an ever-present force that is influenced and impacted by history as well as by domestic and international events.

To comprehend the firestorm response to the bombing requires analyzing several key questions. First, how did China’s interpretation of history impact the nationalistic response after the bombing? How did the Chinese see the bombing through this historic lens? Next, how did China’s domestic situation and developing economy impact the emerging nationalism? In this context, what impact did China – U.S. relations, and particularly anti-Americanism, have on the Chinese response? Finally, what role(s) did official and popular nationalism play individually and together? As will be seen, the

answers to these questions often overlap and intertwine with one another, as is the complicated nature of examining the nationalism of a diverse and multi-faceted people. The following sections will examine the motivations for post-bombing Chinese nationalism by looking at each of these questions.

**The Powerful Persuasion of Interpreting History**

History is central to who the Chinese are as a people as a nation. Mao and subsequent CCP leaders’ interpretations and presentations of Chinese history are central to understanding both China and its post-Mao nationalism. Therefore, the Party’s version of China’s modern history offers critical insight into China’s emotional, nationalistic response to the Belgrade bombing. The Party interprets China’s history through two very difference lenses: victimization and pride. The victimization comes from historical humiliations leaving the Chinese quick to negatively perceive international events as being directed against them, which, according to Yong Deng and Fei-Ling Wang, has resulted in feelings of powerlessness and humiliation.14 Meanwhile, the Chinese have a great pride in their ancient successes as the “Middle Kingdom” as well as contemporary achievements of increased wealth and power. Explaining the importance of Beijing balancing these two characteristics, Baogang He and Yingjie Guo observe that “to stress both the Party’s achievements and ‘national condition’ is to say that the Party is the legitimate leader of the nation on account of those achievements; but historical conditions, not the Party are to blame if it cannot achieve what is expected, and people

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should be more realistic in their expectations.”15 As such, the Belgrade bombing was presented by the Party and readily accepted by the people as further evidence of the danger of Western powers imposing their will on China.

The Belgrade bombing was largely viewed by Chinese nationalists as yet another aggressive infringement on China’s sovereignty in a long line of such violations, dating back to the Opium Wars, intended to weaken the country.16 In this context, it is not surprising that the bombing elicited such a passionately angry reaction.17 Ironically, the bombing took place just four days after the 80th anniversary of the May Fourth demonstrations, which was the Chinese nationalistic response to the Treaty of Versailles, which recognized as legitimate Japan’s claim to China’s Shandong Province that Tokyo had seized from the Germans in 1914.18 Given the timing, it is not surprising that the bombing triggered a century’s worth of feelings of victimization, which has been a continuous thread in the PRC. In fact, in his essay on Chinese nationalism after the bombing, Ben Hillman cites several Chinese language newspaper articles and opinion pieces that illustrate history’s enduring impact on Chinese views of the bombing. Hillman notes that the media sources are state-controlled and thus offer more insight into official sources of nationalism than true popular opinion; however, media impacts and is cognizant of public opinion. One such article in the May 12, 1999 edition of the Chinese

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16 Hillman, “Chinese Nationalism,” 65, 73.

17 Deng and Wang, China Rising, 104.

government’s official newspaper the *People’s Daily* or the *Renmin Ribao* (RMRB) explicitly states that, “the hot blood of those who have opposed imperialism for over 150 years runs in Chinese people’s veins.”\(^{19}\) Another piece from May 19\(^{th}\) states that “the strength of the people today is inherited from the fine tradition of fighting and struggling against Western powers.”\(^{20}\) These claims visibly reveal the strong link between the past and the present in Chinese attitudes regarding their place in the world, particularly their relations with the West. The perception presented was that the U.S. wanted to weaken and crush China “once and for all”.\(^{21}\) A *People’s Daily* article on May 12th, which echoes Mao’s 1949 words, expresses this belief in the following way:

> The wheel of history will not go backward. This is 1999, not 1899. This is not…the age when people can barge about the world in gunboats…It is not the age when the Western powers plundered the Imperial Palace at will, destroyed the Old Summer Palace, and seized Hong Kong and Macao…China is a China that has stood up; it is a China that defeated the Japanese fascists; it is a China that had a trial of strength and won victory over the United States on the Korean battleground. The Chinese people are not to be bullied, and China’s sovereignty and dignity are not to be violated…US-led NATO had better remember this.\(^{22}\)

While it is the West in general that historically is held responsible for Chinese suffering, the articles and rhetoric following the bombing increasingly focused on NATO and specifically the United States. Hillman concludes that the overall theme of these *People’s Daily* articles following the bombing was one of an “overriding sense of

\(^{19}\) Hillman, “Chinese Nationalism,” 73.

\(^{20}\) Ibid.

\(^{21}\) Ibid., 80.

\(^{22}\) Gries, ‘Tears of Rage,’ 32.
victimization.”

Thus, in 1999, history was a living, central part of Chinese nationalism, a thread that runs throughout modern Chinese nationalism.

**Changes and Developments in the PRC after Mao**

While China’s history of perceived victimization remains a constant theme in the PRC, recent Chinese history in the decades after Mao’s death also played an influencing role on Chinese nationalism after the bombing. At the time of the bombing, China was experiencing large-scale economic and political reforms that resulted in a period of political sensitivity for the Beijing government. To fully understand China in 1999, and the nationalism that emerged after the bombing, a brief look back at the previous two decades is necessary.

The death of Mao Zedong, in 1976, ushered in a period of uncertainty and change. Subsequently, several things happened that gave the Chinese new perspectives from which to view their country and its place in the world. First, public opinion – long suppressed – was beginning to awaken. Prior to this post-Mao era, public opinion was controlled and directed by the Party; however, in 1978, “like a mild rain after long drought, appeared the famous Democracy Wall in Beijing and similar spots in other cities.”

The appearance of the Democracy Wall in Beijing, which was encouraged by Deng Xiaoping, allowed Chinese citizens to post their opinions and criticisms about the government, the CCP itself, and China’s post-Mao transition. Soon, similar “walls” were established in other Chinese cities. The new post-Mao Deng Xiaoping government

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allowed such open opinions because it seemed the criticisms mostly targeted Deng’s political opponents, thus it could serve as a legitimizing tool for the current Party leaders who hoped to carry out economic reforms in a manner vastly changed from Mao’s system. However, in 1979 there was a crackdown on the Democracy Wall movement because Deng thought it had gone too far in criticizing the government. Nevertheless, it is important to note that a Chinese popular voice was taking root.

In addition, by the 1990s, China was achieving an unprecedented level of economic openness with the West allowing “Chinese public opinion to achieve a certain level of pluralism in many aspects of social life.” With economic openness came fewer restrictions as market forces were introduced. Therefore, Beijing tolerated a certain level of openness in Chinese society as long as it was apolitical and not anti-government. According to Zhao Dingxin, by the late 1990s, “In China’s publishing industry, one could see millions of titles on almost every topic in any major Beijing bookstores,” and anti-American books encompassed just a portion. While the Party still restricted access to many books, this increased openness gave the public an unprecedented opportunity to read diverse thoughts and opinions. This new and more open environment played an instrumental part in the manifestation of a popular Chinese nationalism after the bombing and beyond.

26 The party leadership under Deng was sensitive to criticism resulting in the 1979 crackdown on the Democracy Wall and free speech in general. According to Soled, “unofficial publications were restricted, contacts with foreign journalists were discouraged, and outspoken intellectuals and populist leaders were arrested.” Chi Wang, “Deng’s China,” in China: A Nation in Transition, ed. Debra Soled (Washington, D.C.: Congressional Quarterly Inc., 1995), 102-103.


28 Ibid.
In addition, under Deng’s program of reforms, which he called “socialism with Chinese characteristics,” many Chinese people began to question and even lost faith in the Party, its structure, and its belief system.\textsuperscript{29} One Chinese historian characterizes this crisis of faith as a sense disillusionment ranging from “the belief that Maoism had been betrayed to the conclusion that Marxism was a hollow sham or that official promises would not be kept or that the entire system was corrupt.”\textsuperscript{30} In order for the Party to address this crisis, which threatened its legitimacy, it could not use typical methods of coercion and censorship as seen under Mao’s reign. With greater economic openness and subsequent social openness, public opinion took on greater political importance for the CCP in maintaining regime legitimacy. As a result, the government needed the people’s support to reach its development and modernization goals.\textsuperscript{31} Beijing increasingly realized that it could no longer unilaterally act without the people’s acquiescence. While still maintaining the upper hand, Beijing needed a softer approach in light of an emerging popular opinion.

In an attempt to keep the masses content while achieving global recognition and respect, Beijing had been in a process of opening its markets and turning from Marxist economic models of development since approximately 1978. PRC leadership promoted the idea that development and economic success were the best ways to counter the West and secure China’s sovereignty and position in the world. Deng famously expressed this

\begin{itemize}
\item \textsuperscript{30} Dietrich, \textit{People’s China}, 280.
\item \textsuperscript{31} Ibid., 281.
\end{itemize}
view when he stated that “a nation is bound to be bullied if it lags behind the other nations.”

History had shown China that political and economic dependence resulted in a loss of national autonomy. Hence, PRC leaders determined to pursue rapid economic growth in order to reach a level of global power to secure its sovereignty against threats. Yet, the transition was not easy or perfect, a fact which Joseph Cheng and Kinglun Ngok emphasize in their essay on Chinese nationalism. They highlight that “The push for reforms and inadequate domestic demand had produced a great deal of tension in Chinese society …” This tension between the government and the people would become more apparent during the 1989 Tiananmen Square protests and then again after the bombing.

As a result of transition and reform, the Chinese nation was undergoing an identity crisis of sorts. Since 1949, China had been steeped in Marxist ideas and Maoist thought. The Chinese people were forced to live and breathe socialism and any criticism eventually was brutally repressed. Now, in a very short period of time, the Chinese were expected to adopt a more open economic system that in many ways resembled

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35 Chi Wang, “Maoist China,” in China: A Nation in Transition, ed. Debra E. Soled (Washington, D.C.: Congressional Quarterly Inc., 1995), 75-76. Key examples of such suppression include The Hundred Flowers Movement and the subsequent Anti-Rightist Campaigns. In 1956 Mao invited the people’s “constructive criticism and intellectual debate” regarding the arts, literature, and sciences, which became known as the Hundred Flowers Movement. However, when criticism turned to the government and party itself, Mao responded with brutal force in suppressing any further open expressions, which became known as the Anti-Rightist Campaign. The crackdown extended to the government, factories, schools, universities, and “all aspects of civil life.” In the end, an estimated 400,000 to 700,000 intellectuals lost their jobs and often were sent to work in factories or on farms. As a result, Mao’s 1956 invitation quickly became seen “as a cynical effort to manipulate intellectuals and identify Mao’s opponents in the party and in the government.”
capitalism more than socialism. The Chinese national identity was long embedded in a strict view of Marxism/Maoism and now the Chinese people were being asked to adopt a new, contradicting belief system. Historian Craig Dietrich observes this new tension by stating “The new ideological formulations may have been more pragmatic than Maoism, but they packed far less emotional power. China was left with a hodgepodge of Marxism-Leninism, Maoism, modernizing pragmatism, and traditional beliefs. Ambiguity and confusion resulted.”

In such an environment the Chinese people searched for a new identity. Realizing this, the CCP appealed to Chinese nationalism by promoting the reforms as necessary for China to reclaim greatness and avoid falling victim to other powers. In this way, nationalism increasingly provided a new Chinese identity filling the post-Mao void.

The resulting Chinese identity, rooted in nationalism, centered on a belief in the singularity of China and its rightful place in the world. Yet, as the PRC experienced increasing economic success in the 1990s, confusion over China’s ideological cornerstone mingled with a growing national pride.

Thus, Beijing used the surging post-bombing nationalism to encourage the economic reforms deemed necessary for growth and modernization – actions considered necessary for China to remain independent of the West’s global influence. It appears that the Chinese population readily accepted this belief after the bombing as their rhetoric turned from simply one of anger and anti-Americanism to one of encouragement of China’s continued global


38 Zheng, *Discovering Chinese Nationalism*, 142
economic emergence. For example, a post-bombing RMRB article titled, “Take the rich-nation, strong-army road,”[^39] written by a retired People’s Liberation Army General endorsed a strong economy as a prerequisite for a strong national defense and thus national security.[^40]

Science and technological achievements, one of Deng’s “Four Modernizations,” also took renewed importance following the bombing.[^41] From scientific experts appearing on Chinese TV discussing the NATO smart bombs to recognizing scientists’ prior achievements, the CCP promoted the necessity of China’s scientific advancements for continued growth and success. At an event recognizing Chinese scientists, the PRC Prime Minister, Zhu Rongji, emphasized the importance of science to China by remarking that, “Without national defense, there will be no nation; without a national defense industry, there will be no national defense.” This was followed by an official government statement declaring “Without grasping state-of-the-art technologies, we will be bullied,” just as China had been in the 19th century by Western imperialist power.[^42] Thus, history was a constant motivation for CCP reformers striving for economic success to realize a strong, wealthy, and powerful China not subject to the whims of other


[^41]: Deng’s “Four Modernizations” included agriculture, industry, science & tech and military, Wang, “Deng’s China,” 94.

countries. The subsequent turbulence in Chinese society brought by these reforms made nationalism an essential tool for Beijing as it tried to turn the vast ship of Chinese society rather rapidly in a new direction. In many ways, nationalism bonded the Chinese nation by providing a common purpose rooted in a common history.

**U.S. versus China: The International Element of Chinese Nationalism**

By the 1999 bombing, the developing Chinese nationalism increasingly was steeped in anti-Americanism. After the bombing, anti-Americanism erupted in a cacophony of both official and unofficial voices ushering in a new era of strained relations between the United States and China. The Chinese held a mostly positive view of the United States in the 1980s but this shifted after the 1989 Tiananmen Square protests and subsequent government crackdown left China isolated from the West largely due to U.S. efforts. Furthermore, coupled with memories of China’s Century of Humiliation, later international events contributed to the nationalistic response after the bombing. The above-mentioned events were seen as part of a growing body of evidence of American aggression towards China. Furthermore, in a crushing blow, China lost its 1993 bid for the 2000 Olympics, which was blamed on the U.S. Compounding Chinese wariness of the U.S. was America’s position as the sole remaining super power following the collapse

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43 Liew, *Nationalism, Democracy*, 79.

44 Gries, *China’s New Nationalism*, 17.

of the Soviet Union. Additionally, many in China believed the U.S was untrustworthy after observing Washington’s perceived desertion of Russia and Mikhail Gorbachev following the collapse of the Soviet Union.\(^{46}\) Thus, the anti-Americanism that had been steadily building since the 1980s burgeoned in 1996, during the Taiwan Strait Crisis. U.S. and Chinese tensions over the disputed island of Taiwan culminated in brinkmanship and the real possibility of shots being fired between the countries.\(^{47}\) In light of these events, the Chinese were growing increasingly weary of the West.\(^{48}\)

By 1999, the widespread view was that the West – primarily the U.S. – was attempting to weaken and crush China.\(^{49}\) Many in China saw the bombing simply as a progression of humiliation perpetrated by the West, mainly the U.S.\(^{50}\) The 1990s left the Chinese feeling isolated, weakened, and humiliated and very suspicious of the United States while at the same time its economic growth left the Chinese feeling empowered and entitled. Both extremes fed China’s new nationalism. An analysis of these events claims that the decade, “fundamentally changed China’s geopolitical importance to the United States as well as Americans’ view of the Chinese regime.”\(^{51}\) By the time of the bombing, anti-Americanism already was present; therefore, it is not surprising that the

\(^{46}\) Gries, *China’s New Nationalism*, 17.

\(^{47}\) The Taiwan Strait Crisis will be discussed more fully in the following chapter.

\(^{48}\) Ibid., 65.; Gries, *China’s New Nationalism*, 17.

\(^{49}\) Liew, *Nationalism, Democracy*, 80.

\(^{50}\) Ibid., 79.

bombing elicited such a passionate nationalistic response.\textsuperscript{52} For many in China, the bombing offered affirmation to the opinion that the U.S. was a bully without any respect for China or its people.\textsuperscript{53}

Negative views of the U.S. after the bombing resulted in a Chinese nationalism characterized by a righteous anger. While nationalism can take many forms and encompass many emotions, in the case of China post-bombing, both official and unofficial displays were heavily tinged with anger, almost exclusively aimed towards the U.S. Past and present feelings of humiliation turned into anger.\textsuperscript{54} The Chinese have different words to denote different kinds of anger, though the most common variation of anger expressed after the bombing meant a “righteous indignation” rather than a “blind fury.”\textsuperscript{55} This form of anger is rooted in feelings of injustice and retribution. China already felt the West owed it as a result of the Century of Humiliation and anti-Communist sentiments and containment in the 1950s and 1960s.\textsuperscript{56} The bombing further compounded this perceived debt, with the U.S. as the debtor.\textsuperscript{57} From this indignation

\textsuperscript{52} Cheng and Ngok, “Chinese Nationalism,” 85.

\textsuperscript{53} Zheng, Discovering Chinese Nationalism, 130.


\textsuperscript{55} Deng and Wang, China Rising, 104.

\textsuperscript{56} John H. Holdridge, Crossing the Divide (Maryland: Rowman & Littlefield Publishers, Inc., 1997) 4, 7, 9, 12. The United States’ recognition of the Republic of China on Taiwan as the one representative of China coupled with Chinese involvement in the Korean War proved detrimental to China-U.S. relations in the 1950s. American Anticommunist sentiment at this time did not improve U.S. views of the PRC. Furthermore, ideological hostilities between the Soviet Union and China made sure that U.S.-China relations would suffer throughout the 1960s. As the Soviets’ U.S. policy became more careful, the PRC took the opposite approach becoming more critical of American policies.

\textsuperscript{57} Deng and Wang, China Rising, 104.
came demands for the U.S. to admit to its offense and officially apologize. According to Chinese ideas of apology, power politics remains a central tenant. As such, an apology from the guilty party allows China to exert its position of power after a perceived unjust act.\textsuperscript{58} The Chinese word for apology is \textit{duibuqi}, which literally translates to “I am unable to face you.”\textsuperscript{59} Ultimately, the power politics of anger and apology played out on a stage of what Gries calls “face nationalism.”

The Chinese concept of face, which is “the self displayed before others,” fundamentally is about politics and power.\textsuperscript{60} According to Gries, “He who ‘loses face’ loses status and the ability to pursue instrumental goals.”\textsuperscript{61} Face nationalism offers critical insight into modern Chinese nationalism and allows for both official and popular sources of nationalism.\textsuperscript{62} Thus, face nationalism does not merely exist among the Chinese elites but among the general population as well. For the Chinese, “losing” or “saving” face is attached to collective self-esteem and identity. The bombing further threatened this already fragile identity that, as noted, largely was in confusion and transition before the bombing.\textsuperscript{63} Gries observes that, “The social psychological literature on collective self-esteem has convincingly demonstrated that when a valued social

\textsuperscript{58} Deng and Wang, \textit{China Rising}, 106-7.

\textsuperscript{59} Gries, ‘A “China Threat?,”’ 68.

\textsuperscript{60} Gries, \textit{China’s New Nationalism}, 20.

\textsuperscript{61} Ibid., 24.


\textsuperscript{63} Gries, \textit{China’s New Nationalism}, 21-2.
identity is perceived to be under threat, out-group derogation is a natural response.”64 Thus, Beijing repeatedly has criticized the U.S. when feeling threatened. Due to the nature of China-U.S. history, the U.S. easily provides an outlet for the Chinese to assert a common identity.

Another way to understand the crucial Chinese concept of face is through examining the Chinese word *mianzi*, which refers to a code of honor.65 Ambrose King, an expert on Chinese modernization and modernity, likens *mianzi* to a credit card. Good credit, or *mianzi*, gives you a bigger credit limit and the ability to buy more. A loss or decrease in *mianzi* results in a loss of purchasing power or, in the case of a nation, less global credit.66 Gries observes that maintaining the national *mianzi* is the purview of the state, thus tying it to Party legitimacy.67 In other words, Beijing has to be perceived by the Chinese people as effectively maintaining China’s collective face or risk criticism and possibly anger from the masses. Yet, this is complicated, because ideas of face are personal and not easily influenced by the government.68

It is in the context of face nationalism that Beijing desires to be respected by the international community, a desire that forcefully came to the forefront after the bombing. Respect on the global stage increases China’s national *mianzi* while at the same time bolstering domestic public opinion and thus Party legitimacy. Even before the bombing

64 Gries, ‘Tears of Rage,’ 41.
66 Ibid., 68.
67 Ibid., 69.
68 Ibid., 67.
Chinese nationalists had long been preoccupied with China’s perceived rightful place in the world. Both Mao and his successors recognized this and made “pursuing international respect” a key goal of China’s foreign relations. Yongnian Zheng noted this phenomenon by observing that “Nationalism meant that China deserved an equal position in the international system as other major powers did. This is the theme of Chinese nationalism from Sun Yat-sen to the new nationalists.” For Beijing, the bombing provided tangible evidence of China’s need to demand international respect.

**Official and Popular Sources of Chinese Nationalism**

By 1999, the PRC increasingly was economically powerful but this success generated expectations, domestically and on the international stage. The Party leadership could not risk its legitimacy among the people by being seen as responsible for China losing face after the bombing. Therefore, the CCP had to appear strong against the Americans. At the same time, however, it recognized the need to strike a cautious balance between allowing popular nationalism to vent without letting it become uncontrolled, possibly turning against the government. For example, if Beijing had suppressed or attempted to suppress the spontaneous protests and demonstrations following the bombing, the people – particularly the students – might have rebelled against the government. Beijing feared that a failure to adequately stand up to the U.S. might turn the masses against the government. The Party likely feared that uncontrolled grass-roots nationalism could easily shift from post-bombing anti-Americanism to domestic issues such as anti-——


70 Ibid., 154.

corruption and political reform.\textsuperscript{72} Likewise, unrealistic mass expectations would create a dilemma for Beijing if the protests were not held in check. These concerns probably were exacerbated by both the approaching 10\textsuperscript{th} anniversary of the Tiananmen Square incident and less than ideal domestic conditions such as unemployment.\textsuperscript{73}

Yong Deng and Fei-Ling Wang, professors and Sinologists, characterize the often uneasy relationship between official and popular nationalism in the following way:

Not only do popular nationalists support and challenge the state’s claims to legitimacy, but they also issue their own rival nationalist credentials. The party suppresses and responds to such challenges to its nationalist credentials. The suppression of legitimate nationalist claims, however, makes the party lose face and authority before the Chinese people. Successful responses to popular nationalist demands, by contrast, allow the party to gain face before nationalist audiences, solidifying regime legitimacy.\textsuperscript{74}

It is difficult to definitively claim whether the government allowed and/or encouraged the emergence of expressions of a new nationalism following the bombing for its legitimizing possibilities or if Beijing could not prevent its development even if it wanted to. The truth probably is somewhere between the two.

Regardless, the emergence of popular nationalism in 1999, illustrates that Beijing could no longer merely suppress or ignore the opinions of the masses. The collective voice of ordinary Chinese increasingly grew louder in the days and weeks after the bombing.\textsuperscript{75} For the first time since 1949, the Chinese were allowed to openly express

\begin{itemize}
    \item \textsuperscript{72} Shen, \textit{Redefining Nationalism}, 51.
    \item \textsuperscript{73} Paul Wiseman, “Officials calm anti-U.S. protests in Beijing Leaders let riots rage for 3 days,” \textit{USA Today}, May 12, 1999.
    \item \textsuperscript{74} Deng and Wang, \textit{China Rising}, 110; emphasis in original
    \item \textsuperscript{75} Ibid.
\end{itemize}
their collective voice and opinions about international affairs.\textsuperscript{76} The public demonstrations of Tiananmen Square and its disastrous zenith resulted in a decade long ban on such protests; yet, Beijing allowed protests after the bombing.\textsuperscript{77} Why would the Party have such a change of heart? If managed correctly, the bombing could prove a godsend for the Party by allowing them to appear strong while uniting the Chinese people behind a banner of national pride. Like other nations in tragic circumstances, the bombings provided an opportunity for China to unite against a common enemy and find purpose in its struggles for domestic reform and struggle for international respect.\textsuperscript{78} As one author observes, the bombing allowed the CCP leaders to “paint themselves as the patriotic rulers of a peaceful and moral nation struggling against the criminal excesses of the US-led West.”\textsuperscript{79} As previously noted, this supports the view held by many Sinologists, particularly in the West, who argue that the CCP uses nationalism to fill the ideological void left by the shift from Marxism.\textsuperscript{80} One such Sinologist, Thomas Christensen, notably voiced this belief in a 2005 statement claiming “Since the Chinese Communist Party is no longer communist; it must be even more Chinese.”\textsuperscript{81}

The bombing provided the CCP with a unifying cause, essential to maintaining a strong, pervasive, and uniquely Chinese nationalism, where all citizens are united in love

\begin{footnotesize}
\begin{enumerate}
\item Shen, \textit{Redefining Nationalism}, 58.
\item Ibid.
\item Hillman, “Chinese Nationalism,” 79.
\item Deng and Wang, \textit{China Rising}, 110.
\end{enumerate}
\end{footnotesize}
of country. As Hillman notes, “The embassy bombing was a great opportunity to reinforce the image of pan-ethnic nationalism that the PRC’s leaders continue to view as vital to their legitimacy and to China’s stability.”\textsuperscript{82} One way the Party used the bombing as a unifier was by drawing from decades of Chinese cultural nationalism centering on a national martyr narrative.\textsuperscript{83} Veneration of Chinese martyrs has been a common method used of promoting a Chinese cultural nationalism. Historically, particularly from Revolutionary days, the PRC has a rich history of national martyrs. Yet, in the post-Mao era and particularly after the bombing, martyrs were honored as “symbols of nationalism” rather than heroes of communism.\textsuperscript{84} During the demonstrations, Beijing purposefully displayed its patriotism by presenting those killed in the bombings as Chinese martyrs, thus promoting cultural nationalism.\textsuperscript{85} Baogang and Yingjie define cultural nationalists as those who “see the Chinese nation and Chinese people as being rooted in Confucian tradition and philosophy.”\textsuperscript{86} Sun Yat-sen developed this idea of nationalism rooted in the superiority of Chinese culture to the West.\textsuperscript{87} The Party, knowledgeable of the historical significance and power of martyr worship, deemed it an effective tool to unifying the people in nationalism.

\textsuperscript{82} Hillman, “Chinese Nationalism,” 72.


\textsuperscript{84} Shen, \textit{Redefining Nationalism}, 44.

\textsuperscript{85} Ibid.; See also: Pomfret, “China Says Anti-U.S. Protests Were ‘Natural,’” 1999.

\textsuperscript{86} He and Guo, \textit{Nationalism, National Identity}, 3.

\textsuperscript{87} Meissner, “Collective identity and nationalism,” 206.
For its part, the Western media largely portrayed the protests as being orchestrated by the Party using nationalism as a tool for promoting and upholding its legitimacy. This is not surprising or necessarily incorrect since the prevailing Western view typically is that the Chinese state controls all aspects of the nation including its people. According to a May 10th article in the *Christian Science Monitor*, a Chinese student claimed that “government-appointed authorities at the school have been providing free busing to the anti-American protests” along with other signs of Beijing’s manipulation of the demonstrations. Another article, from a Montreal newspaper, observes that, “Chinese authorities spent the weekend whipping up popular fury by declaring the NATO strike a deliberate act of war. But they pulled back from the brink late yesterday, issuing a statement aimed at containing the violence and soothing jittery foreigners,” indicating Beijing’s concern about allowing too much anger. Additionally, Western press reported that China state media was controlling the bombing story and presenting it as a deliberate act of American aggression.

Despite such claims, it is hard to pinpoint the Party’s exact level of involvement though Beijing certainly played a role in the demonstrations. It would seem that Chinese nationalism after the bombing was not either exclusively led by the CCP or born of the

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90 Platt, “A protest China’s leaders can use.”

91 “China fails to mollify protestors,” 1999.

92 Platt, “A protest China’s leaders can use.”
masses. Rather, both groups played a part in the emergence of a new nationalism. 93 While the Party did encourage and discourage nationalism at different stages after the bombing, the popular nationalists had found an outlet not just for their anger at the bombing but for long-held frustrations about China’s place in the world that had been building the start of the post-Mao reforms. Thus, it is fair to say the anger among the population was spontaneous and voluntary. 94 While popular sentiment certainly is influenced by the government, it is too simplistic to say that the Chinese people do not have their own beliefs about their nation.

In post-Mao China, especially in the 1990s, the government recognized the growth of a mass Chinese consciousness and thus increasingly had to both suppress and accommodate challenges to its face from popular nationalism in order to maintain legitimacy, which was essential for further implementing China’s aggressive reform policies. 95 Zhao articulates Beijing’s dilemma by pointing the following:

On the one hand, the Chinese government needs nationalism to keep the country together and to boost its falling legitimacy. On the other hand, the Chinese government is very worried about the rise of a strong, mass-based nationalism, which will narrow its policy choice, distract its attention away from economic development, and, most dangerously, give rise to a civic consciousness that will spin out of the control of the government. 96

In fact, student demonstrators’ opinions about the government’s involvement illustrate the level of independent thinking among many ordinary Chinese. In some instances Beijing’s aid in bussing the students was met with resistance as history had made them

95 Gries, ‘A “China Threat?,”’ 70.
96 Zhao, “Problems of Nationalism,” 102.
wary of government involvement. Instead, “these students avoided any demonstrations controlled by university authorities” and held their own protests. This illustrates a growing sense of independence within the Chinese population. While accepting Beijing’s anti-American explanation for the bombing, the students wanted to express their outrage in their own way. In summation, post bombing nationalism did not exist in a vacuum and while much of Beijing’s message was embraced by the masses, Chinese citizens found their own voice as well.

Unlike previous events where free public expression was eventually discouraged, such as the Democracy Wall and Tiananmen Square, after the bombing the CCP encouraged universities’ involvement in demonstrations at least to a point. Reports in a Hong Kong newspaper claimed that the government, fearing the protests might get out of hand, restricted demonstrations in the embassy district of Beijing. However, the CCP attempted to maintain a low profile as to its role in the demonstrations. A review of RMRB articles from the period after the bombing shows that Beijing de-emphasized its role in the nationalistic response. Rather, the protests were moved to Party-approved locations. Instead of Beijing taking center stage, the Party directed the focus to “ideas of the nation and country”. In fact, the party-state went so far as to deny it had a hand

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98 Ibid., 1758.


100 Shen, Redefining Nationalism, 43.

101 Mark O’Neill and Willy Wo-Lap Lam, “Guard of Honour at Sad Homecoming,” South China Morning Post (Hong Kong), May 13, 1999.

102 Hillman, “Chinese Nationalism,” 82.
in the demonstrations.\textsuperscript{103} When an American journalist asked the Chinese Ambassador to Washington if the government was “mobilizing the public” he replied: “Only people suffering from a psychological aberration would say such rubbish.” He continued by asking, “Do you think the Chinese people still need the government to mobilize the demonstrators? It is the barbaric behavior itself that has instigated the demonstrations.”\textsuperscript{104}

The reason for Beijing’s distancing may actually have to do with how little control the government actually had over the protests. Of course, it would not have done the Party any good to reveal such a weakness. Dingxin Zhao, in his study of the 1999 student protests, suggests that the Chinese government’s control of the protests was more limited than often portrayed. He observes that “rather than being allowed comfortably to manipulate the protests, the Chinese government was actually frequently challenged by students who attempted to stage independent protest activities.” In fact, he further concludes that the intent of government efforts “during the demonstrations was to try to bring the protests under control…”\textsuperscript{105} At the very least, Zhao’s findings demonstrate how complex it is to determine the tenuous relationship between the government and the masses following the bombing.

So how does one account for the new nationalism that emerged in this era? What motivated its emergence in 1999? Popular nationalism after the bombing was at least partially about identity. In the post-Mao transitional period of reforms the Chinese

\textsuperscript{103} Hillman, “Chinese Nationalism,” 41.

\textsuperscript{104} Shen, \textit{Redefining Nationalism}, 41-2.

people and government sought to redefine both what it meant to be Chinese and China’s place in the world.\textsuperscript{106} Therefore, both domestic and international factors moved many Chinese citizens towards a form of nationalism unlike any seen in modern China.\textsuperscript{107} In the international context, it has already been illustrated how growing anti-American sentiment and feelings of victimization triggered deeply held emotions and beliefs about China’s need to stand on its own and against oppressors. Domestically though, the Chinese were reacting to decreased central power resulting from Deng’s reforms in contrast to Mao’s iron fist. Additionally, as China opened up economically and experienced rapid growth it boosted the self-confidence and expectations of the Chinese people.

Zhao Dingxin offers an interesting and important analysis of popular nationalism after the bombing based on a survey he conducted months after the event. Drawing from the top universities in China, he surveys over 1,000 students and interviewed a select 62 “informants.”\textsuperscript{108} He focuses on university students due to the essential role they have played historically in Chinese politics.\textsuperscript{109} His analysis shows that Chinese nationalism among students at the time was influenced simultaneously by official government lines, exposure to the West, and by independent thought and reasoning. A brief look at his

\textsuperscript{106} Zheng, \textit{Discovering Chinese Nationalism}, 111.

\textsuperscript{107} Ibid., 14.


\textsuperscript{109} Zhao continues by pointing out that student nationalism was crucial to the rise of Communist China prior to 1949. More recently, “in the late 1980s, a widespread crisis of faith among Chinese students toward the Communist regime led to frequent student protests, which culminated in the 1989 Prodemocracy Movement.” Dingxin, “Problems of Nationalism,” 102.
findings not only offers a different viewpoint on the role of mass popular nationalism in the post-bombing period, but illustrates the complexity of interpreting Chinese motives and responses. In such a vast and diverse society, it is impossible to point to a single, permeating idea or belief without almost immediately pinpointing contradictions.

Among his student sample, it is interesting to note the prevailing views about the United States just months after the bombing. Largely, they did not view the U.S. as China’s enemy and, in fact, those polled seemed to respect the American political system.\textsuperscript{110} While those polled mostly viewed the U.S. as a hegemon, they indicated that economics was the primary and critical field of competition between the two powers.\textsuperscript{111} This correlates with the previously mentioned shift in the tone of the demonstrations from one of revenge to one urging China to work harder and develop more. The only slight exception to this more positive view of the United States was found among students with more exposure to pre-bombing “anti-US nationalistic discourse” of the 1990s. The students in this category were slightly more suspicious of U.S. motives in the bombing.\textsuperscript{112}

Also of interest, is the way the students viewed the Serbia-Kosovo conflict. Zhao observes that ideas of national sovereignty and non-intervention played a much larger role in students’ beliefs about the conflict than did state media or even Western media, of which many students reported having at least nominal access.\textsuperscript{113} This seems to bolster previous discussions in this chapter regarding patriotic education and Chinese ideas about

\textsuperscript{110} Dingxin, ‘An Angle on Nationalism,’ 903.

\textsuperscript{111} Ibid., 902.

\textsuperscript{112} Ibid., 890-1.

\textsuperscript{113} Ibid., 893-4. The following chapter includes a thorough discussion of Chinese ideas of national sovereignty and non-intervention.
their history. Of particular interest are the students’ views on issues of face. Approximately seventy percent of respondents believed that the bombing was the result of China being seen as a weak state by the U.S. Zhao explains this logic in the following way:

Many students...held the following logic: if the United States took China seriously, the first thing they would do before the airstrike began would be to mark out the location of the Chinese embassy on their maps. From there, the students inferred that the United States did not treat China seriously. This perception greatly hurt their sense of national pride.  

Nonetheless Zhao concludes that nationalism among the Chinese students was based less on anti-Americanism than is typically believed. He finds that the rising tensions with the U.S. throughout the 1990s did not necessarily result in pent up anti-American emotion among this population. While not dismissing the existence of anti-US sentiment among the student population, he proposes that the anti-Americanism observed in the 1999 demonstrations just was a momentary burst of emotion rather than a persistent view of the U.S. From this analysis, it can be suggested that the anti-West/anti-American element of Chinese nationalism mostly resides in the context of official nationalism rather than popular nationalism. While such negative sentiments certainly appear among the masses they are more a result of government propaganda and patriotic education than any sincere dislike for the United States. As a result, anti-American sentiments may flare from time to time, particularly at the urging of Beijing, but will be short-lived. Assuming Zhao’s findings are at least partially indicative of such a trend, they offer possible insight into the thinking of China’s current rising leaders who were university students in 1999.

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114 Dingxin, ‘An Angle on Nationalism,’ 896.
115 Ibid., 885.
One thus could infer that this generation of Chinese leadership may be less prone to encourage rampant anti-Americanism and more prone to encourage improving China-U.S. relations.

Understanding Chinese nationalism in this period also requires broadening one’s view beyond China’s borders. Chinese abroad have increasingly played an important role within in Chinese nationalism, as will also be illustrated in later chapters. While the reasons for such feelings of loyalty to the mainland are many, numerous overseas Chinese are motivated by ideas of a “Greater China.”116 Living abroad often makes one’s love of country stronger. Thus, it could be argued that Chinese sentiment is no different from other expatriates who develop a stronger bond to the nation they left. On this point, a former reporter for the People’s Daily observed that “Life abroad naturally fosters a patriotism that is always deeper than that cultivated by domestic ‘patriotic’ thought education.” He continues that this is due to the fact that overseas Chinese positions are “intimately connected to China’s image in the world.”117 Of course, overseas Chinese often are more acutely aware of China’s international reputation than mainland Chinese citizens that are cut off from non-official media sources.

116 According to Harry Harding, the term ‘Greater China’ has numerous meanings but essentially, “it refers to the rapidly increasing interaction among Chinese societies around the world as the political and administrative barriers to their intercourse fall. But different analysts use the term in different ways. Some refer primarily to the commercial ties among ethnic Chinese, whereas others are more interested in cultural interactions, and still others in the prospects for political reunification. Some observers focus exclusively on Hong Kong, Macao, Taiwan and mainland China, others incorporate Singapore, and still others include the overseas Chinese living in South-east Asia, America and Europe. To some writers, “Greater China” is simply a way of summarizing the new linkages among the far-flung international Chinese community; to others, it is a prescription of the institutions that should govern those ties.” Harry Harding, “The Concept of ‘Greater China’: Themes, Variations and Reservations,” The China Quarterly, no. 136 (December 1993): 660.

According to Hillman, Beijing, aware of the power of overseas Chinese opinions, uses them as a “legitimizing device.” The Chinese Diaspora is seen by Beijing “as a constructive force for China’s economic development and as a ‘bridge across the Taiwan Strait that will lead toward political unification.’” Since Chinese abroad are not seen to be directly influenced by the Party machine, their shows of nationalism in support of PRC policies bolster the image of the Chinese government for both international and domestic audiences. Yet, the PRC has tried to cultivate a common national identity and culture among Chinese living abroad. As such, after the bombing, Beijing “provided guidance” to Chinese around the world holding demonstrations. For example, a protest was held outside the U.S. embassy in Bangkok. An estimated 300 ethnic Chinese took place in the demonstration. One such protester expressed the mood when he said, “We Chinese around the world should be united to protest and condemn the U.S. barbaric act.” The role of overseas Chinese nationalism will continue to be explored in later case studies.

119 He and Guo, Nationalism, National Identity, 3.
Conclusion

The bombing case study illustrates how it is complicated at best to pinpoint the primary motivations for the emergence of a new Chinese nationalism. Rather, the nationalism developed over time under the influence of competing elements and ever-changing domestic and external circumstances making it difficult to fully account for Chinese nationalism in this period. Yet, it seems fair to say that in 1999, Chinese interpretations of history, concepts of face, and complicated U.S.-Chinese relations impacted to varying degrees official and popular nationalism. Chinese nationalism takes many forms in both the Party and among the populace and thus, cannot be viewed in the vacuum of either purely domestic developments or international events. It is not static but rather constantly is impacted by the shifting winds around it.

The bombing’s nationalistic response was reactive in nature leading some Western observers at the time to conclude that Chinese nationalism was purely reactive to external situations and events. In their minds, the dragon of modern Chinese nationalism seems to lie dormant until awakened, usually rudely, by perceived infringements and wrongs perpetuated from external sources. Significant events, such as the bombing, serve to agitate Chinese nationalism by being interpreted as bringing “physical or psychological harm to the Chinese people.”122 In this context, Chinese nationalism has been labeled by one observer as being defensive, meaning it is “assertive in form, but reactive in nature.”123 If this is accurate, then other countries foreign policies towards


123 Shen, Redefining Nationalism, 78.
China, particularly those of the U.S., have the potential to lessen or strengthen nationalistic elements in the country.\textsuperscript{124} However, as this case study has shown, U.S. actions are just a single influencer of Chinese nationalism alongside many Chinese domestic factors. U.S. actions may have significantly impacted the outpouring of nationalism after the bombing but that largely was due to the political climate at the time. Furthermore, it would be short-sighted to claim that modern Chinese nationalism is always reactive in nature. In the decade since the bombing, China has strengthened its increasingly powerful position in the world through wealth and success making China less reactive to external events. Lichao He accurately characterized this shift in 2009 when he wrote the following:

Almost ten years ago, Western observers of Chinese nationalism found that ‘whatever nationalism there is in China today is reactive, in the sense of a historical grievance and resentment at the humiliation Chinese endured under Western and Japanese imperialism. However, after ten years, fundamental changes have taken place as the Chinese people are becoming increasingly confident about their country.’\textsuperscript{125}

In essence, just as governments constantly shift and adjust to international and domestic considerations, so do nationalist ideas.

Subsequent and more recent case studies will explore additional domestic and international motivations and influences on Chinese nationalism, illustrating both common and enduring threads within modern Chinese nationalism as well as its ever-changing nature. For example, the strong historical element of the post-bombing nationalism appears repeatedly as a motivator in other instances of modern Chinese nationalism. Overall, the Chinese reaction to the bombing exemplifies the realization of

\textsuperscript{124} Zhen, \textit{Discovering Chinese Nationalism}, 138, 156.

\textsuperscript{125} He, ‘Ready to Become a Great Power,’ 58.
a modern Chinese nationalism where popular opinion played a larger role than at any other time in the PRC’s history. Therefore, the bombing case study sets the stage for analyzing other similar and divergent motivations of and influences on Chinese nationalism.
CHAPTER 3

CHINA AND TAIWAN: NATIONALISM AND PRAGMATISM ACROSS THE STRAIT

We will never allow the independence of Taiwan nor tolerate the harm caused by separatist forces in Taiwan to China’s sovereignty and territorial integrity.

-Hu Jintao

At midnight July 1, 1997, the Union Jack slowly lowered over the British Government House in Hong Kong marking the end of an era for an empire and ushering in a new era for a rising power. On this symbolic day, control of Hong Kong transferred to the People’s Republic of China (PRC) after more than 150 years of British rule that started with China’s devastating and humiliating defeat against the British Empire in the Opium Wars. For China, this moment symbolized the victorious return of a stolen piece of China’s homeland. At his swearing in as Hong Kong’s new Beijing-appointed Chinese leader, Tung Chee-hwa observed this deep-held feeling when he remarked that, "This is a momentous and historic day ... Hong Kong and China are whole again." Hong Kong’s return to the PRC was significant given both its experience of the Century of Humiliation and the importance it places on territorial integrity, a key tenant of Chinese nationalism. For the Chinese, the necessity of territorial reunification is twofold; it represents both overcoming the Century of Humiliation and achieving a vital step in

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China resuming an international position of importance and respect, seen as a prerequisite for national security.³

The jubilation felt by the Chinese at the return of Hong Kong is indicative of China’s broader nationalist beliefs about the role of territorial unification and sovereignty in the PRC. However, unification will not be complete until Taiwan is under the authority of Beijing. The small island of Taiwan, roughly 100 miles off the coast of mainland China, not only holds great nationalist importance but also represents the greatest flashpoint for conflict in the region.⁴ Taiwan’s unification with the mainland is inextricably woven into the fabric of Chinese nationalism; therefore, Beijing views unification as central to the continued success and survival of China and the CCP. In a 1995 speech, then PRC President Jiang Zemin, espoused the importance of unification by quoting Sun Yatsen, considered the “National Father” of China. Sun said, “Unification is the wish of the whole body of Chinese citizens. If there is unification then the whole people will be fortunate; if there is no unification then there will be suffering.”⁵ Therefore, any exploration of Chinese nationalism must include a discussion of Taiwan.

Nationalism is often interpreted as an inherently aggressive phenomenon. The generally accepted view of nationalist-inspired actions are that they tend to be the opposite of measured and practical as pointed out by Suisheng Zhao in the following:

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⁵ Christopher Hughes, Taiwan and Chinese nationalism: National identity and status in international society (London: Routledge, 1997), 1.
Nationalism has often been regarded as an emotional and irrational manifestation of primordial sentiments, fueling the destructive warfare of the first half of the twentieth century and the bloody and tragic ethnic conflicts in the former Yugoslavia and the Balkans after the end of the Cold War. A new nationalism, or ‘a nationalistic universalism’ as Hans J. Morgenthau called it, has been seen as particularly dangerous for a state strong enough to impose its will on others and hence a source of international aggression and confrontation in the late twentieth century.  

This attitude towards nationalism was seen during the late twentieth century, particularly in the 1990s, by Western concerns regarding the intentions of China’s rise. Yet, despite the nationalist stance the Chinese government takes on Taiwan, the PRC after Mao Zedong has not resorted to armed aggression to force the unification issue. Instead, it seems that Beijing has preferred more pragmatic policies over rash, emotional responses. Rather than pursue irrational and belligerent policies, it would seem that the post-Mao Chinese Communist Party (CCP) has taken a more measured approach. Yet, the nationalist case for unification with Taiwan remains strong suggesting that perhaps Chinese nationalism is not inherently aggressive but rather allows for practical considerations in pursuit of nationalist goals. The following examination of the Taiwan unification issue seeks to explain why, despite strong nationalist sentiment regarding Taiwan, the PRC pursues a rational – or balanced and non-violent – policy of engagement over aggression.

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8 Chi Wang, “Maoist China,” in *China: A Nation in Transition*, ed. Debra E. Soled (Washington, D.C.: Congressional Quarterly Inc., 1995), 83. In the midst of the Cold War, China decided to bomb two of the Taiwan Strait islands in 1958. Mao both wanted to see if the Soviet Union would support the PRC and if the United States would uphold its 1954 Mutual Defense Treaty with Taiwan. Although the Soviet government was angry with China’s action, it offered its support. The U.S. responded with a warning to China and by mobilizing its forces. Mao had his answers but the Sino-Soviet split in the following decade removed superpower support from the PRC limiting any future actions towards Taiwan unification.
To sort out this question on the nature of modern Chinese nationalism, the deep nationalist ties to Taiwan are first assessed to establish that the importance of territorial integrity to Chinese nationalism endures and thrives. The traditional view of nationalism suggests that China is most likely to pursue an irrational path to unification likely leading to armed conflict over the island. Yet, an examination of the PRC’s Taiwan policy tells a different story. Therefore, the principal aspects of Beijing’s unification strategy are analyzed to exemplify the thread of pragmatism running through the strategy. In addition, the unique role and impact of the United States involvement in Taiwan is surveyed showing that despite the strong anti-American element of modern Chinese nationalism, Beijing still prefers a practical, non-aggressive approach to Taiwan unification.

Taiwan widely is accepted as a part of the PRC even though it is an autonomous democracy, which makes the Taiwan-China question not one of interstate or traditional intrastate conflict.⁹ The root of the argument is not a clash of civilizations since Taiwan and China share an ethnic and cultural history.¹⁰ Taiwan’s success at democracy does concern the Party since it is an example of a “successful alternative economic and social model for dissident mainland Chinese to compare and copy in their critique of communism.”¹¹ Yet, while political ideology plays a role, it is not the central factor in

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¹⁰ Ibid., 152.

¹¹ Will Hutton, *The Writing on the Wall: Why We Must Embrace China as a Partner or Face It as an Enemy* (New York, NY: Free Press 2006), 228.
the conflict. Rather, the core of the issue is steeped in a turbulent history, national pride, and geopolitical considerations all under the umbrella of Chinese nationalism. Therefore, an examination of the origins of the China-Taiwan disagreement begins with an assessment of the two entities’ history. Taiwan initially was brought under China’s rule as a prefecture in the late seventeenth century and for the next 100 years Taiwan’s culture and government acclimated to mainland China’s. Taiwan also became central to regional trade due to its strategically placed sea lanes and trade routes; therefore, Japan sought and conquered the island upon winning the Sino-Japanese War in 1895. Taiwan remained under Japanese control until 1945 when Tokyo was defeated in World War II. Two treaties during this time, the 1943 Cairo Declaration and the 1945 Potsdam Proclamation, returned Taiwan to China thus reinforcing China’s belief in its right to Taiwan. In 1949, when Mao Zedong’s forces took control of mainland China, the ousted government, led by Chiang Kai-shek, fled to Taiwan and established a temporary capital in Taipei thus establishing the Republic of China (ROC). Both Mao’s CCP and Chiang’s Nationalist regime (Guomindong or GMD) claimed to be China’s sole legitimate government. Over time, most world powers came to recognize the PRC as

12 Bush and O’Hanlon, A War Like No Other, 57.
13 Ibid., 59.
14 Ibid.
15 Bernstein and Munro, Coming Conflict, 159.
17 Halloran, ‘Taiwan,’ 25.
18 Bush and O’Hanlon, A War Like No Other, 60.
the true China; yet, tensions over this division have endured. From the beginning, Mao articulated a policy of unification with Taiwan but, largely out of apprehension of U.S. support for Taiwan based on the Mutual Defense Treaty (1954-1980), he decided to take the long view choosing instead to focus on “larger strategic issues.”

In addition, Taiwan holds great geopolitical importance in the region and thus for Beijing. Taiwan’s position in Pacific Asia makes it a critical node for China’s maritime development, regional security, and economic prosperity. Luo Yuan, a Senior Colonel at the World Military Affairs Research Department of the PLA’s Academy of Military Sciences, describes its importance as follows:

Only the seas to the east of Taiwan allow China direct access to the great strategic passages of the Pacific. If this opening to the sea is controlled by other countries, China’s maritime development strategy will be severely hampered. However, if the two sides of the Strait unify, it is just as likely that it will prompt speedy progress toward the Pacific so that China’s maritime development strategy will vigorously flourish and rise and, therefore, in the course of maritime development Taiwan and the mainland will have common interests and the rejuvenation of the Chinese nation will also accelerate.

In essence, Beijing’s ambitions for regional power require China to be a naval power in the Pacific, which places Taiwan center stage due to its geography. Furthermore, Japan’s southern tip borders the East China Sea so Taiwan acts as a buffer between Japan and China, historic rivals. Beijing views its maritime security as key to its continued economic growth, which is part of Beijing’s grand strategy in regards to the geopolitical

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19 Bernstein and Munro, *Coming Conflict*, 164; Wang, “Maoist China,” 84.
22 Bernstein and Munro, *Coming Conflict*, 182.
importance of Taiwan. 23 Taiwan acts as a gateway to the South China Sea, which includes many critical sea lanes for trade. Countries such as Japan and South Korea believe that as long as Taiwan remains autonomous, trade will be unimpeded due to Taipei’s commitment to trade and freedom of navigation. What worries these countries is that this would not necessarily be the case if Beijing controlled Taiwan and thus the critical trade nodes. 24 With such control, other countries worry that China might use its regional power to influence East Asia and the Western Pacific region in ways not necessarily beneficial to China’s neighbors.

**Taiwan through the Lens of Chinese Nationalism**

Territorial integrity and sovereignty are cornerstone beliefs of the PRC and are central to Chinese nationalism. For China, a nation both plagued and motivated by memories of imperial powers dividing its territory in the nineteenth century, history and common sense dictate that national survival lies in protecting one’s borders from external powers. As such, “maintaining territorial integrity and sovereignty” is one of “China’s core national interests.” 25 For China, only a strong nation-state can guarantee national boundaries and non-interference so Beijing places crucial importance on the primacy and survival of the nation-state. 26 Central to this conviction are Chinese attitudes about a nation’s rights and sovereignty. As Daniel Lynch notes, “Hyper-sovereignty values are

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24 Bernstein and Munro, *Coming Conflict*, 182.


still a central driver of Chinese foreign policy.” Given its modern historical experience, the Chinese abhor foreign interference in its domestic politics and for Beijing, Taiwan is a domestic issue. Thus, foreign interference, particularly American, is viewed with, at best, suspicion. In many ways, Taiwan’s separation from China coupled with U.S. support of Taiwan serves as a reminder of the continued threat by foreign powers to China’s sovereignty. As is later discussed, this provides a significant explanation for the influence Washington’s actions have had on cross-strait relations. Yet, China’s growing wealth and power have lessened Chinese ideas of vulnerability to foreign influence. According to Richard Bush and Michael O’Hanlon of the Brookings Institute, as China has become wealthier and more powerful, “A unique historical consciousness is energizing China’s contemporary ambition. It is the only world civilization or great power to have fallen on hard times and then had a realistic hope of revival and return to glory.” Beijing feels better positioned to realistically seek unification with Taiwan due to China’s more dominant place in the international system.

Modern Chinese nationalist ideas of territorial integrity are nostalgic of an ancient era when a unified, imperial China was known as the “Middle Kingdom.” In fact, the idea of a Taiwan firmly under Beijing’s control is “wrapped up in the very ethos of Communist rule.” Therefore, a key part of China’s new nationalism is the reunification

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27 Daniel Lynch, ‘Chinese Thinking on the Future of International Relations: Realism as the Ti, Rationalism as the Yong?’ *The China Quarterly* 197 (March 2009): 89.


30 Bush and O’Hanlon, *A War Like No Other*, 74-5.
of wayward territories including “homeland territories”, frontier territories, and offshore islands. It is the homeland territories, which includes Hong Kong, Macao, and Taiwan, that is most interesting to students of Chinese nationalism. These lands are considered central to Chinese territorial integrity. In fact, according to M. Taylor Fravel, “China has never attempted to compromise in a homeland dispute.” With the former two territories now under PRC governance, Taiwan is the remaining piece of the puzzle. As a result, it invokes strong nationalist sentiments, which explains why Beijing has long refused to negotiate on its “One China policy” and views on Taiwanese unification. The One China Policy initially was articulated in the 1972 Shanghai Communiqué between the U.S. and China. In it, the PRC states that “Chinese on either side of the Taiwan Strait maintain that there is only one China, of which Taiwan is a part.” More recently, Beijing’s unwillingness to concede on any aspect of Taiwanese unification is strongly reflected in the following 2004 statement from the Taiwan Affairs Office of the Chinese State Council:

The Chinese people are not afraid of ghosts, nor will they be intimidated by brutal force. To the Chinese people, nothing is more important and more sacred than safeguarding the sovereignty and territorial integrity of their country. We will do our utmost with the maximum sincerity to strive for the prospect of peaceful reunification of the motherland. However, if Taiwan leaders should move recklessly to provoke


32 Ibid., 59.

33 Ibid.

34 Ibid.

35 Wang, “Maoist China,” 86.
major incidents of ‘Taiwan independence,’ the Chinese people will crush their schemes firmly and thoroughly at any cost.\textsuperscript{36}

Chinese nationalists believe that the PRC has a historic right to Taiwan; therefore, if Taiwan was to declare independence, Beijing would interpret this “as a threat to its territorial integrity and national sovereignty.”\textsuperscript{37} In this situation, Beijing claims it would use any force necessary to maintain its territorial integrity and thus national sovereignty, which requires a powerful Chinese state. This idea is most explicitly expressed in China’s 2005 Anti-Secession Law, which is discussed in more detail later.

As such, the CCP largely has based its legitimacy on nationalist claims of national power, unity, sovereignty and territorial integrity making a separate Taiwanese nationalism a threat to Beijing’s authority. Therefore, unification with Taiwan is seen as essential to the Party’s continued rule and political monopoly.\textsuperscript{38} The importance China’s leadership place upon unification with Taiwan is encapsulated by Yun-han Chu:

At the level of symbolic politics, reunifying Taiwan with the motherland is a “task of the century” that defines a leader’s place in Chinese history. At the strategic level, managing the Taiwan issue is a daunting political task of pivotal importance. A mishandling of this potentially explosive issue could conceivably upset the strategic agenda by creating a series of crises, ranging from a major rupture in the external environment of the People’s Republic of China (PRC; especially its relationship with the United States) to a cataclysmic outburst of nationalistic fury from below.\textsuperscript{39}


\textsuperscript{38} Baogang He and Yingjie Guo, \textit{Nationalism, National Identity and Democratization in China} (Brookfield, VT: Ashgate Publishing Ltd., 2000), 139.

Beijing fears the loss of Taiwan would serve a devastating blow to the CCP’s legitimacy. The Chinese people would hold the Party responsible, thus undermining the regime’s stability, respect, and ultimately China’s security.\(^{40}\) China’s current leadership is acutely aware of these possible outcomes and is thus more determined to prevent Taiwan independence even at the expense of starting a war should no alternative exist.\(^{41}\) Even without Taiwan declaring independence, it is possible that the Party eventually will reach a point where it feels that unification is necessary for its legitimacy. Yet, with so many factors influencing the dynamics between Taiwan and mainland China, it is difficult to ascertain precisely what might occur.

For China, national power is required not only to pursue continued economic goals but also to defend its territory against foreigners, reach its Taiwan unification goals, and maintain its territorial integrity.\(^{42}\) Not only does power help China gain the upper hand in unification with Taiwan, but in turn, control of Taiwan will give China more power. China’s preoccupation with national power is observed through Beijing’s continuous measurement of China’s “Comprehensive National Power” (CNP). To determine the CNP, the Chinese use elaborate charts to measure comprehensively the country’s relative power in economics, politics, and the military against other countries’ power. This idea dates back to the ancient Chinese military strategist Sunzi who expressed an early belief in the importance of a version of CNP in his timeless work *The Art of War*. Sunzi

\(^{40}\) Zheng and Fook, ‘China’s new nationalism,’ 59; Chu, “Evolution of Beijing’s Policy,” 271.

\(^{41}\) Chu, “Evolution of Beijing’s Policy,” 271.

\(^{42}\) He, ‘Ready to Become a Great Power,’ 60.
emphasized the importance of knowing one’s enemy in order to maximize your strengths against them.\textsuperscript{43}

Like other key elements of Chinese nationalism, China’s territorial integrity, and thus Taiwan, is intimately linked with the country’s national identity. Beijing promotes a “state version” of a Chinese national identity, which is characterized by “certain actions originating from the state tending to produce a political-ideological sense of national belonging inside or outside its frontiers.”\textsuperscript{44} As such, the Party promotes the idea that China and Taiwan have shared culture with a unique history and traditions.\textsuperscript{45} Yet, complications arise for the government when segments of the Chinese citizenry do not identify with this shared culture or history. Achieving complete unity has proved a challenge for Beijing as the separatist movements in the ethnic minority regions of Tibet and Xinjiang and on the island of Taiwan “highlight the tenuous nature of the Chinese nation.”\textsuperscript{46} Sinologist, professor, and author Baogang He, characterizes this complication by remarking that, “Sections of the national population do not identify with the Chinese nation-state in which they live, and endeavor to create their own political identity through reconstructing a distinctive cultural and ethnic identity.”\textsuperscript{47} Hence, Beijing must rectify

\textsuperscript{43} Leonard, \textit{What Does China Think}, 84-5.

\textsuperscript{44} He, ‘Ready to Become a Great Power,’ 61.

\textsuperscript{45} Ibid.


this by Taiwan being brought under the PRC’s control. Along these lines, Beijing fears that an independent Taiwan encourages separatism throughout these other regions. Giving voice to this concern, Major General Peng Guangjian of the PRC Academy of Military Sciences states that, “If Taiwan independence is allowed, there will be a domino effect, which will give excuses to other separatist forces.”

The Chinese Approach: Pragmatism and Patience

Under the leadership of Mao, the PRC basically maintained a rhetorical Taiwan policy of liberation by force until the late 1970s, when Deng Xiaoping shifted to a policy of “peaceful reunification” with “one country, two systems.” The shift occurred in the 1980s when Deng “made the return of Taiwan one of the three major tasks of the decade,” which would set the tone for all subsequent PRC leaders. Deng clearly linked the “return of Taiwan to the motherland” with economic reforms and development, among other things. In the 1970s, China believed a more rapid reunification would be possible in the face of normalized relations with the U.S., but Beijing overestimated Washington’s support of unification. In fact, Washington’s Taiwan policy had the opposite impact, making unification more complex, as will be discussed shortly.

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48 Monk, ‘China, Taiwan.’


50 Hughes, Taiwan and Chinese nationalism, 15.

51 Hughes, “Democratization and Beijing’s Taiwan Policy,” 131.

52 Lijun, China’s Dilemma, 17.
result, China introduced a new position on Taiwan unification in the late 1970s. According to Sheng Lijun, Beijing concluded that “the international repercussions would be greatly reduced if it did not impose socialist rule immediately on Taiwan, but instead tolerated a ‘one country, two systems’ arrangement.” Beijing claimed Taipei could retain its democracy alongside China’s socialism. The one country, two systems position has remained Beijing’s official Taiwan policy since. In 2005, PRC President Hu Jintao reiterated this position at the annual National People’s Congress meeting by insinuating that “peaceful unification does not mean that one will devour the other. Instead, the two sides will negotiate their differences and the future of China on an equal basis.”

China’s Taiwan policy has four parts, of which the “One-China Principle” probably is the most well-known as it forms the basis of China’s Taiwan policy. According to an official statement by the Chinese government, “The One-China Principle has been evolved in the course of the Chinese people's just struggle to safeguard China's sovereignty and territorial integrity, and its basis, both de facto and de jure, is unshakable.” Furthermore, the PRC insists “that there is only one China in the world, Taiwan is a part of China and the government of the PRC is the sole legal government

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54 Ibid., 17-18.
55 Hao, ‘Between War and Peace,’ 151; This is not a direct quote by Hu Jintao but Hao’s paraphrase of Hu’s statement.
representing the whole of China.” The second aspect of the policy centers on peaceful negotiation as the tool of first choice for resolving the Taiwan question. This objective is considered essential for China to be viewed as a “responsible stakeholder” who is respectful of international law and norms, thus not damaging its relations with the international community. As such, Beijing would rather take the “higher moral ground” and let Taiwan be culpable with separatist actions. Thirdly, China maintains the one country, two systems policy. Lastly, and most alarming to Taiwanese and Western audiences, is the Chinese position reserving the right to use force as a last resort in the face of Taiwanese independence. In 2005, China passed the Anti-Secession Law officially codifying China’s position that while it prefers to obtain unification with Taiwan through peaceful means, should all such options be exhausted then China reserves the right to use “non-peaceful means.” Of course, China purposely left the language vague leaving it up to Beijing to interpret when Taiwan has gone too far towards secession. While this position has long been China’s policy, putting it into


60 Bush and O’Hanlon, A War Like No Other, 88.


63 Bush and O’Hanlon, A War Like No Other, 84.
legislation starkly reminded both Taiwan and the world of China’s position on the Taiwan issue.  

Despite this strong rhetoric, there is a Chinese proverb which states, “The greatest conqueror is he who overcomes the enemy without a blow.” If events made it absolutely necessary, the Chinese probably would resort to military force, but generally the Chinese value harmony, peace, and interdependence – values learned from history and the Confucian tradition. These beliefs and priorities are woven throughout the fabric of Chinese nationalistic thought are part of the reason for the tentative peace between China and Taiwan. In essence, China would prefer to get what it wants without “firing a shot.” Chinese nationalists desire a strong nation-state, regional power, economic growth, and unification with Taiwan, but the Chinese would prefer to achieve these things while saving face and maintaining a positive international image. Aggression and war might help China achieve unification with Taiwan quickly and gain regional power, but it would do so at the expense of lucrative economic ties with the West, primarily the U.S. In addition, a use of Chinese force likely would do grave damage to the infrastructure of Taiwan. Rather, a long-term policy based on practical and measured steps is preferred by Beijing to achieve the vital nationalist task of Taiwan unification. This is seen in the fact that the PRC does not yet control Taiwan.


In fact, the return of Hong Kong and Macao to the PRC bolstered Beijing’s belief that gradual national power acquired through non-aggressive means provides the best chance for unification with Taiwan.68 Both entities transitioned peacefully to PRC control and have prospered since. Additionally, Baogang He and Yingjie Guo point out that due to the geography of Hong Kong, its return actually created direct economic and cultural links between the mainland and Taiwan striking “a blow at secessionist forces within China” as well as providing “a model for the resolution of the Taiwan issue.”69 Patience, careful planning and persuasion are the strategies that the PRC hopes will unite Taiwan with the mainland. Therefore, while at times China certainly has pursued brinkmanship with Taiwan, it largely has pursued a measured path to unification with Taiwan. Suisheng Zhao, Executive Director of the Center for China-US Cooperation at the University of Denver, characterizes China’s measured, prudent approach as one not based on emotion but rather “constructed based on prudence and pragmatism.” Furthermore, he adds that “Nationalism has not prevented Beijing’s pragmatic leadership from adopting a peaceful strategy, rather than costly military actions, as the most desirable approach.”70 Yet, as China has pursued a measured strategy, the PRC’s nationalistic ties to Taiwan unification have not lessened. This has created an interesting dynamic where the strategy that Beijing believes is best for achieving unification actually

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69 Ibid., 179.

runs counter to common ideas of nationalism. The following factors illustrate how and why Beijing takes this approach while nationalist ties to Taiwan remain strong.

**The Anti-Secession Law**

Beijing’s Anti-Secession Law provides a good case study illustrating China’s pragmatic Taiwan policy; however, the law has been readily interpreted by Taiwan and the U.S. as a derivative of an irrational Chinese nationalism that is willing “to risk war across the Taiwan Strait at all cost.” The law states that China prefers to unify with Taiwan through peaceful means, but should all such options be exhausted then China reserves the right to use “non-peaceful means.” Suisheng Zhao persuasively challenges the assumption among some in Washington that Chinese nationalism is inherently aggressive by arguing that the Anti-Secession Law, a cornerstone of Beijing’s modern Taiwan policy, actually is more rational than emotional. Yet, to fully appreciate his arguments, the Anti-Secession Law must first be viewed within the proper historical context.

China passed the Anti-Secession Law in 2005, after a decade of increased tensions between China and Taiwan, largely resulting from Taipei’s growing pro-independence posture during this period. A native of Taiwan, the island’s president from 1988-2000, Lee Teng-hui’s election embodied the Taiwanese mood of pro-independence and anti-unification. During his tenure, Lee seemed consistently to anger Beijing,
which viewed him as duplicitous. Most significantly, in 1995, Lee stated that China and Taiwan could be unified “under appropriate conditions;” yet, later in the year he travelled to the U.S. and gave a provocative speech calling for Taiwan’s independence. In fact, the speech became a huge source of tension between Beijing and Washington, which resulted in the U.S. selling significant arms to Taiwan. In addition, Lee’s campaign to reinstate Taiwan in the United Nations further reinforced Beijing’s belief that such actions were a direct threat to its sovereignty.

Of course, the PRC president, Jiang Zemin, was not blameless in the increased cross-Strait tensions. Jiang, who took a strong hand with Taiwan in response to Taiwanese calls for independence, was perceived by Taipei as being uncompromising on the Taiwan question. Jiang held Lee personally responsible for Taipei’s contradictions and the Beijing government vilified Lee in the press. Commenting on the PRC’s contribution to the increased tensions, Bush and O’Hanlon write:

Beijing looked at all these trends [increased Taiwanese interest in independence] and drew the wrong conclusion. It could have given Lee Teng-hui the benefit of the doubt and viewed his actions as results of substantive differences, negotiating dynamics, and domestic politics—not an ironclad desire to create a new country. Instead, Chinese leaders decided that his actions were part of a plot to separate Taiwan and China. What Lee would call an effort to assert and strengthen Taiwan’s sovereignty (but not negate the possibility of unification), Beijing regarded as secession. His goals, they judged, were in fundamental conflict with China’s and had to be opposed, by force if necessary.

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76 Bernstein and Munro, *The Coming Conflict*, 153.


78 Ibid., 12.

The Tensions beginning in July 1995, culminated in March 1996 in response to Lee’s visit and speech in the U.S. as well as to influence voters in Taiwan’s 1996 presidential election. The PRC elevated military exercises by firing ballistic missiles just 85 miles shy of northern Taiwan. In addition, the People’s Liberation Army (PLA) practiced an amphibious assault exercise mimicking an invasion of Taiwan. In response, the United States deployed a carrier group in international waters nearby.

The election of Taiwan’s subsequent leader, Chen Shui-bian in 2000, did not improve relations and actually continued to feed Beijing’s resentment at Taipei’s seemingly inconsistent China policy. Chen, now in prison for corruption, was a member of the Democratic Progressive Party that is traditionally associated with Taiwanese independence. In his 2000 inaugural address, Chen outlined what is known as his “four no’s”. He asserted that Taiwan would only move towards independence if China resorted to military force. Additionally, Chen claimed Taiwan would not change its name, institutionalize a “state-to-state” system, or support a vote for independence. Yet, Chen’s subsequent rhetoric and actions did not maintain the spirit of the four no’s. In 2002, Chen stated that there was “one state on each side” of the Strait implying Taiwan’s

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81 Ibid., 5.

82 Ibid.

83 Lijun, *China’s Dilemma*, 31-32.


85 White, ‘America at the Taiwan Strait,' 16.
sovereignty from China. Then in 2006, he introduced a referendum to abolish the National Unification Council, Taiwan’s organization to promote unification with the mainland. According to Jianwei Wang, Chen largely was to blame for increased tensions between the mainland and Taiwan. He writes, “Although the mainland also bore some blame, the main source of tension was Chen Shui-bian’s continuous effort to push the envelope of Taiwan sovereignty and independence.” Of course, the Taiwanese citizenry, who had elected Chen, was supportive of his pro-independence actions. It was in this politically contentious environment that China’s National People’s Congress passed the Anti-Secession Law. According to Wang Zhaoguo, the PRC’s then deputy chairman of the assembly’s Standing Committee, the law “is both necessary and timely” given Taiwan’s moves towards formal independence. Despite the law’s negative global reception, it was not an irrational move to provoke Taiwan but rather an effort to temper Taiwanese calls for independence.

Although the Anti-Secession Law is viewed by the U.S. and Taiwan with alarm, Suisheng Zhao suggests that it is not unusual for post-Mao PRC leadership to talk tough but act prudently. He argues that despite the initial alarm the law created, it has not

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88 Zhao, ‘Chinese Nationalism,’ 176.

89 Cody, “China Sends Warning.”

90 Zhao, ‘Chinese Nationalism,’ 183.
changed anything in cross-Strait relations.\textsuperscript{91} China had always reserved the right to use force against Taiwan in the event it moved too far towards independence. The only thing that had changed was that Beijing publically stated such a policy in the form of a national law. According to Wang Zaixi, the then Deputy Minister of the State Council Taiwan Affairs Office, “the passage of the Law does not mean toughening of its attitude towards Taiwan” but rather it “is meant to promote peaceful reunification rather than undermine bilateral relations.”\textsuperscript{92} The Party would rather slowly integrate Taiwan with the mainland through peaceful economic and political means then risk a costly military confrontation that could derail China’s staggering economic growth. Beijing sees Taiwan as an irrevocable part of a singular and sovereign Chinese state and only used the threat of force against attempted secession to prevent conflict.\textsuperscript{93}

In addition to discouraging Taiwan’s secession, Beijing’s strong anti-secession rhetoric serves domestic audiences. Government leaders learned an important lesson about controlling popular nationalism from the public outbursts of nationalism following the 1999 Chinese embassy bombing in Belgrade. In the face of provocation, Chinese leaders must appear to be strong to appease popular nationalists. If they are not believed to be doing enough to protect China’s dignity, the nationalists might start questioning the Party’s authority and legitimacy. By using strong rhetoric towards Taipei, Beijing appeases popular nationalists’ demands for a powerful China by appearing to be in firm control of the Taiwan unification problem. With this strategy, Beijing best serves

\footnotesize{\textsuperscript{91} Zhao, ‘Chinese Nationalism,’ 186.  
\textsuperscript{92} Ibid., 185.  
\textsuperscript{93} Ibid., 186.}
national interests and goals.\textsuperscript{94} In this context, the Anti-Secession Law was a response to perceived moves towards Taiwan independence. The law is more a pragmatic, political move to send Taipei a message to back down and to boost Beijing’s legitimacy at home than it is to assert imminent force. After all, the law has not shown to have altered cross-Strait relations.\textsuperscript{95}

\textbf{Economic Integration and Eventual Unification}

A path to unification that brings prosperity and not conflict is preferable to Beijing, China as a whole, and even the United States.\textsuperscript{96} Therefore, for the past decade but particularly since 2008, Beijing has employed a policy of economic incentives to draw Taiwan closer and, as a result, the economic ties between the mainland and Taiwan are numerous and growing.\textsuperscript{97} For example, China became Taiwan’s primary export market in 2001, and now over fifty percent of the island’s foreign investment goes to the mainland.\textsuperscript{98} In 2007, trade between the two was worth US $65 billion a year, which does not include the more than US $100 billion in cross-strait business opportunities.\textsuperscript{99} Steps to economic integration culminated in July 2010, with the historic signing of the Economic Co-operation Framework Agreement (ECFA), a trade agreement lifting tariffs

\textsuperscript{94} Zhao, ‘Chinese Nationalism,’ 189.

\textsuperscript{95} Ibid., 186.

\textsuperscript{96} Zheng and Fook, “China’s New Nationalism,” 70.


\textsuperscript{98} Ross, ‘Taiwan’s Fading Independence.’

from about 800 commodities. Some analysts predict that the ECFA will bring jobs to Taiwan and could increase its growth by more than 1.7%.\textsuperscript{100}

Beijing predicts and hopes that the more Taiwan becomes economically dependent on China, the more difficult it is for Taipei to become independent since this could threaten to cripple its economy.\textsuperscript{101} Economic dependence is of great concern to some in Taiwan. In essence, “China hopes to integrate its massive economy with Taiwan’s to such an extent that political unification will be inevitable.”\textsuperscript{102} In addition, economic integration with Taiwan has been positive for China’s economy, directly serving the PRC goal of economic prosperity, which is seen as a necessity to achieve China’s larger great power goals.\textsuperscript{103} In this context, military means to unification become more unlikely as China’s economy would suffer from an aggressive unification.\textsuperscript{104} Rather, the economic integration that has taken place between the two entities both suggests China’s preference for peaceful persuasion across the Strait and that aggression is increasingly unlikely now that such economic links have been established.

However, the evidence does not suggest that Beijing’s economic policies are bringing Taiwan politically closer to unification with the mainland. According to a 2010


\textsuperscript{101} Ross, ‘Taiwan’s Fading Independence,’ 146.


\textsuperscript{104} Bernstein and Munro, The Coming Conflict, 152.
public opinion survey addressing the Taiwanese people’s position on unification and independence, fifty-one percent were in favor of preserving the status quo, twenty-nine percent favored independence, and seven and a half percent wanted unification with China. Status quo broadly refers to the maintaining of current political relationship between Taiwan and China. However, it appears that China, Taiwan, and even the United States define status quo differently. For example, Beijing claimed that its passage of the Anti-Secession Act in 2005 did not change the status quo, but Taiwan and the United States were not convinced. One unnamed Chinese official stated that, “the status quo of the cross-straits relations is that both sides of the [Taiwan] Straits belong to one and the same China.” Taiwan and the U.S. obviously view things a bit differently. Nevertheless, the majority in favor of maintaining the status quo is an indication that, “[Taiwanese] Voters, reflecting Beijing’s military and economic hold on the island, have preferred to accommodate China’s opposition to Taiwan’s independence.” Furthermore, when the people were asked about “ultimate” independence or unification, forty-nine percent supported independence and almost

105 “Survey on Signed Cross-Strait Economic Cooperation Agreement, People’s Views on Unification-Independence Issue and President Ma Ying-jeou’s Approval Rating,” Global Views Survey Research Center, July 28, 2010, http://www.taiwansecurity.org/2010/GVMaApproval_ECFA-072810.pdf (accessed October 6, 2011), 3; See Appendix, Figure 1


107 Ibid.

108 Ibid. According to Ted Carpenter, when “U.S. official speak of the status quo, they mean a willingness by all parties to tolerate indefinitely Taiwan’s ambiguous political status.” In contrast, for many in Taiwan the status quo includes independence. Taiwanese officials “point out that the Republic of China has been in existence since 1912, and that at least some countries in the world…still recognize the ROC as an independent state.”

109 White, ‘America at the Taiwan Strait,’ 21.
sixteen percent backed unification.\textsuperscript{110} Of course, data shows that those supporting eventual independence, only want it if it can be accomplished without armed conflict.\textsuperscript{111}

Yet, it would seem that in recent years the Taiwanese have been lessening the pro-independence rhetoric. For example, this was reflected in the 2008 election of a more moderate president willing to cooperate with Beijing to achieve economic growth goals in Taiwan. In fact, even the primary opposition candidate for the 2012 Taiwanese presidential elections, Tsai Ing-wen, who is a member of the traditionally pro-independence Nationalist Party, when asked if she would support unification commented that she would not “rule out any possibility” assuming it was based on the desires of the Taiwanese people.\textsuperscript{112} However, Tsai later summarized what seems to be the consensus opinion in Taiwan on its relations with China when she said, “At the end of the day, how Taiwan engages with China is the more important issue and Taiwanese do not ask for much. All they want is a peaceful relationship with China.”\textsuperscript{113}

\textbf{The United States in the Taiwan Strait}

The United States’ own power status, rivalry with China, and association with Taiwan greatly complicates the unification issue for Beijing. The impact of U.S. involvement in cross-Strait relations exemplifies that Chinese nationalism and pragmatism are not mutually exclusive. The United States’ friendship and support of

\textsuperscript{110} “Survey on Signed Cross-Strait Economic Cooperation Agreement,” 3; See Appendix, Figure 2.

\textsuperscript{111} White, ‘America at the Taiwan Strait,’ 20.


\textsuperscript{113} Ibid.
Taiwan continues to be a significant deterrent of potential Chinese aggression, despite the strong anti-American element within Chinese nationalism. While the very presence of American involvement in unification evokes a strong nationalist response on the mainland, Beijing continues to pursue a practical and measured Taiwan policy. For the Chinese, U.S. policies and actions regarding Taiwan often touch a raw nerve sensitive to foreign involvement in Chinese affairs. As a result, Washington’s relations with Taiwan frequently provoke Beijing’s anger, illustrating the delicate balance that the U.S. must maintain regarding Taiwan and China. Beijing has pursued calculated brinkmanship and strong rhetoric in response to U.S. provocation but never has veered from an overall strategy of unification through non-violent means.

U.S. involvement in Taiwan has been problematic for Beijing since 1949. From the time that the government of the Republic of China (ROC) fled to Taiwan upon Mao’s ascension, the U.S. recognized the GMD government on Taiwan as the official government of China until the 1979 Taiwan Relations Act. While shifting its recognition to Beijing as the sole legitimate government of China, the U.S. also has maintained unofficial liaisons with Taiwan through the Taiwan Relations Act. This act was formulated by Congress in response to the U.S. establishing diplomatic ties with Beijing and the PRC declaring its One China Policy. Despite normalized relations between the U.S. and China in 1979, problems persisted. For example, while the Taiwan

114 Bush and O’Hanlon, *A War Like No Other*, 164.

115 Ibid., 60, 108.

116 Bernstein and Munro, *The Coming Conflict*, 150.
Relations Act restored U.S. diplomatic relations with Beijing, it resulted in ambiguity in U.S.-Taiwan relations. In particular, there is disagreement within Washington regarding whether the U.S. has a defense commitment towards Taiwan. Bush and O’Hanlon note that while the “Taiwan Relations Act…does not require the United States to go to war…many American politicians believe it does.” Furthermore, Beijing initially believed the new relationship with the U.S. would expedite unification with Taiwan as Washington no longer recognized Taipei as government of all of China. However, the subsequent U.S. policy of tacit support of Taiwanese autonomy had a different impact. In fact, the Taiwan unification issue became even more complicated after the U.S. officially recognized Taiwan as a part of the PRC while simultaneously continuing to indirectly support Taipei. While not explicitly pledging to defend Taiwan, the Taiwan Relations Act does state the following: “It is the policy of the United States…to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States.” Therefore, in the decades that have followed, while U.S. interference has continued to irritate Beijing, it also has been a restraining force against Beijing pursuing aggressive means for unification.

A major source of increased Chinese nationalism stems from U.S. sales of advanced military equipment to Taiwan to counter the Chinese missiles and “boost

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118 Lijun, *China’s Dilemma*, 17.
119 Hughes, *Taiwan and Chinese nationalism*, 16, 18.
120 *Taiwan Relations Act*, Public Law 96–8, 96th Cong. (April 10, 1979).
regional security”, according to the Obama administration. The U.S. calculates that by boosting Taiwan’s defensive strength, it is increasing chances of peaceful resolution and thus maintaining the regional balance of power. Yet, these arms sales have been a constant source of tension between Beijing and Washington. The most recent U.S. arms sale in January 2010, an arms package worth $6.4 billion, set off a wave of criticism from Beijing. In an unprecedented move, Beijing demanded that the U.S. cancel the sales or it threatened to impose sanctions on companies selling arms to Taiwan and decrease U.S. contracts. Invoking nationalist rhetoric, China’s Foreign Minister remarked that the U.S. sales “damaged China’s national security and great task of reunification (with Taiwan).” In response, China maintains approximately 1000 to 1500 missiles pointing towards the island, according to Taiwan estimates. With both sides aiming missiles at one another, tensions remain high. Yet, even China’s missile arsenal aimed at Taiwan is more practical in nature than it initially appears. In a calculated move, Beijing uses the missiles to maintain peace, not provoke war. Taiwan is deterred from declaring independence largely because of the military threat, which includes missiles among other factors, across the Strait. Beijing views the missiles as part of a broad strategy to maintain the status quo; however, should China ever desire to push the reunification


122 Ibid.

123 Ibid.

124 Wolf and Blanchard, “U.S. Regrets China’s Response.”
envelope, Taipei realizes that the missiles pointed toward Taiwan could be a persuasive tool for Beijing to realize its unification goal.¹²⁵

In addition to U.S. arms sales, Beijing’s cross-Strait restraint becomes more apparent in light of recent U.S. positions towards Taiwan. In the past two decades, Washington has maintained intentionally vague Taiwan policies, doing little to alleviate Beijing’s concerns about American support of Taiwan. Yet, certain administrations have, at times, taken harder stances towards Beijing regarding Taiwan. For example, both the Clinton and George W. Bush administrations asserted strong support for Taipei. During the 1996 Taiwan Strait Crisis, in response to Chinese provocative military maneuvers, President Clinton sent aircraft carriers near to the Strait, which Beijing interpreted as an infringement upon its sovereignty.¹²⁶ However, the strong American response caused Beijing to back down. While the incident illustrated to Beijing the United States’ commitment to Taiwan, China did achieve several things through its actions. China temporarily intimidated Taiwan causing it to “reassess previous claims that the PRC was bluffing in its warnings against Taiwan independence.”¹²⁷ In addition, Taiwan independence supporters in the U.S. also reconsidered their policies and President Clinton invited the Chinese president to visit while seeking a policy of engagement.¹²⁸ In next U.S. administration, President Bush initially declared that the U.S. would do


¹²⁶ Bernstein and Munro, *The Coming Conflict*, 154.


¹²⁸ Ibid.
“whatever it takes” to protect Taiwan from China before back-tracking from his explicit statement.129

Despite deep feelings of anti-Americanism that are exacerbated by the U.S.’s continued support of Taiwan, Beijing does not want excessively to provoke Washington over Taiwan possibly inciting conflict. Chinese leaders understand that the United States’ regional and global credibility are tied to the Taiwan issue and that if pressed, the U.S. might side with Taiwan in a conflict with China. Should the U.S. appear to abandon Taiwan in its moment of need, long-term allies such as Japan and South Korea might question the sincerity of Washington’s security guarantees, thus damaging U.S. credibility regionally and globally.130 At a time when the United States’ credibility has been damaged by military actions in Central Asia and the Middle East, Washington’s image cannot afford a blunder in Taiwan. Therefore, should tensions turn into conflict in the Taiwan Strait, many analysts of U.S. foreign policy believe it likely the U.S. would get involved in some fashion, which could easily escalate the violence. The Chinese government realizes that an official American pro-independence stance on Taiwan would provoke an outbreak of nationalist sentiment across China that could threaten Beijing’s legitimacy should it not be able adequately to control or address popular nationalists’ demands in regards to Taiwan unification. Such a popular outpouring might force Beijing to take drastic action regarding Taiwan unification that could destabilize the region.

129 Bush and O’Hanlon, A War Like No Other, 14.

130 Ibid.
However, despite U.S. support of Taiwan as well as the democratic ideological links between Washington and Taipei; Washington fundamentally does not want to press the Taiwan issue with China preferring to maintain the status quo in the region to protect its key interests there. Robert Ross, an expert on U.S.-China relations, said that “Washington cannot permit American ideological support for Taiwan’s democracy…to undermine the politics of war and peace between the United States and China.”\textsuperscript{131} While it is unlikely that the U.S. would go to war with China over Taiwan, the U.S. position on Taiwan delicately balances both its desire to support a democratic Taiwan and prevent Taiwanese call for independence. In other words, “America’s unambiguous long-term defense of Chinese liberalism on Taiwan inhibits possible moves by Beijing while conceding China’s now-inevitable national interest that Taiwan not foreclose its eventual option of being Chinese.”\textsuperscript{132} Somewhat ironically, both China and the U.S. have the same goal of maintaining the status quo, which largely drives Beijing’s restraining, measured approach.

U.S. involvement also restrains Beijing due to increasing economic ties between the powers. Fundamentally, Beijing can not afford to get into a conflict with the United States over Taiwan. Economic forces have led to mutual dependency between China and the United States. A third of China’s exports end up in the United States and China holds the majority of U.S. bonds.\textsuperscript{133} Also, American technology and investment is central to

\textsuperscript{131} White, ‘America at the Taiwan Strait,’ 14.

\textsuperscript{132} Ibid., 38.
China’s economic prosperity and thus preservation of the Chinese Communist Party.\textsuperscript{134} Both Beijing and Washington recognize the negative economic implications of the United States entering a war between China and Taiwan. Along with the obvious death and destruction war brings, U.S. economic sanctions against China would cause the Chinese economy to falter and initially foreign investment would crash.\textsuperscript{135} As a result, China’s nationalist goal of international power via economic prosperity trumps pro-unification nationalist sentiment. To achieve both economic prosperity and unification, China must take a long-term view of unification rather than risk economic loss by forcing Taiwan’s hand. As such, China domestically promotes the importance of economic growth, both on the mainland and with Taiwan.

It would be easy to conclude that the U.S.’ presence boosts the probability of a cross-Strait war. However, a deeper examination shows this conclusion to be shortsighted in light of the tentative peace in place since the U.S. first recognized the PRC. There are many complex and competing factors involved in the Taiwan, U.S., and China triangle, which have resulted in relatively pragmatic Chinese policies. For example, while Washington warns Beijing against using military force against Taiwan, it also cautions Taipei against provoking the PRC by seeking independence.\textsuperscript{136} As a result,


\textsuperscript{134} Bush and O’Hanlon, \textit{A War Like No Other}, 161.

\textsuperscript{135} Blanchard and Jennings, “China versus Taiwan.”

\textsuperscript{136} Bush and O’Hanlon, \textit{A War Like No Other}, 163; Harley, ‘One Policy,’ 20.
American support of Taipei largely has left Taiwan under Washington’s influence.137 Oddly enough, both Washington and Beijing are better served by peacefully maintaining the status quo in Taiwan. This situation creates a curious duplicity in which China both resents U.S. support for Taiwan but also realizes that such involvement is not only unavoidable but offers the best chance for avoiding war in the region, which would impede China’s economic growth and could risk regime legitimacy. Therefore, in spite of the strong element of anti-Americanism within Chinese nationalism, the U.S. actually has been a restraining force and stabilizer between Beijing and Taipei. The Taiwan case study suggests that both pragmatism and nationalism can coexist in the PRC.

CONCLUSION

China is a vast land that places supreme importance on sovereignty and territorial integrity. Its long history and more recent rise in nationalism only strengthen these deeply-held beliefs. Nationalist views of territory are at the core of the CCP’s legitimacy, making the Taiwan issue multi-faceted, complicated, and often confusing. Calls of warning about potential Chinese aggression towards Taiwan have been a common fixture in Western rhetoric. In particular, some American China watchers have been quick to assume that China is more likely to use force against Taiwan than what its policies actually suggest. For example, Richard Bernstein and Ross Munro assert in their alarmist book, *The Coming Conflict with China*, that China intends to be a “great global power” and that as such, in regards to Taiwan, is not likely to be “patient and accommodating when it comes to the question of control and sovereignty over what they deem to be their

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national territory.” It is those who accept these ideas of a threatening power hungry China, who views China’s nationalist fervor with alarm. Suisheng Zhao accurately observes, “In the discussion of nationalism, aggression and warmongering have often been taken for granted. The extensive attention paid to the rise of Chinese nationalism in the 1990s, and the alarm that it generated, illustrate this assumption.” However, it would be rash to presume that Chinese nationalism demands a policy of aggression at this point.

A more thorough examination of China’s Taiwan policies reveals a more nuanced approach where strong speech is coupled with restraint as part of a calculated policy to maintain the status quo by discouraging Taipei from declaring independence while satisfying nationalist demands for unification. The status quo allows Beijing to take a long-term approach to achieve unification with Taiwan while continuing to pursue the primary nationalist goal of economic growth. As long as Beijing delivers economic prosperity to the majority of Chinese, it is unlikely that the Chinese citizenry will demand unification. As the following chapter illustrates, it is through economic power that Beijing hopes to be able to move closer to other nationalist goals, such as unification with Taiwan. After all, China’s nationalist dreams of international status and power require measured foreign policies to prevent alienation from vital economic markets within the international community. Beijing recognizes that a policy of aggression in Taiwan would do more damage than good in achieving long-held nationalist goals. While China will not abandon its goal of eventual Taiwan unification, it will not pursue unification at any

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138 Bernstein and Munro, *Coming Conflict*, 164.

cost. Therefore, Chinese nationalism does not preclude Beijing from pursuing balanced and practical policies. Although nationalism remains at the forefront for the CCP leadership and its decision-making, Beijing is aware that its long-term goals in Taiwan are better served by common sense and engagement. In essence, Beijing has found a way to pursue nationalist goals pragmatically.
Recent international opinion polls reveal a trend of increasing global concern regarding China’s economic growth. A 2011 poll conducted for the BBC asked citizens in 27 countries their views on China’s increasing power, including economic power. The results are revealing. In contrast to a similar poll conducted in 2005, the majority of countries polled have a negative view of China’s increasing economic power. Some of the more striking examples of countries with an increasingly negative view of China’s economic success include France, Canada, and Mexico, but Japan, South Korea, the United States and other Western European countries also saw significant increases. Such negative views appear mostly to be influenced by beliefs that China has unfair trade practices. This is most notable among the Japanese with seventy percent of those polled responding that China’s trade practices are unfair. In addition, several of those polled believe China will overtake the United States in economic importance relative to their country within the next ten years. Around the same time, Gallup released a poll showing that fifty-two percent of Americans believe China to be the principal economic power in

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1 John F. Copper, ‘The “glue” that holds China together,’ The World & I 17, no. 7 (July 2002).

2 See appendix, Figure 3.

the world, compared to thirty-two percent who believe the United States still leads economically.4 This data seems to correlate with a 2010 CNN poll showing that forty-six percent of Americans believe that China is a superpower. Furthermore, in late 2010 The Economist website added an interactive chart allowing the public to predict when China will overtake the U.S. as the world’s largest economy with the most recent prediction in 2019.5 Despite the fact that, based on GDP, the United States’ economy still is far larger than China’s, American and others’ public perception largely views China as an economic force to be reckoned with and perhaps feared.6

These global perceptions are a product of China’s staggering growth over the past three decades. Even though much of the world has been mired in a global recession since 2008, China’s GDP actually grew 10.3 percent in 2010.7 In fact, China has had a tenfold increase in GDP since Deng Xiaoping began his modernization program in 1978.8 The success of the reforms was evident in 2010, when China became the second largest

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8 See Appendix, Figure 5.
economy in the world after the United States.\textsuperscript{9} Additionally, China is the largest foreign holder of U.S. debt, a figure totaling $895.6 billion in U.S. bonds, as of the end of 2010.\textsuperscript{10} According to the World Bank, China also is now the world’s largest exporter and the third largest importer. In fact, trade accounts for seventy percent of China’s GDP. As a result of this staggering economic growth, over 600 million Chinese have been raised out of poverty since 1978.\textsuperscript{11}

The story of China’s economic miracle, as it is sometimes called, often makes headlines across international news outlets. An argument certainly can be made that in the realm of economic power, China finally has arrived on the world stage. However, China’s success is not an anomaly that spontaneously occurred. Rather it is the result of a carefully calculated, long-term government plan, which Beijing often has couched in nationalist terms. The strategic goal of economic growth and wealth is tied to Chinese nationalist ideas of great power and vindication of past humiliations imposed by Western powers. For China, wealth is seen as the path to status and security, which largely is defined by independence from foreign influence.\textsuperscript{12} Jia Qingguo astutely observes that, “In the dynasties before, they built the Great Wall, or the Forbidden Palace or the


\textsuperscript{12} Yongnian Zheng, Discovering Chinese Nationalism in China: Modernization, Identity, and International Relations (Cambridge, UK: Cambridge University Press, 1999), 17.
Terracotta Warrior tombs. These days, they are building the Chinese Economy.”13 The Chinese learned from history that “poor and weak central power is the main reason for China’s humiliation by foreign powers, and the only solution is to build a wealthy and strong central government that could defy such victimization.”14 In this way, financial success is closely tied to both China’s national identity and its nationalist goals, as outlined in previous chapters. As such, the nationalist pride in such an achievement should not be underestimated. Yet, China’s economic achievement is a double-edged sword. Despite the numerous positive results for both the Chinese Communist Party (CCP) and for many Chinese citizens, it also has created numerous domestic and global challenges that might threaten the legitimacy of the Party, possibly restricting China’s future success.

As such, any discussion of Chinese nationalism must include a discussion of China’s staggering economic success including its positive and negative impact on China. As Eric Kaufman observes in his 2009 article on economic nationalism, nationalism’s “effects on the economy, especially in the long term, can be profound.”15 Understanding the impact of Chinese growth over the past three decades requires examining the roots of the policies that set the economic miracle in motion starting with Deng Xiaoping’s Four Modernizations and the opening of China’s markets. This will illustrate nationalism’s role in the policy changes as well as how the Party used nationalism as a tool to

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legitimize and promote the new economic policies. From this historical vantage point, the impact of nationalism on China’s current economic policies and positions is analyzed. Ironically, the serious problems created by China’s nationalist goal of economic power are examined including the ways these issues threaten the very Party that set China’s economic reforms in motion by potentially stirring anti-government popular nationalism. Consequentially, such nationalist sentiment could undermine the CCP’s legitimacy among the Chinese people and ultimately jeopardize the country’s long-term economic success and regime survival.

**Roots of the Economic Miracle**

Deng Xiaoping, considered the great economic reformer of modern China, is attributed to having famously said, “To get rich is glorious.” Looking at China decades later it would seem that the vast majority of Chinese embraced this idea. When Mao Zedong died in 1976, China was far from the wealthy economic powerhouse it is today. Under Mao, China achieved a degree of economic development, but his planned economy, Great Leap Forward, and Cultural Revolution largely left China isolated and lagging behind modernized countries. From a nationalist perspective, Mao’s China was far from being the Middle Kingdom it once was and was still vulnerable to foreign manipulation. According to Chi Wang, when China awoke from “its self-imposed decade of isolation from the Cultural Revolution, the world had moved ahead

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economically.”18 For China, a strong, powerful government is closely tied to a strong economy. Therefore, the deeply-held apprehension towards foreign powers was stoked by nearby newly industrialized countries, particularly Taiwan and South Korea, which had opened to market economies and achieved economic success.19 As a result, Party leaders, led by Deng, recognized that both domestic economic reforms and opening China up to the world economy was the only way to achieve the wealth, stability, and recognition that China not only required for stability and sovereignty but also for the global respect many Chinese felt it deserved. In this way, China could overcome historical humiliations and restore the glory of the Middle Kingdom’s past. Therefore, China’s economic trajectory changed in 1978 when the PRC’s Eleventh Central Committee set in motion economic reforms centered on domestic reforms and an open-door policy that became the guiding priority in China.20 Rather than focusing on class struggle, development became the CCP’s primary goal.

Such a bold and ambitious plan was seen as necessary by Deng to achieve his Four Modernizations of agriculture, industry, defense, and science and technology, viewed as necessary to make China a prosperous and powerful country.21 The initial steps for opening up China included attracting foreign investment for which Deng established


19 Ibid.

20 The Chinese refer to their reform program as “Gai ge kai fang,” which translates as “change the system, open the door.” The whole reform program is often referred to in brief as the “open door policy.” David Dollar, “Poverty, Inequality and Social Disparities During China’s Economic Reform,” The World Bank, Policy Research Working Paper, no. 4253 (June 2007), http://eibrary.worldbank.org/content/workingpaper/10.1596/1813-9450-4253 (accessed October 17, 2011).

21 Wang, “Deng’s China,” 94.
Special Economic Zones (SEZs) in 1979. Borrowed from Taiwan’s Export Processing Zones, these trade zones removed barriers allowing for foreign investment, increased trade, the import of foreign technology and more employment opportunities. The government simultaneously pursued domestic reforms in agriculture and industry. However, after seeing the fate of Gorbachev’s reforms in the Soviet Union, Beijing took a measured approach to economic reform rather than assuming the risk of making too many changes too fast. In fact, it was not until the early 1990s that China tackled market-oriented reforms including the restructuring of the state owned banks allowing for private and business loans, quite unheard of in Mao’s China. Additionally, Beijing created three Chinese stock markets in its efforts to create a modern financial sector and eventually join the World Trade Organization, a laborious process that is discussed later. As a result of Deng’s sweeping reforms and modernization efforts, essentially all of Mao’s policies from 1949 to 1976 were reversed. Mao initially had based the PRC’s socialist system on that of the Soviet Union’s. In fact, the PRC’s “institutions of government, the slogans and the iconography were imported wholesale and given only the slightest Chinese characteristics;” however, in later years Beijing lost confidence in

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22 Wang, “Deng’s China,” 96.


26 Dillon, Contemporary China, 18.
the Soviet system, which at its collapse in 1991 was exposed as a “paper tiger.” As a result, the Soviet-based egalitarianism of Mao’s era was replaced with a hybrid system based on command and free market economics that brought China materialism and a system that, to some extent, increasingly resembled Western capitalism. The Party shifted from socialist economic models largely in the interest of regime survival, yet this was not without its risks for Beijing.

The danger was that the Chinese people, after decades of Maoist education, would not accept such an abandonment of Maoist communism, and such a rejection could threaten the legitimacy of the Party itself. Therefore, Deng and the Party appealed to nationalism to rationalize the seemingly anti-socialist economic policies. Deng was careful to link the economic policies with “China’s splendidous past.” He painted a picture where such reforms were essential to China’s reinstatement to a place of global honor, which is reflected in his statement: “A strong China is a rich China.” The very desire by Deng and the CCP to make China an economic power stems from nationalist beliefs of China reclaiming a place of privilege and respect in the international community, which, in turn, bolsters the Party’s political legitimacy and thus control. Yongnian Zheng remarks on China’s motivation for economic growth by observing, “The interaction between China and the outside world has resulted in the Chinese perception that poor and weak central power is the main reason for China’s humiliation by foreign powers, and the only solution is to build a wealthy and strong central government that

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28 Wang, China: A Nation in Transition, 94.

29 Copper, ‘The “glue” that holds China together.’
could defy such victimization.”30 The predominant Party view of how to achieve a strong Chinese nation, a view likely influenced by modern world history, depends upon economic power as a prerequisite to success, sovereignty and respect.31

Despite appeals to nationalism, Deng’s motivation also was less ideological and more practical. He recognized that the path to growth and China’s redemption required interaction with and participation in the global economic system based on a Western economic capitalist model. Prior to his rule, Deng famously displayed his practical nature when he stated: “Black cat, white cat, what does it matter as long as it catches mice?”32 Deng tried to downplay just how vast a departure this was from Maoist socialism. For example, in a 1986 speech he commented that “there can be no communism with pauperism, or socialism with pauperism. So to get rich is not a sin.”33 Selling the reforms to the people was necessary for Beijing. In his book Superfusion, Zachary Karabell accurately observes Deng’s practical recognition that the Party’s legitimacy precariously rested on the success of the economic reforms. He writes:

The ends above all mattered for Deng, and both before and after Tiananmen, the goal was the continuation of the Chinese state led by the party for the betterment of all of China. The material prosperity of the masses was an integral component to that end, and he had the foresight to understand that the rising affluence of neighboring Asian countries such as Japan, Singapore, South Korea, and Thailand was making it impossible for the party to maintain legitimacy unless it delivered on the promise of prosperity.34

30 Zheng, Discovering Chinese Nationalism, 17.
31 Ibid., 119.
33 Wang, China: A Nation in Transition, 94.
34 Karabell, Superfusion, 21-22.
For the Party, it was crucial that the reforms bear fruit to make the majority of the Chinese populace wealthier and more content in order to prevent anti-government popular nationalist sentiment from developing. Beijing believed that if it could realize the nationalist promise of Chinese regional and global power through the success of economic reforms, then the Party’s legitimacy would be secure. In other words, what was good for the Party, was deemed good for the PRC and its people.

Given the Party’s motivation, such economic liberalization did not come with a parallel liberalizing of China’s political system. Richard McGregor, commenting on Beijing’s heavy involvement in Chinese economic affairs, observes the following:

…China long ago dumped the core of the communist economic system, replacing rigid central planning with commercially minded state enterprises that coexist with a vigorous private sector. Yet for all their liberalization of the economy, Chinese leaders have been careful to keep control of the commanding heights of politics through the party’s grip on the ‘three Ps’: personnel, propaganda, and the People’s Liberation Army.35

It is in the area of social persuasion that Deng drew most from Mao’s methods. Just as Mao had rallied the masses to achieve certain ends, Deng was not immune to using the masses as well, particularly to promote economic reforms.36 Appealing to nationalism was a common method used by the CCP to rally the masses to a common cause. Whereas Mao relied largely on patriotic education campaigns to sway public opinion,


Deng heavily relied on the success of his economic reforms. Deng may have chosen this path because directly mirroring Mao’s methods could result in a negative popular backlash considering the collective Chinese memories of Mao’s harsher techniques. Rather, by encouraging and providing economic prosperity, Deng could provide a positive source of motivation for the Chinese people. The breakneck economic success bred motivation among the Chinese population for continued economic production, trade and growth. In essence, where Mao’s socialist iron fist once united the Chinese people, in China after 1978 it has been the “worship and commitment to the unifying narrative of the economy” that became China’s unifying force.

A Changed China: Chinese Nationalism and the Economy after Deng

Although Chinese nationalism is rooted in beliefs of a historic humiliation inflicted by Western powers, China’s rising economy and subsequent increase in global prestige has led to Chinese nationalism taking on more positive elements stemming from pride in the country’s reform achievements. Chinese nationalism is no longer simply rooted in a victim mentality but in a sense of pride. Observing this phenomenon, Lichao He states,

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China’s nationalism, which is derived from both the pride in Chinese civilization and the past humiliation of being bullied by the West, is now dominated by the aspiration to rejuvenate the Chinese nation and make China rise again as a world power. The emerging new Chinese national identity is constructed on this ‘Chinese Dream.’ However, although China is no longer a ‘victim,’ its path to becoming a major power will not necessarily be a smooth one.\textsuperscript{40}

So while the Party used nationalism to encourage and validate the economic reforms, particularly in the beginning, the subsequent success of the reforms reinforced and in many ways reinvigorated Chinese nationalism.\textsuperscript{41} With financial success has come a long-desired global status and prestige previously unknown to the PRC. Such status is central for the Chinese avoidance of foreign manipulation. For the Chinese leadership, global status and monetary wealth are intimately linked. For the Chinese people and government, global power is deemed necessary for the achievement of foreign policy goals, many of which are nationalist in nature, which requires a wealthy, and hence powerful, China.\textsuperscript{42} From this, the Chinese people have a new confidence and nationalist pride rooted, not in a humiliating past, but in their modern achievements and hopes for China’s future trajectory.


\textsuperscript{41} Zheng, \textit{Discovering Chinese Nationalism}, 112.

China reached a major milestone on its road to global power and stature when it finally obtained membership in the WTO in 2001. For China, membership represents not only more open access to trade and thus increased business, but also its recognition as a major global economic leader. Membership represented in the minds of both the Chinese and the international community a major step towards a level of economic modernization previously unseen in China, which greatly boosted its national pride. Michael Dillon remarks that for China, membership “was a matter of self-respect as much as economic necessity.” In addition, many in the CCP believe that membership legitimized the previous decade of reforms and encouraged lasting prosperity. Membership further reinforced the Party belief that working with, not against, the international system was necessary for China’s continued wealth and increased status. However, China faced several obstacles in seeking to join the WTO since membership entails countries meet certain criterion requiring a level of openness and transparency not previously practiced in the PRC. First, China had to disclose all WTO-related aspects of its trade and economic policies. Second, there are specific “non-discrimination rules” that China must abide by to ensure all trading countries are treated equally. For example, WTO members may not give any other trading partner Most Favored Nation (MFN) status or infringe upon other members’ intellectual property rights. In essence, to become a member,

44 Ibid.
45 Karabell, *Superfusion*, 118.
China had to liberalize many of its economic practices while rejecting the socialist and state-owned centric practices, a process Deng had begun in the 1980s. Ironically, for China to obtain the global respect and economic prosperity deemed necessary by the Party for the PRC’s survival, it had to abandon many of the core practices implanted by Mao himself and become a country that was vastly different from the one envisioned by Mao. Yet, the Party deemed the concessions necessary to obtain the status and benefits that came with being a WTO signatory. As Michael Dillon recognizes, “China’s accession was essential for the Chinese government, not only as a prerequisite for economic modernization but as a matter of national pride.”\textsuperscript{48} Chinese desires for wealth, power, and status required a level of flexibility within the international system that was not seen prior to Deng’s leadership.

Yet, the road to WTO membership was a long and often contentious one; fifteen years to be exact. Following the Tiananmen Square protests and the collapse of the Soviet Union, the United States did not have many incentives to support China’s membership and therefore did not smooth the PRC’s way. Regarding this shift in American priorities, Yongzheng Yang explains that with the end of the Cold War, the U.S. no longer needed to maintain a “strategic relationship” with the PRC as a buffer to the Soviet Union. Furthermore, “Tiananmen shattered the image of the Chinese Government—China was no longer a progressive country, but one ruled by a repressive regime.”\textsuperscript{49} In the same period that China was seeking to join the WTO, several

\textsuperscript{48} Dillon, \textit{Contemporary China}, 50.

\textsuperscript{49} Yongzheng Yang, “China’s WTO accession: why has it taken so long?, Working Papers, Asia Pacific School of Economics and Management (2000),
international events aroused a strong nationalist sentiment among the Chinese complicating Beijing’s efforts to meet the WTO qualifications. Such significant events include the loss of China’s bid to host the 2000 Olympics, the 1996 Taiwan Strait Crisis, and the 1999 Chinese Embassy bombing in Belgrade. As a result, an increase in anti-American Chinese nationalist sentiment made any U.S. impediments to WTO membership, not surprisingly, poorly received by the Chinese people who viewed it through a nationalist lens as another way the West was trying to keep down China. In fact, the wave of popular and official nationalism following the 1999 NATO bombing of the Belgrade Chinese embassy almost derailed Chinese WTO accession as it seemed unlikely that Beijing would agree to anymore concessions. Remarketing on this set-back in 1999, Yang Fan from the Chinese Academy of Social Sciences observes that "Previous concessions were very large and have triggered serious domestic opposition, so this time, America has got to make concessions." Furthermore, Wu Yi, a Chinese trade negotiator, went so far as to say that China “will not sacrifice our basic advantage for entry into the WTO.” Just like other aspects of China’s economic reforms, WTO membership, despite its practical and economic advantages, was not immune to nationalist forces.


50 Yang, “China’s WTO accession,” 15-16.


52 Kuhn, “Renewed Patriotism.”
As a result of nationalist sentiment being so high, the Party kept many of the WTO negotiations and subsequent concessions private out of fear of a “nationalist backlash.” Willy Lam asserts that “Beijing apparently worried that should ordinary Chinese learn about the considerable concessions that it had made in areas including tariff reductions, senior cadres including former Premier Zhu Rongji would be labeled ‘traitors’ by WTO opponents.” The potential for popular nationalist criticism was great had the deeper reforms, required for membership, not met popular nationalist expectations of a more powerful China. For a nation historically skeptical of foreign influence and desirous of global respect, the Party giving in to Western pressure might have been seen by the Chinese people as a betrayal, igniting anti-government nationalism. Such possible anti-government reactions reinforced Beijing’s view that the state should never fully allow market forces to control the Chinese economy. As such, the Chinese state and Party retain ultimate power over economic policies. Beijing created and implemented a unique, hybrid economic system derived from the open market system of the Western liberalized tradition but still rooted in socialist ideas of state economic control as seen in Beijing’s State Owned Enterprises (SOE). Cautioning about the Party’s continued influence in Chinese economic affairs, Jia Qingguo observes that “the state may have retreated in the last two decades, but it has not gone away, and most journeys into any Chinese entity have a surprising habit of ending up at the doors of


54 Ibid.

55 McGregor, ‘5 Myths.’
what look remarkably like State Owned Enterprises (SOE) no matter what labels are hung upon them.” Deng himself even alluded to the uniqueness of the Chinese reformed economic system by stating, the PRC would have “socialism with Chinese characteristics”. Essentially, Beijing has sought modernization China’s way in an effort to simultaneously grow China’s economy and deliver on popular nationalist demands of wealth and global respect.

China has thus far avoided the brunt of the 2008 global economic crisis and subsequent recession resulting in a further invigorated nationalist pride in China’s unique path to modernization. For many Chinese, the economic crisis was proof of the failures of the U.S. economic system, which bolstered their belief in the success and validity of the Chinese system leading to the emergence of a new “economic nationalism.” Economic nationalism is loosely defined by those who use it, mainly journalists and politicians. Most often, it is used in relation to specific policies that are deemed a result of economic nationalism. Eric Kaufman attempts to apply some universal traits to the term by observing that economic nationalists place greater weight on “national pride” obtained from being a “creditor nation” rather than pure “material consumption” Furthermore, he notes a strong element of protectionism among economic nationalists,

56 Qingguo, ‘Disrespect and Distrust,’ 106.

57 Wang, “Deng’s China,” 94.

which he cautions can have negative implications for the global economy.⁵⁹ Identifying specific policies in countries where economic nationalism is present, Kaufman states the following:

Nationalism plays an important part in this process. National governments like to see healthy trade surpluses and undertake open-market operations to weaken their currency and help their exporters. They also protect high-tech and infant industries for the same symbolic reasons. Meanwhile nationalist consumers prefer national brands, and national networks freeze out exporters.⁶⁰

Of course, the irony, which is often lost on Chinese nationalists, is that the Chinese economy worked with and benefited from the U.S. system. While observing this paradox, economic journalist Robert Samuelson writes, “The Chinese denounce American profligacy after promoting it and profiting from it.”⁶¹ For example, Zhou Xiaochuan, the governor of the People’s Bank of China, suggested in a 2009 paper that the dollar be replaced as the global currency. While scrutinizing the economic crisis he remarked that it is evidence of “the inherent vulnerabilities and systemic risks” of the U.S. economic system.⁶² Samuelson points to this type of Chinese comment as a political rationalization for the Chinese idea that they “are innocent victims of U.S. economic mismanagement” making them “entitled to do whatever’s necessary to insulate”

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⁶⁰ Kaufman, “The Return of Economic Nationalism.”


⁶² Ibid.
themselves from a similar economic downturn.\textsuperscript{63} It is the promulgation of such nationalist sentiment that encourages less openness and more protectionism.\textsuperscript{64}

The recently noted economic nationalism in China is characterized by a tightening of Beijing’s grip on the open door policies implemented for China’s WTO membership. According to James Jay Carafano, a national security research fellow at the conservative American think-tank the Heritage Foundation, beginning in the early 2000s, “Beijing has been slowly distancing itself from economic freedom” and now ranks 135\textsuperscript{th} in one global index of economically open countries.\textsuperscript{65} There is disagreement among Western economic analysts and Sinologists as to the permanency of this reversal. One school of thought believes it to be a short-term response to China’s corruption and market abuses, but others view it as a significant shift in China’s overall economic policy. Perhaps the staggering economic growth of the past two decades has left Beijing with the nationalistic belief that it now has the upper hand and no longer needs to “bend the rules” and continue to abandon socialism to bring in businesses.\textsuperscript{66} In other words, China has opened up as much as required but now has reached a place of prestige and growth where further

\textsuperscript{63} Samuelson, “The world economy is suspended.”

\textsuperscript{64} However, China is not the only country to engage in economic nationalism following the 2008 recession. Although to a lesser degree, the United States exhibits some economic nationalism as can be seen in the General Motors (GM) and Chrysler government bailout. According to Eric Kaufmann, these two companies are known for making trucks, “powerful symbols of rural and working-class masculine patriotism.” As such, GM and Chrysler’s “products have been immortalized in song and film as national icons.” Kaufmann, “The Return of Economic Nationalism.”


\textsuperscript{66} Sarah Schafer, “Do It Our Way: Tough new demands out of Beijing are raising fresh doubts about whether China is still open for business,”\textit{ Newsweek International}, December 4, 2006.
liberalization is deemed unnecessary.\textsuperscript{67} It can be argued that the achievement of the nationalist goal of economic sovereignty and power largely both has provided Party legitimacy and satisfied Chinese nationalists’ demands for global power and respect.

Yet, Beijing’s recent disregard for the rules of free trade has not been received well by most of the international community, particularly other WTO members. For example, China appears to have backed off somewhat from the more open foreign investment policies of the 1990s. In response, the European Union (EU) trade commissioner Peter Mandelson in 2008 criticized restrictions on foreign companies trying to operate in China, which he attributed to an increasing Chinese economic nationalism. Mandelson remarked that, “On the street and in the boardroom, there is a growing sense in China that we are now strong enough to do it all alone...” He continued by observing a growing sense among European companies of “an unspoken economic nationalism that implies that foreign investment is no longer wanted or needed.”\textsuperscript{68} The difficulty for the countries who share these concerns is that they can not afford to refuse to do business with China. As such, there is little incentive for China to liberalize further or not use economic nationalism.

One particularly telling example of Chinese economic nationalism centers on China’s use of its rare mineral supply to meet foreign policy and economic objectives. China monopolizes the global supply of rare earth minerals accounting for nearly one third of the world’s rare metals leaving many countries, particularly those with high-tech

\textsuperscript{67} Schafer, “Do It Our Way.”

industries, dependent upon China for the needed minerals.\textsuperscript{69} Even Deng Xiaoping remarked in 1992 that “The Middle East has oil, China has rare earths.”\textsuperscript{70} In recent years, China has been tightening its rare earth exports. Such a move appears to at least partially stem from nationalist concerns of the West and Japan trying to place controls on China’s export of the minerals. Reminiscent of Chinese emotions about the “Century of Humiliation,” a 2010 editorial in PRC’s Ministry of Commerce’s \textit{International Business Daily} states, “China’s rare earths face the awkward situation of being carved up by the world’s big powers.”\textsuperscript{71} This fear clearly has contributed to the use of economic nationalism by the CCP. For example, Mei Xinyu, from the PRC’s Ministry of Commerce, remarked in 2010 that the Chinese government “should use our advantage in resources and production of rare earths as a sally port to establishing China’s pricing power in global commodities markets.”\textsuperscript{72} Furthermore, China has controlled the export of key minerals in order to lure foreign production of high-tech electronics to China’s shores thus giving China an industrial and economic edge.\textsuperscript{73}

Recent Chinese acts of economic nationalism in the rare earth metals market has created significant global backlash. In mid-2011, China began shutting down its rare earth metals processing facilities, citing environmental reasons. In particular, Beijing is

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\textsuperscript{70} Anonymous, ‘China: Country Erects Trade Walls.’

\textsuperscript{71} Ibid.

\textsuperscript{72} Ibid.

\textsuperscript{73} Ibid.
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in the process of closing thirty-one of its “mostly private” rare earth facilities in North China, which account for the majority of China’s supply. Furthermore, it is consolidating other facilities into four government-controlled state-owned companies. As a result of these changes, the global price of rare earth materials, thus the products they are used in, has dramatically increased, inciting the ire of many countries that rely on the metals for their domestic industries. These actions, combined with recent rising Chinese tariffs and quotas on the industry, has driven prices to extraordinary heights, up to fortyfold during one period. At the request of the EU and U.S., the WTO ruled in July 2011 that China was in violation of the trade rules. Yet, Beijing increasingly is adept at playing the WTO system to its advantage. Thus, by claiming environmental grounds, Beijing declares it is compliant with WTO rules, according to the PRC Commerce Ministry’s Shen Danyang. In the end, as Beijing seemingly desired, China’s consolidation is causing foreign companies to move production to China to avoid the tariffs and quotas, which in turn economically is beneficial for China. Meanwhile, rare earth mines in other regions outside of China are still a few years away from being operational giving China a significant advantage. According to the CEO of American Elements, “What they are


75 Ibid.


77 Ibid.

78 Ibid.
doing is requesting the people literally make their end-use products in China and they are requesting companies that want to come to China to actually transfer valuable technologies to other Chinese companies so the other Chinese producers can benefit from that knowledge… It is clear that Chinese nationalism is influencing these protectionist policies that seek to economically benefit China at the expense of a global economy mired in a recession.

Beijing also used economic nationalism and its rare earth minerals as a foreign policy tool. Following the 2010 Japanese detainment of a Chinese fishing boat captain, Beijing quickly leveraged economic tools against Tokyo. The incident occurred when the fishing captain’s boat crashed into two Japanese vessels near the Senkaku islands, of which Japan and China both lay claim. Although Japan oversees the islands, China lays nationalist sovereign claim to them. This volatile situation soon gave way to Chinese shows of economic nationalism as Beijing used its rare earth minerals to leverage the release of the Chinese fisherman. China blocked the export of essential minerals Japan uses in its hybrid car, wind turbine, and guided missile industries. This move was followed by Chinese Prime Minister Wen Jiabao’s demands for the fisherman’s release. In a show of China’s nationalist fervor, Wen stated: “I strongly urge the Japanese to release the skipper immediately and unconditionally,” but “if Japan clings to its mistake, China will take further actions and the Japanese side shall bear all the consequences.

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that arise.” Furthermore, Beijing denied preventing the shipments, claiming instead that China asked “exporters to demonstrate support for the Chinese situation and suspend exports of rare earths to Japan…” according to PRC Ministry of Commerce spokesman Chen Rongkai. In other words, the Chinese exporters independently stopped shipments out of a nationalist devotion to their country. Regardless of the validity of the claim, such a move sent shockwaves of concern throughout Japan, the United States, and other Western countries that rely on China’s minerals for critical industries, including defense. These countries were starkly reminded of just how vulnerable they were to China’s supply and nationalistic policies. Despite the release of the fisherman after less than a month, Chinese rare earth mineral exports to Japan were halted for almost two months. Although China resumed rare earth shipments, Japan and other states ramped up the search for alternate sources of the minerals to lessen dependency on the Chinese market. Nevertheless, through the incident, China made an important statement about

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its economic power and willingness to use such advantages as nationalist leverage against other countries.

Moreover, a 2009 *Newsweek* article highlights the anti-American elements of the new economic nationalism being espoused by certain influential Chinese intellectuals. One such nationalist intellectual, author, and former professor of economics at the University of Beijing, Wang Xiaodong, goes so far as to espouse that China should no longer buy U.S. Treasuries in favor of greater domestic spending, particularly on defense. According to Larry Summers, former Treasury Secretary under U.S. President Clinton and an economic advisor to President Obama, there exists between the U.S. and China a “balance of financial terror” where economic interdependence and political differences create a unique tension between the two powers. In the wake of the 2008 financial crisis, the U.S. needs Chinese investment to recover whereas China needs the U.S. export market to prevent an economic meltdown of its own. Daniel W. Drezner observes that in this unique economic climate “the world’s largest exporter and largest consumer market cannot afford a serious rupture in their relationship.” This would suggest a limiting force on China’s economic nationalism as it can not afford to use its economic position to persuade or force the U.S. to do anything that might in return be detrimental to China’s economic stability. However, in the current global economic climate, it seems that Chinese nationalist sentiment is strong, encouraging Beijing to push its advantage by implementing protectionist policies. The CCP seems to be hedging

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85 Liu, “The Deep Roots.”


87 Ibid.
against the West’s political inability to challenge China on any unfair practices when faced with domestic economic crisis. In return, at the annoyance of Washington policymakers, the U.S. cannot demand of China anything that might upset the delicate economic balance between the two powers.

**The Dark Side of China’s Economic Miracle**

With such rapid growth has come numerous benefits both to the Chinese people and the global economy; however, Beijing’s path to growth also has left several serious problems in its wake including increasing inequality between the wealthy and poor, endemic corruption, intellectual property rights infringements, an ideological vacuum, and severe environmental degradation. These issues are compounded by a growing youth drain resulting from the one-child policy and tenuous ethnic tensions, particularly in Tibet and Xinjiang. While some of these problems are purely domestic in nature, many have global consequences. As Christopher McNally observes, the broad impact of China’s economy “will have far-reaching implications for the world’s economy, geopolitics, and ecology.” Most important to this analysis are the problems that threaten the regime’s legitimacy and risk a rise of anti-Party popular nationalism. Beijing is not ignorant of this darker side to economic growth and recognizes the price that both the Party and country have and may still pay for its prosperity. In the 2005 CCP plenary meeting of the Central Committee, Beijing officially recognized China’s social and

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89 Drezner, “Uncle Sam.”

90 McNally, ‘Gathering Storm Clouds.’
environmental challenges by including a statement in the communiqué “on the need to improve China’s system of welfare and social security and an indication that the leadership favored the adoption of policies that were more responsive to environmental needs.”

More recently in 2011, Wen Jiabao, China’s Premier and Party Secretary, delivered the “Report on the Work of the Government,” and stated that the Party is “keenly aware that we still have a serious problem in that our development is not yet well balanced, coordinated or sustainable.”

He continued by listing a myriad of areas requiring improvement. Most importantly, likely speaking to the Chinese people, Wen promoted tranquility and order stating: “We must make improving the people’s lives a pivot linking reform, development and stability…and make sure people are content with their lives and jobs…”

Such open recognition stems from Beijing’s concerns regarding the people’s growing dissatisfaction on several fronts despite China’s overall GDP growth. Of course, the Party’s willingness and ability to adequately tackle these problems remains to be seen.

91 Dillon, Contemporary China, 23.


93 Jiabao, “Report on the Work of the Government. “Wen continued his “Report on the Work of the Government” by stating that China’s deficiencies “manifests itself mainly in the following: growing resource and environmental constraints hindering economic growth, imbalance between investment and consumption, large income gap, insufficient scientific and technological innovation capabilities, an irrational industrial structure, continued weakness in the agricultural foundation, uneven development between urban and rural areas and between regions, the coexistence of overall pressure to expand employment and structural shortage of qualified personnel in some industries, defects in systems mechanisms that hinder scientific development, and our failure to meet targets set in the Eleventh Plan - the value-added of the service sector, its share in total employment, and spending on R&D as a percentage of GDP.”

In the past thirty years, China’s economic growth has brought greater openness and access to the world and its ideas and systems. However, the grand irony is that with the success of Beijing’s economic reforms came the conditions for the Party’s own demise. The price of China’s economic miracle provides the catalyst for the formation of anti-government popular nationalism that, if it became widespread, could critically destabilize the PRC. An unnamed Chinese citizen notes that “the CCP is addicted to economic growth” because “a major slowdown could shake the political support of the CCP and accentuate the second threat facing China’s future: a failed political transition.”

Mao Zedong once said, "A single spark could set the prairie alight" and it seems that Beijing has taken this belief to heart. Recent trends point to a Party that again is becoming increasingly cautious of free speech as Beijing pursues a path characterized by greater state control of popular expressions in order to prevent widespread anti-government nationalism. Jerome Cohen accurately comments on this phenomenon by characterizing the recent government crackdowns on free speech and expression in the following way:

What’s happening is fundamentally an effort to spare the party the consequences of its own success in rapidly transforming China’s economy, opening its society, and raising the Chinese people’s awareness of their rights. The extraordinary modernization process set in motion by Deng Xiaoping in 1978, which has improved the lives of hundreds of millions, has come at great cost in terms of social change and has spawned ever greater tensions and disputes in Chinese life.

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95 McNally, ‘Gathering Storm Clouds.’


Of note is that the preceding observation came in the context of Cohen’s analysis of a 2011 Chinese government campaign to limit Chinese lawyers involved in “human rights, criminal justice, and controversial public-interest cases.” Although China needs legal reforms both to coincide with its booming economic system and achieve a desired international legitimacy, Beijing fears a fully functional justice system that could hold the government itself accountable.98 Therefore, Beijing recognizes that in order to prevent widespread unrest, the CCP must continue to deliver prosperity by maintaining a high-level of economic growth to provide stability for the middle class and curb rising unemployment. The Party hopes that if the majority of the population’s economic situation continues to improve, the masses will, in return, overlook the lack of certain liberties. Otherwise, the CCP may find itself threatened by the very system it created and promoted.

The government’s fear of dissent and instability, amplified by memories of the 1989 Tiananmen protests, has driven the crackdowns of the past several years; particularly Beijing’s recent reaction to rising popular protests in the Middle East.99 Strikingly, on the same day the Party submitted its 2011 “Report on the Work of the Government,” a nationalist-laden editorial in the government paper the Beijing Daily cautioned the Chinese against any popular movements similar to those throughout the Middle East in the following:

These upheavals have already created major disaster for the people of these countries. What we must take note of is that a number of people with ulterior

98 Cohen, “First, They Came for the Lawyers.”
99 Bequelin, “Wake Up and Smell the Jasmine.”
motives have attempted to direct this chaos toward China. They have used the Internet to incite illegal assemblies, seeking to create disturbances and whip up “street politics.” The masses are fiercely displeased with this, and the performances of a few can only become a clamorous play put on for themselves…Through more than 30 years of reform, under the leadership of the Chinese Communist Party, and the efforts and striving of all of our ethnic people, our country’s politics have been stable, our economy has developed, the Party’s beneficial policies toward the people have lodged in their hearts, we have had unity, and all of these receive the wholehearted support of the masses…

This mirrored a statement a few weeks prior by Li Changchun, a senior member of the Standing Committee of the Political Bureau of the CCP Central Committee, encouraging Party spokespersons to “guide public opinion to help promote social harmony.” Of course, Chinese ideas about social harmony are not unique to the PRC. It is Confucianism that teaches that “social harmony results when people play their social roles properly.”

In response to concerns about popular protests, called the “Jasmine Revolution” in China, Beijing has taken several actions to suppress social gatherings and protests. In fact, Nicholas Bequelin, a China researcher for Human Rights Watch, argues that the revolutions in the Middle East, called the Arab Spring, have reinforced Beijing’s belief that it is justified in its strict response. Government responses include increased online censorship, which includes blocking the word “jasmine” from Internet searches and


103 Bequelin, “Wake Up and Smell the Jasmine.”
arresting the posters of Jasmine Revolution related messages on social media sites like Twitter. Beijing claims that posters are “inciting subversion,” which is considered a state security crime and can carry a maximum penalty of life in prison. These actions are consistent with a strict policy of “security maintenance” embraced by Beijing in the last decade. This policy is characterized by, “Internet censorship, the harassment of blacklisted troublemakers and an industrial complex of paid informants and contractors.” Jonathan Ansfield, an American journalist, characterized the increased security measures in the following way:

Chinese officials charged with ensuring security, lavishly financed and permitted to operate above the law, have remained perpetually on edge, employing state-of-the-art surveillance, technologically sophisticated censorship, new crime-fighting tools, as well as proactive efforts to resolve labor and land disputes, all to prevent any organized or sustained resistance to single-party rule.

According to one source, Beijing allocated more money in 2010 to domestic security than national defense, a striking move illustrating both the Party’s priorities and fears. It seems unlikely that the CCP would put so much energy and resources into their efforts if it did not feel genuinely threatened by popular anti-government sentiments.

104 Bequelin, “Wake Up and Smell the Jasmine.”


106 Jacobs and Ansfield, “Well-Oiled Security Apparatus.”

107 Ibid.

108 Cohen, “First, They Came for the Lawyers.”
Yet, government efforts focused solely on stemming the people from voicing their
concerns may have little or negative effects on addressing the complaints of anti-
government nationalists. While government crackdowns temporarily may curb anti-
government sentiment, without significant reforms the people’s unhappiness will grow
beneath the surface. According to the Atlantic’s Ben Heineman, Jr., the danger for
Beijing is that the suppression of popular dissent simply will exacerbate further popular
discontent because “in the absence of open and accountable political and legal
institutions” the protests do not have an outlet “to be channeled away from the street.”
Therefore, the more the Party avoids accountability and openness, the more it risks
alienating and upsetting the masses that left unchecked could morph into a widespread
nationalist backlash. As with many of Beijing’s domestic policies, it must strike a careful
balance between openness and control when considering popular Chinese nationalism.

Of course, if Beijing is delivering prosperity and stability to the Chinese people as
it claims, it begs the question as to the root of Chinese popular discontent. An
explanation offered by both Chinese and Western economists alike, is that economic
reform has created a new class of wealthy Chinese drastically increasing China’s social
inequality. Under Mao, there existed a system of welfare commonly referred to as the
“iron rice bowl,” yet Deng’s economic reforms slowly chiseled away at this state social
net inevitably contributing to social inequality. Following over three decades of
reform, the iron rice bowl is gone and the wealth gap is wider than ever. For example, by

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109 Ben W. Heineman, Jr., “In China, Corruption and Unrest Threaten Autocratic Rule,
thetlantic.com, June 29, 2011, [http://www.theatlantic.com/international/archive/2011/06/in-china-

110 Lawrance, China under Communism, 112.
2007 the rural to urban wealth gap had reached a ratio of three to one, which in the global perspective is quite large.\textsuperscript{111} Furthermore, the issue of inequality was highlighted by proponents of the Jasmine Revolution who anonymously encouraged protestors to shout, “We want food, we want work, we want housing, we want fairness.”\textsuperscript{112} According to David Dollar, the former World Bank China Director and current U.S. Treasury Department’s Economic and Financial Emissary to China, the exact explanations for China’s social inequalities are complex. As even Deng noted, Dollar points out that open door policies naturally bring an initial degree of increased inequality, but he points out that some of Beijing’s particular policies further aggravate the divide. Regarding these policies Dollar writes:

Restrictions on rural urban migration have limited opportunities for the relatively poor rural population. The inability to sell or mortgage rural land has further reduced opportunities. China has a uniquely decentralized fiscal system that has relied on local government to fund basic health and education. The result has been that poor villages could not afford to provide good services, and poor households could not afford the high private costs of basic public services. Ironically, the large trade surplus that China has built up in recent years is a further problem, in that it stimulates an urban industrial sector that no longer creates many jobs while restricting the government’s ability to increase spending to improve services and address disparities.\textsuperscript{113}

The impact of such decisions creates discontent among the many Chinese who see the nationalist and socialist goals of economic prosperity and equality eluding them, while simultaneously observing the wealth and privileges of the upper and even rising middle class.

\textsuperscript{111} Dollar, “Poverty, Inequality and Social Disparities,” 10.


\textsuperscript{113} Dollar, “Poverty, Inequality and Social Disparities,” 1.
class. It is from this citizenry in particular that nationalist sentiment could turn against Beijing be it in a Jasmine Revolution or other popular protests.

However, recognizing the dangers of increasing social inequality, there are signs that Beijing has had some success in addressing the divisive issue. Aside from suppressing popular voices on inequality, the government has taken several steps in the past five years to address this issue and Beijing’s most recent Five Year Plan aims to lessen the wealth gap and be more inclusive. For example, migration to urban areas has been encouraged to reduce unemployment and rural poverty. Education and health care discrepancies have begun to be addressed but most significantly, Beijing is shifting its economic focus from exports to domestic consumption. According to a 2010 Organization for Economic Cooperation and Development (OECD) survey, these strategies seem to be yielding some successful results. One OECD senior economist, Richard Herd, remarked that “We’ve already seen, in the last five years, a stabilizing of the disparities.” If Beijing can lessen the gap between those that have much and those that have little, while not alienating those Chinese who have economically succeeded, it might be able to remove a key root of anti-government nationalism. Of course, it remains to be seen if the Party can do enough to effectively meet the people’s nationalist needs.

Despite the numbers of Chinese lifted from poverty since Deng’s reforms began, if only a small percentage of people feel they are living Deng’s nationalist dream of prosperity,

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resentment will continue to build creating a combustive situation that the Party someday may not be able to contain.

The discontent stemming from Chinese social inequality also is seen through popular disapproval of the widespread corruption throughout all levels of China’s government. In early 2011, a Chinese professor of economics wrote an article under a pseudonym arguing that instability is less about Chinese citizens’ dissatisfaction with the government and more about the prejudice of privilege that angers everyday Chinese. The anonymous author writes, “What bothers them, though, is the growing sense that there’s a special class of people who get to live by a different set of rules than everyone else.”116 In the professor’s view, it is the endemic corruption rampant in China that is the root of the discontent, which can easily turn to anger and drive a rise in anti-government popular nationalism. In essence, the Chinese culture of corruption is closely linked to social unrest. Commenting on this linkage, Ben Heineman Jr., states the following: “How China will resolve this tension -- will try to find a balance between these two concerns -- is one of the most important questions for China's future.”117 There has been an increase in anti-corruption sentiment since the early 1990s. In fact, according to the PRC police, the number of related “incidents” that they suppressed from 1993 to 2003 jumped from ten thousand to sixty thousand. Furthermore, the minister of public security noted that the incidents “were larger, more frequent, more violent,” more diverse, and more widespread.118 Other indicators of the Chinese people’s unhappiness with corruption.

116 Anonymous, “China what’s Next?"

117 Heineman, “In China, Corruption and Unrest.”

118 Link, “Corruption and Indignation,” 2.
include frequent anticorruption satirical novels, blogs, and *shunkouliu* or anonymous popular sayings. An example of an anti-corruption *shunkouliu* follows:

> Officials are addicted to money  
> While the people labor and sweat.  
> If something else counts, then it’s funny  
> That no one’s run into it yet.  

A laid-off Chinese blogger best expressed the anti-corruption sentiment in a 2006 blog: “To us workers, economic ‘reform’ has meant lay-off and unemployment; it has meant that the wealth and benefits born of our labors of yesterday have been plundered by the privileged elite…” As a result, there is real fear among Party members that the actions necessary to curb corruption and resolve popular discontent could bring down the Party itself. This fear accurately is articulated by an unidentified CCP leader who states: “Fight corruption too little and destroy the country, fight it too much and destroy the party.” As such, it is critical to understand the extent and impact of corruption on Chinese government and society.

Although it is hard to measure exactly how serious corruption is in China’s government and society, available data suggests that it is widespread. Specifically, a 2007 study by Carnegie Endowment for International Peace sheds light on the extent of China’s corruption. The study draws its conclusions from “official audits, press reports, official anticorruption enforcement data, and estimates based on international norms.”

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120 Ibid., 5.

121 Ibid.

In addition, public opinion serves as an indicator of corruption’s pervasiveness and impact. For example, corruption is often touted by Chinese government officials and general citizens alike as one of the principal concerns across China.\textsuperscript{123} Furthermore, the study cites the nongovernmental organization Transparency International’s Corruption Perceptions Index, which finds China to be one of the most corrupt countries.\textsuperscript{124} Separately, a 2010 Credit Suisse report found that there is almost $1.4 trillion in grey, or undeclared, income in China with much of the grey money linked to corruption. The study finds that “abuse of power for personal gains” is a serious and common practice in China.\textsuperscript{125} This entrenched corruption largely is a result of a high level of government involvement in the economy, weak anti-corruption enforcement, and a lack of significant political reforms.\textsuperscript{126} Therefore, Beijing is rightly concerned about the negative impact of corruption both on China’s economy and its society.

There have been several high profile statements made on the dangers of corruption, especially post 1989, since corruption was one of the catalysts for the Tiananmen Square pro-democracy popular protests.\textsuperscript{127} In 1993, PRC President and CCP Secretary-General Jiang Zemin published a speech in which he dramatically and without precedent warned that “unless corruption was brought under control, the CCP could lose

\begin{enumerate}
\item Pei, “Corruption Threatens China’s Future,” 1.
\item Ibid.
\item Ibid.
\item Credit Suisse, “Analysing Chinese Grey Income,” Asia Pacific/China Equity Research, August 6, 2010, 1, 32.
\item Pei, “Corruption Threatens China’s Future,” 4.
\item Ibid., 6.
\end{enumerate}
power.” Most recently, at a 2011 event to mark the 90th anniversary of the CCP, PRC President Hu Jintao stated that “the Party is soberly aware of the gravity and danger of corruption” and that stamping out corruption is “a major political task the party must attend to at all times” to survive. In recent years, there have been several high profile corruption arrests in China with some officials being put to death for their actions. At a more practical level, websites aimed at fighting corruption have been established in China encouraging citizens to report instances of abuse and corruption. In addition, there are signs that Beijing may be refocusing on the Marxism-Leninism of Mao in an effort to address corruption. In an odd reversal from the past thirty years of rhetoric about openness and reform, the Party has attempted to use nationalism to again promote the qualities of Maoism deemed beneficial in providing social order and government security. Signs of such a shift were seen in early 2011 when Xi Jinping, likely to become the next PRC president, made a high-profile visit to Chongqing, a city whose party secretary is known to be a strong believer in and promoter of Maoist thought. After the visit, a People’s Daily article highlighted Xi’s support of the “Chongqing Model” and its “core socialist norms” establishing “for all members of society, basic yardsticks and criteria for discriminating between good and evil, and for differentiating between

128 Dillon, Contemporary China, 254.


130 Dillon, Contemporary China, 254.

meritorious and detrimental behaviour.” This indicates, in at least a rising segment of the Party, a growing belief that by focusing on socialist principles, China will “return to Mao’s unequivocal Communist morality as the antidote to the social ills that have overtaken China since the campaign of economic reform began 30 years ago.” Of course, only time will tell if the masses, after decades of reform and an opening of society, will respond to Beijing’s efforts to boost its legitimacy through Maoist socialist thought. Perhaps China’s younger generation, who do not have memories of Mao’s rule, will be receptive to such overtures. Of course, if future Chinese leaders embrace socialist principles, they will have to reconcile it with the continued requirement for economic growth.

Despite Beijing’s attempts at anti-corruption reform, it has not been enough to curb the trend. Rule of law and anti-corruption enforcement is seriously lacking and only a few government officials and party members are punished for corrupt behaviors. Commenting on this, one Chinese businessman observes that “If the rule of law would work in China, my profits would be much higher. I would have fewer problems with payment receivables and, most importantly, would be better able to protect my intellectual property.” In fact, some estimates report that at least three percent of

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133 Ibid.


135 McNally, “Gathering Storm Clouds.”
China’s annual GDP ends up in the hands of a small number of corrupt elites. The danger is if the Party fails to get corruption under control, anti-government nationalist sentiment could become widespread and turn into a national movement endangering China’s stability and economic growth. Corruption in other societies has proven that uncontrolled it “undermines critical governing institutions, fuels public resentment, exacerbates socioeconomic inequality, creates massive economic distortions, and magnifies the risks of full-blown crises.” According to Minxin Pei, “Politically, corrupt ruling elites pay dearly for their misrule at times of crisis. True, everyday corruption does not cause revolutions. But ruling elites perceived by the population as irredeemably rapacious and self-serving enjoy little popular legitimacy and would more likely get overthrown when a major crisis hits…” In other words, government officials may benefit in the short-term from corrupt practices but in the long-term they may be doing irreparable damage to the Party’s reputation, job security, and China’s very stability.

Interestingly, it is not just the underprivileged Chinese who are experiencing the ill effects of domestic problems like social inequality and corruption. According to a 2011 Private Wealth Report on China, almost sixty percent of wealthy Chinese (those with more than $1.5 million) wish to emigrate or already have. This initially seems

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136 Pei, “Corruption Threatens China’s Future,” 5.
137 Ibid., 1.
138 Ibid., 6.
counterintuitive since it is this group of Chinese that presumably has benefited most from China’s economic boom; however, further analysis reveals both the practical and emotional reasoning for the trend. The wealthy can afford to leave China and settle in countries with more developed legal protections, social welfare, healthier environment, etc. In fact, the number one reason cited for the immigration is access to better education for children. As both a Communist and a developing country, these are conditions not available in China. Yet, it is the emotional reasons that should be more troubling to the Party. The majority of Chinese citizens, not just the poor, are depressed, according to a recent Gallop Wellbeing Survey. In the survey, seventy percent of respondents described themselves as “struggling” versus “thriving” or “suffering.” Xin Haiguang, the journalist writing about this trend, notes: “It is a paradox that, in a country where more and more people are getting richer by the day — albeit to the detriment of the poor, who have benefitted very little from the country's new wealth — the general feeling of well-being should remain at rock-bottom. The poor grumble while the rich flee.” Additionally, wealthy Chinese are concerned about the anger and dislike felt among the poor towards them because of their wealth and privilege. They worry that wealth redistribution might be a future way the Party decides to address the social inequality. Therefore, moving themselves and their wealth to another country alleviates many of these fears while providing a better way of life for them.

140 Haiguang, “China’s ‘Wealth Drain.’”


142 Haiguang, “China’s ‘Wealth Drain.’”

143 Ibid.
widespread unhappiness among both the wealthy and poor should and has increased Party concerns since it is such negative sentiment that easily can fuel an anti-government Chinese popular nationalism. Yet despite recognition, it seems that Beijing has not been able to curb negative popular opinion in order to adequately address corruption, retain its wealthy, provide for its poor, and decrease the gap between the two.

**Conclusion**

From a distance, China’s transformation, beginning in 1978, from a poor, isolated, and underdeveloped country to one of the world’s largest, most influential global economies almost sounds like a fairy tale. There are inspiring success stories coupled with millions being raised from poverty. Chinese modernization and double digit annual growth have occurred at lightning speed. Much of the drive for such a staggering effort drew from China’s nationalist sense of historical victimization and desire to reclaim a bit of the Middle Kingdom. The Party used this nationalism to achieve its grand economic goals. In turn, as China became more successful and more accepted into the international economic club a new nationalism developed born of pride and not just humiliation. Economic success in many ways provided the Chinese with a new national identity, which had been lacking since the abandonment of Mao’s harsh socialist system. The Chinese people reclaimed a sense of greatness through a hybrid system of communism and capitalism. Such confidence has translated into economic nationalism and using China’s newfound political capital for foreign policy purposes. In return, the Party obtains legitimacy from the economic successes as long as the Chinese status quo of international economic influence is maintained.
Yet, the fairy tale has a darker side. Regardless of the numerous benefits modernization and economic growth has brought China, it has come at a heavy price. In many ways, China’s economic miracle illustrates the duality of modern Chinese nationalism. Nationalism was a critical unifying force during a period of dramatic reform and modernization in China. In turn, the success of the reforms added an element of pride to Chinese nationalism; however, the direction of Chinese nationalism is never guaranteed and shifting winds can easily turn the masses against the government. In particular, a large wealth gap and entrenched corruption marginalizes and disadvantages many in China threatening an anti-government backlash. In return, the past several years have brought a pullback of the more open policies implemented in the 1990s. Out of concern for anti-government popular nationalism, Beijing has increased crackdowns on any form of dissent from the masses. In addition, in its never-ending quest for legitimacy, the Party has made attempts to portray itself as actively pursuing plans to resolve societal complaints thus maintaining the peace. According to McNally, this strategy of “rhetorical change is fostering a new governing ideology in which the CCP is portrayed as the savior of the people from capitalist excesses.” Of course, this position can only be maintained while China remains prosperous and growing. Should a recession overtake China, it is likely there will be a rise in economic nationalism coupled with even greater government efforts at control over society in order to prevent instability. Yet, it remains to be seen whether or not Beijing can sufficiently get a handle on these serious domestic issues and/or adequately satisfy dissenters in order to avoid a crisis of

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144 Copper, ‘The “glue” that holds China together.’

145 McNally, ‘Gathering Storm Clouds.’
legitimacy. After all, ignoring the problems coupled with widespread anti-government popular nationalism could not only endanger the Party’s position of power but could significantly unravel China’s economic miracle.
CHAPTER 5
AN UNEASY ALLIANCE: CHINESE NATIONALISM AND U.S. FOREIGN POLICY

The United States does not seek to contain China. On the contrary, the rise of a strong and prosperous China can be a source of strength for the community of nations.

- President Barack Obama

After examining multiple facets of modern Chinese nationalism, it is clear that it can be volatile, especially considering the increased role of popular nationalism. While the CCP still wields considerable control over the tone and strength of Chinese nationalism, especially when placed in the historical context of humiliation at the hands of foreign mistreatment, popular nationalism is changing how the Party handles contentious issues that might otherwise invoke anti-government sentiment. Therefore, just as the Chinese are a large and diverse people, their nationalism is equally multifaceted. The case studies of Chinese nationalism presented in preceding chapters, illustrate this complex and nuanced nature of Chinese nationalism, particularly in regards to Sino-American relations. In many examples of recent Chinese nationalism, it appears that the actions and policies of the United States often play a critical role. The accidental 1999 American-led NATO bombing of the Chinese Embassy in Belgrade not only exemplifies popular nationalists’ new influence in Chinese society, it also provides a striking example of the negative emotion anti-Americanism brings to Chinese nationalism. Furthermore, any discussion of China’s deep nationalist ties to Taiwan is not complete without a thorough understanding of the United States’ unique role in the

Taiwan debate. This has been and remains one of the most controversial and enduring conflicts in U.S.-China relations. Finally, thirty years of nationalist driven, Western-based economic reforms not only changed the economic system of China but the level and frequency of interaction between the United States and China. Economically, the two powers are more interdependent than at any other time in history, yet this reliance creates dynamic challenges in the Sino-American relationship. In sum, modern Chinese nationalism has a complicated and often contentious relationship with U.S. policy decisions.

This complicated history of China’s modern nationalism, which includes both positive and negative interactions with the United States, leads to critical questions for U.S. foreign policymakers. Why should the United States care about Chinese nationalism? To what extent should Chinese nationalism impact U.S. foreign policy making? How should the U.S. respond to events that invoke Chinese nationalist fervor? Is it even realistic to assume the U.S. can or ought to influence any aspect of Chinese nationalism through its own policy decisions? These are critical questions for Americans to ask, especially as China’s economy, power, and global importance increases. Before approaching these questions, it is important to establish that this is not a debate on the China policies of particular U.S. administrations but rather an overarching discussion of U.S.-China relations pertaining to Chinese nationalism. This concluding analysis, seeks to identify how best the U.S. should approach the major challenges in the Sino-American relationship without compromising national interest, in considering the United States’ direct or indirect role in Chinese nationalism.
The previous chapters offer several illustrations as to why the United States should be concerned about Chinese nationalism. Not only can Chinese nationalism be reactive to U.S. policies and actions, such nationalism also influences China’s policies towards both the U.S. and Washington’s allies, particularly in Asia. William Callahan explicitly addresses the reasons why the U.S. does and should continue to have an interest in Chinese nationalism by pointing out that China “is big and getting bigger,” and “is important to people around the world.” Therefore, “it behooves us to critically understand how Chinese people see their country’s recent rise to prominence, as well as its current economic problems. The PRC demands scrutiny because its policies and perspectives now have an impact far beyond China’s shores.” In essence, Chinese actions influenced by nationalism do not occur in a vacuum and thus, can have far-reaching impacts well beyond the borders of mainland China. Despite such influence, the U.S. should neither cater to nationalist sentiment in China, nor intentionally provoke it through words and deeds. Instead, American policy-makers should be aware of Chinese nationalism and remain cognizant of its influence and power on both the Chinese government and people. As such, the subsequent discussion will propose some broad considerations for Washington in light of Chinese nationalism. These suggestions are not all-inclusive and must be flexible to Chinese nationalism’s evolution.

First, and perhaps most importantly, U.S. policymakers must study and seek to understand the roots and influences of modern Chinese nationalism. In particular, they need a thorough knowledge of the primary U.S.-China disagreements, which all have

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strong nationalist elements. Robert Sutter organizes the primary disagreements, many of which were referenced in previous chapters, into the following categories: “...opposition to U.S. support for Taiwan and involvement with other sensitive sovereignty issues, notably Tibet; opposition to U.S. efforts to change China’s political system; opposition to the United States playing the dominant strategic role along China’s periphery in Asia; and opposition to many aspects of U.S. leadership in world affairs.”³ These four categories of disagreement have been couched in nationalist terms for decades in China, making compromise difficult at best. Additionally, as Sutter points out, Beijing’s leadership has “little incentive to accommodate the United States on these sensitive questions” since doing so may elicit a popular nationalist reaction against Beijing itself.⁴ Therefore, when U.S.-China relations begin drifting into one of these categories, U.S. policymakers must weigh the potential impact of Chinese nationalist sentiment when formulating policies and responses. Of course, given ideas about China’s rise, American policymakers are not keen to compromise either, especially if the issues at stake involve core U.S. interests; particularly the latter two of Sutter’s previously identified U.S.-China disagreements. After all, American compromise in certain areas might invoke a popular nationalist backlash in the United States. Despite these domestic hindrances, Washington needs to be aware of the domestic Chinese sensitivities or risk acting in a manner that


⁴ Ibid.
could inadvertently damage Sino-American relations.\(^5\) With such large and diverse countries, some disagreements and differences of opinion are unavoidable, but an appreciation for one another’s particular circumstances is necessary to diffuse conflicts without them becoming explosive. Such a negative outcome could lead to a breakdown in U.S.-Chinese relations, which could have serious geopolitical and economic ramifications given the countries’ level of economic interdependency.

In order to avoid this danger, U.S. policymakers must be knowledgeable in China’s “politics, history, and culture.”\(^6\) Yet, despite China’s staggering rise in the past thirty years, many U.S. elected officials and policymakers seem to know surprisingly little about China. Particularly since the terrorist attacks of September 11, 2001, other regions and matters often have been the primary focus of Washington. Commenting on this ignorance about China, Robert M. Hathaway observes the following:

> An astonishingly large number of American policy makers demonstrate little historical perspective when looking at China, little appreciation of the distinctly Chinese experience, and little recognition of how far—in some, though certainly not all, respects—China has traveled in recent decades. Nor is there an attempt to measure the PRC by anything other than American standards—or even a recognition that other standards exist. A failure to distinguish between the short-term and the long-term—the failure, for instance, to evaluate the arrest of a prominent political dissident against the backdrop of an increasingly open PRC—further handicaps Americans and American officials as they seek to comprehend this new Asian power.\(^7\)


\(^7\) Hathaway, “U.S. Domestic Politics,” 71.
Furthermore, Hathaway notes that U.S. leadership’s American-centric lens often results in decisions that are viewed by the Chinese as a hypocritical “double standard,” where U.S. policies are acceptable but similar China policies are viewed with disapproval. Of course, U.S. policymakers naturally view foreign policy decisions pertaining to other countries through an American-centric lens as well. Yet, the sheer size and scale of the PRC’s global involvement make it an especially critical case for the U.S.

One area where Beijing has accused the U.S. of being hypocritical is in regards to U.S. and PRC military spending. This attitude stems from ideas of American exceptionalism, which color U.S. achievements as “morally” right. This mind-set illustrates that the U.S. has its own nationalist ideas, making a self-assessment essential for U.S. policymakers to better appreciate U.S. attitudes and thus keep Chinese nationalism in the proper perspective. Otherwise, such narrow, ethnocentric views can quickly lead to misinterpretations, often negative in nature, of Chinese nationalism.

Central to the U.S. political system is an approach based on American values and beliefs. For example, Washington’s desire for Beijing’s acceptance of American values, such as democratic reforms and free press, largely is unrealistic in the PRC’s current political environment. Therefore, it is not only counterproductive for Washington to base relations with China on its acceptance of American norms, but it also touches on

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8 Hathaway, “U.S. Domestic Politics,” 72, Hathaway notes a particular example of this in 2005 when then U.S. Secretary of Defense Donald Rumsfeld in a speech in Singapore questioned why “Beijing was spending so much on its military.” Of course, Rumsfeld is not the only U.S. official to make such comments; See appendix, Figure 7.


nationalist nerves in China. While the U.S. will never adopt China’s viewpoint, American “interests and values” do not have to preclude a thorough understanding of and appreciation for China, which is essential for a strong Sino-American relationship.¹¹

With a more thorough appreciation of China’s history, politics and culture comes an understanding that the promulgation of what is known as the “China threat theory” is counterproductive for positive U.S.-China relations. This theory is based on the belief that China’s growing economic and military power is a direct threat to the United States’ own power and position in the international community. Khalid al-Rodhan writes that “China is assumed to have the ambition of being a hegemonic power and challenger of the United States, not only in Northeast Asia but also in other regions.”¹² For example, John Mearsheimer, a proponent of the China threat theory, argues that as China’s power and position grows, it inevitably will want to push the United States out of Asia all together. In return, the United States and China’s neighbors will resist such a regional power shift possibly leading China and the U.S. down a dangerous path.¹³ Yet, assuming this outcome as a foregone conclusion is premature. As the previous chapter illustrates, China still faces several serious problems of its own that impede sustained economic and military growth, thus national power and power projection. Furthermore, Beijing’s intentions are not known for certain and ambition does not necessarily equal threat.¹⁴


While exploring all possible outcomes is essential for U.S. policymakers, accepting one theory at the exclusion of others, particularly in regards to the PRC, is problematic. The closed and complex nature of the CCP prevents both Sinologists and U.S. policymakers from having a real sense of China’s intentions and plans.

Therefore, Americans must recognize that the frequent raising of the China threat theory by Western press, academics, and policymakers only antagonizes anti-American nationalist reactions in China. Yet, according to Robert Hathaway “the American political system is tilted in favor of the alarmists.” For example, in 2005, while commenting on China’s military growth, the Secretary of Defense Donald Rumsfeld remarked, “The People's Republic of China is a country that we hope and pray enters the civilized world in an orderly way without the grinding of gears and that they become a constructive force in that part of the world and a player in the global environment that's constructive.” While the Pentagon tried to backtrack on the statement, such remarks do nothing to further Sino-American relations. In fact, it just reinforces Chinese nationalist beliefs of an imperialist United States that looks down on China. In fact, it appears that U.S. policymakers often are quick to point out China’s negatives while not recognizing the positives. In an op-ed criticizing Rumsfeld’s careless remark, H.D.S. Greenway referenced Congressional testimony by CIA Director Porter Goss regarding China’s military buildup and observed that Goss “left out any conciliatory remarks about China’s

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help against terrorism, its help with North Korea, and its continuing use of peaceful economic means to extend its influence…”17 In addition to government promulgation of the threat theory, U.S. non-government entities encourage such thinking as well. A striking example occurred during the U.S. 2010 mid-term elections when a U.S. non-profit organization, Citizens Against Government Waste, ran a blatant and fear provoking anti-Chinese political advertisement on American televisions. The ad depicts a sterile but high-tech, drab and simple classroom where a foreboding professor is explaining to Chinese students how the U.S. fell from power. Its fall is blamed on “massive stimulus spending and tax increases; government takeover of industry and major changes to the health care system.” The professor praises both China’s success and avoidance of such a fate.18 Not surprisingly, the ad was not received well in China and does little to help Sino-American relations. Thus, such attitudes focusing on the negative beliefs about China only add fuel to Chinese anti-U.S. nationalism. As a result, the U.S. may lose the goodwill and trust it needs in Beijing to compromise and work on serious global matters.

U.S. policymakers can hedge against a rising China but they should do so quietly. By raising a warning flag every time the PRC acts, they are only antagonizing U.S.-China relations. As such, the China threat theory could become a “self-fulfilling prophecy.”

Expanding on China threat theory concerns, al-Rodhan comments that “arm waving by policy makers in Washington can force China to militarize its intentions, even if they


were benign, which could lead to enhancing the tensions…”

Influenced by nationalist sentiment, Beijing believes in its right to prosperity and power and resents the China threat theory. For example, during an August 2011 visit to China by U.S. Vice-President Joe Biden, the PRC Vice-President Xi Jinping cautioned Washington against seeing China’s rise as a threat. Rather, he urged the United States policymakers to “look at China objectively and rationally.” Therefore, by pursuing a hard-line policy based on fears of China’s rise, Washington may actually be encouraging a more assertive Beijing that may feel it needs to pursue more power to ensure its continued success and to satisfy Chinese nationalists. However, there are positive signs that U.S. elected officials recognize the futility of taking a hard, China-threat policy. While still having serious issues to address with Beijing, President Obama largely has tried a policy of diplomacy and engagement. For example, when Hu Jintao visited the U.S. in January 2011, President Obama embraced engagement and shared a private dinner with Hu and close advisors at the White House. This allowed for the discussion of serious issues rather than just a state dinner where there is more pageantry than dialogue.

As noted, there are real and serious problems between Beijing and Washington such as U.S. allegations of Chinese cyber attacks and intellectual property rights violations. The United States should not minimize these issues with China at the sake of appeasing Chinese nationalism, but American policymakers must use a measured and thought-out

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approach to address their concerns, while considering U.S. public opinion, without needlessly antagonizing Chinese nationalists, which could hinder real progress. Simply provoking Americans’ fear of and anger towards China, and vice versa, is not a productive policy. Put simply, presentation matters to U.S.-China relations. Peter Hays Gries states it this way, “how the Chinese public perceives American words and deeds…has a major impact on the direction of Chinese nationalism and Chinese foreign policy in the twenty-first century.” As it often is said, appearance is everything and this is particularly true in U.S.-China relations.

As illustrated in Chapter 2, appearance for China translates into ideas of national face. U.S. policymakers can not disregard the importance China places on upholding its face, especially in relation to the West. If China feels that the United States is a threat to its face, the risk is that anti-American Chinese nationalism will rise and Beijing will be less cooperative. Therefore, U.S. communications with China play an important part in China’s commitment to the global system. Both what is communicated and how it is communicated by Washington to Beijing is critical in minimizing needless and non-productive anti-American Chinese nationalist responses, which Beijing is compelled to address. As has been established, entrenched in the Chinese national identity is a strong aversion to manipulation. So successfully addressing U.S. concerns with China requires

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22 Gries, “Nationalism and Chinese Foreign Policy,” 115.


that Washington first must treat China as an equal.\textsuperscript{25} Gries observes that the United States “should not arrogantly assume that the West can mold China as it pleases.” He continues by warning that “if China is not accorded the respect it deserves, China’s nationalists will only respond with a knee-jerk ‘No!’.”\textsuperscript{26} China is a proud nation steeped in history and tradition with a deep desire to be a valued member of the international community. Therefore, establishing and communicating policies that treat Beijing as an equal is of utmost important to the U.S.-China bilateral relationship. This extends to other forms of U.S. communication as well.

Washington’s informal communications also can greatly impact Sino-American relations. For example, while not under the U.S. foreign policy purview, Western media plays an important role in U.S.-China relations. Often it seems that the media promotes negative views of China by highlighting the deep divides between the U.S. and China often at the exclusion of any progress between the two nations. According to Lichao He, in China “the Western media represents the prevalent Western view about the rise of China, a view deeply rooted in ideological prejudice and the fear that China is challenging the world order that used to be dominated by the West.”\textsuperscript{27} As such, modern U.S.-China relations have been impacted by U.S. media, which has at times made U.S.-China tensions worse. Sutter warns U.S. policymakers against being “misled by prevailing media and scholarly assessments that exaggerate China’s influence in Asia.

\textsuperscript{25} Gries, ‘A “China Threat?”’ 71.

\textsuperscript{26} Ibid., 72.

relative to that of the United States.” Recognizing that Washington can not control the media’s perception of China’s place in the global system, U.S. policymakers nonetheless need to be cognitive that their statements regarding China likely are widely broadcast impacting both American and Chinese views of one another.

An example of the impact of informal communication presented itself prior to the 2008 Olympics in Beijing. A Chinese government crackdown of Tibetan protests in the months leading up to the Olympics created global outrage towards what many saw as China’s human rights violations. In addition, many global leaders believed that Beijing should be speaking against the killings in Darfur, Sudan due to the country’s deep commercial involvement in the region. Subsequently, there were calls for countries to boycott the Beijing Opening Ceremony including requests by Senator Hillary Clinton and Congresswoman Nancy Pelosi for President Bush to boycott as well. While well-meaning, such political posturing is received negatively in China. The Chinese hosting of the Olympic Games was viewed with great nationalistic pride. For the Chinese, it was evidence that China finally was getting the respect and recognition it deserved. Therefore, any boycotts in the name of human rights would have little impact on China’s actions. Rather, they would just stir up anti-Western and anti-American sentiment as did

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the anti-China media coverage of Tibet and Sudan. Without an understanding of Chinese nationalism, U.S. policymakers in this circumstance, during an election year no less, made politically popular, anti-Beijing remarks that did little to actually address the human rights violations or strengthen U.S.-China relations.

Yet, another instance of careless U.S. communication with China came in the form of U.S. arms sales to Taiwan just prior to the October 2009 sixtieth anniversary of the PRC. According to Sutter, this event “was seen by some Chinese officials and other observers as a focal point of nationalistic Chinese sentiment…”31 Despite heightened Chinese nationalism and warnings from Beijing, the U.S. continued with arms sales prior to the celebration setting off months of renewed U.S.-China tensions culminating in a suspension of military exchanges between the countries.32 In one respect, the heightened Chinese nationalism, including popular nationalism, at this time, left Beijing with little choice but to strike back, therefore Washington should not have been surprised by the response.33 Obviously, U.S. arms sales to Taiwan have not been and never will be acceptable to China, but the timing of these particular sales only made the usual tensions over the U.S.-Taiwan relationship worse. Therefore, U.S. policymakers need to carefully plan their timing when communicating with Beijing, and only choosing to risk enflaming Chinese nationalism when it is deemed absolutely necessary. To do otherwise, needlessly negatively impacts U.S.-China relations.


So how should Washington communicate with China in light of these instances? One way the United States already is trying to avoid miscommunications, while both maintaining Chinese face and addressing mutual interests and concerns, is through more than sixty U.S.-China diplomatic dialogues.\textsuperscript{34} These issue-specific groups allow Washington and Beijing to address differences in a private and respectful way. Furthermore, the dialogues allow U.S. and Chinese government counterparts to form and maintain close relationships. Yet, while such dialogues are important, more is needed to give Beijing both the respect it desires and the motivation it needs to meet international norms. Effective and thoughtful communications with China, including continued bilateral dialogues, need to be in tandem with China being given “a greater stake in the world order,” according to Gries.\textsuperscript{35} Encouraging the PRC to act as a responsible global stakeholder is achieved by promoting and reinforcing China’s participation in international institutions, such as the World Bank, International Monetary Fund, WTO, and the United Nations. Despite their flaws, these institutions both obligate and encourage global responsibility while promoting international norms. After all, as Will Hutton observes, the institutions, “may be better than nothing; they may be subjected to unrealistic criticism; but at least they have kept the show running so far.”\textsuperscript{36} A China committed to participation in these institutions is more likely to result in friendlier U.S.-China relations.

\textsuperscript{34} Sutter, \textit{U.S.-Chinese Relations: Perilous Past, Pragmatic Present}, 2.

\textsuperscript{35} Gries, ‘A “China Threat?”’ 71.

\textsuperscript{36} Will Hutton, \textit{The Writing on the Wall: Why We Must Embrace China as a Partner or Face It as an Enemy} (New York, NY: Free Press, 2006), 324.
The importance of such participation is evident considering China’s increasing assistance and cooperation with, what the West considers, “problematic countries,” such as Zimbabwe, Sudan, Myanmar and Yemen.\(^37\) As a result of China’s strategic use of “soft power,” the United States has been excluded from important Asian regional groups like the East Asia Summit and the Shanghai Cooperation Organization.\(^38\) At the same time, China seeks greater global cultural influence both by establishing hundreds of cultural centers, called Confucius Institutes, in various countries and by promoting study abroad programs in China. In response, the U.S. must uphold its democratic model and behavior as one to emulate.\(^39\) This is done through maintaining the effectiveness and reputation of both U.S. domestic institutions and Western democratic international organizations. G. John Ikenberry explains this approach in the following:

The first thing the United States must do is reestablish itself as the foremost supporter of the global system of governance that underpins the Western order. Doing so will first of all facilitate the kind of collective problem solving that makes all countries better off. At the same time, when other countries see the United States using its power to strengthen existing rules and institutions, that power is rendered more legitimate -- and U.S. authority is strengthened. Countries within the West become more inclined to work with, rather than resist, U.S. power, which reinforces the centrality and dominance of the West itself.\(^40\)


\(^38\) “U.S., Russia join East Asia Summit from 2011+,” Breitbart, October 30, 2010, http://www.breitbart.com/article.php?id=D9J5RCJ00&show_article=1 (accessed October 12, 2011). However, in an effort to further engage China and the region, the U.S. was finally invited to join the East Asia Summit in 2010.

\(^39\) Follath, “China’s Soft Power.”

Of course, China’s full cooperation in such organizations will not come easily. Qin Yaqing notes that while China can readily accept the ideas of “sovereignty, diplomacy, and balance of power” embedded in these institutions, Beijing will not easily accept the “value-oriented institutions” centered on Western ideas about democracy and human rights. This is due to the fact that “the former can be taken by a calculation of interest while the latter goes to the more fundamental question of identity.” Moreover, the lack of continuity in the United States’ China policies due to changing U.S. administrations further impedes progress. Yet, relations can improve as was seen in the Nixon/Carter era to present day. Therefore, U.S. policymakers need to focus on areas where they know China is more likely to be cooperative and find other avenues to persuade and motivate compromise on the more difficult issues. At the same time, the United States needs to show committed leadership within the international organizations. In this context, the U.S. cannot expect any country, let alone China, to accept the values and norms of the institutions if Washington does not do the same.

Although Chinese nationalism is influenced by many things including international events and relationships with other nations, it cannot always be managed by outside forces, including the United States. It has proven to be a powerful force impacting both Chinese domestic and foreign policies. In addition, modern times have brought a new dimension to Chinese nationalism with independent Chinese popular voices and not just the government directing it. In fact, modern Chinese nationalism is a combination of the

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42 Ibid.
both official and popular nationalism. Therefore, U.S. policymakers must recognize this and not misjudge nationalism or its power among the Chinese people. Yet, Americans, including U.S. policymakers, seem to be divided on how to view China with many embracing China, often to the point of over-looking serious issues between the powers, and many vilifying China as seeking the United State’s demise.43 Rather, U.S. policymakers must take a more balanced view that embraces the positive efforts by China and focuses on “broad, long-term goals” and carefully calculates how to address the more “politically sensitive short-term issues,” which tend to needlessly provoke Chinese nationalism.44 The danger for the United States in dismissing or underestimating Chinese nationalism is that when inevitable differences occur between the two countries, Washington could miscalculate Chinese intentions and reactions and in turn implement responses and policies that are detrimental to U.S.-China relations. Considering the limits of American influence in China, U.S. policymakers must recognize what battles are worth igniting Chinese nationalism and which ones are not. Fundamentally, U.S. policymakers must take upon themselves the difficult task of balancing American values and goals with a realistic assessment of the possibilities and limitations of influencing Chinese policy. The importance of this task is immense as Zhiquan Zhu articulates in the following:

The Sino-American relationship is no longer just of bilateral significance. It now has deep regional and global implications. Good relations between the world’s only superpower and the largest rising power are absolutely essential for maintaining

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44 Ibid., 28.
global peace and prosperity in the twenty-first century. China and the United States have no alternative but to co-operate towards this end.\textsuperscript{45}

The United States cannot afford to have inconsistent and reactive foreign policies towards China. The stakes are too high for both the U.S. and the world. The force of Chinese nationalism can be great and the United States must be prepared to effectively handle it to the best of its ability. U.S. policymakers need to educate themselves about China and its nationalism and then formulate realistic China policies that are not simply based on fear and misunderstandings. Only then can the United States hope to have a cooperative and respectful relationship with China where both sides can effectively cooperate and address their inevitable differences without resorting to unnecessary tensions.

\textsuperscript{45} Zhu, ‘China and the United States,’ 28.
Figure 1. Taiwanese people’s stance on unification-independence issue

Figure 2. Taiwanese people’s stance on unification-independence issue continued
China Becoming More Powerful Economically/Militarily

“Positive” vs “Negative,” Average of 18 Tracking Countries*
2005–2011

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<th>Positive</th>
<th>Negative</th>
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<td>More powerful</td>
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<td>economically</td>
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<td>More powerful</td>
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<td>2011</td>
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The white space in this chart represents “Neither positive or negative,” and “DK/NA.”

Asked of half of sample
*Tracking countries include Australia, Brazil, Canada, France, Germany, India, Indonesia, Italy, Japan, Mexico, the Philippines, Russia, South Africa, South Korea, Spain, Turkey, the United Kingdom, and the USA.

Figure 3. China Becoming More Powerful Economically/Militarily
Economic Relations with China, USA, and EU: Now and in Ten Years

“Important” vs “Not Important,”* Average of 26 countries**

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<tr>
<th></th>
<th>Important (6–10)</th>
<th>Neutral (5)</th>
<th>Not important (0–4)</th>
<th>Average importance score</th>
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<td>USA</td>
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<td>Now</td>
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<td>Now</td>
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<td>In ten years</td>
<td>74</td>
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*On a scale from 0 to 10 where 0 is “Not important at all,” and 10 is “Very important”

**Americans were not asked the USA question, and Chinese were not asked the China question; the averages for these questions are therefore based on 25 countries. The white space in this chart represents “Depends,” “None/nothing,” and “DK/NA.” Not asked in Japan

Figure 4. Economic Relations with China, USA, and EU: Now and in Ten Years
Figure 5. China’s rapid growth since 1990

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Figure 6. Chinese high-net-worth individuals’ reasons for investment immigration
Figure 7. The top 20 countries ranked by global military expenditure in 2007, in millions of constant 2005 US dollars.\(^2\)


Lam, Willy. “Is China Afraid of Its Own People?” *foreignpolicy.com*, September 28, 2010,


World Trade Organization. “Understanding the WTO.”


